

AMENDED IN SENATE MAY 11, 2021

AMENDED IN SENATE APRIL 14, 2021

SENATE BILL

No. 648

Introduced by Senator Hurtado

February 19, 2021

An act to add Sections 1565.6 and 1569.6 to the Health and Safety Code, relating to care ~~facilities~~; *facilities, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

SB 648, as amended, Hurtado. Care facilities.

Existing law, the California Community Care Facilities Act, provides for the licensing and regulation of community care facilities, as defined, by the State Department of Social Services. Existing regulation includes an adult residential facility, as defined, as a community care facility for those purposes. Existing law also provides for the licensure and regulation of residential care facilities for the elderly by the department. A violation of those provisions is a crime.

Existing law also establishes the In-Home Supportive Services (IHSS) program, administered by the department and counties, under which qualified aged, blind, and disabled persons are provided with services in order to permit them to remain in their own homes. Existing law states the intent of the Legislature to authorize an assessment on home care services, including IHSS.

This bill would ~~provide that an adult residential facility or a residential care facility for the elderly may receive Enriched Care Adult Residential Facility pilot program payments, as specified. The bill would provide for the termination of the pilot program on June 30, 2026, as specified. The bill would, among other things, require the county to distribute a~~

~~stipend of \$1,000 per resident, per month, to be used for auxiliary services, as defined, when it determines that the facility meets specified criteria. create the Enriched Care Adult Residential Facility pilot program, to be administered by the department. The bill would require the department to distribute up to 4,000 monthly stipends of \$1,000 per resident to facilities that meet specified criteria. The bill would require the department to, among other things, establish guidelines for the distribution of the stipends, as specified. The bill would require facilities that receive the stipend to report to the county department specified information, including the description of the auxiliary services provided. a brief description of how the stipend was used to benefit residents. The bill would require the State Department of Social Services department to evaluate the program, as specified, and to report that information to the relevant policy committees. The bill would require the State Department of Social Services department to implement these provisions in order to maximize federal funding and would authorize the department to implement the provisions through an all-county letter or similar instruction. By imposing additional administrative duties on local officials administering the IHSS program and by~~ *The bill would provide for the termination of the pilot program on June 30, 2026, as specified. By expanding the scope of an existing crime, the bill would impose a state-mandated local program.*

~~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 with regard to certain mandates no reimbursement is required by this act for a specified reason.~~

~~With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.~~

~~The bill would appropriate \$150,000,000 from the General Fund to the department to provide stipends and cover administrative costs, as specified.~~

~~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.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~^{yes}. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. Section 1565.6 is added to the Health and Safety
2 Code, to read:

3 1565.6. (a) There is hereby created the Enriched Care Adult
4 Residential Facility pilot ~~program, program, to be administered~~
5 ~~by the department,~~ the purpose of which is to promote the
6 sustainability of essential residential care facilities that serve
7 ~~recipients who receive Supplemental Security Income/State~~
8 ~~Supplementary Program for the Aged, Blind, and Disabled~~
9 ~~(SSI/SSP) benefits: people who receive Supplemental Security~~
10 ~~Income/State Supplementary Program for Aged, Blind and~~
11 ~~Disabled (SSI/SSP) benefits.~~

12 (b) The pilot program shall terminate on June 30, 2026, and
13 ~~counties the department~~ shall have expenditure authority over
14 program funds until June 30, 2027.

15 ~~(c) An adult residential facility, as defined by paragraph (5) of~~
16 ~~subdivision (a) of Section 80001 of Title 22 of the California Code~~
17 ~~of Regulations and established pursuant to paragraph (1) of~~
18 ~~subdivision (a) of Section 1502, that meets both of the following~~
19 ~~criteria may be eligible to receive Enriched Care Adult Residential~~
20 ~~Facility pilot program payments:~~

21 ~~(1) Has at least 20 residents or 50 percent of the licensed~~
22 ~~capacity of the residents who receive benefits pursuant to the State~~
23 ~~Supplementary Program for the Aged, Blind and Disabled,~~
24 ~~described in Article 5 (commencing with Section 12200) of Chapter~~
25 ~~3 of Part 3 of Division 9 of the Welfare and Institutions Code.~~

26 ~~(2) Agrees to accept future residents who are currently or~~
27 ~~formerly homeless or at risk of homelessness and receive benefits~~
28 ~~pursuant to the State Supplementary Program for the Aged, Blind~~
29 ~~and Disabled, described in Article 5 (commencing with Section~~
30 ~~12200) of Chapter 3 of Part 3 of Division 9 of the Welfare and~~
31 ~~Institutions Code, or are participating in the Housing and Disability~~
32 ~~Advocacy Program pursuant to Chapter 17 (commencing with~~
33 ~~Section 18999) of Part 6 of Division 9 of the Welfare and~~
34 ~~Institutions Code.~~

