



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Social Services
Department No.: 044
For Agenda Of: April 15, 2008
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors of the IHSS Public Authority

FROM: Department Kathy Gallagher, Department of Social Services
Director(s)
Contact Info: Davida Willis, IHSS Public Authority Director, Ext 1251

SUBJECT: **Approval of New State Rate for the In-Home Supportive Services Public Authority**

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: Select_Concurrence

Recommended Actions:

That the Board of Directors of the In Home Supportive Services (IHSS) Public Authority:

- 1) Approve the new state rate of \$12.42 for the In-Home Supportive Services Public Authority effective July 1, 2008, and
- 2) Direct the Public Authority to forward it to the Board of Supervisors for approval.

Summary Text:

Pursuant to a Memorandum of Understanding with United Domestic Workers of America dated July 1, 2007 and approved by the Board of Supervisors on December 12, 2007, the In-Home Supportive Services Public Authority is required to increase the In-Home Supportive Services caregiver wage to \$10.50 per hour. The increased caregiver wage requires the Public Authority to submit a new rate request to the State of California, Department of Health services. The rate itself includes the hourly wage (\$10.50 per hour), payroll taxes (\$0.85 per hour), health and dental benefits (\$.60 per hour), and a reimbursement to the Public Authority for its administrative expenses (\$0.47 per hour). The Public Authority's new rate will be \$12.42 per hour effective July 1, 2008.

Background:

The Public Authority was created by AB 2235, which mandates that the Public Authority is the employer of record for all In-Home Supportive Services caregivers. As the employer of record, the Public Authority is charged with negotiating wages and benefits with the assigned bargaining unit.

The Memorandum of Understanding between the Public Authority and the Union expired on June 30, 2007. Negotiations began in March of 2007 and agreement was reached on September 18, 2007. The primary areas of negotiations were around wages and health benefits. The hourly wage for caregivers was increased to \$10.50 per hour from \$10.00 per hour effective July 1, 2008.

The Union ratified this agreement on Saturday, 10/27/07. The IHSS Public Authority Board of Directors approved the agreement on November 27, 2007 and the Board of Supervisors approved the agreement on December 12, 2007,

Performance Measure:

N/A

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>FY 2008/09 Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 1,460,827.00	\$ 1,499,873.00	
State	\$ 9,207,281.50	\$ 10,565,532.00	
Federal	\$ 13,609,556.87	\$ 15,619,327.00	
State Realignment	\$ 3,994,801.00	\$ 4,191,445.00	
Other:			
Total	\$ 28,272,466.37	\$ 31,876,177.00	

Narrative:

In order for costs incurred by the IHSS Public Authority to be reimbursed by the Federal and State government a Public Authority hourly cost rate must be submitted and approved by the California Department of Social Services. Based on the Department's FY 2008/09 requested budget, we have calculated that it will cost \$12.42 per service hour to fund this program, which is a 4% increase over the current fiscal year. These costs will be funded with Federal, State, State Realignment and local funds. The respective funding levels are approximately 49%, 33%, 13% and 5%, depending on the eligibility of each specific IHSS case and activity performed. The Department is projecting that 2,567,288 service hours will be provided in FY 2008/09. At a rate of \$12.416, rounded to \$12.42 per hour, the total cost of the program is estimated to be \$31,876,177. Sufficient appropriations, revenue and local general fund have been included in the Department's FY 2008/09 requested budget.

Staffing Impacts:

Legal Positions:

N/A

FTEs:

N/A

Special Instructions:

After execution by the Chair, please return one (1) certified copy of the minute order for the Public Authority, and one (1) certified copy of the minute order, attention: Diana Klopp.

Attachments:

Rate request documents

Authored by:

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Dauida Willis

Laura Mejia

cc: