

# The SACHS CHRONICLE

Vol. VII, Spring 2004



## SACHS Retreat Dates 2004

Date: May 20-21, 2004  
Location: Lake Arrowhead Resort  
Topics: IHSS and Budget  
Special Audience: Aging/Adult Services Staff



SACHS Directors are encouraged to invite their Aging/Adult Services department heads to participate in the discussion on IHSS that will take place on the morning of Friday, May 20th.

Date: August 19-20, 2004  
Location: Embassy Suites, Mandalay Bay, Oxnard  
Guest: Will Lightbourne  
Topic: Critical Issues on the Horizon  
Special Audience: Executive Level Staff

Date: December 2-3, 2004\*  
Location: Embassy Suites, Santa Ana  
Topic: TBD at August Annual Planning Meeting  
Special Audience: TBD at August Annual Planning Meeting

*\*Note: rescheduled from 11/18-11/19 due to conflict with CWDA meeting.*

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Kathy Gallagher (Santa Barbara County) and Ang Doti (Orange County).

### COUNTIES:

IMPERIAL  
James Semmes (Chair),  
Director

LOS ANGELES  
Dr. David Sanders,  
Director  
Bryce Yokomizo,  
Director

ORANGE  
Angelo Doti,  
Director

RIVERSIDE  
Dennis Boyle (Vice-Chair),  
Director

SAN BERNARDINO  
Carol Anselmi, Asst. County  
Administrator

SAN DIEGO  
Jean Shepard,  
Acting Director

SANTA BARBARA  
Kathy Gallagher,  
Director

VENTURA  
Ted Myers,  
Director

### UNIVERSITIES:

SDSU SCHOOL OF SOCIAL  
WORK  
Dr. Anita Harbert,  
Director

CSU-SB  
DEPARTMENT OF  
SOCIAL WORK  
Dr. Teresa Morris,  
Director

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## Forced from Home: California's Budget Crisis and the IHSS Residual Program

Thirty years ago, the State of California established what was then considered a landmark program designed to support seniors and persons with disabilities to remain safely in their own homes with the assistance of visiting homecare workers. The 1973 In Home Supportive Services (IHSS) program provided individuals with a variety of domestic, personal care, and paramedical services enabling them to avoid premature institutionalization.

Today, the California IHSS program is the largest of its kind in the nation, with a state caseload of nearly 300,000. Significant program improvements have been won over the past decade, with state legislation now mandating the establishment of "public authorities" for IHSS services, providing for the unionization of the homecare workforce, greater state participation in provider wages and benefits, and improved services for the consumer. As California experiences the "longevity revolution," the IHSS caseload will only continue to grow as the demand for these lifesaving services matches the rapidly aging California population.

Until 1993, California's IHSS program was a state/county-funded program. Ten years ago, however, the State amended its Medicaid plan to include personal care services, such as assistance with bathing, toileting, dressing, changing medical dressings, intravenous injections, and getting in- and out- of-bed, as federally reimbursable costs. Now, the Personal Care Services (PCS) program covers the vast majority of IHSS consumers in the state. However, there were several categories of services that the federal government declined to reimburse at that time. These categories, "leftover" from the previous state-only program, became known as the IHSS Residual caseload.

There are currently about 75,000 Californians receiving services under the IHSS Residual program. The Residual program is 65% State-funded and 35% County-funded. As part of his solution to the State's fiscal crisis, Governor Arnold Schwarzenegger has recently proposed the elimination of the IHSS Residual program, along with cuts in services to other IHSS recipients. The clients targeted for elimination by the Governor's proposal include:

- severely disabled minor children who are being cared for by a parent;
- elderly or disabled adults who are being cared for by a spouse;
- elderly or disabled adults who are in need of domestic chore assistance only, such as cleaning, cooking, shopping, transportation to medical appointments in order to remain safely at home;
- severely disabled adults who receive "advanced pay" to hire care providers;
- elderly and disabled adults suffering from severe dementia in need of protective supervision.

Reductions in homecare services could literally force many recipients into institutional settings, at costs estimated to be 3 to 5 times higher than if they were able to remain in their own homes. The human costs of program cuts are harder to describe.

Governor Schwarzenegger's proposal to eliminate IHSS Residual payments could also have other dire consequences for the State. Enabling premature institutionalization could pave the way for a California legal challenge under the *Olmstead* Decision, the June 1999 U.S. Supreme Court ruling which established the "least restrictive environment" standard for persons

with disabilities. For qualified persons with disabilities, living in the community is a civil right.

Elimination of the IHSS Residual program is a classic penny-wise, pound-foolish course of action, one that will ultimately cost the state more money and leave the state open for litigation under *Olmstead*.

*"All of you may have experienced what it is like to have a young child with infant feedings. My daughter is a teenager but is still eating like an infant, talking like an infant, and is unable to care for herself. I am still potty-training her. I still feed her. I still bathe her. I still care for her.*

*I am a college graduate. I cannot find an IHSS worker to care for my daughter because she is so severely disabled. For me, respite means one night's sleep...that's what it means. I would also like to point out, that if I lose my respite, then my daughter will go to a state hospital that will cost this state \$200,000 a year. Right now, because she is home with me, it's \$14,000 a year.*  
--Lisa, the mother of a daughter with disabilities

Excerpted from Wormeli and Yamada, (2004). *Forced from Home: California's Budget Crisis and the IHSS Residual Program*. Mariko Yamada is a member of Yolo County's Board of Supervisors.