1 ~~(d) If the county determines that a facility's application meets~~
2 ~~the criteria in subdivision (c), the facility shall be eligible for a~~
3 ~~stipend of one thousand dollars (\$1,000) per resident who receives~~
4 ~~SSI/SSP benefits per month, which shall be distributed by the~~
5 ~~county within 15 days.~~

6 *(c) The department shall distribute up to 4,000 monthly stipends*
7 *statewide. The stipends shall be one thousand dollars (\$1,000) per*
8 *resident who receives SSI/SSP benefits per month to adult*
9 *residential facilities, as defined by paragraph (5) of subdivision*
10 *(a) of Section 80001 of Title 22 of the California Code of*
11 *Regulations and established pursuant to paragraph (1) of*
12 *subdivision (a) of Section 1502, that meet the following criteria:*

13 *(1) Meet both of the following requirements:*

14 *(A) Have at least one resident who receives SSI/SSP benefits.*

15 *(B) Agree to consider accepting future residents who are*
16 *currently or formerly homeless or at risk of homelessness or are*
17 *participating in the Housing and Disability Income Advocacy*
18 *Program pursuant to Chapter 17 (commencing with Section 18999)*
19 *of Part 6 of Division 9 of the Welfare and Institutions Code.*

20 *(2) Complete an application with information that demonstrates*
21 *that the facility meets one or more of the following criteria:*

22 *(A) The facility has had increased operational costs due to*
23 *COVID-19.*

24 *(B) The facility has had operational expenses that are not fully*
25 *covered by the nonmedical out-of-home care supplement pursuant*
26 *to the State Supplementary Program for Aged, Blind and Disabled,*
27 *described in Article 5 (commencing with Section 12200) of Chapter*
28 *3 of Part 3 of Division 9 of the Welfare and Institutions Code, due*
29 *to high costs within the region.*

30 *(C) The facility has had increased need for assistance with*
31 *activities of daily living of residents who receive SSI/SSP benefits.*

32 *(d) The department shall establish both of the following:*

33 *(1) An application form to be completed by the adult residential*
34 *facility.*

35 *(2) Guidelines for distribution of the stipends, which include,*
36 *but are not limited to, consideration of all of the following criteria:*

37 *(A) Priority for preserving the placement of residents who*
38 *receive SSI/SSP benefits currently residing within an adult*
39 *residential facility.*

- 1 (B) Priority for facilities with the highest percentage of residents
2 who receive SSI/SSP benefits.
- 3 (C) Priority for facilities in which the continued operation of
4 the facility is in jeopardy due to financial instability of the facility.
- 5 (D) A cap for the number of monthly stipends that each facility
6 may receive, if necessary.
- 7 (e) The following individuals shall not qualify as a person who
8 is receiving SSI/SSP benefits for purpose of this section:
- 9 (1) Individuals who are receiving housing and services under
10 the Assisted Living Waiver.
- 11 (2) Individuals who are receiving services through a regional
12 center.
- 13 ~~(e)~~
- 14 (f) (1) The purpose of the stipend is to ~~provide auxiliary services~~
15 ~~as defined in subdivision (k).~~ *preserve and promote housing options*
16 *for persons receiving SSI/SSP benefits.*
- 17 (2) *The department shall distribute the stipends as soon as*
18 *feasible.*
- 19 ~~(f)~~
- 20 (g) Facilities that receive the stipend shall do both of the
21 following:
- 22 (1) Submit to the ~~county~~ *department* biannual reports including,
23 but not limited to, all of the following information:
- 24 ~~(A) A description of the auxiliary services provided.~~
- 25 (A) *The number of stipends requested and number of stipends*
26 *received.*
- 27 (B) The number of retained residents who receive SSI/SSP
28 benefits.
- 29 (C) The number of new residents who receive SSI/SSP benefits
30 who have moved into the facility.
- 31 (D) For residents who have left, the location of next ~~residence.~~
32 *residence, if known.*
- 33 (E) A brief description of how the ~~grant~~ *stipend* was used to
34 benefit residents.
- 35 (F) The demographics of residents who receive SSI/SSP
36 benefits, including age, race, and gender.
- 37 (2) Maintain no fewer than the number of residents receiving
38 SSI/SSP benefits at the commencement of the ~~grant.~~ *stipend.*
- 39 ~~(g) Participating counties shall compile the facilities' biannual~~
40 ~~reports and submit them to the State Department of Social Services.~~

1 (h) (1) The State Department of Social Services shall evaluate
 2 the pilot program’s success in overall retention of ~~SSI/SSP benefit~~
 3 ~~recipients~~ *residents who receive SSI/SSP benefits* within
 4 participating facilities and expanding the statewide capacity for
 5 ~~SSI/SSP benefit recipients~~ *residents who receive SSI/SSP benefits*
 6 to reside in adult residential facilities and report that information
 7 to the relevant policy committees of the Legislature. The State
 8 Department of Social Services may contract this evaluation report.

