

## IMPACT OF CALIFORNIA'S FY 22/23 BUDGET ON ALAMEDA COUNTY SENIORS

The 2022/23 state budget deal that California's Governor and legislative leadership recently struck contains many one-time investments that can be leveraged to address the very significant barriers to health and economic security that older people face. Considering the \$100 billion surplus that was available, the thoughtful proposals that stakeholders developed that align with the state's Master Plan for Aging, and the growing need for home and community-based solutions, this budget falls short.

This report illuminates how the ongoing neglect that this shortfall represents – and the investments that did make it into the budget – will impact the people who live in Alameda County.

### ADDRESSING ECONOMIC INSECURITY

#### CALIFORNIA'S 2022/23 BUDGET:

**Increases SSI/SSP** – The budget restores grant assistance to very low income seniors and people with disabilities that was cut in 2009 by over 30% (a \$73

a-month reduction for an individual). Following two partial restorations in 2017 and 2022, the current SSI/SSP monthly grant level for an individual is about \$1,059 – still well below the federal poverty level. With the 22/23 budget's new funding of \$300 million, an increase of about \$39/month will kick in January 1, 2023. Additional funding scheduled in the FY 2023/24 budget and ongoing will restore the state SSP grants to 2009 levels.

**Gives Inflation Relief to Tax Filers** – The final budget contains \$9.5 billion to provide direct tax refunds to 17.4 million California tax filers. Individual filers with incomes up to \$250,000 (\$500,000 for Joint Filers) will receive \$350, \$250 or \$200, depending on their income. Filers will receive an additional payment if they claimed one or more dependents. Unfortunately, the 3 million Californians who don't file taxes because their incomes are low will be left out, including a great number of older adults who rely primarily on Social Security, and who could really use the extra cash.

#### IN ALAMEDA COUNTY...

Older adults are the fastest growing segment of Alameda County's population, and in just 8 years will represent 25% of the total number of people in our county. This would not be concerning in itself, but the cost of living and inflation have been outpacing income for years.

**36.2%** of older residents live below the Elder Index, a local measure of what it costs to cover basic expenses.

**Half** of single older adults in Alameda County can't cover their basic living expenses.

**46,979** older people and people with disabilities rely on SSI/SSP.

Economic insecurity is not a burden shared equally among the older population. People of color, women and LGBTQ individuals have less retirement savings and face a greater likelihood of aging into poverty.

**Expands CA Food Assistance Program** – The budget invests \$35 million to expand the CFAP program to include income-eligible Californians age 55 and older, regardless of immigration status, starting sometime in 22/23. The expansion will increase to \$113.4 million annually in FY 2025/26.

**HOUSING FOR  
ALL AGES &  
STAGES**

**CALIFORNIA'S 2022/23 BUDGET:**

**Invests in the Community Living Fund** – The budget invests \$10 million in the CLF to assist older adults and persons

with disabilities to transition from Skilled Nursing Facilities to independent living in the community.

**Establishes a Healthier Homes/Aging in Place Pilot** – The budget allocates \$12.5 million for grants for eight county pilots to hire registered nurses and community health workers to provide health education, navigation and coaching to residents of senior housing.

**Funds the Manufactured Housing Opportunity and Revitalization Program** – The budget invests \$100 million over two years for a program within the Department of Housing and Community Development that will finance the preservation and development of affordable mobile home parks.

**Invests in the Community Care Expansion Program** – The budget allocates \$55 million for operating subsidy reserves for existing adult and senior residential care facilities to avoid closure and increase acceptance of newly qualified residents. The legislation also extends the program to June 30, 2027.

**Invests in the Veterans Housing and Homelessness Prevention Program** – The budget allocates \$100 million over two years to support veterans' housing needs.

**Funds Older Californians Act Modernization** – The budget allocates \$59.3 million to “pilot restoring various local programs such as Community Based Support Programs, Family & Caregiver Support, Aging in Place, Senior Volunteer Development, etc.” The vague wording that lists program names that never existed puts the onus on the Department of Aging to interpret. We call on the

**IN ALAMEDA  
COUNTY...**

Growing numbers of older people in Alameda County are housing insecure.

