



*California's protection and advocacy system*

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## **# 2: Fact Sheet on California's Budget Cuts to Benefits Programs – August 13, 2009**

### **In-Home Supportive Services (IHSS): Elimination of Buy-In**

The In-Home Supportive Services (IHSS) Program provides services<sup>1</sup> to persons who are over age 65, blind, or have a disability to enable them to remain safely in their home. These changes have been made through the California budget process. They became effective on July 1, 2009 and October 1, 2009.<sup>2</sup>

#### **How Did the Law Change?**

Before the change in the law, the state provided *all* IHSS recipients who had a share of cost with a payment (“buy-in”) to reduce the amount they had to pay to get IHSS services. See below for an explanation of share of cost. People who received both Medi-Cal and IHSS had a lower share of cost than people who received only Medi-Cal. Because of the state buy-in, these people were able to keep the amount of their income that was equivalent to a full SSI payment. See below for examples of share of cost calculations.

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<sup>1</sup> IHSS services include non-medical personal care services, paramedical services, domestic services, related services, transportation services, protective supervision, heavy cleaning services, yard hazard clean-up, and teaching and demonstration. See <http://www.disabilityrightsca.org/pubs/547001Index.htm> for a more detailed

<sup>2</sup> Welfare and Institutions Code §12300

With the change, the state has terminated the IHSS buy-in program for those applying *on or after* July 1, 2009<sup>3</sup>, and will terminate the buy-in program for *all* Medi-Cal recipients as of October 1, 2009.<sup>4</sup> This means that the share of cost of people who get both IHSS and Medi-Cal will be higher.

## **What is a Share of Cost?**

If your monthly income is too high to qualify for zero share of cost Medi-Cal, but you meet the other requirements for receiving Medi-Cal, you may still qualify for Medi-Cal with a monthly share of cost. A share of cost is like a deductible you must pay in any month you have medical expenses. Before Medi-Cal will pay anything, you must incur a share of cost. Once you show that you have incurred a share of cost, Medi-Cal pays the remainder of your medical bill(s) for that month. You do not need to pay a share of cost in months that you do not use medical care. Your share of cost may be very high. Please see the share of cost flier on the Health Consumer Alliance website at <http://www.healthconsumer.org/brochures.htm#share> for more information and tips about share-of-cost, including how to calculate your share of cost. This flier is available in several languages.

## **How Much of a Difference Does the Share of Cost Buy-In Make? Please show examples.**

The share of cost buy-in makes a big difference in how much of your income you can keep.

If you get Medi-Cal but not IHSS, your share of cost is determined by taking these steps:

- Taking certain deductions;
- Deducting your monthly income from the “maintenance need level.”  
The maintenance need level is \$600 for an individual, and \$934 for a couple.

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<sup>3</sup> The changes are part of Senate Bill X3 6 (3rd Extraordinary Session). This bill amended Welfare and Institutions Code § 12305.1.

<sup>4</sup> The changes are part of Senate Bill X4 19 (4<sup>th</sup> Extraordinary Session).

- Deducting any other health insurance premiums you are paying.

*For example*, if you are not married and your countable income is \$1400, Medi-Cal deducts the \$600 maintenance need level from your countable income (\$1400 - \$600), leaving you with an \$800 share of cost.

In the past, if you got Medi-Cal and IHSS, the buy-in helped you keep more of your income. Rather than looking at the maintenance need level to determine the share of cost, the state did a buy-in that helped you. Here is how it worked: the state used to pay the difference between the maintenance need level and the SSI/SSP benefit level. Currently the SSI/SSP benefit level is \$850 per month for disabled non-blind people living alone; this amount will go down to \$845 per month on October 1, 2009.

*Using the previous example*, with the buy-in, the share of cost would be \$550 (\$1400 of income minus \$850 SSI payment rate). The IHSS recipient was able to keep a larger part of his or her income, paying only the IHSS share of cost and receiving both IHSS and Medi-Cal services. This will no longer be true in the future. People who receive both IHSS and Medi-Cal will have to pay the regular Medi-Cal share of cost, as in the example above.

### **What Should I Do?**

- Look at any Medi-Cal programs that you may qualify for that do not have a share of cost, such as: The Aged and Disabled Federal Poverty Level Program<sup>5</sup>, the 250% Working Disabled Program<sup>6</sup>, 1619b<sup>7</sup>, DAC Medi-Cal<sup>8</sup>, or Pickle Medi-Cal.<sup>9</sup>
- Learn about ways to meet your share of cost, such as presenting old medical bills that you or your family members are obligated to pay.<sup>10</sup>

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<sup>5</sup> See [www.healthconsumer.org/cs029AgedDisabled.pdf](http://www.healthconsumer.org/cs029AgedDisabled.pdf).

<sup>6</sup> See [www.healthconsumer.org/cs032WorkingDisabled.pdf](http://www.healthconsumer.org/cs032WorkingDisabled.pdf).

<sup>7</sup> See <http://www.socialsecurity.gov/disabilityresearch/wi/1619b.htm>

<sup>8</sup> See <http://healthconsumer.org/Medi-CalOverview2008Ch7.pdf> - p. 7-28

<sup>9</sup> <http://healthconsumer.org/cs020Pickle.pdf>

<sup>10</sup> See <http://healthconsumer.org/Medi-CalOverview2008Ch5.pdf>

- File for a fair hearing if you think the share of cost that the county says you need to pay is wrong. If you believe that the way the new law has been applied to you is wrong, you have a right to a fair hearing. For example, if you think the county is doing the calculation wrong and giving you a higher share of cost than the law allows, then you have a right to a fair hearing.

### **Is Disability Rights California Doing Anything to Challenge the Elimination of the IHSS Buy-In?**

- Disability Rights California and other organizations have concluded that maintenance of effort protections for Medi-Cal recipients in the Federal Stimulus Bill<sup>11</sup> mean that for those getting both Medi-Cal and IHSS with a share of cost, California cannot make this change because the spend-down cannot be below what was in effect on July 1, 2008. In July 1, 2008, the spend-down that was in effect was a spend-down to the applicable 2008 SSI/SSP grant level. We and other organizations have sent a demand letter to the Departments of Health Care Services and Social Services that is posted on our website. We will post any response on our website as well. Contact Disability Rights California should you have any questions or concerns.

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<sup>11</sup> Visit <http://www.usbudgetwatch.org/health-care-spending> for more information about the Federal Stimulus Bill.