Assembly Human Services Committee Overview of Major Issue Areas (2011-2012)*

CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs)

As of August 2012, 563,347 California families¹ relied on CalWORKs, the state's Temporary Assistance for Needy Families (TANF) welfare-to-work program. CalWORKs provides monthly income assistance and employment-related services aimed at moving children out of poverty and helping families meet basic needs and become self-sufficient. The State Department of Social Services (DSS) administers the program at the state level, and county welfare departments administer it locally. CalWORKs is funded by the federal TANF block grant, state General Fund dollars, and county funds, and the program's combined federal, state, and local 2011-12 budget was \$5.8 billion.

Generally, adults are limited to a total of 48 months of CalWORKs cash assistance (this time limit was reduced from 60 months in 2011). If a family has not entirely left aid by the end of the parent's time limit, the children may qualify for "safety net assistance" until they reach age 18. Some families qualify for hardship exceptions or extensions to the limit if they are disabled, of advanced age, or have been unable to engage in employment because of domestic abuse or care for a disabled family member.

There are three basic categories of CalWORKs families: single parent, two-parent, and "child only." More than half of CalWORKs cases only provide assistance for children; adults in those households are unaided due to receipt of Supplemental Security Income, status as a legal guardian or relative, a previous felony drug conviction, immigration status, lifetime limits on aid, or sanction status for not meeting program requirements. The average monthly grant for a typical family of three in the program (one parent and two children) is about \$471 per month (up to a maximum of \$638 for a family of three in a high-cost county). The maximum grant for a household with two children and no aided adult is \$516 per month.

Just under half of the CalWORKs cases include aided adults, in addition to children, and about 70% of those aided adult parents are required to participate in welfare-to-work activities designed to lead to employment and self-sufficiency. About half of adult CalWORKs recipients are employed at least part-time. Some work-eligible adults also participate in job search, vocational training, education, or services such as mental health, domestic violence prevention or substance treatment to facilitate finding sustainable employment. An adult participating in welfare-to-work can receive supportive services, such as child care, to help him or her meet work requirements.

Programmatic Change Tied to the Budget

The 2012-13 budget included trailer bill language that reduces the number of months an aided adult can receive welfare-to-work services under current state work requirements from 48 months to 24 months. In order for work-eligible adults to receive aid for the full 48-month lifetime limit, he or she

¹ http://www.cdss.ca.gov/research/res/pdf/caltrends/CA237Caseload.pdf

will need to meet federal work participation requirements, which are more limited than state requirements, for at least 24 of those 48 months.

CHILD CARE

This Committee shares jurisdiction over child care issues with the Assembly Education Committee; although, much of the policy changes affecting this area have and continue to be carried out through the budget process. This Committee is responsible for the licensing of child day care facilities and Stage One Child Care.

Care is provided to children in families currently or previously receiving support through the California Work Opportunity and Responsibility to Kids Program (CalWORKs), the state's welfare-to-work program, as well as to other low-income working families subject to available resources. The state spends a total of \$3.1 billion on child care. Of that amount, \$1.4 billion are federal funds from the Temporary Assistance for Needy Families (TANF) and the Child Care and Development block grants. An estimated 200,000 eligible children go unserved and are on waiting lists because of a shortage of child care resources.

State administration

The state's child care system has a dual purpose: caring for children while their parents work and enhancing their developmental potential as they prepare for and attend school. Two state departments administer child care programs: the CDE (responsible for more than 2/3 of the funds) and the Department of Social Services (responsible for administering the first stage of child care for CalWORKs recipients).

Families are eligible for subsidized care when their incomes are lower than 75% of the State Median Income (SMI). For families whose incomes are above 44% of SMI, a graduated schedule of family fees applies, up to 8% of gross income.

Reimbursement rates

Rates to providers, paid through Alternative Payment Programs, are based upon a Regional Market Rate (RMR), up to the 85th percentile of cost of equivalent care based on surveys of private providers in every region. Child care centers contracting with the CDE are paid a single Standard Reimbursement Rate (SRR), which is adjusted for infants and toddlers, children with exceptional needs or disabilities, children at risk of abuse or neglect, and children with limited English proficiency.

CalWORKs child care

More than half of the total cost of subsidized child care is spent for current or former recipients of CalWORKs. Delivery of care for this population is provided through a three-stage process. Stages One and Two are statutory entitlements. In Stage One, CalWORKs applicants and recipients are provided care early in their welfare-to-work activities before their care situation becomes stabilized. In Stage Two, current and former recipients are guaranteed care while they continue to participate and for two years after they leave aid. Stage Three care is not a statutory entitlement but has been provided since CalWORKs began, covering families after Stage Two until they no longer need care or exceed the general subsidized care income eligibility limits.