**Almost half** of older renters are “housing cost burdened” – over 30% of their income goes to housing.

**30%** of older renters spend over half their income on housing.

**Over 10%** of unhoused people are age 65 or older according to the county's 2022 Point In Time count.

**Over half** of the unhoused population in Oakland are over age 50.

For everyone, interventions that address health and the social determinants of health have the best outcomes when the person has stable housing. For older adults, this is critical. Housing instability, displacement and homelessness have serious negative impacts on health.

CDA to seriously consider local needs and gaps as they make these determinations and to align funding allocations with existing Older Americans Act programs like Case Management & Visiting lack adequate capacity to meet current demand, rather than wasting precious funds on starting programs from scratch.

**Invests in the Returning Home Well program** – The budget includes \$31.8 million over three years to provide transitional housing for parolees at risk of housing insecurity, 25% of whom are age 50 or older.

## HEALTH REIMAGINED

### CALIFORNIA'S 2022/23 BUDGET:

**Adopts New Presumptive Eligibility Rule** – The budget proposes to make permanent a temporary COVID-19 flexibility that allows a hospital to use

presumptive eligibility for Medi-Cal for patients age 65 and older. This will give temporary full Medi-Cal coverage based on a patient's self-attested information.

**Plans to Reform Medi-Cal Share of Cost in 2025** – The budget puts a placeholder for a future allocation to reform the Medi-Cal Share of Cost programs maintenance need income level to 138% of the federal poverty level. This change will mean that fewer older adults will have to spend 60% of their income on healthcare before they can access Medi-Cal coverage.

**Invests in Alzheimer's Healthy Brain Initiative** – The budget allocates \$10 million to continue supporting this initiative that awards grants to counties to promote cognitive health and address the needs of caregivers and people with ADRD.

**Funds Evaluation of HCBS Programs** – The budget allocates \$4 million for CDA to evaluate California's Home and Community-Based Services beyond those offered through Medi-Cal. The findings will supplement the Medi-Cal HCBS gap analysis that is underway at DHCS.

**Supports LTSS Feasibility Study** – The budget allocates \$5 million to the CDA to conduct a feasibility and actuarial study to assess financing and service options to cover long term services and supports.

## IN ALAMEDA COUNTY...

**49,432** people age 65 or older are "Duals," with both Medicare and Medi-Cal coverage. Duals are more likely to have multiple chronic conditions and complex medical and social care needs, and are challenged by trying to navigate poorly aligned systems.

**12,041** people age 65 or older have only Medi-Cal coverage.

**28,045** people in our county were living with Alzheimer's Disease in 2019. That number is expected to grow by 30% by 2025. By 2040 over 69,000 people will be living with the disease.

**17.7%** of people age 60 and older rate their health as "fair" or "poor."

**Over 30%** of people age 60 or older rate their dental health as "fair" or "poor."

**Over 41%** of ED visits by people age 65 or older were not necessary or preventable (CMS Medicare FFS data, 2018 & 2019).

**Creates Community-based Mobile Crisis Benefit** – The budget invests \$1.4 billion (\$335 million General Fund) to create a new Medi-Cal benefit to cover multi-disciplinary 24/7 mobile response services for mental health and substance use crises starting in January 2023.

**Funds Specialty Dental Clinics** – The budget allocates \$50 million over two years to establish a specialty dental grant program to better serve individuals with complex oral health needs.

## IN ALAMEDA COUNTY...

**24%** of older adults live alone, a major risk factor for social isolation and loneliness.

**20.8%** of people age 60 or older report they are sometimes or often lonely.

**Three of the six** centers that provided Adult Day Health Care under the Medi-Cal CBAS benefit have closed over the last decade. Now fewer than 1,000 adults with complex medical, cognitive & psychological conditions are served. All five Adult Day programs have closed.

**16,133** people age 65 or older were receiving In-Home Supportive Services.

**22.9%** of people age 60 or older (86,000 people) provide care to a family member or friend with an illness or disability.

