



COUNTY OF MENDOCINO

Board of Supervisors

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CLERK OF THE BOARD

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June 6, 2025

The Honorable Jesse Gabriel, Chair
Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

The Honorable Dr. Corey Jackson, Chair
Assembly Budget Subcommittee No. 2
1021 O Street, Room 6120
Sacramento, CA 95814

The Honorable Scott Wiener, Chair
Senate Committee on Budget & Fiscal Review
1020 N Street, Room 502
Sacramento, CA 95814

Honorable Dr. Akilah Weber Pierson, Chair
Senate Budget Subcommittee No. 3
1021 O Street, Suite 7310
Sacramento, CA 95814

RE: In-Home Supportive Services (IHSS): Restore \$81 million Cut to IHSS Administrative Funding and Reject CFCO County Penalties

Dear Chairs Gabriel, Wiener, Jackson, and Weber Pierson:

The County of Mendocino respectfully requests that you reject the May Revision proposal to reduce county IHSS administration funding by \$81 million, requiring counties to pay new fiscal penalties when counties do not meet the 100 percent compliance rate for annual reassessments for the Community First Choice Option (CFCO) in the IHSS program. Historically, counties have faced challenges addressing this workload due to chronic underfunding of the program, as evidenced by the Administration's own reassessment at May Revision that determined counties are underfunded by at least \$246 million total funds to meet current mandates. Unfortunately, the May Revision does not propose new funding to address this gap and instead exacerbates persistent underfunding by passing through penalties. To address county workload, the County of Mendocino requests that the Legislature hold counties harmless for administrative cuts due to budget solutions, immediately reduce counties' quality assurance requirements, and direct the California Department of Social Services (CDSS) to work with counties and other stakeholders on other approaches to mitigate this gap.

The proposed reduction would severely impact county administration of the IHSS program resulting in increased workload for social workers and undermining timely access to services for consumers. County social workers conduct assessments for individuals applying to the program to determine eligibility and level of need for in-home assistance, as well as annual reassessments for current recipients and other administrative activities. The proposed funding reduction could jeopardize the jobs of approximately 322 social workers statewide, making it even more difficult for counties to meet federal compliance requirements. To meet annual assessment requirements and avoid penalties counties would need to shift resources from intake assessments and the processing of IHSS applications to reassessments, subsequently delaying IHSS services for those applying for the program and in need of assistance. Cutting administrative funding only serves to decrease funding for social worker staffing, further jeopardizing counties' ability to meet all federal and state-mandated administrative requirements, and at worst, jeopardizes access to IHSS services for recipients.

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The May Revision proposes the imposition of fiscal penalties on counties that fail to meet federal compliance requirements for CFCO reassessments via a reduction of \$81 million in county administrative funding. The federal government requires 100 percent of CFCO annual reassessments to occur on time. When states do not meet that 100 percent compliance rate, they lose the enhanced federal funding match associated with those cases, an additional 6 percent compared to other federally eligible cases. Proposing reductions to county administrative funding to recoup the loss of enhanced federal funding for services to CFCO recipients is contrary to providing care and improving the health of IHSS recipients.

As noted, county failures to meet the annual reassessment requirements are a direct result of the underfunding of administrative costs. The Administration acknowledges in its recently released IHSS budget methodology analysis that current county administrative funding is severely inadequate and that counties are underfunded by at least \$246 million total funds (\$124.8 million state general funds). In fact, counties have consistently been forced to overspend their state allocation to administer the program and are currently projected to overspend again in FY 2024-25. This underfunding results in high workload for social workers, which undercuts timely access to IHSS services that older adults and persons with disabilities are entitled to under the IHSS program. Imposing penalties on counties, without providing adequate administrative funding, will result in difficult tradeoffs in the program. Counties would need to shift resources away from other tasks, resulting in delays in other areas of the program.

Mendocino County IHSS is currently experiencing a significant increase in applications and overall continuing caseload growth that is surpassing the current workforce abilities. At this time Mendocino County is not on a Quality Improvement Action Plan (QIAP), however the risk of being placed on a QIAP during the next fiscal year review is highly likely. The priority for all social workers has been completing the CFCO reassessments timely. The proposed penalty would have a significant negative impact on the ability to provide all other required IHSS administrative and direct services for our care providers and recipients in our community. This includes completing timely initial assessments and reassessments for those enrolled in the PCSP and IPO programs of IHSS.

Reducing IHSS administrative funding to recoup federal fiscal penalties, as the May Revision proposes, while simultaneously failing to provide funding to address social workload, is counter-intuitive and puts IHSS recipients at greater risk of institutionalization, homelessness, and other negative outcomes.

For these reasons, Mendocino County urges you to reject the May Revision proposal to impose fiscal penalties on counties that do not meet 100 percent compliance with federal reassessment requirements due to overwhelming workload. Further, as we recognize the State faces tough decisions with the budget shortfall, we urge support for trailer bill language requiring CDSS to work with counties and stakeholders on approaches to reduce county workload given the significant IHSS funding gap.

Sincerely,



John Haschak, Chair
Mendocino County Board of Supervisors

CC: The Honorable Mike McGuire, Member of the California State Senate
The Honorable Chris Rogers, Member of the California State Assembly
California State Association of Counties (CSAC)
Members and Staff of the Senate Budget Subcommittee No. 3
Members and Staff of the Assembly Budget Subcommittee No. 2
Staff of Senate Committee on Budget & Fiscal Review
Staff of Assembly Committee on Budget
County Welfare Directors Association (CWDA)