

Assembly Bill No. 908

Passed the Assembly July 31, 1995

Chief Clerk of the Assembly

Passed the Senate July 30, 1995

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 1995, at ____ o'clock __M.

Private Secretary of the Governor

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CHAPTER ____

An act to amend Sections 1523.2 and 1569.617 of the Health and Safety Code, to amend Section 1611.5 of the Unemployment Insurance Code, to amend Sections 11450, 11462, 14005.12, 14005.21, 14132.95, 16504, 16506, 16525.10, 16525.40, and 19806 of, and to add Sections 11052.1, 11254, 11334.51, 11450.018, 11450.019, 11452.018, 12200.018, 12302.3, and 14132.96 to, the Welfare and Institutions Code, relating to public services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 908, Brulte. Budget implementation: public health programs.

Existing law specifies that for each fiscal year in which fees collected by the State Department of Social Services for the issuance of licenses or special permits to community care facilities, residential care facilities for the elderly, and child day care facilities exceed a specified amount, the excess fees shall be used by the department to fund the creation and maintenance of new licensing positions to provide technical assistance to licensees.

This bill would establish the Technical Assistance Fund, from which moneys, upon appropriation by the Legislature, shall be expended by the department to fund the creation of new licensing staff positions.

Existing law establishes the Residential Care Facility for the Elderly Fund, from which moneys, upon appropriation by the Legislature, are expended by the department for the purposes of administering residential care for the elderly facility provisions.

This bill would, instead, rename this fund the Certification Fund, and would change its function to that of providing funds, when appropriated, for administering specified certification provisions.

Existing law contains provisions relating to amounts to be received by the referring district attorney upon the



collection by the Franchise Tax Board of a child support delinquency, as well as the amount to be received by the Franchise Tax Board.

This bill would revise those allocations.

Existing law establishes the Greater Avenues for Independence (GAIN) program, under which each county provides Aid to Families with Dependent Children (AFDC) program recipients with employment and training services, in accordance with approved county plans.

This bill would revise local funding methodologies for the GAIN and Cal-Learn Programs.

Existing law provides for the AFDC program, under which each county provides cash assistance and other benefits to qualified low-income families. Each county is required to pay a share of the cost of both aid grant and administrative costs for the AFDC program. Under the AFDC program maximum aid grant levels are provided for families, depending upon family size.

The bill would revise the maximum aid payment and eligibility requirements for the AFDC program.

Existing law provides for the reduction of aid under the AFDC program.

This bill would, if specified maximum aid payments under the AFDC program may be applied without risk of federal funding, specify that those existing aid reductions shall not apply to aid payments when the parents or caretakers of eligible children meet specified conditions.

Existing law continuously appropriates funds for the payment of aid under the AFDC program, and, by increasing current aid payment levels of certain recipients, this bill would result in an appropriation.

Since each county is required to pay a share of AFDC aid grant costs, and since the bill would increase the costs under that program by altering the method for determining aid grants, the bill would constitute a state-mandated local program.

Existing law provides for the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which payments are made on behalf of low-income



children in foster care placements, including group homes.

Existing law specifies that a group home AFDC-FC reimbursement rate shall not increase, during the 1994–95 fiscal year, as a result of a program change, except under specified circumstances.

This bill would extend this provision to the 1995–96 fiscal year.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Services, under which qualified low-income persons are provided with health care services.

Existing law provides, until July 1, 1996, that one of the benefits covered by the Medi-Cal program are personal care services, as defined.

This bill would extend these provisions to July 1, 1998.

Existing law provides for the In-Home Supportive Services (IHSS) program, under which various types of services, including many of which are also covered by Medi-Cal personal services, are provided to recipients in order to permit them to remain in their own homes. One method for arranging for the provision of services under the IHSS program is through the establishment by a county of a public authority.

This bill would impose a state-mandated local program by providing that Medi-Cal personal care services provider rates established for an IHSS program public authority shall be reviewed and certified, as specified, by the county in which the authority operates.

Existing law requires that family maintenance services shall be provided or arranged for by county welfare departments in order to maintain a child in his or her own home, specifies the circumstances in which those services shall be provided, and limits the availability of the services to not more than 2 6-month periods.

This bill would impose a state-mandated local program to include any individual and child who are referred pursuant to the AFDC eligibility process who are not placed in foster care and who meet other criteria, and



would require the provision of the services until the individual reaches the age of 18.

Existing law provides for the State Supplementary Program for the Aged, Blind, and Disabled (SSP), which requires the State Department of Social Services to contract with the United States Secretary of Health and Human Services to make payments to SSP recipients to supplement supplemental security income (SSI) payments made available pursuant to the federal Social Security Act.

This bill would reduce the amount of aid available under the SSP program for various categories of SSP recipients.

Existing law provides for the In-Home Supportive Services (IHSS) program, under which, either through employment by the recipient, or by or through contract by the county, qualified aged, blind, and disabled persons receive services enabling them to remain in their own homes. Counties are responsible for the administration of the IHSS program.

This bill would revise the public authority created by the City and County of San Francisco in the implementation of the IHSS program.

Under existing law, counties are required to provide child welfare services and county social workers are required to make an immediate in-person response in an emergency situation, as determined by the social worker.

This bill would impose a state-mandated local program by requiring an in-person response whenever a referral is received pursuant to the AFDC eligibility screening process.

Existing law requires counties to provide family maintenance services, and limits the period for which those services shall be provided.

This bill would impose a state-mandated local program by requiring the provision of those services to individuals and children referred pursuant to the screening process in the AFDC eligibility process.

Existing law requires the State Department of Social Services to conduct a demonstration project for the



placement of foster care children affected by substance abuse or Acquired Immune Deficiency Syndrome (AIDS) in 4 participating counties, until June 30, 1995.

This bill would extend that program to June 30, 1996, and would provide for the participation of 10 counties.

Existing law provides for the funding of independent living centers by the Department of Rehabilitation pursuant to a specified funding formula, in order to provide an array of services to disabled persons.

Existing law specifies the methodology for allocating funds to independent living centers.

This bill would revise the allocation of funds to independent living centers that beginning with the 1996–97 fiscal year, and each fiscal year thereafter, to the extent that such funds from the federal Social Security Act were not appropriated by the Legislature in the 1995–96 fiscal year, an amount equal to the combined state and federal fund allocation to independent living centers in the Budget Act of 1995 shall be appropriated to, and allocated by, the Department of Rehabilitation to independent living centers.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 1523.2 of the Health and Safety Code is amended to read:

1523.2. (a) Beginning with the 1996–97 fiscal year, there is hereby created in the State Treasury the Technical Assistance Fund, from which money, upon appropriation by the Legislature in the Budget Act, shall be expended by the department to fund the creation and



maintenance of new licensing staff positions to provide technical assistance to licensees paying fees pursuant to those sections specified in subdivision (b).

(b) In each fiscal year for fees collected by the department pursuant to Sections 1523.1, 1569.185, and 1596.803, that, in the aggregate, after deducting for administrative costs, total more than six million dollars (\$6,000,000), the excess of six million dollars (\$6,000,000) shall be expended by the department to fund the creation and maintenance of new licensing staff positions to provide technical assistance to licensees paying fees pursuant to the above specified sections.

SEC. 2. Section 1569.617 of the Health and Safety Code is amended to read:

1569.617. (a) (1) There is hereby created in the State Treasury, the Certification Fund from which moneys, upon appropriation of the Legislature, shall be expended by the department for the purpose of administering the residential care facilities for the elderly certification program provided under Sections 1569.23, 1569.615, and 1569.616, and the adult residential facilities certification program pursuant to Section 1562.3.

(2) All money contained in the Residential Care Facility for the Elderly Fund on the operative date of this paragraph shall be retained in the Certification Fund for appropriation for the purposes specified in paragraph (1).

(b) The fund shall consist of specific appropriations that the Legislature sets aside for use by the fund and all fees, penalties, and fines collected pursuant to Sections 1562.3, 1562.23, 1569.615, and 1569.616.

(c) For the 1995–96 fiscal year, the sum of one hundred thirty-four thousand dollars (\$134,000) from the Certification Fund shall be appropriated to the State Department of Social Services to administer the adult residential facilities certification program pursuant to Section 1562.3.

SEC. 3. Section 1611.5 of the Unemployment Insurance Code is amended to read:



1611.5. (a) Notwithstanding Section 1611, the Legislature may appropriate from the Employment Training Fund up to twenty million dollars (\$20,000,000) in the Budget Act of 1994 and twenty-two million seven hundred thirty-five thousand dollars (\$22,735,000) in the Budget Act of 1995 for purposes of funding the local assistance portion of the nonfederal share of cost in the Greater Avenues for Independence (GAIN) program, provided for pursuant to Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, as administered by the State Department of Social Services.