### Impact of Proposed Elimination of the IHSS Residual Program by SACHS County

County	Number of Cases Affected*
Imperial	1,137
Los Angeles	27,529
Orange	2,330
Riverside	2,939
San Bernardino	2,829
San Diego	5,532
Santa Barbara	442
Ventura	1,063
<b>SACHS Counties Total</b>	<b>(58% of State's Residual Caseload) 43,801</b>
<b>CALIFORNIA</b>	<b>74,995</b>

\*Based on IHSS Residual caseloads for April 2003 and projected for 2004-05.

Source: CBP analysis of Department of Social Services data.

Extrapolated from California's Budget Project, February 2004, *Budget Backgrounders: Making Dollars Make Sense*.

# Experts Disagree About Benefits of Child Welfare Privatization

Growing numbers of public child welfare agencies are entering into arrangements with private entities to provide services for children and families. However, experts do not always agree on the value of these efforts, in terms of cost savings, efficiency, and improved outcomes.

A 2003 study by the policy department of Children's Rights, *Privatization of Child Welfare Services: Challenges and Successes*, reveals mixed results. The study examines the strengths and weaknesses of privatization initiatives in Kansas, Florida (Sarasota County), Missouri, Ohio (Hamilton County), Michigan (Wayne County), and Maine. From these case studies, the authors cite a number of lessons learned:

- Public agencies should not expect cost savings from privatization.
- Greater efficiency will not be achieved simply because a private agency assumes responsibility for service provision.

- A "phased-in" approach to privatization (including broad-based community planning, pilot projects, and/or transitional contracts) is most successful.

A 2000 policy study by Reason Public Policy Institute (RPPI), *Child-Welfare Reform and the Role of Privatization*, on the other hand, cites the positive outcomes for children and families of privatization efforts in Kansas, Florida, Arizona, and other States. Some findings of the RPPI study include:

- Foster-care contractors in Kansas were meeting or exceeding outcome measures relating to protecting children's safety, limiting the number of moves, maintaining children within regional boundaries, and maintaining family and community ties for children.
- Participants in privatized, voluntary services for low-risk families in Arizona experienced very low levels of further substantiated incidents of

abuse, compared to similar families investigated by child protective services.

- A pilot program of privatized foster care and related services in Sarasota County, Florida, cut the length of stay in foster care from 20 months to 13 months, doubled the number of adoptions in a year from 20 to 40, and decreased the caseload per social worker from about 41 to 19.

A final copy of the Children's Rights study can be obtained by calling the Child Welfare League of America, at (202) 638-2952. More information about Children's Rights can be found on their Web site, [www.childrensrights.org](http://www.childrensrights.org).

Based on the findings reported above, it appears that cost savings may not always be realized by privatizing services, but service outcomes may be improved.

Two articles in the November 2002 edition of *Privatization Watch* ([www.rppi.org/privwatch.html](http://www.rppi.org/privwatch.html)), "Keys to Success in the Florida Child Welfare Privatization Effort" and "Kansas Shows How the Use of Data Can Improve Practice," focus on improving the effectiveness of privatization efforts through the use of outcomes-focused data, contract marketing and performance incentives, and strategies to reduce the foster care population.

Excerpted from the Children's Bureau Express, (March 2003), *Experts Disagree About Benefits of Child Welfare Privatization*.

## Links You Might be Interested In

The *Children's Bureau Express*, published by the US DHHS' Administration for Children and Families, provides top stories, research and promising practices pertaining to the delivery of health and human services. The March 2004 edition featured a story that shared Dr. Wade Horn's (Assistant Secretary for Children and Families) perspective on **TANF reauthorization** and the **President's Child Welfare Program Option proposal**, which would allow States to receive a capped Title IV-E entitlement that could be spent on services. [http://cbexpress.acf.hhs.gov/articles.cfm?article\\_id=776](http://cbexpress.acf.hhs.gov/articles.cfm?article_id=776).

Further, the March 2003 edition highlighted findings from a recent study examining the strengths and weaknesses of **child welfare privatization** initiatives in six states (see excerpt above). [http://cbexpress.acf.hhs.gov/articles.cfm?article\\_id=610](http://cbexpress.acf.hhs.gov/articles.cfm?article_id=610)

The *Future of Children's* website includes recent research and publications pertaining to children's well-being. The Winter 2004 *Future of Children* journal was dedicated to Children, Families, and Foster Care and included an article written by **Dr. Mark Testa** that discusses recent efforts to increase the number of children achieving **permanency through adoption and legal guardianship**. [http://www.futureofchildren.org/usr doc/tfoc1401\\_g.pdf](http://www.futureofchildren.org/usr/doc/tfoc1401_g.pdf)

*Child Trends* is a nonprofit, nonpartisan research organization dedicated to improving the lives of children by conducting research and providing science-based information to improve the decisions, programs, and policies that affect children and their families. [www.childtrends.org/](http://www.childtrends.org/)

The *California Institute for County Government (CICG)*'s website is a good resource for today's county news and county data, including financial, economic, and demographic profiles of California counties: <http://www.cicg.org/>

If you are interested in receiving a copy of any of the complete articles summarized in this newsletter, please contact Jennifer Tucker-Tatlow [jttatlow@projects.sdsu.edu](mailto:jttatlow@projects.sdsu.edu).



Jo Weber (Riverside), Carol Anslemi (San Bernardino) and Tom Packard (SDSU School of Social Work).