9 (2) The report pursuant to paragraph (1) shall include ~~an~~
 10 ~~identification of potential federal funding sources.~~ *all of the*
 11 *following:*

- 12 (A) *An identification of potential federal funding sources.*
- 13 (B) *Recommendations of opportunities to expand or improve*
 14 *the pilot program.*
- 15 (C) *The number of applications for stipends received.*
- 16 (D) *The number of facilities that were granted at least one*
 17 *stipend.*
- 18 (E) *The number of stipends requested and the number of stipends*
 19 *granted for each application received.*
- 20 (F) *The number of facilities that were denied the stipend due to*
 21 *fiscal limitations of the program.*
- 22 (G) *The number of facilities that were denied the stipend due*
 23 *to not meeting eligibility criteria.*
- 24 (H) *The number of facilities that were denied the stipend and*
 25 *later were no longer operational.*
- 26 (I) *The number of facilities that received a stipend and later*
 27 *were no longer operational.*
- 28 (J) *The number of facilities that received the stipend and*
 29 *continue to serve SSI/SSP recipients.*

30 (3) *The report shall be issued in conjunction with the report*
 31 *required pursuant to Section 1507.4.*

32 (i) The State Department of Social Services shall implement
 33 these provisions in order to maximize federal funds.

34 (j) Notwithstanding the rulemaking provisions of the
 35 Administrative Procedure Act (Chapter 3.5 (commencing with
 36 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
 37 Code), the State Department of Social Services shall issue an
 38 all-county letter or similar instruction to implement this section.

39 (k) For purposes of this section, ~~the following terms have the~~
 40 ~~following meanings:~~

1 (1) ~~“Auxiliary services” means services that include, but are~~
2 ~~not limited to, enriched case management, clinical consultation,~~
3 ~~enhanced assistance with activities of daily living, transportation~~
4 ~~services, mental health therapy, and planned activities as defined~~
5 ~~in subdivision (a) of Section 87219 of Title 22 of the California~~
6 ~~Code of Regulations.~~

7 (2) ~~“SSI/SSP section, “SSI/SSP benefits” means revenue~~
8 ~~resources paid to an eligible client, or the client’s payee, by the~~
9 ~~federal Social Security Administration pursuant to Subchapter 16~~
10 ~~(commencing with Section 1381) of Chapter 7 of Title 42 of the~~
11 ~~United States Code, and Chapter 3 (commencing with Section~~
12 ~~12000) of Part 3 of Division 9 of the Welfare and Institutions Code.~~

13 SEC. 2. Section 1569.6 is added to the Health and Safety Code,
14 to read:

15 1569.6. (a) This section shall be a part of the Enriched Care
16 Adult Residential Facility pilot program created pursuant to Section
17 ~~1565.6; 1565.6, and administered by the department.~~ The purpose
18 of which is to promote the sustainability of essential residential
19 care facilities that serve ~~recipients who receive Supplemental~~
20 ~~Security Income/State Supplementary Program for the Aged, Blind,~~
21 ~~and Disabled (SSI/SSP) benefits.~~ *people who receive SSI/SSP*
22 *benefits.*

23 (b) The pilot program shall terminate on June 30, 2026, and
24 ~~counties the department~~ shall have expenditure authority over
25 program funds until June 30, 2027.