(b) Notwithstanding any other provision of law, the panel may execute training contracts for up to twenty million dollars (\$20,000,000) in excess of the amounts appropriated by Item 5100-001-514 of the Budget Act of 1995.

(c) This section shall become inoperative on July 1, 1996, and as of January 1, 1997, is repealed, unless later enacted statute, which becomes effective on or before January 1, 1997, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 4. Section 11052.1 is added to the Welfare and Institutions Code, to read:

11052.1. The department shall undertake activities designed to facilitate the dissemination of information to applicants for, and recipients of, aid under Chapter 2 (commencing with Section 11200) regarding work incentive provisions in existing law, in order to ensure that clients are aware of these provisions and their effect. These activities shall include all of the following:

(a) Developing state materials to accomplish this purpose and distributing the materials to county welfare departments for dissemination to clients as part of the regular intake and redetermination process.

(b) Modifying the current rights and responsibilities portion of the application process to include positive information about work.

(c) Developing other options to facilitate county administrative activities designed to encourage AFDC



clients to work, such as including in the regular intake and redetermination process an oral or video presentation regarding work incentives, and using specialized staff, such as Greater Avenues for Independence Program (GAIN) employment counselors, to provide work-related counseling and information.

SEC. 5. Section 11254 is added to the Welfare and Institutions Code, to read:

11254. (a) Subject to subdivision (b), in the case of any individual who is under the age of 18 years and has never married, and who is pregnant or has a dependent child in his or her care:

(1) The individual may receive aid under this chapter for the individual and the child, if otherwise eligible, only if the individual and child reside in a place of residence maintained by a parent, legal guardian, or other adult relative of the individual as the parent's, guardian's, or adult relative's own home, or in another adult-supervised supportive living arrangement.

(2) The aid, where possible, shall be provided to the parent, legal guardian, or other adult relative on behalf of the individual.

(b) Subdivision (a) does not apply in any of the following circumstances:

(1) The individual has no parent or legal guardian of his or her own who is living or whose whereabouts are known.

(2) No living parent or legal guardian of the individual allows the individual to live in the home of the parent or guardian.

(3) It is determined by the child protective services worker that the physical or emotional health or safety of the individual or child would be jeopardized if the individual and child lived in the same residence with the individual's own parent, legal guardian or other adult relative.

(4) The individual lived apart from his or her parent or legal guardian for a period of at least one year before either the birth of any such child or the individual having made application for aid under this chapter.



(5) It is determined in accordance with federal regulations that there is good cause for waiving subdivision (a).

(c) No income of the parent or parents deemed to be available to the individual shall be deemed to be available directly or indirectly to the individual's child for purposes of determining eligibility or grant level for that child.

(d) Prior to implementing this section, the director shall apply for and obtain any necessary federal waiver. This subdivision shall not apply if the federal waiver process is repealed or modified so that a waiver is not necessary to implement subdivision (c).

SEC. 6. Section 11334.51 is added to the Welfare and Institutions Code, to read:

11334.51. (a) The department shall reduce the allocation of money from Items 5180-151-001 and 5180-151-890 of the Budget Act with respect to any county to which both of the following apply:

(1) The county did not have an approved Cal-Learn county plan pursuant to Section 11333.5 as of April 1, 1995, or subsequently amends the plan in the manner set forth in paragraph (2).

(2) The county has taken action to enter into an agreement with the department for less than full implementation of this article and an agreement is in effect on July 1, 1996.

(b) The amount of the reduction required by subdivision (a) shall be an amount equal to three times the full cost incurred by the department to implement the affected function.

SEC. 7. Section 11450 of the Welfare and Institutions Code is amended to read:

11450. (a) (1) Aid shall be paid for each needy family, which shall include all eligible brothers and sisters of each eligible applicant or recipient child and the parents of the children, but shall not include unborn children, or recipients of aid under Chapter 3 (commencing with Section 12000), qualified for aid under this chapter. In determining the amount of aid paid, the family's income, exclusive of any amounts



considered exempt as income or paid pursuant to subdivision (e) or Section 11453.1 shall be deducted from the sum specified in Section 11452, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2) of subdivision (a) of Section 11450 11496. In no case shall the amount of aid paid for each month exceed the sum specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2) of subdivision (a) of Section 11450, plus any special needs, as specified in subdivisions (c), (e), and (f):

Number of eligible needy persons in the same home	Maximum aid
1	\$ 326
2	535
3	663
4	788
5	899
6	1,010
7	1,109
8	1,209
9	1,306
10 or more	1,403

If, when, and during such times as the United States government increases or decreases its contributions in assistance of needy children in this state above or below the amount paid on July 1, 1972, the amounts specified in the above table shall be increased or decreased by an amount equal to that increase or decrease by the United States government, provided that no increase or decrease shall be subject to subsequent adjustment pursuant to Section 11453.

(2) The sums specified in paragraph (1) shall not be adjusted for cost of living for the 1990–91, 1991–92, 1992–93, 1993–94, 1994–95, and 1995–96 fiscal years, nor shall that amount be included in the base for calculating



any cost-of-living increases for any fiscal year thereafter. Elimination of the cost-of-living adjustment pursuant to this paragraph shall satisfy the requirements of Section 11453.05, and no further reduction shall be made pursuant to that section.

(b) When the family does not include a needy child qualified for aid under this chapter, aid shall be paid to a pregnant mother in the amount which would otherwise be paid to one person, as specified in subdivision (a), if the mother, and child if born, would have qualified for aid under this chapter. Verification of pregnancy shall be required as a condition of eligibility for aid under this subdivision.

(c) The amount of forty-seven dollars (\$47) per month shall be paid to pregnant mothers qualified for aid under subdivision (a) or (b) to meet special needs resulting from pregnancy if the mother, and child, if born, would have qualified for aid under this chapter. County welfare departments shall refer all recipients of aid under this subdivision to a local provider of the Women, Infants and Children program. If that payment to pregnant mothers qualified for aid under subdivision (a) is considered income under federal law in the first five months of pregnancy, payments under this subdivision shall not apply to persons eligible under subdivision (a), except for the month in which birth is anticipated and for the three-month period immediately prior to the month in which delivery is anticipated, if the mother, and the child if born, would have qualified for aid under this chapter.

(d) For children receiving AFDC-FC under this chapter, there shall be paid, exclusive of any amount considered exempt as income, an amount of aid each month which, when added to the child's income, is equal to the rate specified in Section 11460, 11461, 11462, 11462.1, or 11463. In addition, the child shall be eligible for special needs, as specified in departmental regulations.

(e) In addition to the amounts payable under subdivision (a) and Section 11453.1, a family shall be entitled to receive an allowance for recurring special needs not common to a majority of recipients. These



recurring special needs shall include, but not be limited to, special diets upon the recommendation of a physician for circumstances other than pregnancy, and unusual costs of transportation, laundry, housekeeping service, telephone, and utilities. The recurring special needs allowance for each family per month shall not exceed that amount resulting from multiplying the sum of ten dollars (\$10) by the number of recipients in the family who are eligible for assistance.

(f) After a family has used all available liquid resources, both exempt and nonexempt, in excess of one hundred dollars (\$100), the family shall also be entitled to receive an allowance for nonrecurring special needs.

(1) An allowance for nonrecurring special needs shall be granted for replacement of clothing and household equipment and for emergency housing needs other than those needs addressed by paragraph (2). These needs shall be caused by sudden and unusual circumstances beyond the control of the needy family. The department shall establish the allowance for each of the nonrecurring special need items. The sum of all nonrecurring special needs provided by this subdivision shall not exceed six hundred dollars (\$600) per event.

(2) Homeless assistance is available to a homeless family seeking shelter when the family is eligible for aid under this chapter. Homeless assistance for temporary shelter is also available to homeless families which are apparently eligible for aid under this chapter. Apparent eligibility exists when evidence presented by the applicant or which is otherwise available to the county welfare department and the information provided on the application documents indicate that there would be eligibility for aid under this chapter if the evidence and information were verified. However, an alien applicant who does not provide verification of his or her eligible alien status, or a woman with no eligible children who does not provide medical verification of pregnancy, is not apparently eligible for purposes of this section.

A family is considered homeless, for the purpose of this section, when the family lacks a fixed and regular



nighttime residence; or the family has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations; or the family is residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(A) (i) A nonrecurring special need of thirty dollars (\$30) a day shall be available to families for the costs of temporary shelter, subject to the requirements of this paragraph. County welfare departments may increase the daily amount available for temporary shelter to large families as necessary to secure the additional bed space needed by the family.

(ii) This special need shall be granted or denied immediately upon the family's application for homeless assistance, and benefits shall be available for up to three working days. The county welfare department shall verify the family's homelessness within the first three working days and if the family meets the criteria of questionable homelessness established by the department, the county welfare department shall refer the family to its early fraud prevention and detection unit, if the county has such a unit, for assistance in the verification of homelessness within this period.

