

CALIFORNIA DEPARTMENT OF AGING

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**CALIFORNIA DEPARTMENT OF AGING
 SUMMARY OF ADJUSTMENTS
 MAY REVISION – 2020-21
 (May 22, 2020)**

This document summarizes the adjustments for the California Department of Aging (CDA) for the [Governor's May 2020-21 revision](#). The document summarizes the proposed reductions to CDA programs to help resolve the General Fund deficit and associated programmatic and participant impacts, as well as technical budget adjustments included in the May Revision. The tables below summarize the dollar and percentage impacts of the programs that are proposed for reduction.

| FY 19-20 Baseline Budget with May Revision Impacts | | | | | | |
|---|--|---------------------------------|----------------------------|------------------------------------|--------------------------|--------------|
| Program | FY 19-20 Budget Total (Governor's Budget) | FY 20-21 MR GF Reductions | Federal Fund Reductions | Budget Authority Adjustments | FY 20-21 Budget Total | % Change |
| Nutrition | \$129,111 | (\$8,456) | \$- | (\$2,508) | \$118,147 | (8%) |
| ADRC | \$5,000 | (\$3,000) | \$- | \$- | \$2,000 | (60%) |
| Ombudsman | \$17,907 | (\$2,000) | \$- | (\$309) | \$15,598 | (13%) |
| MSSP | \$23,893 | (\$22,195) | (\$1,698) | \$- | \$- | (100%) |
| CBAS | \$5,551 | (\$1,624) | (\$1,507) | \$527 | \$2,947 | (47%) |
| Total | \$181,462 | (\$37,275) | (\$3,205) | (\$2,290) | \$138,692 | (24%) |

***Dollars displayed in thousands*

| FY 19-20 Baseline Budget & COVID-19 Funding with May Revision Impacts | | | | | | | | |
|--|---|--|---|---|---------------------------------|----------------------------|--------------------------------|--------------|
| Program | Families First Act <i>(available to expend thru 09/30/21)</i> | CARES Act <i>(available to expend thru 09/30/21)</i> | FY 19-20 Baseline Budget Total (Governor's Budget) | FY 19-20 Baseline with COVID- 19 Funding | FY 20-21 MR GF Reductions | Federal Fund Reductions | Total with MR Reductions | % Change |
| Nutrition | \$25,086 | \$50,173 | \$129,111 | \$204,370 | (\$8,456) | \$- | \$195,914 | (4%) |
| ADRC | \$- | \$3,000 | \$5,000 | \$8,000 | (\$3,000) | \$- | \$5,000 | (38%) |
| Ombudsman | \$- | \$2,090 | \$17,907 | \$19,997 | (\$2,000) | \$- | \$17,997 | (10%) |
| MSSP | \$- | \$- | \$23,893 | \$23,893 | (\$22,195) | (\$1,698) | \$- | (100%) |
| CBAS | \$114 | \$- | \$5,551 | \$5,665 | (\$1,624) | (\$1,507) | \$2,534 | (55%) |
| Total | \$25,200 | \$55,263 | \$181,462 | \$261,925 | (\$37,275) | (\$3,205) | \$221,445 | (15%) |

**In FY 20-21 CBAS will have a total reduction of \$461.7 million (\$230.7 million GF) for CDA and DHCS*
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| FY 20-21 Baseline Budget With May Revision Impacts (General Fund Analysis Only) | | | | | |
|--|--|---------------------------------|---|--------------------------|----------|
| Program | FY 20-21 Budget Total (Governor's Budget) | FY 20-21 MR GF Reductions | FY 20-21 Spring Finance Letter (Relocation) | FY 20-21 Budget Total | % Change |
| Nutrition | \$26,603 | (\$8,456) | \$18 | \$18,165 | (32%) |
| ADRC | \$5,000 | (\$3,000) | \$- | \$2,000 | (60%) |
| Ombudsman | \$9,435 | (\$2,000) | (\$4) | \$7,431 | (21%) |
| MSSP | \$21,995 | (\$22,195) | \$200 | \$- | (100%) |
| CBAS | \$3,064 | (\$1,624) | \$185 | \$1,625 | (47%) |
| Other Programs | \$- | \$- | \$344 | \$344 | N/A |
| Total | \$66,097 | (\$37,275) | \$749 | \$29,565 | (55%) |
| <i>**Dollars displayed in thousands ***Other Programs include – Health Insurance Counseling and Advocacy Program, Senior Community Employment Service Program, and Supportive Services</i> | | | | | |

Health at Home

Eliminate Community Based Adult Services Program [Reduction, \$194.4 million (\$96.8 million GF) budget year and \$461.7 million (\$230.7 million GF) budget year +1 and 15.2 positions] The Community-Based Adult Service (CBAS) program, also known as Adult Day Health, is an alternative to skilled nursing facilities for those individuals who are capable of living at home with the aid of appropriate health, rehabilitative, personal care, and social services. Each center has a multidisciplinary team of health professionals who conduct a comprehensive assessment of each potential participant to determine and plan services needed to meet the individual's specific health and social needs. Services provided at the center include the following: professional nursing services; physical, occupational and speech therapies; mental health services; therapeutic activities; social services; personal care; hot meals and nutritional counseling; and transportation to and from the participant's residence. It is important to note that Community-Based Adult Service participants can be any adult over the age of 18 who meets the specific medical necessity and eligibility criteria.

In FY 19-20, the Community Based Adult Services program serves 36,031 individuals including 34,369 Medi-Cal and 1,662 private-pay participants at the 257 Community-Based Adult Service centers.

