



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** GOVERNING BOARD

**File #:** 16-198

Board Meeting Date: 6/6/2017

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<b>Special Notice / Hearing:</b>	None
<b>Vote Required:</b>	Majority

**To:** Honorable Board of Supervisors

**From:** Louise Rogers, Chief, Health System  
Lisa Mancini, Director, Aging and Adult Services

**Subject:** In-Home Supportive Services Public Authority Combined Rate Update

**RECOMMENDATION:**

Acting as the Governing Board of the In-Home Supportive Services Public Authority, adopt a resolution authorizing a change in the Public Authority rate and submission of the Resolution to the California Department of Social Services.

**BACKGROUND:**

In September 1993, by ordinance of the San Mateo County Board of Supervisors, a Public Authority (PA) was established to administer the provider components of the In-Home Supportive Services (IHSS) program. Pursuant to CA Welfare & Institutions Code section 12301.6(b)(3), the ordinance designated the Board of Supervisors as the Governing Board to the PA.

The PA rate is made up of several components, including the cost of the Independent Provider (IP) wages, payroll taxes, health benefits, non-health related benefits, and administrative costs. The current combined PA rate for San Mateo County is \$15.18 per hour and includes an IP hourly wage of \$12.65, payroll taxes of \$1.27, health benefits of \$0.80, non-health related benefits of \$0.28, and administrative costs of \$0.18. The rate was last updated April 1, 2015.

These rates are used by California Department of Social Services (CDSS) for their calculation of the State and County-by-County cost estimates of the IHSS and PA program. Accurately projecting and updating these rates are essential for insuring that the most accurate cost information are made available to CDSS to project the cost of the IHSS and PA program.

**DISCUSSION:**

We are asking your Board to approve a new lower PA rate to reflect reductions in the non-wage components of the rate. Specifically, an increase in IHSS IP hours (estimated FY2017-18 total: 6,332,472 hours) has allowed us to realize reductions in the rate for payroll tax, health benefits, non-health benefits, and administration due to economies of scale. Thus, while the IP wage rate remains at \$12.65, the payroll tax rate is now \$1.21, health benefits is \$0.51, non-health benefits is \$0.01, and

administration is \$0.18, for a new reduced total PA rate of \$14.56.

CDSS must approve any PA rate changes before they are reflected into the State's estimates. CDSS requires certification from the County that the Governing Board has directed and authorized a change to the combined PA rate.

Approval of this resolution and its submission to CDSS will complete the process to change the PA rate.

The requested effective date for this new rate is July 1, 2017.

County Counsel has reviewed and approved the resolution as to form.

The PA rate update ensures that the PA is providing the most accurate cost estimates to the State to allow the County and the PA to continue providing IHSS services. This in turn contributes to the Shared Vision 2025 outcome of a Healthy Community by allowing IHSS clients to remain safely in the community. It is anticipated that Community-based supportive services like IHSS will allow clients to remain safely in the community on average 8 years longer than if the services were not available.

**PERFORMANCE MEASURES:**

<b>Measure</b>	<b>FY 2016-17 Estimated</b>	<b>FY 2017-18 Projected</b>
Average number of additional years that AAS community-based programs have allowed clients to remain safely in the community	8 years	8 years

**FISCAL IMPACT:**

There is no net cost impact to the County as a result of the authorization of this resolution.