(iii) After homelessness has been verified, the three-day limit shall be extended for a period of time which, when added to the initial benefits provided, does not exceed a total of 16 calendar days. This extension of benefits shall be done in increments of one week and shall be based upon searching for permanent housing which shall be documented on a housing search form; good cause; or other circumstances defined by the department. Documentation of housing search shall be required for the initial extension of benefits beyond the three-day limit and on a weekly basis thereafter as long as the family is receiving temporary shelter benefits. Good cause shall include, but is not limited to, situations in which the county welfare department has determined that the family, to the extent it is capable, has made a good faith



but unsuccessful effort to secure permanent housing while receiving temporary shelter benefits.

(B) A nonrecurring special need for permanent housing assistance is available to pay for last month's rent and security deposits when these payments are reasonable conditions of securing a residence.

The last month's rent portion of the payment (1) shall not exceed 80 percent of the family's maximum aid payment without special needs for a family of that size and (2) shall only be made to families that have found permanent housing costing no more than 80 percent of the family's maximum aid payment without special needs for a family of that size, in accordance with the maximum aid schedule specified in subdivision (a).

However, if the county welfare department determines that a family intends to reside with individuals who will be sharing housing costs, the county welfare department shall, in appropriate circumstances, set aside the condition specified in clause (2) of the preceding paragraph.

(C) The nonrecurring special need for permanent housing assistance is also available to cover the standard costs of deposits for utilities which are necessary for the health and safety of the family.

(D) A payment for or denial of permanent housing assistance shall be issued no later than one working day from the time that a family presents evidence of the availability of permanent housing. If an applicant family provides evidence of the availability of permanent housing before the county welfare department has established eligibility for aid under this chapter, the county welfare department shall complete the eligibility determination so that the denial of or payment for permanent housing assistance is issued within one working day from the submission of evidence of the availability of permanent housing, unless the family has failed to provide all of the verification necessary to establish eligibility for aid under this chapter.

(E) (i) Except as provided in clauses (ii) and (iii), eligibility for the temporary shelter assistance and the



permanent housing assistance pursuant to this paragraph shall be limited to one period of up to 16 consecutive calendar days of temporary assistance and one payment of permanent assistance. Any family that includes a parent or nonparent caretaker relative living in the home who has previously received temporary or permanent homeless assistance at any time on behalf of an eligible child shall not be eligible for further homeless assistance. Any person who applies for homeless assistance benefits shall be informed that the temporary shelter benefit of up to 16 consecutive days is available only once in a lifetime, with certain exceptions, and that a break in the consecutive use of the benefit constitutes permanent exhaustion of the temporary benefit.

(ii) A family that becomes homeless as a direct and primary result of a state or federally declared natural disaster shall be eligible for temporary and permanent homeless assistance.

(iii) A family shall be eligible for temporary and permanent homeless assistance when homelessness is a direct result of domestic violence by a spouse, partner, or roommate; physical or mental illness that is medically verified that shall not include a diagnosis of alcoholism, drug addiction, or psychological stress; or, the uninhabitability of the former residence caused by sudden and unusual circumstances beyond the control of the family including natural catastrophe, fire, or condemnation. These circumstances shall be verified by a third-party governmental or private health and human services agency and homeless assistance payments based on these specific circumstances may not be received more often than once in any 24-month period.

(iv) The county welfare department shall report to the department through a statewide homeless assistance payment indicator system, necessary data, as requested by the department, regarding all recipients of aid under this paragraph.

(F) The county welfare departments, and all other entities participating in the costs of the AFDC program, have the right in their share to any refunds resulting from



payment of the permanent housing. However, if an emergency requires the family to move within the 24-month period specified in subparagraph (E), the family shall be allowed to use any refunds received from its deposits to meet the costs of moving to another residence.

(G) Payments to providers for temporary shelter and permanent housing and utilities shall be made on behalf of families requesting these payments.

(H) The daily amount for the temporary shelter special need for homeless assistance may be increased if authorized by the current year's Budget Act by specifying a different daily allowance and appropriating the funds therefor.

(I) No payment shall be made pursuant to this paragraph unless the provider of housing is a commercial establishment, shelter, or person in the business of renting properties who has a history of renting properties.

(g) The department shall establish rules and regulations assuring the uniform application statewide of this subdivision.

(h) The department shall notify all applicants and recipients of aid through the standardized application form that these benefits are available and shall provide an opportunity for recipients to apply for the funds quickly and efficiently.

(i) Except for the purposes of Section 15200, the amounts payable to recipients pursuant to Section 11453.1 shall not constitute part of the payment schedule set forth in subdivision (a).

The amounts payable to recipients pursuant to Section 11453.1 shall not constitute income to recipients of aid under this section.

SEC. 8. Section 11450.018 is added to the Welfare and Institutions Code, to read:

11450.018. (a) Notwithstanding any other provision of law, the maximum aid payment in accordance with paragraph (1) of subdivision (a) of Section 11450 as reduced by subdivisions (a) and (b) of Section 11450.01, subdivision (a) of Section 11450.015, and subdivision (a)



of Section 11450.017, shall be reduced by 4.9 percent for counties in Region 2, as specified in Section 11452.018.

(b) Notwithstanding any other provision of law, through June 30, 1996, the maximum aid payment in accordance with paragraph (1) of subdivision (a) of Section 11450, as reduced by subdivision (a) and (b) of Section 11450.01, subdivision (a) of Section 11450.015, and subdivision (a) of Section 11450.017, and subdivision (a) of this section shall be reduced by 4.9 percent.

(c) Prior to implementing the reductions specified in subdivisions (a) and (b), the director shall apply for and obtain a waiver from the United States Department of Health and Human Services of Section 1396a(c)(1) of Title 42 of the United States Code. The reduction shall be implemented to the extent the waiver is granted and only so long as the waiver is effective. This subdivision shall not apply if either the federal waiver process set forth at Section 1315 of Title 42 of the United States Code or Section 1396a(c) is repealed or modified such that a waiver is not necessary to implement subdivision (a) or (b).

(d) The decreases in aid provided for pursuant to this section shall not prevent the increases in aid that shall occur on July 1, 1996, pursuant to Section 11450.01 and Section 11450.015.

(e) This section shall become operative and the reductions specified in subdivisions (a) and (b) shall commence on the first day of the month following 30 days after the receipt of federal approval or on the first day of the month following 30 days after a change in federal law that allows states to reduce aid payments without any risk to federal funding under Title XIX of the Social Security Act, whichever is earlier, but no earlier than October 1, 1995.

SEC. 9. Section 11450.019 is added to the Welfare and Institution Code, to read:

11450.019. Effective the first day of the month following 90 days after a change in federal law that allows states to reduce aid payments without any risk to federal funding under Title XIX of the Social Security Act



contained in Subchapter XIX (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code, the reductions in maximum aid payments specified in Section 11450.01, 11450.015, and 11450.017 shall not be applied when all of the parents or caretaker relatives of the aided child living in the home of the aided child meet one of the following conditions:

(a) The individual is disabled and receiving benefits under Section 12200 or 12300.

(b) The individual is a nonparent caretaker who is not included in the assistance unit with the child.

(c) The individual is disabled and is receiving State Disability Insurance benefits or Worker's Compensation Temporary Disability benefits.

SEC. 10. Section 11452.018 is added to the Welfare and Institutions Code, to read:

11452.018. (a) Notwithstanding any other provision of law, the minimum basic standards of adequate care, as set forth in Section 11452, and as adjusted pursuant to any other provision of law, shall be changed for each county to reflect regional variations in housing cost based on the lowest quartile rent in each county as reported in the Decennial Census data for 1990.

(b) Counties are assigned to one of two regions and the minimum basic standards of adequate care for counties in those regions are reduced as follows:

(1) Region 1 shall include all counties with lowest quartile rents of four hundred dollars (\$400) or more. There shall be no reduction in minimum basic standard of adequate care for counties in Region 1. Region 1 shall consist of the following counties:

- (A) Alameda County
- (B) Contra Costa County
- (C) Los Angeles County
- (D) Marin County
- (E) Monterey County
- (F) Napa County
- (G) Orange County
- (H) San Diego County
- (I) San Francisco County



- (J) San Luis Obispo County
- (K) San Mateo County
- (L) Santa Barbara County
- (M) Santa Clara County
- (N) Santa Cruz County
- (O) Solano County
- (P) Sonoma County
- (Q) Ventura County

(2) Region 2 shall include all counties with lowest quartile rents below four hundred dollars (\$400). There shall be a 4.9 percent reduction in the minimum basic standard of adequate care for counties in Region 2. Region 2 shall consist of the following counties:

- (A) Alpine County
- (B) Amador County
- (C) Butte County
- (D) Calaveras County
- (E) Colusa County
- (F) Del Norte County
- (G) El Dorado County
- (H) Fresno County
- (I) Glenn County
- (J) Humboldt County
- (K) Imperial County
- (L) Inyo County
- (M) Kern County
- (N) Kings County
- (O) Lake County
- (P) Lassen County
- (Q) Madera County
- (R) Mariposa County
- (S) Mendocino County
- (T) Merced County
- (U) Modoc County
- (V) Mono County
- (W) Nevada County
- (X) Placer County
- (Y) Plumas County
- (Z) Riverside County
- (AA) Sacramento County



- (AB) San Benito County
- (AC) San Bernardino County
- (AD) San Joaquin County
- (AE) Shasta County
- (AF) Sierra County
- (AG) Siskiyou County
- (AH) Stanislaus County
- (AI) Sutter County
- (AJ) Tehama County
- (AK) Trinity County
- (AL) Tulare County
- (AM) Tuolumne County
- (AN) Yolo County
- (AO) Yuba County

(c) This section shall be operative during such time as subdivision (a) of Section 11450.018 is operative.

