



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 21-527

Board Meeting Date: 6/29/2021

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: Adoption of a Resolution Authorizing the San Mateo County In-Home Supportive Services Public Authority to Include Services Performed by its Employees in the California State Social Security Agreement of March 9, 1951, Providing for the Coverage of Public Employees Under the Old Age, Survivors, Disability and Health Insurance System Established by the Federal Social Security Act

RECOMMENDATION:

Adopt a resolution authorizing the San Mateo County In-Home Supportive Services Public Authority to include services performed by its employees in the California State Social Security Agreement of March 9, 1951, providing for the coverage of public employees under the old age, survivors, disability and health insurance system established by the Federal Social Security Act.

BACKGROUND:

California Welfare and Institutions Code (WIC) section 12301.6 authorizes County Boards of Supervisors to provide for the delivery of In-Home Supportive Services (IHSS) either by contracting with a nonprofit consortium, or by establishing a Public Authority (PA). On September 21, 1993, the Board of Supervisors adopted Ordinance No. 03508, which created a PA for the delivery of IHSS. Pursuant to WIC section 12301.6, the PA is a public entity separate from the County. There are currently 14 full time PA employees in San Mateo County.

Social Security coverage is available to state and local government employees through a voluntary but irrevocable federal-state agreement authorized by Section 218 of the Social Security Act. Employees covered under a Section 218 Agreement have the same coverage and benefit rights as employees mandatorily covered for Social Security and Medicare. On August 30, 1957, the County of San Mateo completed an application and agreement with the State of California pursuant to Section 218. The State signed the agreement on September 12, 1957. The County's Section 218 Agreement does not cover PA employees.

DISCUSSION:

PA employees have historically had Social Security taxes withheld from their paychecks and those who have retired have received Social Security benefits, but there is not an active agreement to provide Social Security coverage to these employees. Government employers who wish to offer Social Security in addition to their retirement plan must have a Section 218 Agreement. The Agreement covers positions, not individuals. If the position is covered for Social Security and Medicare under a Section 218 Agreement, then any employee filling that position is subject to Social Security and Medicare taxes.

This resolution is the first of two required for the California Public Employees' Retirement System (CalPERS), the official Social Security Administrator for the State of California's Section 218 Agreement, to make sure that PA employees continue to participate in the Social Security program and that the withholdings and payment of benefits are in compliance with federal and state requirements. This resolution expresses the intent of the Board of Supervisors, acting as the Governing Body of the PA, to enter into a Section 218 Agreement. Once the signed resolution is returned to CalPERS, they will prepare the Application and Agreement for the Board's review and approval. The approval and signing of the Application and Agreement will be the subject of a forthcoming memo and resolution.

The resolution has been reviewed and approved by County Counsel as to form.

It is anticipated that 100% of PA positions will be covered by the Section 218 Agreement.

PERFORMANCE MEASURE:

Measure	FY 2020-21 Estimated		FY 2021-22 Projected
Percentage of PA positions covered by the Section 218 Agreement	100%	14 positions	100% 14 positions

FISCAL IMPACT:

The Section 218 Agreement formalizes the current Social Security withholdings from the paychecks of San Mateo County IHSS PA employees and the Social Security benefits that those employees receive after retirement. The fee to complete the Section 218 process is \$650. The cost is included in the FY 2020-21 Adopted Budget and will be funded by a combination of federal, State, and County funds.