

COUNTY OF EL DORADO

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April 11, 2017

The Honorable Kevin de León
President pro Tempore, California State Senate
State Capitol, Room 205
Sacramento, CA 95814

Re: Dismantling the Coordinated Care Initiative (CCI), and shifting IHSS Collective Bargaining to Counties - OPPOSE

Dear President pro Tempore de León,

The County of El Dorado Board of Supervisors requests that you reconsider dismantling of the county In Home Supportive Services (IHSS) Maintenance of Effort (MOE) cost sharing arrangement, the dissolution of the Statewide IHSS Authority, and shifting collective bargaining for IHSS workers from the Statewide IHSS Authority to the seven CCI county participants.

The CCI and its associated components were created by legislation in 2012 (Senate Bill (SB) 1036, Chapter 45, States of 2012, and Assembly Bill 1471, Chapter 439, Statutes of 2012). Subsequent legislation (SB 94, Chapter 37, Statutes of 2013), required the Department of Finance Director to perform an annual calculation regarding the costs and savings related to the CCI, and to end the CCI should state costs exceed savings, with notification within the January Budget Proposal.

On January 10, Director Cohen indicated that pursuant to his calculations, CCI costs exceeded state savings by \$42.4 million, thereby triggering the unwinding of the CCI. This means that the health care side of the CCI ends by January 1, 2018, while the county IHSS MOE cost sharing arrangement ends this calendar year on June 30, 2017.

As a result of these events, the County of El Dorado estimates an increase in cost over and above the County's current share of cost to run the program, in the amount of \$1.6 million, a devastating amount for a County with a population of less than 200,000. This estimate allows for the return of the 7% cut in service hours when the current Managed Care Organization tax expires in 2019-20, as current law requires, as well as the assumption that elimination of the IHSS MOE will result in reapplication of existing statutory sharing ratios for the nonfederal share of the IHSS program (65 percent state and 35 percent county).

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The County currently funds the County's share of IHSS funding with 1991 Realignment; however, the estimated increase in cost will exceed the mechanics of the 1991 Realignment structure. Since 1991 Realignment also funds indigent health and mental health services, as well as social services programs, the impact of shifting costs to cover the IHSS program will impact multiple populations served by the County.

These changes to the IHSS program funding structure will have a devastating impact on multiple populations in the County. The Board of Supervisors ask the Legislature to work with counties and other stakeholders to arrive at a reasonable solution to the IHSS program funding, and work to ensure stability and sustainability of the IHSS program.

Sincerely,

Shiva Frentzen, Chair
Board of Supervisors
El Dorado County