SEC. 11. Section 11462 of the Welfare and Institutions Code, as amended by Section 12 of Chapter 148 of the Statutes of 1994, is amended to read:

11462. (a) (1) Effective July 1, 1990, foster care providers licensed as group homes, as defined in departmental regulations, including public child care institutions, as defined in Section 11402.5, shall have rates established by classifying each group home program and applying the standardized schedule of rates. The department shall collect information from group providers beginning January 1, 1990, in order to classify each group home program.

(2) Notwithstanding paragraph (1), foster care providers licensed as group homes shall have rates established only if the group home is organized and operated on a nonprofit basis as required under subdivision (h) of Section 11400. The department shall terminate the rate effective January 1, 1993, of any group home not organized and operated on a nonprofit basis as required under subdivision (h) of Section 11400.

(b) A group home program shall be initially classified, for purposes of emergency regulations, according to the level of care and services to be provided using a point system developed by the department and described in



the report, "The Classification of Group Home Programs under the Standardized Schedule of Rates System," prepared by the State Department of Social Services, August 30, 1989.

(c) The rate for each rate classification level (RCL) has been determined by the department with data from the AFDC-FC Group Home Rate Classification Pilot Study. The rates effective July 1, 1990, were developed using 1985 calendar year costs and reflect adjustments to the costs for each fiscal year, starting with the 1986-87 fiscal year, by the amount of the California Necessities Index computed pursuant to the methodology described in Section 11453. The data obtained by the department using 1985 calendar year costs shall be updated and revised by January 1, 1993.

(d) As used in this section, "standardized schedule of rates" means a listing of the 14 rate classification levels, the single rate established for each RCL, and the rate floor for each RCL.

(e) The standardized schedule of rates shall be phased in commencing July 1, 1990.

(1) In order to phase in the standardized schedule of rates, a "rate floor" has been established for each RCL.

(2) The rate floor for fiscal year 1990-91 shall be 85 percent of the standard rate for each RCL. The rate floor shall be increased to 92.5 percent of the standard rate for fiscal year 1991-92 for each RCL, shall be equal to the standard rate for each RCL for the period July 1, 1992, to September 13, 1992, inclusive, and shall be 92.5 percent of the standard rate for each RCL for the period September 14, 1992, to June 30, 1993, inclusive.

(3) The rate floor for each RCL shall be 95 percent of the standard rate for each RCL for the 1993-94 fiscal year. The rate floor shall be equal to the standard rate for each RCL for the 1994-95 fiscal year and beyond.

(f) Except as specified in paragraph (1), the department shall determine the RCL for each group home program on a prospective basis, according to the level of care and services that the group home operator



projects will be provided during the period of time for which the rate is being established.

(1) For a group home program for which the department established a rate effective prior to June 30, 1990, that took into account the program's historical costs, the department shall establish the rate for fiscal year 1990-91 by determining the RCL on a retrospective basis, according to the level of care and services actually provided between July 1 and December 31, 1989, or between July 1, 1989, and March 31, 1990.

(2) Group home programs that fail to maintain at least the level of care and services associated with the RCL upon which their rate was established shall inform the department. The department shall develop regulations specifying procedures to be applied when a group home fails to maintain the level of services projected, including, but not limited to, rate reduction and recovery of overpayments.

(3) The department shall not reduce the rate, establish an overpayment, or take other actions pursuant to paragraph (2) for any period that a group home program maintains the level of care and services associated with the RCL for children actually residing in the facility. Determinations of levels of care and services shall be made in the same way as modifications of overpayments are made pursuant to paragraph (2) of subdivision (b) of Section 11466.2.

(4) Beginning July 1, 1994, for group homes paid at rates below the standard rate established by subdivision (g), a group home program shall remain at its current RCL if it maintains at least the level of care and services associated with that percentage of the points required to be at that RCL that equals the percentage of the standard rate used to establish the group home's rate. In no event, however, shall points per child per month be reduced more than ten points below the minimum required for the current RCL. The RCL for a program shall not increase due to the operation of this paragraph absent any program changes approved by the department pursuant to subdivision (k).



(5) A group home program that substantially changes its staffing pattern from that reported in the group home program statement shall provide notification of this change to all counties that have placed children currently in care. This notification shall be provided whether or not the RCL for the program may change as a result of the change in staffing pattern.

(g) The standardized schedule of rates for fiscal year 1990–91 is:

		FY 1990–91	
Rate Classification Level	Point Ranges	Standard	Rate
		Rate	Floor (85%)
1	Under 60	\$1,183	\$1,006
2	60–89	1,478	1,256
3	90–119	1,773	1,507
4	120–149	2,067	1,757
5	150–179	2,360	2,006
6	180–209	2,656	2,258
7	210–239	2,950	2,508
8	240–269	3,245	2,758
9	270–299	3,539	3,008
10	300–329	3,834	3,259
11	330–359	4,127	3,508
12	360–389	4,423	3,760
13	390–419	4,720	4,012
14	420 & Up	5,013	4,261

(h) (1) For fiscal year 1990–91, the standardized schedule of rates shall be implemented as follows:

(A) Any group home program which received an AFDC-FC rate in the prior fiscal year below the standard rate for the fiscal year 1990–91 RCL shall receive their 1989–90 rate plus an amount equal to the California Necessities Index (CNI). The rate for fiscal year 1990–91 at which the state will participate shall not exceed the standard rate for the RCL.



(B) If the CNI increase to the group home program's fiscal year 1989–90 rate does not raise the group home program to the rate floor for the RCL, the group home program shall receive a rate equal to the rate floor for the RCL.

(C) A group home program which received an AFDC-FC rate for fiscal year 1989–90 at or above the standard rate for the RCL for fiscal year 1990–91 shall continue to receive that fiscal year 1989–90 rate.

(2) For the 1996–97 and 1997–98 fiscal years, the standardized rate for each RCL shall be adjusted by an amount equal to the California Necessities Index computed pursuant to the methodology described in Section 11453.

(A) Any group home program which received an AFDC-FC rate in the prior fiscal year at or above the adjusted standard rate for the RCL in the current fiscal year shall continue to receive that rate.

(B) A group home program which received an AFDC-FC rate in the prior fiscal year below the standard rate for the RCL in the current fiscal year shall receive that rate adjusted by an amount equal to the CNI. The rate for the current fiscal year shall not exceed the standard rate for the RCL and shall not be less than the rate floor for the RCL.

(3) Beginning with the 1996–97 fiscal year, the standardized schedule of rates shall be adjusted annually by an amount equal to the CNI computed pursuant to Section 11453, subject to the availability of funds.

(A) Any group home program which received an AFDC-FC rate in the prior fiscal year at or above the adjusted standard rate for the RCL in the current fiscal year shall continue to receive that rate.

(B) Any group home program which received an AFDC-FC rate in the prior fiscal year below the adjusted standard rate for the RCL in the current fiscal year shall receive the adjusted RCL rate.

(i) (1) (A) The rate for a new group home program of a new or existing provider shall be established at the rate floor for the new program's projected RCL.



(B) On and after the operative date of this subparagraph, the department shall not, prior to July 1, 1993, establish a rate for a new group home program of a new or existing provider.

(2) The department shall not establish a rate for a new program of a new or existing provider unless the provider submits a recommendation from the host county, the primary placing county, or a regional consortium of counties that the program is needed in that county; that the provider is capable of effectively and efficiently operating the program; and that the provider is willing and able to accept AFDC-FC children for placement who are determined by the placing agency to need the level of care and services that will be provided by the program.

(3) The department shall encourage the establishment of consortia of county placing agencies on a regional basis for the purpose of making decisions and recommendations about the need for, and use of, group home programs and other foster care providers within the regions.

(4) The department shall annually conduct a county-by-county survey to determine the unmet placement needs of children placed pursuant to Sections 300 and Section 601 or 602, and shall publish its findings by November 1 of each year.

