

Resolution #1

Restore the 7% Permanently

WHEREAS:

UDW/AFSCME Local 3930 and its allies in the IHSS community filed the *Oster and Dominguez* lawsuits in response to draconian cuts supported by the Schwarzenegger administration in 2009 that would have completely eliminated IHSS for 30,000 consumers and significantly reduced hours for another 100,000 consumers; and

WHEREAS:

The Federal District Court issued an injunction that prevented these cuts from going into effect; and

WHEREAS:

In 2011, Governor Jerry Brown signed SB 73, which cut hours for virtually all IHSS consumers by 20 percent if state revenue targets were not met, and when they were not met the State moved to implement the 20 percent cut on January 1, 2012; and

WHEREAS:

In January 2012, UDW/AFSCME Local 3930 and its allies in the IHSS community filed the *Oster II* lawsuit in response to this action and an injunction prevented this cut from going into effect; and

WHEREAS:

In 2013, UDW/AFSCME Local 3930 and its allies in the IHSS community, in order to prevent the 20 percent reduction in hours, the complete disqualification from IHSS for many recipients, and wage reductions for hundreds of thousands of IHSS providers, entered into a settlement agreement with the State that replaced these reductions with an across the board 8 percent cut to authorized service hours beginning July 2013, which was then reduced to 7 percent beginning July 2014 and ongoing; and

WHEREAS:

The settlement agreement also required the state to submit an application for an assessment that could be used to obtain new federal revenue; and

WHEREAS:

In January 2015, per the terms of the settlement agreement, Governor Brown proposed a new tax on Managed Care Organizations and further proposed to restore the 7 percent cut to IHSS hours effective July 1, 2015 so long as the MCO tax remains in effect; and

WHEREAS:

The MCO tax is set to expire on July 1, 2019; and

WHEREAS:

The federal Centers for Medicare and Medicaid Services (CMS) must grant approval for the MCO tax to extend beyond 2019; and

WHEREAS:

In the current political climate, it is highly uncertain if California will receive the federal approval it needs to extend the MCO tax beyond 2019.

THEREFORE BE IT RESOLVED:

That UDW/AFSCME Local 3930 calls on the California Legislature and Governor Brown to make the restoration of the 7 percent reduction in the IHSS program permanent, regardless of the future extension of the MCO tax, ensuring the wellbeing of those the program serves and the financial stability of the program in the years to come.

SUBMITTED BY:

UDW/AFSCME Local 3930 Executive Board