

# AGING STRATEGIC ALIGNMENT PROJECT

## State Profile for

# CALIFORNIA

## Home- and Community-based Services for Older Adults and Adults with Physical Disabilities

### Background

- California's 60+ population was 5,728,021 in 2008 (15.6 % of the state's total population), with 8.2% below the federal poverty level.<sup>1</sup>
- The 60+ population is projected to be 9,706,019 in 2025 (21.9% of the state's total population).<sup>2</sup>
- About 22.7% of all households in 2007 had one or more persons age 65 years and older and 40.6% of persons age 65 years and older had a disability.<sup>3</sup>
- Of the 9,319,148 Medicaid beneficiaries in the state in 2003, 6.9% were aged, 10.8% were blind and disabled, 11.1% were Dual Eligible, and 0.7% were HCBS waiver beneficiaries.<sup>4</sup>
- Medicaid expenditures for institutional long-term care were 45.7% of total long-term-care expenditures, compared to 54.3% for HCBS in fiscal year 2007.<sup>5</sup> *California's reported expenditures will likely increase as the state submits prior period adjustments. For FY2002 through FY2005, adjustments increased community services expenditures by \$750 million - \$1 billion and ICF/MR spending by \$100 - \$135 million.*

#### Abbreviations

AAA	Area Agency on Aging
ADL	Activities of Daily Living
AoA	Administration on Aging
CMS	Centers for Medicare and Medicaid Services
HCBS	Home- and Community-based Services
IADL	Instrumental Activities of Daily Living
MRDD	Mental Retardation and Developmental Disabilities
OAA	Older Americans Act
PACE	Program of All-inclusive Care for the Elderly
SUA	State Unit on Aging

<sup>1</sup> Department of Health and Human Services, Administration on Aging. (2009). *AGing Integrated Database (AGID): American Community Survey (ACS) demographic data 2004-2007 and state-level population estimates data 2000-2008* [Data files]. Available from <http://198.136.163.234/default.asp>

<sup>2</sup> Department of Health and Human Services, Administration on Aging. (2009). *Aging statistics: Projected future growth of the Older population; By state: 2005-2030; Aged 60 and above* [Data files]. Available from [http://www.aoa.gov/AoARoot/Aging\\_Statistics/future\\_growth/future\\_growth.aspx](http://www.aoa.gov/AoARoot/Aging_Statistics/future_growth/future_growth.aspx).

<sup>3</sup> Reimbursement and Research Department, American Health Care Association. (2006, August 29). *The state long-term health care sector 2005: Characteristics, utilization, and government funding*. Washington, DC: Author.

<sup>4</sup> U.S. Census Bureau, 2007 American Community Survey, United States and States. *Percent of households with one or more people 65 years and over* (R1104) and *Percent of people 65 years and over with a disability* (R1803).

<sup>5</sup> Burwell, B., Sredl, K., & Eiken, S. (2008, September 26). *Medicaid long term care expenditures FY 2007*. Eagan, MN: Thomson Reuters.

## Government Structure to Manage HCBS

- **SUA:** California Department of Aging.  
www.aging.ca.gov
- **State Medicaid Agency:** Department of Health Care Services.  
www.dhcs.ca.gov/services/medical/Pages/default.aspx
- California does not have a consolidated agency for long-term-care programs. The Departments of Health Care Services, Aging, and Social Services administer key programs for seniors and adults with disabilities.
- The director of California’s SUA reports to the Secretary of Health and Human Services, who reports to the Governor.
- There are 33 Area Agencies on Aging in California.

## Single Point of Entry (SPE)/Aging and Disability Resource Centers (ADRC)

- California has ADRCs that are not statewide.
- There are ADRCs in six Planning and Service Areas in the state.
- The local ADRCs involve a core partnership between the AAA and the Independent Living Center in providing outreach, benefits counseling, and assistance in applying for needed services/programs. This model seeks to build on the existing infrastructure and create strong coordination between these two lead agencies.
- They are also involved in assisting individuals in transitioning from a hospital or nursing home back to their own home.
- Under a federal “Real Choice Systems Change Grant,” called CHOICES, California is funding the development of two new ADRCs in Riverside and Orange counties; a state web portal to help the public learn about and access HCBS services; and a comprehensive analysis of California’s long-term-care programs and services with recommendations that address fiscal and programmatic barriers to community living.

- Four ADRCs were established with funding from a CMS/AoA ADRC grant.

## Assessment Process

### Medicaid

- For Medicaid applicants, in determining functional eligibility for nursing home pre-admission, California does not require an in-person assessment by someone other than nursing home staff. The assessment is conducted by hospital staff and a physician. The Department of Health Care Services is responsible for nursing home admission assessments. All consumers (Medicaid or non-Medicaid) go through the same process.