(j) The department shall develop regulations specifying ratesetting procedures for program expansions, reductions, or modifications, including increases or decreases in licensed capacity, or increases or decreases in level of care or services.

(k) (1) For the purpose of this subdivision, “program change” means any alteration to an existing group home program planned by a provider that will increase the RCL or AFDC-FC rate. An increase in the licensed capacity or other alteration to an existing group home program that does not increase the RCL or AFDC-FC rate shall not constitute a program change.

(2) (A) Prior to July 1, 1993, the rate for a group home program shall not increase, as the result of a program change, from the rate established for the program



effective June 30, 1992. For rate increases as a result of a program change which became effective between July 1, 1992, and the effective date of this paragraph, the department shall adjust rates downward as necessary to comply with this chapter. Notwithstanding any other provisions of law, a group home provider shall be allowed to change a group home program to reflect a decrease in services due to the provisions of this paragraph.

(B) For the 1993–94 fiscal year, the rate for a group home program shall not increase, as the result of a program change, from the rate established for the program effective July 1, 1993, except as provided in paragraph (3).

(C) For the 1994–95 fiscal year and the 1995–96 fiscal year, the rate for a group home program shall not increase, as the result of a program change, from the rate established for the program effective July 1, 1994, except as provided in paragraph (3).

(3) (A) For the 1993–94 fiscal year, the 1994–95 fiscal year, and the 1995–96 fiscal year the department shall not establish a rate for a new program of a new or existing provider or approve a program change for an existing provider that either increases the program's RCL or AFDC-FC rate, or increases the licensed capacity of the program as a result of decreases in another program with a lower RCL or lower AFDC-FC rate that is operated by that provider, unless both of the conditions specified in this paragraph are met.

(i) The licensee obtains a letter of recommendation from the host county, primary placing county, or regional consortium of counties regarding the proposed program change or new program.

(ii) The county determines that there is no increased cost to the General Fund.

(B) Notwithstanding subparagraph (A), the department may grant a request for a new program or program change, not to exceed 25 beds, statewide, if (i) the licensee obtains a letter of recommendation from the host county, primary placing county, or regional consortium of counties regarding the proposed program



change or new program, and (ii) the new program or program change will result in a reduction of referrals to state hospitals during the 1993–94 fiscal year, the 1994–95 fiscal year, or the 1995–96 fiscal year.

(l) General unrestricted or undesignated private charitable donations and contributions made to charitable or nonprofit organizations shall not be deducted from the cost of providing services pursuant to this section.

(m) The department shall, by October 1 each year, commencing October 1, 1992, provide the Joint Legislative Budget Committee with a list of any new departmental requirements established during the previous fiscal year concerning the operation of group homes, and of any unusual, industrywide increase in costs associated with the provision of group care which may have significant fiscal impact on providers of group homes care. The committee may, in fiscal year 1993–94 and beyond, use the list to determine whether an appropriation for rate adjustments is needed in the subsequent fiscal year.

(n) This section shall become operative on July 1, 1995.

SEC. 12. Section 12200.018 is added to the Welfare and Institutions Code, to read:

12200.018. (a) If permitted by federal law, and notwithstanding any other provision of law, through June 30, 1996, the payment schedules set forth in Section 12200 in effect on June 30, 1995, as reduced by subdivision (a) of Section 12200.01, Section 12200.015, and subdivision (a) of Section 12200.017, except subdivisions (e), (g), and (h), shall be reduced by 4.9 percent.

(b) If permitted by federal law, and notwithstanding any other provision of law, the payment schedules set forth in Section 12200 in effect on June 30, 1995, as reduced by subdivision (a) of Section 12200.01, Section 12200.015, subdivision (a) of Section 12200.017, and subdivision (a) of this section, except subdivision (e), (g), and (h), shall be adjusted, for each county to reflect regional variations in housing costs based on the lowest



quartile of monthly rents reported in the Decennial Census data for 1990, in the following manner:

(1) For the regions where the lowest quartile rent equals or exceeds four hundred dollars (\$400) per month, the payment schedules shall not be reduced. This region shall consist of the following counties:

- (A) Alameda County
- (B) Contra Costa County
- (C) Los Angeles County
- (D) Marin County
- (E) Monterey County
- (F) Napa County
- (G) Orange County
- (H) San Diego County
- (I) San Francisco County
- (J) San Luis Obispo County
- (K) San Mateo County
- (L) Santa Barbara County
- (M) Santa Clara County
- (N) Santa Cruz County
- (O) Solano County
- (P) Sonoma County
- (Q) Ventura County

(2) For counties where lowest quartile rent is below four hundred dollars (\$400) per month, the payment schedules shall be reduced by 4.9 percent. This paragraph shall apply to the following counties:

- (A) Alpine County
- (B) Amador County
- (C) Butte County
- (D) Calaveras County
- (E) Colusa County
- (F) Del Norte County
- (G) El Dorado County
- (H) Fresno County
- (I) Glenn County
- (J) Humboldt County
- (K) Imperial County
- (L) Inyo County
- (M) Kern County



- (N) Kings County
- (O) Lake County
- (P) Lassen County
- (Q) Madera County
- (R) Mariposa County
- (S) Mendocino County
- (T) Merced County
- (U) Modoc County
- (V) Mono County
- (W) Nevada County
- (X) Placer County
- (Y) Plumas County
- (Z) Riverside County
- (AA) Sacramento County
- (AB) San Benito County
- (AC) San Bernardino County
- (AD) San Joaquin County
- (AE) Shasta County
- (AF) Sierra County
- (AG) Siskiyou County
- (AH) Stanislaus County
- (AI) Sutter County
- (AJ) Tehama County
- (AK) Trinity County
- (AL) Tulare County
- (AM) Tuolumne County
- (AN) Yolo County
- (AO) Yuba County

(c) Subdivisions (a) and (b) shall be operative, and the reductions in payment schedules shall commence on the first of the month following approval and implementation by the Social Security Administration but no earlier than December 1, 1995.

(d) Subdivisions (a) and (b) shall not be operative if any payment schedule set forth in Section 12200 would be reduced below the level required by subsection (e) of Section 1382g of Title 42 of the United States Code in order to maintain eligibility for federal funding under Title XIX of the Social Security Act, contained in



Subchapter 19 (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.

(e) If subdivisions (a) and (b) are not operative, the payment schedules set forth in Section 12200, except subdivisions (e), (g), and (h), shall for the 1995–96 fiscal year be reduced, commencing December 1, 1995, to the minimum amounts, not to exceed 4.9 percent of the maximum aid payment in effect on June 30, 1995, permitted by the federal Social Security Act by subsection (e) of Section 1382g of Title 42 of the United States Code that will maintain eligibility for federal funding under Title XIX of the Social Security Act, contained in Subchapter 19 (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.

(f) In no event shall the reduction of any payment schedule pursuant to this section result in a change in eligibility or share of cost for services under Article 7 (commencing with Section 12300) for any aged, blind, or disabled person who was receiving services under that article in 1995 prior to the enactment of this section because of that reduction in maximum aid payment, provided he or she continues to meet other applicable requirements.

(g) The decrease in aid provided for pursuant to this section shall not prevent the increases in aid that shall occur on July 1, 1996, pursuant to Section 12200.01 and 12200.015.

SEC. 13. Section 12302.3 is added to the Welfare and Institutions Code, to read:

12302.3. Notwithstanding any other provision of this article, and in a manner consistent with the powers available to public authorities created under this article, the City and County of San Francisco may:

(a) Increase the wages of all in-home supportive services providers for the 1995–96 fiscal year.

(b) Use county-only funds to fund county and state shares to meet the federal financial participation requirements necessary to obtain any available Title XIX (Medicaid) personal care services reimbursement.



(c) Provide in-home supportive services workers with any wage increase the city and county may appropriate, as long as this amount is in accordance with the provisions of the Medi-Cal State Plan Amendment 94-0046, as approved pursuant to federal regulation. The county-only funds shall be used exclusively to increase workers wages and to pay any proportionate share of employer taxes and current benefits, and to pay for the cost of state and county administration of these activities as provided for in subdivision (e). Notwithstanding Section 12302.1, any wage increase for those workers employed under contract shall be passed through by the contractor to the workers, subject to the limitations specified in this paragraph. The state shall continue to provide payroll functions for all workers who are currently independent providers unless and until the in-home supportive services public authority is operational.

(d) Claim the administrative costs of the wage pass through in accordance with the department's claiming requirements.

(e) In the event that federal financial participation is available for county-only payroll monies, the following shall apply:

(1) If additional payroll costs will be incurred by the state due to the receipt and payment of federal funds, the department shall provide the city and county with a detailed estimate of the additional costs of the provision of payroll functions associated with the processing of federal funds. If the city and county elects to pay the additional costs, the department will provide these payroll functions. If the city and county does not elect to pay the additional costs, the department and the city and county may seek another, mutually satisfactory arrangement.

