



## Legislation Text

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**File #:** 15-1179, **Version:** 1

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Health and Human Services Agency (HHSA), Community Services Division, recommending the Board, as the Acting Governing Board of the In-Home Supportive Services (IHSS) Public Authority, consider the following:

- 1) Approve the IHSS Public Authority/Non-Profit Rate Change Request increasing the hourly wage from \$9 per hour to \$10 per hour effective January 1, 2016, for the IHSS Public Authority; and
- 2) Authorize the HHSA Director to sign and send a letter requesting the rate increase and effective date to the California Department of Social Services.

**FUNDING:** Federal and State.

**DEPARTMENT RECOMMENDATION:**

Health and Human Services Agency (HHSA) recommending that the Board approve the In-Home Supportive Services (IHSS) Public Authority/Non-Profit Rate Change Request increasing the hourly wage from \$9.00 per hour to \$10.00 per hour effective January 1, 2016, for the IHSS Public Authority workers. In addition, authorize the HHSA Director to sign and send a letter requesting the rate increase and effective date to the California Department of Social Services. This rate increase is required to comply with the statutory rate increase to the minimum wage effective January 1, 2016.

**DISCUSSION / BACKGROUND:**

HHSA administers both the IHSS program and the IHSS Public Authority, which work together to provide personal care and domestic services to aged, blind, or disabled individuals and allows recipients of services to live safely at home rather than in costly and less desirable out-of-home placement facilities. The IHSS program receives referrals for services and performs eligibility determination, needs assessment, authorization of services, and ongoing case management for those receiving IHSS services. The IHSS Public Authority was established by ordinance of the Board of Supervisors, acting as the Governing Board for the IHSS Public Authority, as an entity separate from the County of El Dorado, to serve as the employer of record for the individual care providers of IHSS services. The IHSS Public Authority is responsible for maintaining a registry of care providers for referral to IHSS recipients, performing background checks on providers, and providing training for care providers.

Assembly Bill (AB) 10 was enacted on September 25, 2013, and increased the minimum wage for all industries to \$9.00 per hour effective on and after July 1, 2014, and \$10.00 per hour effective on and after January 1, 2016. Currently, the County of El Dorado compensates its IHSS workers at a rate of \$9.00 per hour salary plus \$.60 per hour benefits. In order to comply with AB 10, HHSA is required to submit a letter with a rate change request and attached supporting documents to the California Department of Social Services no later than October 31, 2015.

Prior to July 1, 2012, the IHSS program was funded by Federal/State/County cost sharing ratios established by State law. Senate Bill 1008 (2012) and Senate Bill 1036 (2012) established a Maintenance of Effort (MOE) for all counties to be effective July 1, 2012, in lieu of the state/county cost sharing ratios for IHSS administration and services and IHSS Public Authority administration.

The County's MOE for FY 2012/13 was based on actual expenditures for IHSS services and the full match amount of the County's IHSS administration allocation in FY 2011/12. Pursuant to Welfare and Institutions Code Section 12306.15 (e) a County's MOE shall only be adjusted as follows:

1) On July 1, 2014, the County IHSS MOE base shall be adjusted by an inflation factor of 3.5 percent. Beginning July 1, 2015, an annually thereafter, the County IHSS MOE from the previous year shall be adjusted by an inflation factor of 3.5 percent.

2 ) The County IHSS MOE shall be adjusted for the annualized cost of increases in provider wages or health benefits that are locally negotiated, mediated, or imposed before the Statewide Authority assumes the responsibilities set forth in Section 110011 of the Government Code for a given county as provided in Section 123000.7.

Since the increase in rate is due to the statutory increase in minimum wage, and not negotiated by the County, it will not impact the County's IHSS MOE and the costs associated with the increased rate will be absorbed by the State.

**ALTERNATIVES:**

Failure to request the rate increase will result in the County paying a rate below the State mandated minimum wage, a violation of AB 10 (2013).

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

N/A

**CAO RECOMMENDATION:**

It is recommended that the Board approve this item.

**FINANCIAL IMPACT:**

There is no Net County Cost associated with this Agenda Item.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

Clerk of the Board to return one (1) certified Minute Order to 3057 Briw Road.

**STRATEGIC PLAN COMPONENT:**

N/A

**CONTACT**

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