### Non-Medicaid

- For non-Medicaid applicants in California, nursing home pre-admission assessment is not performed by someone other than nursing home staff. The Department of Health Care Services is responsible for nursing home admission assessments. All consumers (Medicaid or non-Medicaid) go through the same process.

## State Medicaid Plan

- California provides HCBS through the state Medicaid plan. The state’s largest HCBS program, In-Home Supportive Services (IHSS), is a personal care benefit in the state plan. A portion of the program is also under an 1115 demonstration waiver (further details under “Medicaid Waivers” below).
- Refer to Table 1 for specific services provided.
- **PACE:** California has five PACE sites serving Alameda, Los Angeles, San Diego, San Francisco and Sacramento counties. Planning is underway for future expansion.

## Medicaid Waivers

- California has four HCBS waivers, including a 1115 waiver, that provide services to older adults and adults

with physical disabilities. These are: Assisted Living Pilot, Multipurpose Senior Services Program (MSSP), Nursing Facility/Acute Hospital and the IHSS Plus Program.

- **Assisted Living Pilot:** This program serves those over the age of 21 who have physical disabilities and/or are considered frail older adults. The functional assessment is specifically designed to measure the ADL/IADL needs of the applicant. The financial limits for an individual to qualify for the program are \$1,400 in income and \$2,000 in assets. For a couple, \$4,000 in income and a home and a vehicle are allowable assets; spousal impoverishment rules can apply to the financial assessment.
- **MSSP:** This program serves those age 65 and older. The income limits for individuals and married couples are as follows: The sum of (1) the income standard used to determine eligibility/share of cost and (2) any amount of income disregarded during the Section 1902 (a)(10)(A)(ii) eligibility phase. An individual cannot exceed \$2,000 (\$3,000 for a couple) in liquefiable assets, one house and one car; a recipient may claim an exemption for a second vehicle if it was modified to accommodate the physical handicap or the medical needs of the individual.
- **Nursing Facility/Acute Hospital Waiver:** This program offers in-home services to individuals who would otherwise receive care for at least 90 days in an intermediate/skilled nursing or subacute facility or acute hospital. The waiver includes transitional services, medical equipment, and home modifications.
- **IHSS Plus Waiver:** This program serves a subset of IHSS recipients whose personal care attendants are parents/spouses or they require protective supervision/other services that cannot be included under the state plan.
- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered under each program.

## CMS-funded Programs and Grants

- California has one CMS-funded grant that provides HCBS to older adults and/or adults with physical disabilities: Money Follows the Person.
- **Money Follows the Person:** This grant targets Medicaid (Medi-Cal) beneficiaries who have resided in a nursing facility for six continuous months and wish to return to the community. Staff from local lead agencies help identify individuals, perform a functional assessment to identify which HCBS waiver will be appropriate, work with the individual during their transition to the community, and provide periodic follow-up.
- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered.

## State-funded HCBS Programs

- California has two state-funded programs that provide HCBS to older adults and/or adults with physical disabilities. These are: Alzheimer's Day Care Resource Centers and Linkages Program.
- **Alzheimer's Day Care Resource Centers:** This program is for those age 18 and older who have Alzheimer's disease, dementia, or a related condition. The program is state-funded and utilizes OAA and Medicaid funds. A functional and cognitive assessment is conducted when the participant enters the program. A functional grid is used to rate the participant's ability to perform ADLs and IADLs. There are no income or asset limits to qualify for this program.
- **Linkages:** This program serves the frail elderly and adults age 18 and older with physical disabilities. Care managers conduct a functional and cognitive assessment to determine eligibility. Eligibility requirements include (1) impairment in one or more ADLs; or (2) impairment in two or more IADLs; or (3) inability to manage affairs due to emotional or cognitive impairment; or (4) impairment by virtue of a significant event or circumstance that has occurred within the past 12 months. There are no income or asset requirements. The program was developed to serve those

who needed assistance but did not meet the income/eligibility criteria for other programs.

- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered.

### Locally Funded HCBS Programs

- California uses local funds for HCBS for older adults and/or adults with physical disabilities. In many areas, local funding is used to expand HCBS. The availability and use of these monies is locally determined and, therefore, varies.

