

Developing a Roadmap to Finance and Implement

New Long-Term Services and Supports for California's Families

What is the challenge?

California currently has almost 8 million persons who are either older adults or persons with mobility, sensory, intellectual, developmental, and/or mental health disabilities, many of whom struggle to afford the services and supports they need to live with dignity and independence.

When informal networks of care are exhausted or not available, long-term services and supports (LTSS) must be paid for out of pocket. But supplying these needed services bring high costs, not only to the individuals and families directly involved, but also to taxpayers and the government as more individuals are forced to spend down assets to qualify for an overburdened Medi-Cal system.

California needs a sustainable financing mechanism – independent of the state general fund – to support and empower individuals and families to meet this growing need.

What is our solution? A new LTSS program for state residents.

Financed by a sustainable funding source, this program will provide a benefit that Californians can use to pay for a broad range of LTSS such as:

- Help with personal care (bathing, dressing, toileting)
- Help with complex care (medications, wound care)
- Help with housekeeping, home modifications, transportation, paying bills, and meals
- Assisted living, nursing facility, and other supportive housing costs

How would the new program work?

The California Long-Term Services and Supports (LTSS) Benefits Board would implement and oversee the new program to provide LTSS to eligible Californians. The Board would include the State Treasurer, the California Health and Human Services Agency Secretary, appointees by the Senate Committee on Rules and Speaker of the Assembly, as well as consumers and caregivers appointed by the Governor.

The California LTSS Advisory Committee would provide recommendations to the Board, and would be composed of providers, consumers, labor unions, advocates, caregivers, and legislative and gubernatorial appointees.

The board would also oversee a California LTSS Benefits Trust to manage and invest revenues made available to pay for LTSS for eligible older adults and persons with mobility, sensory, intellectual, developmental, and/or mental health disabilities.

A feasibility study would be conducted to help develop the exact eligibility and benefit parameters, as well as identify non-general fund, sustainable and broad-based financing streams for this effort.

Does this impact Medi-Cal?

This program would be primarily designed for middle-class families - those who are not poor enough to qualify for Medi-Cal but not rich enough to afford costs for extended periods of LTSS. Families will not bear the full burden of unpaid caregiving and will not have to spend down assets to qualify for help through Medi-Cal. This program could help achieve greater sustainability for Medi-Cal by helping to keep families out of poverty so fewer individuals would have to draw on Medi-Cal LTSS.

Have other states tried this policy?

Hawai'i

The Kapuna Caregivers program provides \$70 a day to Hawai'i residents aged 60 years or older, who need help with at least two activities of daily living or have cognitive impairment, and who also have a family caregiver employed 30 or more hours a week outside the home. The funds can be used for help in the home, meals, transportation, and other related services.

Washington

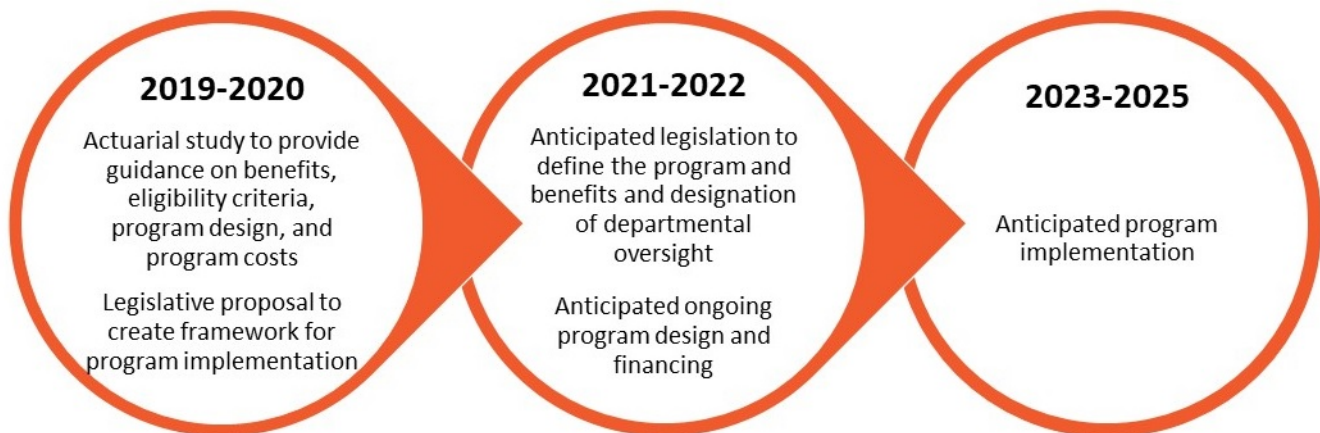
The state legislature is considering House Bill 1087, the Long-Term Care Trust Act, which would establish a public long-term care benefit for Washington workers. Eligible residents over age 18, who need help with three activities of daily living and have paid into the program would receive up to \$100 per day, with a lifetime cap of \$36,500 for LTSS. The benefit would be funded by a 0.58 percent payroll tax.

Maine

A 2018 ballot measure for the Universal Home Care Program would have provided home-based assistance to individuals needing assistance with one activity of daily living, funded by a new 3.8% tax on individuals and families earning more than \$128,400. After falling short at the ballot, supporters are taking the proposal to the state legislature.

What would be the estimated timeline for such a program?

Although the timeline for implementing such a program depends on many factors and may change, the general direction for such a new program implementation schedule could be:



About CADA: The California Aging and Disability Alliance (CADA) is comprised of 20 diverse organizations sharing a common commitment to creating affordable financing solutions to strengthen the long-term services and supports (LTSS) system today and prepare California for tomorrow.
