

JUSTICE IN AGING

FIGHTING SENIOR POVERTY THROUGH LAW

February 9, 2023

Assembly Speaker Anthony Rendon
State Capitol
Sacramento, CA 95814

Senate President Pro Tempore Toni Atkins
State Capitol
Sacramento, CA 95814

Assemblymember Phil Ting
Chair, Assembly Budget Committee
State Capitol
Sacramento, CA 95814

Senator Nancy Skinner
Chair, Senate Budget Committee
State Capitol
Sacramento, CA 95814

RE: Governor's Proposed 2023-24 Budget

Dear Speaker Rendon, Pro Tem Atkins, Assemblymember Ting and Senator Skinner –

Justice in Aging respectfully offers the following comments and recommendations on the Governor's proposed 2023-24 state budget. We recognize that despite the state's fiscal downturn, the proposed budget continues to invest in the Master Plan for Aging to remedy longstanding inequities in our systems of caring for older adults and people with disabilities. As we look towards a growing population of older Californians, we sincerely appreciate protecting the important investments made in prior budgets. Our comments outline investments that we seek to maintain and additional budget commitments for low-income older adults in five key issue areas: health and human services, economic security, housing, elder justice, and equity.

Investments in Health and Human Services Programs

The Legislature and Governor have made many investments in health care programs over the last several years, and we are appreciative that the Governor's proposed 2023-24 budget maintains the commitment to these programs, including:

- Reforming the Medi-Cal Share of Cost program in 2025, which will improve affordability of critical health care services to older adults and people with disabilities
- Full elimination of the Medi-Cal asset test starting January 1, 2024
- Expanding Medi-Cal to those ages 26-49 regardless of their immigration status
- Investment in CalAIM, including seeking federal approval to fund up to six months of rent or temporary housing for individuals transitioning out of institutional levels of care, experiencing homelessness or at risk of homelessness, beginning in 2026.
- Continuing to pursue the HCBS gap analysis and roadmap in order to identify disparities and unmet needs in the state's HCBS system

In addition to maintaining these past investments, Justice in Aging is seeking the following new investments:

- We request the Legislature take immediate action to deprioritize and postpone Medi-Cal renewals for seniors and persons with disabilities until December 2023. With the restart of Medi-Cal renewals this April, many of these individuals may temporarily lose coverage due to being over current asset limits or merely because they were unable to provide asset proofs in time. Beginning in 2024, the asset limit will be fully eliminated, and deprioritizing renewals for these individuals will avoid coverage interruptions and minimize churn.
- We request that the Legislature prioritize increasing the Home Upkeep Allowance to prevent the loss of housing and permanent institutionalization of older adults and persons with disabilities who would otherwise be able to return to the community and live in their own homes. Current policy allows low-income Californians who need six months of long-term care to set aside only \$209 a month to keep their housing while they receive care in a facility. Because that amount is a fraction of actual housing costs, many individuals who would otherwise be able to return home, become homeless and are unable to leave nursing home facilities because they are unable to maintain their home.
- We request that the Legislature require the Department of Health Care Services to submit a State Plan Amendment to become a Medicare Part A Buy-In State. This shift would eliminate enrollment barriers that some low-income older adults face in getting financial assistance for high Medicare Part A monthly premiums. This proposal also has the potential for cost-savings, due to the availability of federal funds.

Investments in Economic Security

The proposed budget includes an investment of \$146 million General Fund in 2023-24 and \$292 million ongoing for an additional SSP increase of approximately 8.6 percent, effective January 1, 2024. This represents a needed and positive step in fully rescinding cuts made to the SSP in 2009 and 2010. However, the increase would still not bring the SSP for an individual up to the SSP amount before the cuts, when adjusted for inflation.

We applaud the Governor's proposal to continue to make ongoing investments in SSP grants. More than a decade ago during the Great Recession, the state cut the SSP grant to the legally required minimum, which worsened poverty, hunger, and homelessness among older adults and people with disabilities. As California has been in a position to rescind cuts made to the safety net, the Governor and Legislature have rightly prioritized restoring and bolstering our support system, including protecting people on SSI. Now is the time to continue that work, in order to meet

current needs and to bring us to a new, inclusive normal that provides dignity for all. This can be done by increasing the SSP grants up to at least the inflation-adjusted level prior to the recession, and then ultimately to the Master Plan for Aging goal of raising SSI/SSP grants up to meet the Federal Poverty Level and Elder Economic Index.

The Governor's proposed budget also proposes to delay the investment made in the 2022-23 budget to expand eligibility of the California Food Assistance Program to adults age 55 and older regardless of immigration status to 2027. We urge the Legislature to reject this delay, and require a timely implementation date for the expansion.

Investments in Housing

While the Governor's proposed budget continues spending commitments from the 2022-23 state budget, there are no additional investments proposed specifically to address older adult homelessness. Older adults are the fastest growing population of homeless individuals in California, and direct investments are needed to help them.

Justice in Aging is requesting the Legislature support creating a statewide targeted rental subsidy program to prevent and end homelessness for thousands of older adults and people with disabilities.

This budget request for one-time funds of \$500 million would fund a four-year housing stabilization program for older adults and persons with disabilities who are at imminent risk of, or currently experiencing, homelessness. The California Department of Housing and Community Development (HCD) would grant state funds to local housing, aging and disability agencies, based on a mix of formula and competitive factors. Grantees will administer rental subsidies to offer housing stability to those most at risk of homelessness, and allow currently unhoused individuals to obtain housing in the private market. This program would help an estimated 13,500 households per year. This proposal is part of the broader unified housing-homelessness budget request of \$7.9 billion.

The Governor has proposed that \$400 million in unspent Emergency Relief funds for the California Utility Arrearage Payment Program revert back to the General Fund. This savings would be better spent toward funding housing stability and advancing the Master Plan for Aging goal of preventing and ending older adult homelessness.

Investments in Elder Justice

We appreciate that the Governor's proposed budget maintains the annual increase of \$4.6 million General Fund from the 2022-23 state budget to continue and increase support for the Adult Protective Services (APS) training program and the infrastructure

to ensure that the APS workforce remains prepared to meet the needs of California's growing aging and disabled populations.

Investments in Equity

Last year, the Governor signed Executive Order N-16-22, which directed the creation of a Racial Equity Commission. We strongly support the proposed work of the commission, and the proposed \$3.8 million allocation in the 2023-24 budget. We appreciate the Governor's continued commitment to supporting equity, and ensuring that the perspectives of older Californians remains part of that work.

Thank you for considering our recommendations for further investment as you analyze the proposed budget and work with the Administration to finalize the 2023-24 state budget. We stand ready to partner with you to realize our shared vision for a future California where older adults and people with disabilities are supported and valued — where people of all races and economic means know they can age in dignity.

Sincerely,



Kevin Prindiville
Executive Director
Justice in Aging

cc: Assemblymember Joaquin Arambula, Chair, Assembly Budget Subcommittee #1
Assemblymember Wendy Carrillo, Chair, Assembly Budget Subcommittee #4
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