

Workgroup Budget Ideas

Proposals: In-Home Supported Services (IHSS)

Regional centers will be prohibited from purchasing personal care services for consumers who are Medi-Cal beneficiaries. All Supported Living Service (SLS) Agencies will be required to assist a consumer to apply for IHSS within five days of moving into a Supported Living arrangement. That component of the SLS rate that covers personal care services provided during the lag period for IHSS approval shall not exceed the IHSS standard rate. By April 1, 2010, DDS will collaborate with CDSS to develop processes to allow: 1) preliminary assessment for IHSS services to be conducted in CDSS and CDPH licensed facilities and the family home; and 2) reimbursement for regional center costs for personal care services provided during the lag period (time between IHSS application to approval).

Background Information on Program Area:

IHSS is a Medi-Cal service that enables a program recipient to hire an individual who provides in home supports, including domestic services. Among the recipients served by the IHSS program are individuals with development disabilities eligible to receive services from regional centers as described in the Lanterman Act. It is estimated that 10,909 regional center consumers currently receive IHSS Services.

From the time a consumer applies for IHSS services to the time their application is approved; domestic personal care services are purchased through regional center funding in order for consumers to maintain living in a supported living arrangement. The amount of time between application to approval (lag period) varies from one to three months. Reimbursements for these services should be made from the IHSS program at the local county level.

Currently, during this lag period, the State is paying a higher rate to the SLS provider (and not benefiting from the county share of cost) than it would if the consumer were enrolled in IHSS. Payment for these services for the lag period to regional centers is at issue. California Department of Social Services' (DSS) policy is that county IHSS offices will reimburse only "out of pocket expenses" incurred in this period, referring to what is paid directly by the consumer for "like" services. In actuality, the consumer does not pay out of pocket for services due to California's service delivery model with funding for all services coming through the regional center. This results in regional centers not getting reimbursed for the waiting period.

To remedy this structural discrepancy, DDS proposes that "like services" during consumers' eligibility waiting periods should only be paid at the local *IHSS rate* for the support their staff provides, not the SLS rate, until a consumer's IHSS eligibility is finally determined.

Further, DDS estimates that a small number of consumers do not apply for IHSS. This is because of either the potential for a share of cost or because of the additional

responsibility of being an IHSS employer. This proposal would prohibit regional centers from paying for services that are the responsibility of IHSS. A hardship exemption process would be developed.

Please check box if proposal requires:

- Trailer bill language
- Regulation change
- Waiver amendment/New waiver

Pros:

- Recoup costs in RC POS (see fiscal).

Cons:

- Once receiving IHSS, consumer may have to pay share of cost.

Fiscal :

2009/10 Savings \$1.9 million TF (\$1.3 million GF)
Annual Savings \$1.9 million TF (\$1.3 million GF)

Assumptions:

1. SLS-related Medicaid Waiver eligible funding estimates are based on 67% of SLS costs are billable to the HCBS Waiver and the fund split is 50/50.
2. California Department of Social Services, all IHSS-related Medicaid Waiver eligible funding estimates are based on budget methodology contained in the 2008-09 May Revision FFP/GF/County split of 50% / 32.5% / 17.5%.
3. Average number of IHSS hours received by a consumer in SLS is 160, per month (based on data match with CDSS).
4. Average SLS rate is \$27.26, per hour, based on the median rate on July 1, 2008.
5. Average IHSS rate, statewide, is \$11.22, based on CDSS report to DDS.
6. Approximately 20 consumers do not apply for IHSS.
 - a. Net GF Savings = \$6,284 per month.
7. Approximately 375 new SLS consumers annually for whom the rate for personal care services will be paid at \$11.22/hour, in lieu of \$27.26/hour, for 160 hours, per month.

<u>DDS pays @ \$27.26/hr</u>	<u>DDS pays @ \$11.22/hr</u>
FFP (50%) = \$547,926/month	FFP (50%) = \$225,522/month
<u>DDS GF (50%) = \$1,087,674/month</u>	<u>DDS GF (50%) = \$447,678/month</u>
Ttl avail funds = \$1,635,600/month	Ttl avail funds = \$673,200/month

- Total Net DDS GF Savings =

\$1,087,674/month
<u>- \$447,678/month</u>
\$639,996 /month

- b. Assume average of two months of lag between application and receipt of IHSS services.