

LEGISLATION & PUBLIC INFORMATION UNIT 1831 K Street Sacramento, CA 95811-4114 Tel: (916) 504-5800 TTY: (800) 719-5798 Fax: (916) 504-5807 www.disabilityrightsca.org

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Contact: Deborah Doctor, Legislative Advocate 510-928-1768 Deborah.doctor@disabilityrightsca.org

The Governor's Budget Proposal: time is standing still for seniors and people with disabilities as critical services are not restored

Sacramento, January 15, 2014 -- When Governor Brown proposed his budget for 2014-2015, he said that "*California, more than any other state, provides a very generous amount of funding to help poor families under our Medi-Cal program - to take care of disabled and elderly people and often, in most cases, their relatives."*

His budget, by failing to restore cuts made over the last several years, says otherwise.

Low-income Californians who are elderly or have disabilities have borne the brunt of cuts to their income and their services year after year. As California's economy continues to improve, all Californians, particularly those who because of their age or disability rely on government services, should expect that critical services will be restored and the safety net mended.

Medi-Cal: Some adult dental services will be restored in May, but this budget does not complete that restoration, and does not restore audiology services, podiatric services, incontinence creams and washes, and speech therapy services.

SSI/SSP: These modest payments, available only to the poorest elderly and people with disabilities, were reduced to federal minimums in 2009 and

2011. The Governor's proposed budget does not restore the annual state cost of living adjustment (COLA) that was eliminated in 2009, or the SSI/SSP cuts enacted from 2009 to 2011. SSI/SSP grant levels are \$877 for individuals below the poverty threshold and \$1,478 per month for couples, to meet all expenses, including housing, utilities, transportation and food. According to a 2013 Kaiser Family Foundation study¹, using the Census Bureau's Supplemental Poverty Measure, **20% of California seniors live in poverty** – only the District of Columbia does worse.

In-Home Supportive Services (IHSS): This program allows 440,000 lowincome Californians to stay home safely and out of institutions, by providing low-cost personal and household care. Although California's revenues are projected to grow by 5.9% percent, IHSS recipients will continue to see their service hours cut 8% through June and 7% ongoing.

In-Home Supportive Services (IHSS): The federal government recently enacted new rules which require overtime to be paid for domestic workers, including IHSS workers. Instead of funding that requirement, the Governor proposes to ban overtime. This means for many IHSS consumers, the workers who know their needs the best and provide the most intimate and personal care will no longer be able to provide all of their services.

Two real-life examples:

Ellen, a single mother living in rural California, who is the sole caretaker for her son with significant intellectual disabilities, says: "The IHSS salary has provided a stable home for my son. If I can't work more than 160 hours, it will mean at least a \$1,000/month cut. We will have to move to a studio or trailer. It is unrealistic to expect an additional provider will be available because of our location, and my son could not accept strangers providing intimate personal care. The wait list for Section 8 housing is at least 8 years. It is impossible to get a second job (where I can bring my son along), and there are no other family members. Ultimately, he will likely be placed in a group home or institution because the cost of rent, car and health insurance, food, and basic necessities exceed the 160 hour cap on hours."

Michael, a San Diego veteran who has quadriplegia and complicated needs, has employed Joey, his live-in caregiver, for 27 years. Joey does

¹ http://kff.org/medicare/issue-brief/a-state-by-state-snapshot-of-poverty-among-seniors/

tasks which otherwise would have to be done by medical professionals at a much greater cost. Michael will have to find others to provide over 123 hours per month of this low-paid work, upon which his health and life depend. He reports great difficulty in finding replacement workers now; the demand for them will increase tremendously if current workers are barred from working more than 160 hours. According to Joey, "there are few who are willing to make so little, have no benefits, and do the heavy lifting, trach care, bowel and catheter care." Michael says: "The state must do the right thing & give the people who do this demanding and back breaking work the dignity & respect they deserve by funding overtime for direct care providers for the elderly, disabled & blind." If overtime is barred, Joey will lose 43% of her income, which now helps keep a roof over their heads.

Approximately 58,000 IHSS providers are currently paid for 160 or more hours a month, which is the trigger for overtime. The proposal means that they will all lose up to 43% of their incomes; income they need to keep roofs over their heads and food on the table; in many cases, that roof also shelters the IHSS consumer. Where will the consumers find the tens of thousands of new IHSS workers needed to keep these Californians safely at home and out of institutions?

All Californians should benefit from the better economic times. Governor Brown and the legislature should restore the cuts and fund IHSS overtime.