### OAA-funded Programs and Grants

- Refer to Table 1 for services provided through the Title III of the OAA.
- California does not use cost-sharing mechanisms or sliding fee scales in the delivery of Title III services.
- California's other OAA-funded programs and grants that provide HCBS to older adults and/or adults with physical disabilities are the Evidenced Based Health Promotion and three Alzheimer's disease grants.
- **Evidence Based Health Promotion Grant:** The California Department of Aging has developed a coalition that began with 5 counties and has now expanded to include 19 counties in offering the Chronic Disease Self Management Program and/or A Matter of Balance.
- **Alzheimer's Grants:** The California Department of Aging is conducting two Evidence Based Caregiver Support Programs in partnership with the five Alzheimer's Association Chapters. OAA grant funds are also supporting the development of two new Dementia Care Networks in Southern California serving Latino and Vietnamese families.

### Social Service Block Grants (SSBG) and Community Service Block Grants (CSBG) for HCBS

- California does not use SSBG to provide HCBS for older adults and/or adults with physical disabilities.
- California does not use CSBG to provide HCBS for older adults and/or adults with physical disabilities.

### Consumer Direction

- California offers consumer-directed options. IHHS is a consumer-directed program serving over 460,000 Californians of all ages. Nearly 60% of IHSS service providers are family members. Clients are responsible for hiring, training and supervising their personal care providers.

### Managed Care

- California has HCBS programs run by managed care health plans. These services are either operated as a direct service benefit or as a separate line of business.

### Major Accomplishments and Initiatives

- In spite of reduced state resources, California has and continues to invest in expanding the availability of evidence based health promotion programs to improve the health and wellbeing of older adults.
- California's aging network has been successful raising awareness of older adult mental health issues. This advocacy has resulted in a larger proportion of Mental Health Services Act funding allocations at the county level being targeted to older adult service needs. California's federal grants have provided a valuable opportunity for increased collaboration across departments and agencies at the state and local level.

**Table 1: Types of Home- and Community-based Services Provided Under California’s Programs for Older Adults and Adults with Physical Disabilities**

Types of Services	Program Type / Funding Source								
	Medicaid Waivers				CMS-funded Programs and Grants	State-funded Programs		State Medicaid Plan	OAA Title III
	Assisted Living Pilot	MSSP	NF/Acute Hospital	In Home Supportive Services		Alzheimer’s Day Care Resource Centers	Linkages		
Adult Day Care / Adult Day Health						x		x	x
Assisted Living	x								
Caregiver Services / Respite / Education		x	x			x	x		
Case Management / Care Coordination		x	x		x	x	x	x	x
Chore / Homemaking				x				x	x
Companion Services / Socialization Activities						x			x
Employment									
Equipment / Supplies / Modifications / Assistive Technology		x	x		x		x	x	x
Health Promotion Activities			x		x	x			x
Home Health / Personal Care	x	x	x	x			x	x	x
Information / Assistance / Referral		x	x		x		x		x
Legal Assistance / Financial Advice									x
Medical / Dental / Medication Care							x	x	x
Mental and Behavioral Health Services							x	x	
Nursing			x					x	
Nutrition / Meals		x				x		x	x
Personal Supports for Community Living / Transitioning		x	x		x		x		x
Rehabilitation / Therapy			x					x	x
Residential Services	x								
Transportation		x			x	x	x	x	x
Other/Unspecified HCBS			x	x	x	x	x		x

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**Table 2: Selected HCBS Programs for Older Adults and Adults with Physical Disabilities in California**

Program Type / Funding Source	Program Name	Ages Served	Nursing Home Level of Care Required	Entity Responsible for Functional Assessment	Entity Responsible for Financial Assessment	Entity Responsible for Case Management	Waiting List (Number)	Consumer Direction Option
Medicaid Waivers	Assisted Living Pilot	21+	Yes	Care Coordination Agencies	CA Department of Health Care Services (DHCS)	Care Coordination Agencies	Yes (150)	No
	MSSP	65+	Yes	MSSP Providers	CA Department of Health Care Services (DHCS)	MSSP site (provider)	Yes	No
	NF/Subacute/Acute Hospital	All Ages	NF/Subacute/Acute	DHCS Care Managers	CA Department of Health Care Services (DHCS)	DHCS Care Managers	Information Not Reported	No
	In Home Supportive Services	All Ages	No	County Social Services Agency	CA Department of Health Care Services (DHCS)	County Social Services Agency	No	Yes
CMS-funded Programs and Grants	Money Follows the Person	Qualified inpatient facility residents of all ages	No	Entity administering the waiver/state plan program	CA Department of Health Care Services (DHCS)	Case Managers, Transition Team (HCBS service providers), MFP Project Team	No	No
State-funded Programs	Alzheimer's Day Care Resource Centers	18+	No	Local provider care manager	No financial assessment	Local provider care manager	Yes (100)	No
	Linkages	Frail elderly and disabled ages 18+	No	Local provider care manager	No financial assessment	Local provider care manager	Yes (1,889)	No