(2) In the event that federal financial participation is not available, the department shall continue to perform the existing payroll functions provided on July 28, 1995, at no additional cost to the city and county.



SEC. 14. Section 14005.12 of the Welfare and Institutions Code is amended to read:

14005.12. (a) For the purposes of Sections 14005.4 and 14005.7, the department shall establish the income levels for maintenance need at the lowest levels that reasonably permit medically needy persons to meet their basic needs for food, clothing, and shelter, and for which federal financial participation will still be provided under Title XIX of the federal Social Security Act. It is the intent of the Legislature that the income levels for maintenance need for medically needy aged, blind, and disabled adults, in particular, shall be based upon amounts that adequately reflect their needs.

(1) Subject to paragraph (2), reductions in the maximum aid payment levels set forth in subdivision (a) of Section 11450 in the 1991–92 fiscal year, and thereafter, shall not result in a reduction in the income levels for maintenance under this section.

(2) (A) The department shall seek any necessary federal authorization for maintaining the income levels for maintenance at the levels in effect June 30, 1991.

(B) If federal authorization is not obtained, medically needy persons shall not be required to pay the difference between the share of cost as determined based on the payment levels in effect on June 30, 1991, under Section 11450, and the share of cost as determined based on the payment levels in effect on July 1, 1991, and thereafter.

(3) Any medically needy person who was eligible for benefits under this chapter as categorically needy for the calendar month immediately preceding the effective date of the reductions in the minimum basic standards of adequate care for the Aid to Families with Dependent Children program as set forth in Section 11452.018 made in the 1995–96 Regular Session of the Legislature shall not be responsible for paying his or her share of cost if all of the following apply:

(A) He or she had eligibility as categorically needy terminated by the reductions in the minimum basic standards of adequate care.



(B) He or she, but for the reductions, would be eligible to continue receiving benefits under this chapter as categorically needy.

(C) He or she is not eligible to receive benefits without a share of cost as a medically needy person pursuant to paragraph (1) or (2).

(b) In the case of a single individual, the amount of the income level for maintenance per month shall be 80 percent of the highest amount that would ordinarily be paid to a family of two persons, without any income or resources, under subdivision (a) of Section 11450, multiplied by the federal financial participation rate.

(c) In the case of a family of two adults, the income level for maintenance per month shall be the highest amount that would ordinarily be paid to a family of three persons without income or resources under subdivision (a) of Section 11450, multiplied by the federal financial participation rate.

(d) For the purposes of Sections 14005.4 and 14005.7, for a person in a medical institution or nursing facility, or for a person receiving institutional or noninstitutional services from an organization with a frail elderly demonstration project waiver pursuant to Chapter 8.75 (commencing with Section 14590), the amount considered as required for maintenance per month shall be computed in accordance with, and for those purposes required by, Title XIX of the federal Social Security Act, and regulations adopted pursuant thereto. Those amounts shall be computed pursuant to regulations which include providing for the following purposes:

(1) Personal and incidental needs in the amount of not less than thirty-five dollars (\$35) per month while a patient. The department may, by regulation, increase this amount as necessitated by increasing costs of personal and incidental needs. A long-term health care facility shall not charge an individual for the laundry services or periodic hair care specified in Section 14110.4.

(2) The upkeep and maintenance of the home.



(3) The support and care of his or her minor children, or any disabled relative for whose support he or she has contributed regularly, if there is no community spouse.

(4) If the person is an institutionalized spouse, for the support and care of his or her community spouse, minor or dependent children, dependent parents, or dependent siblings of either spouse, provided the individuals are residing with the community spouse.

(5) The community spouse monthly income allowance shall be established at the maximum amount permitted in accordance with Section 1924(d)(1)(B) of Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396r-5(d)(1)(B)).

(6) The family allowance for each family member residing with the community spouse shall be computed in accordance with the formula established in Section 1924(d)(1)(C) of Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396r-5(d)(1)(C)).

(e) For the purposes of Sections 14005.4 and 14005.7, with regard to a person in a licensed community care facility, the amount considered as required for maintenance per month shall be computed pursuant to regulations adopted by the department which provide for the support and care of his or her spouse, minor children, or any disabled relative for whose support he or she has contributed regularly.

(f) The income levels for maintenance per month, except as specified in subdivisions (b) to (d), inclusive, shall be equal to the highest amounts that would ordinarily be paid to a family of the same size without any income or resources under subdivision (a) of Section 11450, multiplied by the federal financial participation rate.

(g) The “federal financial participation rate,” as used in this section, shall mean $133\frac{1}{3}$ percent, or such other rate set forth in Section 1903 of the federal Social Security Act (42 U.S.C. Sec. 1396(b)), or its successor provisions.

(h) The income levels for maintenance per month shall not be decreased to reflect the presence in the



household of persons receiving forms of aid other than Medi-Cal.

(i) When family members maintain separate residences, but eligibility is determined as a single unit under Section 14008, the income levels for maintenance per month shall be established for each household in accordance with subdivisions (b) to (h), inclusive. The total of these levels shall be the level for the single eligibility unit.

(j) The income levels for maintenance per month established pursuant to subdivisions (b) to (i), inclusive, shall be calculated on an annual basis, rounded to the next higher multiple of one hundred dollars (\$100), and then prorated.

SEC. 15. Section 14005.21 of the Welfare and Institutions Code is amended to read:

14005.21. (a) Any medically needy aged, blind, or disabled person who was categorically needy under this chapter on the basis of eligibility under Chapter 3 (commencing with Section 12000) or Subchapter 16 (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code for the month of August 1993, and was discontinued as of September 1, 1993, and who, but for the addition of Section 12200.015, would be eligible to receive benefits without a share of cost in September 1993 under this chapter, shall remain eligible to receive benefits without a share of cost under this chapter as if that person were categorically needy as long as he or she meets other applicable requirements.

(b) Any medically needy aged, blind, or disabled person who was eligible for benefits under this chapter as categorically needy or medically needy under subdivision (a) for the month of August 1994, shall not be responsible for paying his or her share of cost if he or she had that eligibility for benefits without a share of cost interrupted or terminated by the addition of Section 12200.017, and if he or she, but for Section 12200.017, would be eligible to continue receiving benefits under this chapter without a share of cost.



(c) Any medically needy aged, blind, or disabled person who was eligible for benefits under this chapter as categorically needy, or as medically needy under subdivision (a) or (b), for the calendar month immediately preceding the date that the reductions in maximum aid payments for the state supplementary program established in Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 made in the 1995–96 Regular Session of the Legislature are effective shall not be responsible for paying his or her share of cost if he or she had that eligibility for benefits without a share of cost interrupted or terminated by the reductions in maximum aid payments, and if he or she, but for the reductions, would be eligible to continue receiving benefits under this chapter without a share of cost.

(d) The department shall implement this section regardless of the availability of federal financial participation for the share of cost paid from state funds pursuant to subdivisions (a), (b), and (c).

SEC. 16. Section 14132.95 of the Welfare and Institutions Code is amended to read:

14132.95. (a) Personal care services, when provided to a categorically needy person as defined in Section 14050.1 is a covered benefit to the extent federal financial participation is available if these services are:

(1) Provided in the beneficiary's home and other locations as may be authorized by the director subject to federal approval.

(2) Authorized by county social services staff in accordance with a plan of treatment.

(3) Provided by a qualified person.

(4) Provided to a beneficiary who has a chronic, disabling condition that causes functional impairment that is expected to last at least 12 consecutive months or that is expected to result in death within 12 months and who is unable to remain safely at home without the services described in this section.

(b) The department shall seek federal approval of a state plan amendment necessary to include personal care as a medicaid service pursuant to subdivision (f) of



Section 440.170 of Title 42 of the Code of Federal Regulations.

(c) Subdivision (a) shall not be implemented unless the department has obtained federal approval of the state plan amendment described in subdivision (b), and the Department of Finance has determined, and has informed the department in writing, that the implementation of this section will not result in additional costs to the state relative to state appropriation for in-home supportive services under Article 7 (commencing with Section 12300) of Chapter 3, in the 1992–93 fiscal year.

(d) (1) For purposes of this section, personal care services shall mean all of the following:

- (A) Assistance with ambulation.
- (B) Bathing, oral hygiene and grooming.
- (C) Dressing.
- (D) Care and assistance with prosthetic devices.
- (E) Bowel, bladder, and menstrual care.
- (F) Skin care.
- (G) Repositioning, range of motion exercises, and transfers.
- (H) Feeding and assurance of adequate fluid intake.
- (I) Respiration.
- (J) Paramedical services.
- (K) Assistance with self-administration of medications.

