



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 18-966

Board Meeting Date: 10/23/2018

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
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 of the County of San Mateo, 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, the County Board of Supervisors established a Public Authority (PA) 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 of the PA.

The costs of operating the PA include Independent Provider (IP) wages, payroll taxes, health benefits, non-health-related benefits, and administrative costs. The PA rate reflects the hourly cost of operating each component of service provided to an IHSS recipient. Each county in California is required to report its PA rate to California Department of Social Services (CDSS). As of July 1, 2018, the County reported a rate of \$16.15 per hour.

These rates are used by CDSS to calculate statewide and county-by-county cost estimates of the IHSS and PA programs. Accurately projecting and updating these rates is essential for ensuring sufficient State funds to cover the County's IHSS and PA costs.

### **DISCUSSION:**

The PA is requesting an increase in its administrative rate from \$0.29 to \$0.45 and an increase to the health benefits (non-locally-negotiated) rate of \$0.27. When counties exceed their previously reported rates, the State refuses to reimburse the county beyond that rate and federal funds will also be unavailable. Thus, the State has recommended that local PAs set their PA administrative rates higher to ensure that PAs will be fully reimbursed for administrative costs by federal and state funding

sources. However, please note that the federal participation is based on actual costs up to the approved PA rate. As such, increasing the administrative rate cannot result in a County windfall because the State also places a dollar-figure cap on the amount it will contribute to the PA's operational costs.

During a recent phone call with CDSS, the State recommended that the County PA increase its rate due to an anticipated increase to health premiums. Although the exact premium rates are not yet known, the increased rate will ensure that the PA will be able to draw down on federal and state funds to cover health benefit increases. There are no changes to any other components of the PA rate. The adjustments mentioned above will increase the combined County PA rate (inclusive of Independent Provider wages, payroll taxes, health benefits, non-health-related benefits, and administrative costs) from \$16.15 to \$16.58 per hour.

CDSS must approve any PA rate changes before they are incorporated 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.

Authorization 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 January 1, 2019.

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 contributes to the Shared Vision 2025 outcome of a Healthy Community by allowing IHSS clients to remain safe in the community. It is anticipated that community-based supportive services like IHSS will allow clients to remain safe in the community on average six years longer than if these services were not available.

**PERFORMANCE MEASURE:**

Measure	FY 2017-18 Estimated	FY 2018-19 Projected
Average number of additional years that AAS community-based programs have allowed clients to remain safe in the community	6 years	6 years

**FISCAL IMPACT:**

There is no impact to Net County Cost.