



MOMENTUM

May 30, 2025

History



In 1945, under the name **United Cerebral Palsy of Los Angeles**, a small group of parents banded together to help their children by creating a resource that would nurture them to grow to be contributing adults in an accessible that would accept their children as valued members.

Lifespan & Global – Total Impact

momentum.



Momentum's Family of Organizations has a total impact that extends to over 100,000 children, adults, and families globally each year

momentum.
refresh



momentum.
wheels for humanity



momentum.
work, inc.



momentum.
valley village



momentum.

80 Years Strong

momentum[®]
80 years strong

Momentum Refresh – Innovation



Momentum Strong – Center of Excellence



Our Team

As of 5/25	Momentum Team Members
1 day to 12 months	172
1 year to 5 years	198
5 years + 1 day to 10 years	87
10 years + 1 day to 20 years	98
20 years + 1 day to 30 years	37
30 years + 1 day to 40 years	10
More than 40 years	2

Momentum: 604

Subsidiaries: 584

Total Staff Members: 1,188



Staffing Challenges

Momentum's primary revenue is Medicaid, a state/federal partnership that, in our case, uses tax dollars to fund long-term disability services and supports. Chronic underfunding and stagnant Medicaid reimbursement rates have led to significant staffing shortages including the Direct Support Professionals (DSP) staffing which is the majority of our team. These shortages diversely affect service delivery.

The 2024 report by the American Network of Community Options and Resources (ANCOR) highlights a severe crisis in the DSP workforce which is essential for assisting individuals with intellectual and developmental disabilities. Key findings from the survey of 496 providers across 47 states and the District of Columbia include:

- 90% of providers faced moderate to severe staffing challenges in the past year.
- 69% had to turn away new referrals due to insufficient staff.
- 39% discontinued certain programs or services.
- 64% delayed the launch of new programs for people with disabilities.
- 34% considered further program cuts if recruitment and retention issues persist.
- 45% reported an increase in reportable incidents.
- 57% of case managers struggled to connect individuals with necessary services.
- 57% operated in areas with few or no alternative service options.

Staffing Challenges - continued

State only reimburses Momentum at the State minimum wage rate of \$16.50 per hour. The minimum hourly rate in Los Angeles is \$17.28 and will be increasing \$17.87 per hour on 7/1/25. Momentum's starting pay range for DSPs is \$17.50 per hour.

In California, hourly wages at fast food restaurants are \$20.00 other healthcare settings approximately \$25.00.

Momentum pays massive overtime and double time costs, approximately \$2.2M annually, due to the DSP staffing crisis.

Momentum created a Valued Employee Hardship grant for employees to apply for grants from \$500 to \$2,500 annually and they do not have to pay it back.



Staffing Challenges - continued

- Employees who have Worker's Compensation claims and litigate do not return to work.
- Momentum must cover the shifts with an already short-staffed workforce.
- Costs of litigated claims are significantly higher than non-litigated claims.
 - **Average cost of a litigated claim \$44,039 up from \$22,095** in 2022
 - **Duration of a litigated claim is 857 days**
- Our rates are set by state and, as such, we are unable to “raise our prices” to cover the costs of unfair PAGA lawsuits and other frivolous claims.
- California currently has a \$6.2 billion Medicaid shortfall for FY2024/25. In any economic climate, but especially now, it is unconscionable to divert Medicaid funds, intended to help children, pregnant women, the elderly and people with disabilities, to lawyers for PAGA claims, or other meritless lawsuits. These Medicaid revenues would be better utilized to increase the wages of direct support professionals, the very people current PAGA laws are purported to protect.

One Solution

The solution is a narrow exemption for nonprofit organizations providing services to individuals with disabilities under California's Lantern Act, similar to carve-out for union construction workers, airline employee and many state and county public employees. If nonprofit disability service providers were carved out of PAGA, employees would still have the protections of the California Division of Labor Standards Enforcement (DLSE) who would retain authority to investigate and enforce California labor violation.

This exemption was introduced in the California legislature as AB 1751 which received strong bi-partisan support. However, the legislation died after legislators were promised many of the concerns of disability providers would be addressed in AB 2288, the PAGA reform package signed by Governor Newsom in July, 2024. The modest reforms contained in AB 2288 have not reduced PAGA claims or reduced settlement costs from draining disability service budgets.

Legislation to reduce exposure of nonprofit disability service providers to costly PAGA claims, and other dubious lawsuits, to ensure that public Medicaid funds are used for staff wages and retention efforts to increase access to services and supports for some of California's most vulnerable citizens.



Questions?