(2) Ancillary services including meal preparation and cleanup, routine laundry, shopping for food and other necessities, and domestic services may also be provided as long as these ancillary services are subordinate to personal care services. Ancillary services may not be provided separately from the basic personal care services.

(e) (1) (A) After consulting with the State Department of Social Services, the department shall adopt emergency regulations to establish the amount, scope, and duration of personal care services available to persons described in subdivision (a) in the fiscal year whenever the department determines that General Fund expenditures for personal care services provided



under this section and expenditures of both General Fund moneys and federal funds received under Title XX of the federal Social Security Act for services pursuant to Article 7 (commencing with Section 12300) of Chapter 3, are expected to exceed the General Fund appropriation and the federal appropriation under Title XX of the federal Social Security Act provided for the 1992–93 fiscal year pursuant to Article 7 (commencing with Section 12300) of Chapter 3, as it read on June 30, 1992, as adjusted for caseload growth or as increased in the Budget Act or appropriated by statute. At least 30 days prior to filing these regulations with the Secretary of State, the department shall give notice of the expected content of these regulations to the fiscal committees of both houses of the Legislature.

(B) In establishing the amount, scope, and duration of personal care services, the department shall ensure that General Fund expenditures for personal care services provided for under this section and expenditures of both General Fund moneys and federal funds received under Title XX of the federal Social Security Act for services pursuant to Article 7 (commencing with Section 12300) of Chapter 3, do not exceed the General Fund appropriation and the federal appropriation under Title XX of the federal Social Security Act provided for the 1992–93 fiscal year pursuant to Article 7 (commencing with Section 12300) of Chapter 3, as it read on June 30, 1992, as adjusted for caseload growth or as increased in the Budget Act or appropriated by statute.

(C) For purposes of this subdivision, “caseload growth” means an adjustment factor determined by the department based on (1) growth in the number of persons eligible for benefits under Chapter 3 (commencing with Section 12000) on the basis of their disability, (2) the average increase in the number of hours in the program established pursuant to Article 7 (commencing with Section 12300) of Chapter 3 in the 1988–89 to 1992–93 fiscal years, inclusive, due to the level of impairment, and (3) any increase in program costs that



is required by an increase in the mandatory minimum wage.

(2) In establishing the amount, scope, and duration of personal care services pursuant to this subdivision, the department may define and take into account, among other things:

(A) The extent to which the particular personal care services are essential or nonessential.

(B) Standards establishing the medical necessity of the services to be provided.

(C) Utilization controls.

(D) A minimum number of hours of personal care services that must first be assessed as needed as a condition of receiving personal care services pursuant to this section.

The level of personal care services shall be established so as to avoid, to the extent feasible within budgetary constraints, medical out-of-home placements.

(3) To the extent that General Fund expenditures for services provided under this section and expenditures of both General Fund moneys and federal funds received under Title XX of the federal Social Security Act for services pursuant to Article 7 (commencing with Section 12300) of Chapter 3 in the 1992–93 fiscal year, adjusted for caseload growth, exceed General Fund expenditures for services provided under this section and expenditures of both General Fund moneys and federal funds received under Title XX of the federal Social Security Act for services pursuant to Article 7 (commencing with Section 12300) of Chapter 3 in any fiscal year, the excess of these funds shall be expended for any purpose as directed in the Budget Act or as otherwise statutorily disbursed by the Legislature.

(f) Services pursuant to this section shall be rendered, under the administrative direction of the State Department of Social Services, in the manner authorized in Article 7 (commencing with Section 12300) of Chapter 3, for the In-Home Supportive Services program. A provider of personal care services shall be qualified to provide the service and shall be a person other than a



member of the family. For purposes of this section, a family member means a parent of a minor child or a spouse.

(g) A beneficiary who is eligible for assistance under this section shall receive services that do not exceed 283 hours per month of personal care services.

(h) Personal care services shall not be provided to residents of facilities licensed by the department, and shall not be provided to residents of a community care facility or a residential care facility for the elderly licensed by the Community Care Licensing Division of the State Department of Social Services.

(i) Subject to any limitations that may be imposed pursuant to subdivision (e), determination of need and authorization for services shall be performed in accordance with Article 7 (commencing with Section 12300) of Chapter 3.

(j) (1) To the extent permitted by federal law, reimbursement rates for personal care services shall be equal to the rates in each county for the same mode of services in the In-Home Supportive Services program pursuant to Article 7 (commencing with Section 12300) of Chapter 3, plus any increase provided in the annual Budget Act for personal care services rates or included in a county budget pursuant to paragraph (2).

(2) (A) The department shall establish a provider reimbursement rate methodology to determine payment rates for the individual provider mode of service that does all of the following:

(i) Is consistent with the functions and duties of entities created pursuant to Section 12301.6.

(ii) Makes any additional expenditure of state general funds subject to appropriation in the annual Budget Act.

(iii) Permits county-only funds to draw down federal financial participation consistent with federal law.

(B) This ratesetting method shall be in effect in time for any rate increases to be included in the annual Budget Act.



(C) The department may, in establishing the ratesetting method required by subparagraph (A), do both of the following:

(i) Deem the market rate for like work in each county, as determined by the Employment Development Department, to be the cap for increases in payment rates for individual practitioner services.

(ii) Provide for consideration of county input concerning the rate necessary to ensure access to services in that county.

(D) If an increase in individual practitioner rates is included in the annual Budget Act, the state-county sharing ratio shall be as established in Section 12306. If the annual Budget Act does not include an increase in individual practitioner rates, a county may use county-only funds to meet federal financial participation requirements consistent with federal law.

(3) (A) By November 1, 1993, the department shall submit a state plan amendment to the federal Health Care Financing Administration to implement this subdivision. To the extent that any element or requirement of this subdivision is not approved, the department shall submit a request to the federal Health Care Financing Administration for such waivers as would be necessary to implement this subdivision.

(B) The provider reimbursement ratesetting methodology authorized by the amendments to this subdivision in the 1993–94 Regular Session of the Legislature shall not be operative until all necessary federal approvals have been obtained.

(k) (1) The State Department of Social Services shall, by September 1, 1993, notify the following persons that they are eligible to participate in the personal care services program:

(A) Persons eligible for services pursuant to the Pickle Amendment, as adopted October 28, 1976.

(B) Persons eligible for services pursuant to subsection (c) of Section 1383c of Title 42 of the United States Code.

(2) The State Department of Social Services shall, by September 1, 1993, notify persons to whom paragraph (1)



applies and who receive advance payment for in-home supportive services that they will qualify for services under this section without a share of cost if they elect to accept payment for services on an arrears rather than an advance payment basis.

(3) Upon request by the board of supervisors, of the funds in the subaccount created pursuant to Section 17600.110, the Controller shall allocate the following amounts for the establishment of an entity specified in Section 12301.6:

(A) Two hundred fifty thousand dollars (\$250,000) each to a county of the fourth, sixth, and tenth class.

(B) Two million dollars (\$2,000,000) to a county of the first class.

(C) Five hundred fifty thousand dollars (\$550,000) shall be allocated to counties, in the order of application by counties for these funds, as follows:

(i) Not more than one hundred thousand dollars (\$100,000) may be allocated to a county with a total of fewer than 3,000 recipients of services under this section and Article 7 (commencing with Section 12300) of Chapter 3.

(ii) Not more than two hundred thousand dollars (\$200,000) may be allocated to a county with a total of more than 3,000 recipients of services under this section and Article 7 (commencing with Section 12300) of Chapter 3.

(iii) A county to whom either subparagraph (A) or (B) applies shall not be eligible for funds under this subparagraph.

(l) An individual who is eligible for services subject to the maximum amount specified in subdivision (b) of Section 12303.4 shall be given the option of hiring his or her own provider.

(m) The county welfare department shall inform in writing any individual who is potentially eligible for services under this section of his or her right to the services.

(n) It is the intent of the Legislature that this entire section be an inseparable whole and that no part of it be



severable. If any portion of this section is found to be invalid, as determined by a final judgment of a court of competent jurisdiction, this section shall become inoperative.

(o) Paragraphs (2) and (3) of subdivision (a) shall be implemented so as to conform to federal law authorizing their implementation.

(p) This section shall become inoperative on July 1, 1998, and, as of January 1, 1999, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1999, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 17. Section 14132.96 is added to the Welfare and Institutions Code, to read:

14132.96. Medi-Cal personal care services provider rates established as provided in the state plan under Subchapter 19 (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code, by an in-home supportive services public authority established pursuant to paragraph (2) of subdivision (a) and paragraph (4) of subdivision (b) of Section 12301.6 shall be reviewed by the county in which the in-home supportive services public authority operates, to determine that the rates are consistent with the county budget and that the county will be able to fund any increase in its share of costs, prior to the submission of the rates to the department. Certification of the county's ability to fund any increase in rates shall accompany the submission of rates to the department.