26 (c) ~~A residential care facility for the elderly, as defined in~~
27 ~~Section 1569.2, that meets both of the following criteria may be~~
28 ~~eligible to receive Enriched Care Adult Residential Facility pilot~~
29 ~~program payments:~~

30 (1) ~~Has at least 20 residents or 50 percent of the licensed~~
31 ~~capacity of the residents who receive benefits pursuant to the State~~
32 ~~Supplementary Program for the Aged, Blind and Disabled,~~
33 ~~described in Article 5 (commencing with Section 12200) of Chapter~~
34 ~~3 of Part 3 of Division 9 of the Welfare and Institutions Code.~~

35 (2) ~~Agrees to accept future residents who are currently or~~
36 ~~formerly homeless or at risk of homelessness and receive benefits~~
37 ~~pursuant to the State Supplementary Program for the Aged, Blind~~
38 ~~and Disabled, described in Article 5 (commencing with Section~~
39 ~~12200) of Chapter 3 of Part 3 of Division 9 of the Welfare and~~
40 ~~Institutions Code, or are participating in the Housing and Disability~~

~~1 Advocacy Program pursuant to Chapter 17 (commencing with
2 Section 18999) of Part 6 of Division 9 of the Welfare and
3 Institutions Code.~~

~~4 (d) If the county determines that a facility's application meets
5 the criteria in subdivision (c), the facility shall be eligible for a
6 stipend of one thousand dollars (\$1,000) per resident who receives
7 SSI/SSP benefits per month, which shall be distributed by the
8 county within 15 days.~~

~~9 (c) The department shall distribute up to 4,000 monthly stipends
10 statewide. The stipends shall be one thousand dollars (\$1,000) per
11 resident who receives SSI/SSP benefits per month to residential
12 care facilities for the elderly, as defined in Section 1569.2, that
13 meet the following criteria:~~

~~14 (1) Meet both of the following requirements:~~

~~15 (A) Have at least one resident who receives SSI/SSP benefits.~~

~~16 (B) Agree to consider accepting future residents who are
17 currently or formerly homeless or at risk of homelessness or are
18 participating in the Housing and Disability Income Advocacy
19 Program pursuant to Chapter 17 (commencing with Section 18999)
20 of Part 6 of Division 9 of the Welfare and Institutions Code.~~

~~21 (2) Complete an application with information that demonstrates
22 that the facility meets one or more of the following criteria:~~

~~23 (A) The facility has had increased operational costs due to
24 COVID-19.~~

~~25 (B) The facility has had operational expenses that are not fully
26 covered by the nonmedical out-of-home care supplement pursuant
27 to the State Supplementary Program for Aged, Blind and Disabled,
28 described in Article 5 (commencing with Section 12200) of Chapter
29 3 of Part 3 of Division 9 of the Welfare and Institutions Code, due
30 to high costs within the region.~~

~~31 (C) The facility has had increased need for assistance with
32 activities of daily living of residents who receive SSI/SSP benefits.~~

~~33 (d) The department shall establish both of the following:~~

~~34 (1) An application form to be completed by the residential care
35 facility for the elderly.~~

~~36 (2) Guidelines for distribution of the stipends, which include,
37 but are not limited to, consideration of all of the following criteria:~~

~~38 (A) Priority for preserving the placement of residents who
39 receive SSI/SSP benefits currently residing within a residential
40 care facility for the elderly.~~

1 (B) Priority for facilities with the highest percentage of residents
2 who receive SSI/SSP benefits.

3 (C) Priority for facilities in which the continued operation of
4 the facility is in jeopardy due to financial instability of the facility.

5 (D) A cap for the number of monthly stipends that each facility
6 may receive, if necessary.

7 (e) The following individuals shall not qualify as a person who
8 is receiving SSI/SSP benefits for purpose of this section:

9 (1) Individuals who are receiving housing and services under
10 the Assisted Living Waiver.

11 (2) Individuals who are receiving services through a regional
12 center.

13 ~~(e)~~

14 (f) (1) The purpose of the stipend is to ~~provide auxiliary services~~
15 ~~as defined in subdivision (k).~~ preserve and promote housing options
16 for persons receiving SSI/SSP benefits.

17 (2) The department shall distribute the stipends as soon as
18 feasible.

19 ~~(f)~~

20 (g) Facilities that receive the stipend shall do both of the
21 following:

22 (1) Submit to the ~~county~~ department biannual reports including,
23 but not limited to, all of the following information:

24 ~~(A) A description of the auxiliary services provided.~~

25 (A) The number of stipends requested and number of stipends
26 received.

27 (B) The number of retained residents who receive SSI/SSP
28 benefits.

29 (C) The number of new residents who receive SSI/SSP benefits
30 who have moved into the facility.

31 (D) For residents who have left, the location of next ~~residence.~~
32 residence, if known.

33 (E) A brief description of how the ~~grant~~ stipend was used to
34 benefit residents.

35 (F) The demographics of residents who receive SSI/SSP
36 benefits, including age, race, and gender.

37 (2) Maintain no fewer than the number of residents receiving
38 SSI/SSP benefits at the commencement of the ~~grant.~~ stipend.