Eliminate Multipurpose Senior Services Program [Reduction, \$37.6 million (\$22.2 million GF) and 20.4 positions] The Multipurpose Senior Services Program (MSSP) provides both social and health care coordination services to assist frail individuals aged 65 or older to remain in their own homes and communities. The Program's goal is to prevent or delay individuals moving into a skilled nursing facility through ongoing care management at home, using available community services and resources, and purchasing needed services when they are not already available. MSSP participants must be on Medicare and qualify for placement in a skilled nursing facility. Most Multipurpose Senior Service Program

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participants live alone, subsist on approximately \$1,000 per month, and have complex medical and psychosocial needs that require specialized services.

The Multipurpose Senior Services Program serves approximately 11,370 participants a year in 9,232 slots across 38 sites.

Nutrition

Reductions to Older Americans Act Senior Nutrition Program (Reduction, \$8.5 million GF) The Older Americans Act Senior Nutrition Program provides both home-delivered meals and congregate meals at community and senior centers, nutrition education, and nutrition-risk screening to individuals aged 60 or older. Meals are delivered to individuals that are homebound due to illness, disability, or geographic isolation. The Program targets older individuals with the greatest economic or social need, with particular attention to low-income, minority older individuals, and older individuals living in rural areas.

This reduction would result in 778,479 fewer meals to 9,190 vulnerable older adults being provided in SFY 2020-21.

With the increased federal emergency COVID-19 funding, from the Families First Act and CARES Act, the department has seen an estimated weekly average increase of 88% in [meals served](#) compared to the prior fiscal year's weekly average.

Information & Assistance

Reductions in Aging and Disability Resource Centers (Reduction, \$3.0 million GF) The Aging and Disability Resource Connection (ADRC) program is the State's only coordinated No Wrong Door network which enables older adults and people with disabilities, regardless of age, income or disability, to navigate long-term services and supports to meet their goals for independence. ADRC programs provide warm hand-off Information and Referral/Assistance Services, person-centered options counseling, short-term service coordination during times of crisis, and transition services from hospitals to home and from skilled nursing facilities back into the community.

The state's 6 designated and 10 emerging ADRCs currently serve 98,882 individuals. The CARES Act provides an additional \$3 million for ADRCs in California. This reduction negates that increase. With the additional funding, ADRCs could have served an additional 59,329 individuals.

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Residents in Senior Living

Reductions in Ombudsman Program (Reduction, \$2 million GF; Augmentation, Transfer \$1 million from State Health Citation Penalties Account) As advocates for residents of long-term care facilities, the State Long-Term Care Ombudsman and the local Ombudsman representatives seek resolution of residential facility complaints with the goal of ensuring residents’ rights, dignity, quality of care, and quality of life. Statewide, approximately 830 State-certified Ombudsman volunteers and paid local Long-Term Care Ombudsman Program staff identify, investigate, and resolve complaints and concerns in over

1,200 skilled nursing facilities and approximately 7,300 residential care facilities for the elderly. There are 308,000 long-term care facility beds statewide.

As part of the CARES Act, the Ombudsman program received \$2 million. This reduction negates that augmentation. The Ombudsman planned to use the \$2 million to respond to COVID-19 challenges in senior living facilities – for example, to develop a virtual presence within facilities using laptops, smartphones, tablets, and other technology tools to facilitate video-conferencing and virtual meetings. The current federal guidance for Ombudsman, family, and friends to remain out of facilities could extend well after stay-at-home orders are lifted and these new technology connections are vital to protect the health, safety, welfare, and rights of residents during this time.

The Ombudsman Program is receiving an additional \$1 million from the State Health Facilities Citation Penalties Account so the net effect of this reduction in 2020-21 is \$1 million.

Technical Adjustments

Technical Adjustment to the Medicare Improvements for Patients and Providers Act (MIPPA) (Increase, \$2.214 million Federal Fund authority) This technical adjustment increases the departments federal fund budget authority to increase the baseline budget authority for the MIPPA grant program, funded by CMS. This grant program has been identified as a permanent, and ongoing, program and this proposal will allow the department to receive the grant funds in a timelier manner to ensure there is no delay in services to eligible participants.

MIPPA grantees specifically help low-income seniors and persons with disabilities to apply for two programs that help pay for their Medicare costs:

- The Medicare Part D Extra Help/Low-Income Subsidy (LIS/Extra Help), which helps pay for the Part D premium and reduces the cost of prescriptions at the pharmacy, and
- The Medicare Savings Programs (MSPs), which help pay for Medicare Part B.

MIPPA grantees also provide Part D counseling to Medicare beneficiaries who live in rural areas, and are tasked to promote Medicare’s prevention and wellness benefits.

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Loan from the Health Insurance Counseling and Advocacy Program (HICAP) Fund to the General Fund (Transfer, \$5 million HICAP Fund to GF) This request is a one-time transfer of \$5 million dollars from the HICAP special fund to the General Fund as part of the statewide efforts to respond to the Coronavirus pandemic and balance the state budget. The loan will be repaid beginning in fiscal year 2021-22 and the annual repayment amount is \$1 million/year until the loan is repaid in full.

Adjustment to Headquarters Relocation Funding (Increase, \$743,000 GF) This adjustment to the department's proposed relocation of its headquarters office reflects additional one-time costs attributable to tenant improvements. The relocation of the department's headquarters to a new location is necessary primarily due to health, safety, and access concerns.