



California's 2019-20 Budget

The California Legislature has passed and sent a budget and several associated trailer bills to Governor Newsom for his signature prior to the constitutional deadline. The \$215 billion budget follows nearly six months of budget hearings in the Legislature on the Governor's budget that he proposed in January and his updated May Revise and final negotiations between the leaders of the two houses of the Legislature and the Governor. The intellectual and developmental disability community will benefit from this budget through increased rates for services and supports, restoration of Medi-Cal benefits, and other specific investments. A summary of the impacts this budget will have on the community is below:

Regional Center Services

The number of individuals with developmental disabilities in the community served by regional centers (consumers) is expected to increase from 333,524 in the current year, to 350,487 in 2019-20. Total budget for regional centers is proposed to increase to approximately \$8.2 billion in 2019-20 from \$7.5 billion in 2018-19. Specific items include:

Service provider rates received an initial investment of \$125 million next year, increasing to \$250 million the following year, but added a sunset date (a date when those investments would stop) of December 31, 2021;

Requires the department to consult, commencing in the summer of 2019, with specified stakeholders to discuss system reforms to better serve consumers with developmental disabilities, and to perform various duties, such as evaluating compliance with federal rules relating to specified services, to report on the progress of these efforts, and to post specified material on its internet website, including a summary of public comments. The meetings will specifically focus on "how to create a sustainable, innovative, cost-effective, consumer-focused, and outcomes-based service delivery system."

- Suspends the Uniform Holiday Schedule, a predetermined 14 days when all regional center funded programs were closed, until January 1, 2022.

- \$.5 million for Best Buddies program;

Early Start

- Approves \$11 million in funding and prohibits requiring families to use private insurance and make co-payments, as required by federal law.

Developmental Centers

The population on July 1, 2018 was 514 residents. The Department projects an ending population of 326 residents on July 1, 2019. Overall funding for the developmental centers is projected to be \$404.4 million (\$316.7 million GF)

Regional Center Transparency and Accountability

- Provides, in trailer bill, that regional centers will be required to provide a list of agreed upon services and supports at the end of an IPP meeting, including the amount and duration of the services, which must be translated into the consumer's or the consumer's family's native language.
- Provides in trailer bill that regional centers must post on their website the assessment tools and guidelines for determining the need for some of the most common services: independent living, supported living, personal assistance and transportation along with the post respite assessment tools and guidelines already required.
- Provides \$8 million dollars for additional DDS staff to support increased transparency and accountability and includes the following reporting by regional centers:
 - Regional center boards to hold an annual meeting regarding the National Core Indicators, identify needed areas for improvement in consumer services and a meeting regarding contract performance measures and needed improvements. Both meetings must provide language access for consumers and families who do not speak English.
 - Development of standard informational packets for consumers and families that provide an overview of the early start and regional center system, provide a resource guide, and information about consumer rights and translate these packets.
 - Regional Centers must provide DDS with copies of corrective action plans and sanctions issued to providers.
 - Increased reporting to the legislature regarding HCBS compliance, safety net for individuals in crisis or complex behavioral needs, and disparities identification and improvement.

Services for Individuals in Crisis or Who Have Complex Behavior Needs

- Provides lower service coordinator caseloads for individuals with complex service needs.
- Limits the use of restraints in community crisis homes and requires the department to develop restraint guidelines by March 2020.
- Requires, effective January 1, 2020, a 6500 commitment order for individuals placed in Institutions for Mental Disease (IMD) not to exceed 13 months.
- Limits the proposed use of Canyon Springs, a state-run community institution, to individuals transitioning from a short-term acute crisis unit, an IMD, or a provisional placement from a developmental center. The use of Canyon Springs for this purpose ends on June 30, 2022.
- Provides \$4.7 million one-time, temporary funding to open an acute crises unit at Porterville Developmental Center until additional central valley-based state-operated community-based acute crises units are developed and operational.
- Expands the number of community crisis homes, including crisis homes for children, and requires the department to develop guidelines for the use of restraint in these homes.
- Requires the department to identify new service models and the state's role in providing services for individuals private providers will not serve.
- Requires DDS to notify the clients' rights advocate (CRA) of individuals when the regional center initiates a 6500 commitment petition for an individual in an IMD, and when a regional center consumer is placed in a psychiatric hospital or at the Canyon Springs state-run community facility.