39 ~~(g) Participating counties shall compile the facilities' biannual~~
40 ~~reports and submit them to the State Department of Social Services.~~

1 (h) (1) The State Department of Social Services shall evaluate
 2 the pilot program's success in overall retention of ~~SSI/SSP benefit~~
 3 ~~recipients~~ *residents who receive SSI/SSP benefits* within
 4 participating facilities and expanding the statewide capacity for
 5 ~~SSI/SSP benefit recipients~~ *residents who receive SSI/SSP benefits*
 6 to reside in ~~adult residential facilities~~ *residential care facilities for*
 7 *the elderly* and report that information to the relevant policy
 8 committees of the Legislature. The State Department of Social
 9 Services may contract this evaluation report.

10 (2) The report pursuant to paragraph (1) shall include ~~an~~
 11 ~~identification of potential federal funding sources.~~ *all of the*
 12 *following:*

13 (A) *An identification of potential federal funding sources.*

14 (B) *Recommendations of opportunities to expand or improve*
 15 *the pilot program.*

16 (C) *The number of applications for stipends received.*

17 (D) *The number of facilities that were granted at least one*
 18 *stipend.*

19 (E) *The number of stipends requested and the number of stipends*
 20 *granted for each application received.*

21 (F) *The number of facilities that were denied the stipend due to*
 22 *fiscal limitations of the program.*

23 (G) *The number of facilities that were denied the stipend due*
 24 *to not meeting eligibility criteria.*

25 (H) *The number of facilities that were denied the stipend and*
 26 *later were no longer operational.*

27 (I) *The number of facilities that received a stipend and later*
 28 *were no longer operational.*

29 (J) *The number of facilities that received the stipend and*
 30 *continue to serve SSI/SSP recipients.*

31 (3) *The report shall be issued in conjunction with the report*
 32 *required pursuant to Section 1507.4.*

33 (i) The State Department of Social Services shall implement
 34 these provisions in order to maximize federal funds.

35 (j) Notwithstanding the rulemaking provisions of the
 36 Administrative Procedure Act (Chapter 3.5 (commencing with
 37 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
 38 Code), the State Department of Social Services shall issue an
 39 all-county letter or similar instruction to implement this section.

1 (k) For purposes of this section, the following terms have the
2 following meanings:

3 (1) “Auxiliary services” means services that include, but are
4 not limited to, enriched case management, clinical consultation,
5 enhanced assistance with activities of daily living, transportation
6 services, mental health therapy, and planned activities as defined
7 in subdivision (a) of Section 87219 of Title 22 of the California
8 Code of Regulations.

9 (2) “SSI/SSP section, “SSI/SSP benefits” means revenue
10 resources paid to an eligible client, or the client’s payee, by the
11 federal Social Security Administration pursuant to Subchapter 16
12 (commencing with Section 1381) of Chapter 7 of Title 42 of the
13 United States Code, and Chapter 3 (commencing with Section
14 12000) of Part 3 of Division 9 of the Welfare and Institutions Code.

15 ~~SEC. 3. No reimbursement is required by this act pursuant to
16 Section 6 of Article XIII B of the California Constitution for certain
17 costs that may be incurred by a local agency or school district
18 because, in that regard, this act creates a new crime or infraction,
19 eliminates a crime or infraction, or changes the penalty for a crime
20 or infraction, within the meaning of Section 17556 of the
21 Government Code, or changes the definition of a crime within the
22 meaning of Section 6 of Article XIII B of the California
23 Constitution.~~

24 ~~However, if the Commission on State Mandates determines that
25 this act contains other costs mandated by the state, reimbursement
26 to local agencies and school districts for those costs shall be made
27 pursuant to Part 7 (commencing with Section 17500) of Division
28 4 of Title 2 of the Government Code.~~

29 ~~SEC. 3. No reimbursement is required by this act pursuant to
30 Section 6 of Article XIII B of the California Constitution because
31 the only costs that may be incurred by a local agency or school
32 district will be incurred because this act creates a new crime or
33 infraction, eliminates a crime or infraction, or changes the penalty
34 for a crime or infraction, within the meaning of Section 17556 of
35 the Government Code, or changes the definition of a crime within
36 the meaning of Section 6 of Article XIII B of the California
37 Constitution.~~

38 ~~SEC. 4. The sum of one hundred fifty million dollars
39 (\$150,000,000) is hereby appropriated, without regard to fiscal
40 year, from the General Fund to the State Department of Social~~

- 1 *Services to be used to provide stipends and cover administrative*
- 2 *costs, not to exceed 5 percent, pursuant to Sections 1565.6 and*
- 3 *1569.6 of the Health and Safety Code.*

O