SEC. 18. Section 16504 of the Welfare and Institutions Code is amended to read:

16504. (a) Any child reported to the county welfare department to be endangered by abuse, neglect, or exploitation shall be eligible for initial intake and evaluation of risk services. Each county welfare department shall maintain and operate a 24-hour response system. An immediate in-person response shall be made by a county welfare department social worker in emergency situations in accordance with regulations of the department. The person making any initial response



to a request for child welfare services shall consider providing appropriate social services to maintain the child safely in his or her own home. However, an in-person response is not required when the county welfare department, based upon an evaluation of risk, determines that an in-person response is not appropriate. An evaluation of risk includes collateral contacts, a review of previous referrals, and other relevant information.

(b) A county welfare department social worker shall make an in-person response whenever a referral is received pursuant to Section 11254. Whenever a referral is received pursuant to Section 11254, the county welfare department social worker, within 20 calendar days from the receipt of the referral, shall determine whether the physical or emotional health or safety of the individual or child would be jeopardized if the individual and child lived in the same residence with the individual's own parent or legal guardian, or other adult relative.

SEC. 19. Section 16506 of the Welfare and Institutions Code is amended to read:

16506. Family maintenance services shall be provided or arranged for by county welfare department staff in order to maintain the child in his or her own home. These services shall be limited to six months, and may be extended for one six-month period if it can be shown that the objectives of the service plan can be achieved within the extended time periods. Family maintenance services shall be available without regard to income and shall only be provided to any of the following:

(a) Families whose child or children have been adjudicated a dependent of the court under Section 300, and where the court has ordered the county welfare department to supervise while the child remains in the child's home.

(b) Families whose child is in potential danger of abuse, neglect, or exploitation, who are willing to accept services and participate in corrective efforts, and where it is safe for the child to remain in the child's home only with the provision of services.



(c) Families in which the child is in the care of a previously noncustodial parent, under the supervision of the juvenile court.

(d) Family maintenance services shall be provided to any individual and child who are referred pursuant to Section 11254 and who are not placed in foster care and who meet any of the criteria of subdivision (b) of Section 11254. The services shall not be limited to 12 months and shall be provided until the individual reaches 18 years of age.

SEC. 20. Section 16525.10 of the Welfare and Institutions Code is amended to read:

16525.10. (a) For counties that do not participate in the partnership demonstration project pursuant to Section 16560, the department shall conduct the demonstration project described in Chapter 1385 of the Statutes of 1989, which shall conform to the requirements set forth in this chapter, and that shall be integrated with the foster care program authorized by Article 5 (commencing with Section 11400) of Chapter 2 of Part 3, and child welfare services programs authorized by Chapter 5 (commencing with Section 16500).

(b) This demonstration project shall be conducted in ten counties, as requested by each participating county, pursuant to procedures established by the department. The demonstration project in these counties shall continue until June 30, 1996, if funds are appropriated for that purpose in the Budget Act of 1995.

SEC. 21. Section 16525.40 of the Welfare and Institutions Code is amended to read:

16525.40. This chapter shall remain in effect only until January 1, 1997, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1997, deletes or extends that date.

SEC. 22. Section 19806 of the Welfare and Institutions Code is amended to read:

19806. (a) For each fiscal year commencing with the 1984–85 fiscal year, an independent living center shall not be required to provide any matching funds through private contributions as a condition of receiving state



funds except to acquire state incentive funds. An independent living center whose allocation of funds pursuant to this chapter, excluding state incentive funds, is less than one hundred fifty thousand dollars (\$150,000) shall, to the extent funds are appropriated by the Legislature and allocated in accordance with regulations adopted by the department, receive, during the 1984–85 fiscal year, an amount of state funds pursuant to this section, in an amount equal to 50 percent of the difference between one hundred fifty thousand dollars (\$150,000) and the independent living center's allocation under this chapter. During the 1985–86 fiscal year, and each fiscal year thereafter, until the 1994–95 fiscal year, each independent living center shall receive, to the extent funds are appropriated by the Legislature and allocated in accordance with regulations adopted by the department, except for state incentive funds, at least one hundred fifty thousand (\$150,000) in funds allocated under this chapter. Beginning with the 1994–95 fiscal year, and each fiscal year thereafter, each independent living center shall receive, to the extent funds are appropriated by the Legislature and allocated in accordance with regulations adopted by the department, excluding state incentive funds, at least one hundred seventy-five thousand dollars (\$175,000) in funds allocated under this chapter. However, beginning with the 1994–95 fiscal year, and for each fiscal year thereafter, state funds may be replaced by reimbursements under the Supplemental Security Disability Insurance and the Supplemental Security Income programs provided for under Titles II and XVII of the Federal Social Security Act, Subchapter II (commencing with Section 401) and Subchapter XVII (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code to the extent appropriated by the Legislature and allocated by the department to independent living centers under this chapter. Beginning with the 1996–97 fiscal year, and each year thereafter, to the extent such funds from the Social Security Act are not appropriated by the Legislature as were appropriated in the 1995–96 fiscal year, an amount



equal to the combined state and federal fund allocation to independent living centers in the Budget Act of 1995 shall be appropriated to, and allocated by, the department to independent living centers under this chapter.

(b) (1) In addition to funds received pursuant to subdivision (a), and subject to the limitations of subdivision (c), to the extent funds are appropriated by the Legislature, and allocated in accordance with regulations adopted by the department, each independent living center shall have the amount of its private contributions which, for any fiscal year, exceeds the amount of private contributions received by the independent living center during the 1982–83 fiscal year matched by state incentive funds on the basis of one dollar (\$1) in state incentive funds for each one dollar (\$1) received in private contributions.

(2) Available state incentive funds shall be allocated during each fiscal year based upon the private contributions received by the independent living center in the immediately preceding fiscal year.

(3) For the purpose of determining eligibility for state incentive funds, any independent living center that uses a fiscal year other than the state fiscal year may elect to use a different fiscal year so long as the closing date of the fiscal year so elected does not precede the closing date of the equivalent state fiscal year by more than 11 months.

(4) The amount of private contributions claimed by an independent living center for each fiscal year, including the 1982–83 fiscal year, shall be verified by the department by utilizing appropriate financial records including, but not limited to, independent audits. Audits may be performed by the department up to three years from the close of the fiscal year during which state incentive funds were received by the independent living center being audited.

(c) The maximum amount of incentive funds as defined in subdivision (d) that may be acquired by any independent living center in any single fiscal year shall be computed as follows:



(1) Each independent living center funded under Section 19803 shall be entitled to acquire state incentive funds as specified in subdivision (b) in an amount not to exceed the total available state incentive funds, divided by the number of independent living centers then funded under Section 19803.

(2) Incentive funds remaining after the initial allocation pursuant to paragraph (1) shall be allocated among centers with remaining unmatched private contributions. Each center with remaining unmatched private contributions shall be allowed to match remaining incentive funds in an amount equal to the total remaining incentive funds divided by the number of centers with remaining private contributions. Subsequent distributions shall be made pursuant to the formula described in the preceding sentence and shall be repeated as many times as is necessary to allocate incentive funds to the greatest extent possible.

(3) State incentive funds not distributed to independent living centers under paragraph (1) or (2) shall not be allocated under Section 19803 nor retained by the department for distribution as state incentive funds in later fiscal years.

(d) For purposes of this section:

(1) "Private funds" does not include any funds originating from any entity of the federal, state, city, or county government or any political subdivision thereof.

(2) "State incentive funds" means state funds appropriated by the Legislature for purposes of this chapter, except those funds allocated by the department pursuant to Section 19803 and subdivision (a) of this section.

(e) Any funds allocated under this chapter to any independent living center, other than as part of the initial allocation for each fiscal year, shall be made by contract amendment. Any such contract amendment shall require the provision of services in addition to that required by the contract being amended. All such services required by contract amendment shall not be performed prior to



the date the contract amendment is approved by the state.

SEC. 23. Notwithstanding any other provision of law, the emergency regulations governing Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code adopted pursuant to Section 7587 of the Government Code, shall be operative for the 1995-96 fiscal year.

SEC. 24. The State Department of Social Services may adopt emergency regulations to implement this act in accordance with the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The initial adoption of emergency regulations and one readoption of the initial regulations shall be deemed to be an emergency and considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, or general welfare. Initial emergency regulations and the first readoption of those regulations shall be exempt from review by the Office of Administrative Law. The emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and publication in the California Code of Regulations and shall remain in effect as emergency regulations for no more than 120 days.

SEC. 25. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because this act provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, within the meaning of Section 17556 of the Government Code.

Notwithstanding Section 17580 of the Government Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 26. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the



Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to enact changes necessary to ensure appropriate implementation of social services requirements for the 1995–96 fiscal year, it is necessary that this act go into immediate effect.



Approved _____, 1995

Governor