Subsidized child care

Child care and development services for low-income families, whether they are recipients of CalWORKs or not, are provided by a variety of entities. Child care centers and large and small family day care homes, which contract directly with CDE, must meet established educational standards enforced by CDE (known as "Title 5" programs) and health and safety standards enforced by the DSS (known as "Title 22" programs). There is also specialized care such as migrant care, and informal license-exempt care provided by relatives or for a single child. Alternative Payment Programs administer voucher payments, and Resource and Referral agencies help families find appropriate care, provide education for the community, and provide training and support for providers.

Programmatic Change Tied to the Budget

This year's budget did not include the Governor's proposal to prepare and then re-align all state child care programs, except for state preschool, from the CDE to the DSS. Although proposed, the Legislature denied this substantial shift of child care services from one agency to another. However, the Legislature did approve an across the board funding cut for all General Fund supported child care programs: General Child Care, Migrant Day Care, Alternative Payment Program, CalWORKs Stage 3, and Allowance for the Handicapped. This reduction will generate \$80 million in non-Proposition 98 General Fund savings. It also froze cost of living adjustments until 2014-15 for all state funded child care and development programs.

CHILD WELFARE SERVICES/FOSTER CARE

The child welfare system in California is made up of public and private agencies, institutions, and programs responsible for responding to the nearly 500,000 reports of suspected child abuse and neglect filed each year by concerned professionals and community members. These organizations provide services to children who are victims of abuse or neglect or who are at risk of becoming victims of abuse of neglect.

After a concerned individual reports an allegation of abuse or neglect, a county social worker determines if an investigation needs to occur and how quickly. An investigation may end the intervention, or it may begin the family's further involvement in the child welfare system. Whenever possible, families are provided with assistance and services so that their children may safely remain in or return to their home. In some cases of imminent risk of harm to the child, temporary or permanent removal from the home is necessary. In July 2012, approximately 60,000 children in California were living in out-of-home placements or foster care after being removed from their homes as a result of abuse, neglect, or involvement in the juvenile justice system.² Due to efforts aimed at reducing the length of stay for children in foster care, and moving toward permanent placements more quickly, California has managed to decrease its overall foster care caseload by 10% over the past ten years despite a growth in the overall number of children in the state.

²Needell, B., Webster, D., Armijo, M., Lee, S., Dawson, W., Magruder, J., Exel, M., Cuccaro-Alamin, S., Putnam-Hornstein, E., Williams, D., Yee, H., Hightower, L., Lou, C., Peng, C., King, B.,& Henry, C. (2012). *Child Welfare Services Reports for California*. Retrieved 11/2/2012, from University of California at Berkeley Center for Social Services Research website. URL: http://cssr.berkeley.edu/ucb_childwelfare.

The DSS is the principal entity responsible for the state's child welfare system, although each of the state's 58 counties administers its own child welfare program. Federal and state laws provide the framework for child welfare services, which are funded through a combination of federal, state, and county resources. Federal funding is generally available in cases where a child's parents have incomes below specified levels, which applies to approximately 75% of children in foster care.

Foster care is intended to provide children with temporary out-of-home placements until they can safely return home or be permanently placed with relatives or other committed adults. Placement options vary, and as of January 2012, foster children were placed with foster family homes (9%), foster family agencies (26%), kin (33%), group home providers (10%), or in other living arrangements.

Programmatic Changes Tied to the Budget

After \$1.6 billion in state funding for the Child Welfare Services (CWS), foster care, and adoptions programs was realigned to the counties in the 2011-12 Budget Act, Legislators approved trailer bill language to implement the programmatic realignment as a part of the 2012-13 budget. Because the realignment of CWS provided for additional local control over program expenditures, the trailer bill included new outcomes and fiscal reporting requirements for DSS. Additional trailer bill changes included extending the moratorium on licensure of new group homes or changes to existing licenses, with some exceptions, and providing transitional services to non-minor dependents to prevent gaps in the services available to them.

COMMUNITY CARE LICENSING

The Community Care Licensing Division (CCLD) of the Department of Social Services is responsible for the regulatory and licensing activities related to residential and non-residential programs. CCLD is charged with providing preventative and protective services to people in "community care facilities"; 24-hour senior, adult, and child residential care homes as well as non-residential programs (e.g., child care centers and adult day programs). Health facilities—such as skilled nursing facilities, intermediate care facilities, congregate living health facilities, and adult day health centers/community based adult services—are licensed by the Department of Public Health. According to CCLD statistics, as of November, 2012, there were just under 78,000 residential and non-residential programs licensed by CCLD, serving about 1.4 million children and adults.