## INCLUSION & EQUITY - NOT ISOLATION

### CALIFORNIA'S 2022/23 BUDGET:

**Funds Grants for Adult Day Services** – The budget includes \$61.4 million for grants to Adult Day Health Care Centers, Adult Day Programs & PACE programs

to help them respond to and mitigate the impact of COVID-19 and open safely.

**Funds Foster Grandparents and Senior Companion Demonstrations** – The budget invests \$10 million to bring back two impactful programs that were eliminated in 2008. The programs provided stipends to older adults who mentor children in need, and to older adults who provide support to elders at risk of nursing home placement.

**Invests in Training for APS Workforce** – The budget continues and increases support for the Adult Protective Services training program.

**Adds Capacity for Master Plan for Aging Implementation** – The budget allocates \$36 million to build staffing capacity at the CDA and to build out the MPA data dashboard, and for civic engagement policies and programs in the California Commission on Aging.

## CAREGIVING THAT WORKS

### CALIFORNIA'S 2022/23 BUDGET:

**IHSS Permanent Back-up Provider System** – The final budget includes \$15.4 million (matched by \$19 million federal funds) to establish a permanent back-up provider system so that IHSS consumers can avoid disruptions in care due to an emergency or immediate need. Effective

October 1, 2022, up to 80 hours per year per consumer, or up to 160 hours as determined on a case-by-case basis, may be provided.

**Provider Rate Increases Made Permanent** – The Budget includes making ongoing provider rate increases permanent for a host of Medi-Cal providers, including home health and CBAS/Adult Day Health Care.

**Helps Many Nonprofits with COVID-19 Supplemental Sick Leave Relief Grants** – The budget allocates \$250 million for grant relief to those nonprofits and small businesses required to comply with the state’s COVID-19 supplemental paid sick leave mandate covering Jan 1 - Sep 30, 2022.

**WHAT THE  
BUDGET  
DOESN'T  
INCLUDE**

A number of MPA-aligned proposals that Senior Services Coalition and our partners strongly supported did not make it into the state’s 2022/23 budget. The most disappointing lost opportunities include:

- A bill and budget request from Assemblymember Nazarian, the **Housing Stabilization to Prevent and End Homelessness Among Older Adults and People with Disabilities**, would have invested \$750 million in strategies that include both shallow and deep housing subsidies. The assemblymember is leaving at the end of this year, but his bill, AB 2547, and budget request could potentially be taken up by a new champion.
- A budget request sponsored by SSC in partnership with Alameda County, and carried jointly by Assemblymember’s Bonta and Bauer-Kahan – the **Building Capacity of CDA-administered Case Management and Visiting Programs** – would have increased statewide funding to increase the number of people helped by these essential programs by \$32.5 million over three years.
- The California Association of Area Agencies on Aging’s request to restore funding for Older Californian’s Act programs (Linkages, Brown Bag, etc.) and increase ongoing funding for Senior Nutrition, altogether a three-year, \$342 million request.

Aging and disability advocates elevated many other strong proposals that, if adopted, would take tangible steps towards implementing the Master Plan for Aging. We will be joining our colleagues across the state in learning from both the wins and the historic lost opportunities, and we look forward to regrouping in the Fall to begin advancing much needed policy and investments that will improve health and life outcomes for older people in Alameda County and California.

**The Senior Services Coalition of Alameda County** is a coalition of nonprofit and public organizations that provide health care and supportive services to over 80,000 older adults. We are committed to establishing an easily accessible, coordinated system of social, medical and supportive care for older people in Alameda County.

**Data Sources for this Report:**

DHCS Medi-Cal Eligibles, May 2022

ATI Advisory analysis of MBSF administrative data licensed from CMS, based on Medicare enrollment records for March 2021

Alzheimer's Disease and Related Dementias Facts and Figures in California. California Department of Public Health, January 2021

CDSS IHSS Program Data, June 2022

CHISS Data, 2020, UCLA Center for Health Policy Research