

Date of Hearing: June 21, 2016

ASSEMBLY COMMITTEE ON AGING AND LONG-TERM CARE

Cheryl Brown, Chair

SB 547 (Liu) – As Amended January 26, 2016

**SENATE VOTE:** 35-4

**SUBJECT:** Aging and long-term care services, supports, and program coordination.

**SUMMARY:** This bill creates the Statewide Aging and Long-Term Care Services and Coordinating Council (Council), chaired by the Secretary of the California Health and Human Services Agency (CHHS) and requires the Council to develop a state aging and long-term care services strategic plan to address how in 2020, 2025, and 2030 California will meet the needs of the aging population. Specifically, **this bill:**

- 1) Requires the Secretary of CHHS (Secretary) to be responsible for the inter- and intra-agency coordination of state aging and long-term care services, supports, and programs, to ensure the efficient and effective use of state funds, and maximize the drawdown, and efficient and effective use of federal funds.
- 2) Creates a Statewide Aging and Long-Term Care Services and Coordinating Council (Council), chaired by the Secretary and consisting of the heads, or designees, representing 22 state departments.
- 3) Requires the Council to develop a state aging and long-term care services strategic plan to address how in 2020, 2025, and 2030 California will meet the needs of the aging population.
- 4) Requires the strategic plan to incorporate clear benchmarks and timelines for achieving the goals set forth in the strategic plan, and include a cost benefit analysis for each goal or recommendation included in the plan.
- 5) Requires consultation with specified experts, practitioners, service providers, advocates and stakeholders in developing the strategic plan, and requires the findings and recommendations of the California Task Force on Family Care Giving be incorporated in the strategic plan.
- 6) Requires the strategic plan to address all of the following:
  - a) Integration and coordination of services that support independent living, aging in place, social and civic engagement, and preventative care;
  - b) Long-term care financing;
  - c) Managed care expansion and continuum of care;
  - d) Advanced planning for end-of-life care;
  - e) Elder justice;

- f) Care guidelines for Alzheimer's disease, dementia, Amyotrophic Lateral Sclerosis, and other debilitating diseases;
  - g) Caregiver support;
  - h) Data collection, consolidation, uniformity, analysis, and access;
  - i) Affordable housing;
  - j) Mobility;
  - k) Workforce;
  - l) The alignment of state programs with the Federal Administration for Community Living (ACL); and,
  - m) The potential for integration and coordination of aging and long-term care services with services and supports for people with disabilities.
- 7) Requires the Council to examine model programs and consider how to scale up local, regional, and state-level best practices and innovations to overcome long-term care services delivery.
- 8) Requires the strategic plan to be submitted to the specified committees of the Legislature by July 1, 2018.

**EXISTING LAW:**

- 1) Establishes the California Health and Human Services Agency (CHHS), an umbrella agency over the Departments of Aging, Child Support Services, Community Services and Development, Developmental Services, Health Care Services, Managed Health Care, Public Health, Rehabilitation, Social Services, and State Hospitals.
- 2) Establishes the California Department of Aging (CDA) to administer programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the state.
- 3) Sets forth legislative findings and declarations regarding long-term care services, including that consumers of those services experience great differences in service levels, eligibility criteria, and service availability that often result in inappropriate and expensive care that is not responsive to individual needs.
- 4) Sets forth legislative findings and declarations stating that the laws governing long-term care facilities have established an uncoordinated array of long-term care services that are funded and administered by a state structure that lacks necessary integration and focus.
- 5) Establishes, under federal law, the U.S. Administration for Community Living (ACL), bringing together the Administration on Aging, the Office on Disability and the Administration on Developmental Disabilities to: reduce fragmentation in federal programs that address the community living service and support needs of aging and disabled

populations; enhance access to quality health care and long-term supports and services (LTSS) for all individuals; and, promote consistency in community living policy across other areas of the federal government.

**FISCAL EFFECT:** According to the Senate Appropriations Committee:

- Likely ongoing costs of about \$300,000 per year for CHHS to coordinate state policy and support the new Council (General Fund). In order to coordinate programs and activities between various state agencies and provide ongoing staff support to the newly created Council, CHHS is likely to need additional staff positions.
- Likely one-time costs of about \$600,000 to develop the required strategic plan (General Fund). Given the breadth of issues facing an aging population and the complexity of the current system for providing services to senior citizens, it is likely that CHHS will need to dedicate a significant amount of staff time to performing the necessary research, facilitating the Council's deliberations, and drafting the required strategic plan.

**COMMENTS:**

*Author's statement.* According to the author, "California's population of residents 65 years old and older will grow from about 13 percent of the population to almost 20 percent of the population by 2030. The state is not prepared for this "silver tsunami." ...California's aging and long term care "system" of services and supports is fragmented to the point of being almost impossible for consumers, caregivers, and providers to navigate. There are 112 aging and long term care programs spread over 20 state agencies and departments and very little coordination among them. ...California must begin now to organize our services and supports delivery system and plan our investments in long term care to maximize returns in the form of improved quality of life and cost savings to consumers and taxpayers before we are faced with an overwhelming crisis."

*Senate Select Committee on Aging and Long Term Care report.* The Senate Select Committee on Aging and Long Term Care's 2014 report, "*A Shattered System: Reforming Long Term Care in California*" (report) was the result of a comprehensive effort in 2014 to identify the structural, policy, and administrative changes necessary to realize an ideal long-term care delivery system and develop recommendations and a strategy to achieve that vision. The report found that California's fragmented organizational structure leaves the state with a leadership vacuum that complicates any effort to undertake comprehensive Long Term Care reform. Among state agencies there is no distinct leader who is responsible for establishing and implementing a vision for comprehensive LTC service delivery. Instead, the current structure offers a piecemeal approach to system change; there is no overarching plan for creating an integrated system.

The Little Hoover Commission in its 2011 report, *A Long-Term Strategy for Long-Term Care*, found California's long-term care system broken. The state has no reliable means of gauging what clients need, what benefits they receive, which services are used by whom, how much each service costs the state, and which programs work the best and are the most cost-effective in keeping people in their homes. There is virtually no coordination or communication between programs and staff responsible for long-term care services. There is no integrated management or coordination of financing, service delivery or assessment of long-term care client needs or of providers. These fundamental structural flaws leave the system unable to effectively or efficiently deal with current needs and make it woefully unprepared for the "silver tsunami" of

seniors who will lack services in the years to come. Furthermore, California lacks a single leader within the Health and Human Services Agency accountable for managing and modernizing long-term care in the state, which creates significant challenges to any attempt to systematically harness the dozens of long-term care programs and the many billions of dollars spent on them.

*Arguments in Support:* Writing in support of this bill, The California Commission on Aging states “silos and fragmentation have long impeded the delivery of services to the state’s most frail and vulnerable adults. Through creation of the Council, this bill focuses the attention of 23 state departments and divisions on their shared role in meeting the needs of a growing population of older adults and persons with disabilities. The Council’s development of an Aging and Long-Term Care Services Strategic Plan will spell out the steps to better organize and coordinate the administration and delivery of critical Long Term Care Services.”

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

California Alliance for Retired Americans (CARA)  
California Commission on Aging  
California State Retirees  
County Welfare Directors Association of California  
Little Hoover Commission  
National Association of Social Workers-California Chapter (NASW-CA)  
Solano County Board of Supervisors

##### **Opposition**

None on file.

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