

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM # 2 In-Home Supportive Services (IHSS) Plus Waiver Program

CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held May 17, 2006, as follows:

May 17, 2006
Office Building # 9
744 P St. Auditorium
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on May 17, 2006.

CDSS, upon its own motion or at the instance of any interested party, may adopt the proposals substantially as described or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical, or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.dss.cahwnet.gov/ord>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below.

Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below.

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CHAPTERS

Manual of Policies and Procedures, Divison 30 (Social Services Programs), Chapter 30-700 (Service Program No. 7: In-Home Supportive Services), Section 30-700 (Program Definition), and Section 30-785 (In-Home Supportive Services (IHSS) Plus Waiver Program).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

California submitted a Section 1115 Independence Plus Demonstration Project application on May 4, 2004 to provide aged, blind and disabled adults and children with self-directed personal care assistance and service delivery options. These services and options were available under the In-Home Supportive Services (IHSS) program that has been operating since 1973. The IHSS program was to be eliminated from the State's budget effective July 1, 2004. California sought to preserve these self-directed services and options through the demonstration project option under the authority in Section 1115 of the Social Security Act. These self-directed services and options would enable certain participants to remain in their family residence or in their own homes and help to avert the need for higher cost institutional services.

On July 30, 2004, the U.S. Department of Health & Human Services (DHHS), Medical Care Services, approved this demonstration project as a Medicaid program. California will receive federal financial participation for these recipients who would have lost their services and options with the program cut. This new program is called the In-Home Supportive Services (IHSS) Plus Waiver.

Senate Bill (SB) 1104, Chapter 229, Statutes of 2004, allows for the implementation of the IHSS Plus Waiver program in accordance with Welfare and Institutions Code Section 14132.951. Currently, counties are administering the IHSS Plus Waiver to eligible aged, blind and disabled individuals in California through an interim All County Letter #05-05.

Existing CDSS regulations only allow for the IHSS and the Personal Care Services Program (PCSP). The addition of the IHSS Plus Waiver regulations will guide this new program and add the program into the general In-Home Supportive Services regulations, MPP Chapter 30-700.

COST ESTIMATE

1. Costs or Savings to State Agencies: Savings of approximately \$215 million in the current SFY.
2. Costs to Local Agencies or School Districts: None.
3. Nondiscretionary Costs or Savings to Local Agencies: Savings of approximately \$115.8 million annually.
4. Federal Funding to State Agencies: Additional expenditures of approximately \$330.7 million in the current SFY.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate on local agencies but not on school districts. The mandate is not required to be reimbursed pursuant to part 7 (commencing with Section 17500) of Division 4 of the Government Code or Section 6 of Article XIII B of the California Constitution because implementation of the regulations will not result in any increased cost to local agencies.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies.

ASSESSMENT OF JOB CREATION OR ELIMINATION

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

AUTHORITY AND REFERENCE CITATIONS

CDSS adopts these regulations under the authority granted in Section 1115 of the Social Security Act (42 USC 1315) and Welfare and Institutions Code Sections 10553, and 10554. Subject regulations implement and make specific Welfare and Institutions Code Sections 12305.1, 14132.951 (SB 1104, Ch. 229, Statutes of 2004) and Special Terms and Conditions (STC) for the California IHSS Plus Waiver, granted under section 1115 Demonstration Project.

CDSS REPRESENTATIVE REGARDING RULEMAKING PROCESS OF THE PROPOSED REGULATION

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