SSI/SSP

- The budget does not include any increase in the SSI/SSP grant.
- CalFresh Expansion to SSI Recipients: The budget makes permanent the "hold harmless" programs created in the 2018-19 budget and provides \$86 million for the cost of benefits. The Supplemental Nutrition Program (SNB) and the Transitional Nutrition Program (TNB) were created to ensure that CalFresh households that lost CalFresh benefits due to the expansion would be made partially or completely whole if their households lost CalFresh benefits.

IHSS

- Includes trailer bill language requiring that the development and implementation of the electronic visit verification system adhere to specified principles including the prohibition that it not utilize geo-tracking or GPS capabilities.
- Restores the IHSS seven percent reduction to service hours through December 31, 2021.

Healthcare / Medi-Cal

- Restores critical Medi-Cal benefits : \$17.4 million General Fund in 2019- 20 and \$40.5 million ongoing to restore the following Medi-Cal benefits: optical, audiology, podiatry, speech therapy, and incontinence creams and washes. These benefits were cut in 2009, and after more than 10 years, will be restored effective January 1, 2020.
- Ends the “senior penalty”/ raises the Medi-Cal Aged & Disabled (A&D) income limit: \$124.9 million (\$62.4 million General Fund) ongoing and placeholder trailer bill language (TBL) to raise the Medi-Cal A&D program income level to 138% of Federal Poverty Level (FPL) so that seniors and persons with disabilities are no longer subject to unfair income limits. This is effective no sooner than January 1, 2020.
- Expands Medi-Cal to income-eligible adults up to age 26 regardless of immigration status: \$98 million (\$74.3 million General Fund) to expand full-scope Medi-Cal coverage to undocumented young adults age 19 through 25 effective no sooner than January 1, 2020.
- Health enrollment navigator funding: \$60 million (\$30 million General Fund) one-time funding to support health enrollment navigators for two years to provide outreach, enrollment, retention, and utilization assistance in Medi-Cal and placeholder TBL.

K-12

- Provides \$50 million in Proposition 63 funding (\$10 million of this is ongoing) for the Mental Health Student Services Act to provide competitive grants to partnerships between county mental or behavioral health departments and school districts, charters schools and county offices of education.
- Provides \$10 million in ongoing General Fund (suspended December 31, 2021) for the Emergency Childcare Bridge Program for Foster Children to provide additional access to early care and education services for abused and neglected children.

Special Education

- Provides \$152.6 million in ongoing Proposition 98 funding to bring all LEAs to the statewide base rate for special education funding and \$493.2 million to provide grants to LEAs serving three and four year olds with Individualized Education Plans. Adopts trailer bill language to require ongoing funding to be contingent upon the passage of legislation in 2020-21 budget to reform the special education system to improve outcomes for students.

Early Childhood

- Provides \$300 million in one-time General Fund for the Full-Day Kindergarten Facilities Grant program and prioritizes schools converting part-day to full-day Kindergarten programs and allows for any remaining grant funding to be used for other one-time costs to implement the full-day kindergarten program.
- Approves 10,000 full-day State Preschool slots for non-LEAs beginning April 1, 2020 and allocates \$31 million in ongoing funds in 2019-20 and approximately \$125 million in 2020-21 to annualize these additional slots.
- Provides \$195 million in one-time funds for the Early Learning and Care Workforce Development Grants Program to increase the educational attainment of the child-care workforce.
- Approves of \$23 million Proposition 56 for Medi-Cal trauma screenings and \$60 million Prop 56 one-time for provider trainings on administering trauma screenings.

Homelessness

- Homeless Emergency Aid: The budget includes \$650 million in one-time funds for local governments and continuums of care to address homelessness. Funds can be used for a range of uses, including emergency shelters, navigation centers, hotel and motel conversions, supportive housing, rapid rehousing, and employment programs. Funding is contingent on demonstrating collaboration between cities and counties.
- Housing Disability Advocacy Program: As part of the Governor's initiatives to reduce homelessness, the budget includes \$25 million in ongoing funding for the Housing and Disability Advocacy Program (HDAP) to engage in intensive SSI advocacy for disabled persons who are likely eligible for SSI, and to provide housing assistance. Budget trailer bill language expands use of the funds to continue housing assistance for SSI recipients after they are found eligible for SSI.

Earned Income Tax Credit (EITC):

The Governor and the Legislature have agreed to include a large increase in the state Earned Income Tax Credit in the budget, expanding eligibility from approximately 2 million to 3 million Californians. Additional details to follow.