Prior to 2003, the CCLD was required to visit every facility licensed under the Community Care Licensing Act annually. However, due to declining revenues and the ongoing budget deficit, the state changed the frequency by which the CCLD must visit each licensed facility from annually to once every five years.

CCLD also oversees the criminal background check and administrator certifications conducted to ensure the eligibility of community care providers and their employees. CCLD is responsible for ensuring that licensed homes meet all necessary fire safety requirements and obtaining health screening reports from physicians to verify that the applicant and personnel are capable of performing assigned tasks. In addition, CCLD reviews financial plans and conducts pre-

licensing visits to ensure that the home is in compliance with laws and is ready to begin operation. CCLD also oversees compliance, responds to filed complaints, and administers corrective action when a home fails to adequately protect the health and safety of its occupants.

DEVELOPMENTAL DISABILITIES

The Lanterman Developmental Disabilities Services Act (Lanterman Act; Welfare & Institutions Code § 4500 *et seq.*) guides the provision of services and supports for Californian's with developmental disabilities³. Each individual under the Act (or "consumer") is legally entitled to "treatment and habilitation services and supports in the least restrictive environment." W&I Code § 4502. Lanterman Act services are designed to enable all consumers to live more independent and productive lives in the community.

Direct responsibility for implementation of the Lanterman Act service system is shared by the Department of Developmental Services (DDS) and 21 Regional Centers (RCs). RCs are private nonprofit entities established pursuant to the Lanterman Act that contract with DDS to carry out many of the state's responsibilities under the Act. The main roles of RCs include intake and assessment, individualized program plan development, case management, and securing services through generic agencies (e.g., school districts, In-Home Supportive Services) or by purchasing services provided by vendors. RCs also share primary responsibility with local education agencies for provision of early intervention services under the California Early Intervention Services Act (eg: Early Start Program). The Regional Center caseload includes just over 250,000 consumers⁴ who receive services such as respite care, transportation, day treatment programs, residential placements, supported living services, work support programs, and various social and therapeutic activities.

Services provided to people with developmental disabilities are determined through an individual planning process. Under this process, planning teams—which include, among others, the consumer, his or her legally authorized representative, and one or more Regional Center representatives—jointly prepare an Individual Program Plan (IPP) based on the consumer's needs and choices. The Lanterman Act requires that the IPP promote community integration and maximize opportunities for each consumer to develop relationships, be part of community life, increase control over his or her life, and acquire increasingly positive roles in the community. The IPP must give the highest preference to those services and supports that allow minors to live with their families and adults to live as independently as possible in the community.

³ The term "developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. It includes mental retardation, cerebral palsy, epilepsy, and autism. It also includes disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation. Welf. & Inst. Code § 4512(a). Other Developmental Disabilities are those handicapping conditions similar to mental retardation that require treatment (i.e., care and management) similar to that required by individuals with mental retardation. This does not include handicapping conditions that are solely psychiatric or physical in nature. The handicapping conditions must occur before age 18, result in a substantial handicap, be likely to continue indefinitely, and involve brain damage or dysfunction. Examples of conditions might include intracranial neoplasms, degenerative brain disease or brain damage associated with accidents.

⁴ This caseload number includes the Developmental Center population. Diagnostic and demographic information about the population served by regional centers is available on the DDS website: http://www.dds.ca.gov/FactsStats/Home.cfm.

Developmental Centers

Approximately 1,600 consumers reside at one of California's four Developmental Centers (DCs)—and one state-operated, specialized community facility—which provide 24-hour habilitation and medical and social treatment services. Over the years, DDS has engaged in conversations with the Legislature and consumer advocates about closure of the DCs, emphasizing the overarching goal of the Lanterman Act to provide appropriate services to individuals in the least restrictive setting possible. Some of the challenges that arise when a facility is slated for closure include questions about whether there are adequate community services and placement options, as well as family and/or consumer familiarity and comfort with placement in a developmental center (because new admissions have slowed, most DC residents have lived out a good portion of their lives in a facility). Currently, the Lanterman Developmental Center is undergoing closure, and 2012-13 Budget actions prioritized further reducing the DC population.

Programmatic Changes Tied to the Budget

The 2012-13 Developmental Services budget trailer bill contains a number of measures to reduce the DC population over time and ensure that any future placements are appropriate and necessary. These provisions include: significantly restricting the statutory criteria for admissions to DCs and providing for short-term acute crisis placements in DCs for up to six months, limiting the use of locked mental health facilities and out-of-state placements, and strengthening the capacity of the community to serve individuals with challenging needs (including expanded availability of Adult Residential Facilities for Persons with Special Health Care Needs and the creation of a statewide Specialized Resource Service). Trailer bill language also includes provisions ensuring that the comprehensive assessments and reports for consumers residing in DCs on July 1, 2012 include input from the regional center, the consumer, and the consumer's family, legal guardian, or conservator, when appropriate, and identify the types of community-based services and supports available to the consumer. The budget also included savings from fully implementing SB 946 (Steinberg/Evans), Chapter 650, Statutes of 2011, requiring health care insurers to provide coverage for behavioral health treatment for individuals with pervasive developmental disorders or autism.

