

'Breaking a promise': California deficit could halt raises for disability workers

May 7 2024, by Vanessa G. Sánchez, KFF Health News



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Families of people with intellectual and developmental disabilities say Gov. Gavin Newsom is renegeing on a scheduled raise for the workers who care for their loved ones, and advocates warn of potential lawsuits if

disability services become harder to get.

Citing California's budget deficit, the Democratic governor wants to save around \$613 million in state funds by delaying pay increases for a year for about 150,000 disability care workers. The state will forgo an additional \$408 million in Medicaid reimbursements, reducing funding by over \$1 billion.

Some lawmakers say this decision will increase staff turnover and vacancies, leaving thousands of children and adults with disabilities without critical services at home and in residential facilities. Disability advocates warn it could violate the Lanterman Act, California's landmark law that says the state must provide services and resources to people with disabilities and their families.

Newsom is "breaking a promise," said Felisa Strickland, 60, who has been searching for more than a year for a day program for her 23-year-old daughter, Lily, who has autism and cerebral palsy. "It's creating a lot of physical and [mental health problems](#) for people, and it's a lot of undue stress on aging parent caregivers like myself."

Disability care workers, known as direct support professionals, provide daily, hands-on caregiving to help children and adults with intellectual and [developmental disabilities](#), such as autism, cerebral palsy, and epilepsy, remain independent and integrated into their communities.

In California, more than 400,000 people with disabilities need accommodation, and this population, along with seniors, is increasing. It's not clear how big the worker shortage is because the state hasn't released workforce data. As the demand for these workers grows generally, experts predict a shortage of between 600,000 and 3.2 million direct care workers by 2030.

Advocates say California pays most providers from \$16 to \$20 an hour, which meets the state's minimum wage but falls short of what some economists consider a living wage. In 2021, the state committed to raising wages after identifying a \$1.8 billion gap between the rates received by nonprofits that contract with the state to provide care and the rates deemed adequate.

Thus far, the state has provided around half that total, most of which has gone to raising wages and benefits. Workers had been expecting one more increase, of \$2–\$4 an hour, in July, until Newsom proposed a delay.

Also, nonprofits say California has made it harder to compete for workers after raising wages in other service and health industries. Newsom approved a \$20 minimum wage for fast-food workers that went into effect in April and he struck a deal last year with unions and hospitals to begin raising health care workers' wages to a minimum of \$25 an hour.

Ricardo Zegri said Taco Bell would pay him more than the \$19 an hour he makes as a disability care worker in a supervisory position.

"Every paycheck, it's a discussion at home about what bills we need to prioritize and whether it's time to start looking for work that pays more," said Zegri, who works a second job as a musician in the San Francisco Bay Area.

Newsom wants to preserve key health initiatives, including the state expansion of Medi-Cal to low-income immigrants regardless of [legal status](#), and CalAIM, an ambitious \$12 billion experiment to transform Medi-Cal into both a health insurer and a social services provider. However, the rate delay for providing disability care is the largest savings in the Health and Human Services budget as Newsom and

legislative leaders look to cuts, delays, and shifts in funding to close a deficit estimated between \$38 billion and \$73 billion.

Dozens of legislators from both parties are asking Newsom and legislative leaders to preserve the increase. Assembly member Stephanie Nguyen, a Democrat from Elk Grove, signed a letter supporting the raise. Although lawmakers are negotiating with the administration, she said reversing the decision to delay the pay boost is unlikely. Everybody "has to take a hit somewhere," Nguyen said.

Krystyne McComb, a spokesperson for the Department of Developmental Services, said even though the state would lose federal matching funds this year, it would resume drawing funds when the state reinstates the plan in 2025.

The department did not respond to questions about how it plans to retain workers and fill vacancies.

Newsom's proposal risks a collapse of the disability service system, which would violate the Lanterman Act and make the state vulnerable to lawsuits, said Jordan Lindsey, executive director of the Arc of California, a statewide disability rights advocacy organization.

Families say the state has already fallen short on services they need. Strickland quit her job to care for Lily, the Santa Barbara mother said. "It's not reasonable to expect someone to care for somebody else 24 hours a day, seven days a week," she said.

Lily graduated from high school and in 2022 completed a program that prepares youth with disabilities to transition into adult life. She had been looking forward to joining a day program to make new friends but has yet to find a spot. And due to a shortage of workers, Lily receives only four hours a week at home with a provider, who is paid around \$16 an

hour.

When Lily hangs out with the provider, her demeanor changes to the happy person she used to be, Strickland said.

"The system is already in crisis," she said. "There are tons and tons of people that are sitting at home because there's nowhere for them to go."

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Citation: 'Breaking a promise': California deficit could halt raises for disability workers (2024, May 7) retrieved 18 June 2024 from

<https://medicalxpress.com/news/2024-05-california-deficit-halt-disability-workers.html>

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