FOOD ASSISTANCE

CalFresh

Today, 47 million Americans—over 14% of the population—are receiving Supplemental Nutritional Assistance Program (SNAP) benefits (formerly known as Food Stamps), a new record for the nation's premier anti-hunger program for the poor. In California, around four million persons are receiving CalFresh (California's SNAP Program), up from just over three million in 2010. Food banks in the state are also experiencing steep increases in the number of clients they serve.

CalFresh benefits, entirely funded by the federal government, are made available for food purchase monthly through an ATM-like electronic benefits transfer (EBT) card. To qualify, a person's income must meet both net and gross income tests, and resources, such as cash on hand, generally cannot exceed \$2,000, or \$3,000 for households in which there is a disabled or elderly household member. CalFresh, is administered locally by county welfare departments, and the federal, state, and county governments share in the cost of administration of the program

(50/35/15), contributing \$815 million, \$558 million, and \$226 million, respectively, in 2011-12⁵. By comparison, the total amount of federal dollars that directly benefitted CalFresh households in 2011-12 was \$7.2 billion.

On average, an individual receives \$150 and a household receives \$335 in benefits per month.

California Food Assistance Program

The California Food Assistance Program (CFAP) provides state-funded food stamps to legal immigrants ineligible for federal food stamps because of their immigration status. It is entirely funded by the state General Fund, costing a total of \$36.6 million⁶ to provide benefits to roughly 39,000 CFAP recipients in 2011-12.

Programmatic Changes Tied to the Budget

The 2012-13 budget included measures to streamline CalFresh program administration, including waiving the face-to-face interview requirement at recertification for households comprised of individuals who are aged or who have a disability and who do not have earnings, and other provisions to remove barriers to accessing benefits.

IN-HOME SUPPORTIVE SERVICES (IHSS)

IHSS is a county-administered program that serves around 440,000 individuals who are aged, blind, or disabled, statewide. Approximately 366,000 IHSS workers provide care for low-income individuals who are aged (65 and over), blind or disabled, living in their own homes (or are capable of doing so if IHSS services are provided), with income low enough to qualify for Supplemental Security Income/State Supplementary Program (SSI/SSP) benefits. Recipients must meet these eligibility requirements to receive personal care and domestic services through IHSS that allow them to remain safely in their own homes and avoid institutionalization. IHSS services include (1) Paramedical services such as giving medications and changing a colostomy bag; (2) Non-Medical Personal Care services such as toileting, dressing, transportation; (3) Domestic services such as housework, shopping for groceries and meal preparation; and (4) Protective supervision for those who, due to cognitive decline or dementia, cannot be left alone for extended periods.

County social workers determine eligibility for IHSS after conducting a standardized in-home assessment, and periodic reassessments, of an individual's ability to perform specified activities of daily living. Once eligible, recipients are responsible for hiring, firing, directing and supervising their own IHSS provider or providers. Prior to receiving payment for services, providers must submit to a criminal background check and a provider orientation. In approximately 72% of cases, IHSS recipients choose a family member to provide care (including roughly 45% of providers who are a spouse, child, or parent of the recipient). IHSS is funded with federal, state, and county resources.

Programmatic Changes Tied to the Budget

⁵ CDSS Local Assistance Binder Estimates, May Revise 2012, page 5, line 417

⁶ CDSS Local Assistance Binder Estimates, May Revise 2012, page 3, line 157

SB 1036 (Chapter 45, Statutes of 2012), a 2012-13 budget trailer bill, enacted changes to the administration of the IHSS program as a part of the Long-Term Services and Supports (LTSS) integration in the Duals Demonstration Project. The Demonstration Project seeks to enable individuals to receive a continuum of services that maximizes access to, and coordination of, benefits between the Medi-Cal and Medicare programs, including the continuum of LTSS and behavioral health services. As an LTSS component, IHSS will be a Medi-Cal service provided through managed care in counties participating in the Demonstration Project, no sooner than March 1, 2013. SB 1036 includes this shift to managed care in the demonstration counties along with language that preserves IHSS recipient rights and maintains the key social model components of the IHSS program. SB 1036 also authorizes the establishment of care coordination teams, with a recipient's consent, which would be comprised of health care and other service providers, and the formation of a stakeholder workgroup to develop a universal assessment tool for all homeand community-based services.

*The contents of this overview pertain to the 2011-12 Legislative Session and the 2012-13 Budget Act.