

**County of Sonoma
Agenda Item Summary Report**

Clerk of the Board Use Only
Meeting Date
____/____/____
Agenda Item No:

Department:
Human Services/IHSS Public Authority

4/5 Vote Required

Contact:
Diane Kaljian

Phone:
565-5950

Board Date:
6/9/09

Deadline for Board Action:
6/9/09

AGENDA SHORT TITLE:
CDSS Rate Request

REQUESTED BOARD ACTION:

Authorize resolution of the IHSS Public Authority Board of Directors approving the California Department of Social Services (CDSS) Rate Request.

CURRENT FISCAL YEAR FINANCIAL IMPACT

EXPENDITURES

ADDL FUNDS REQUIRING BOARD APPROVAL

Estimated Cost	\$	000.00	Contingencies	\$	000.00
			(Fund Name:)		
Amount Budgeted	\$	000.00	Unanticipated Revenue	\$	000.00
			(Source:)		
Other Available Approp. (Explain Below)	\$	000.00	Other Transfer(s)		000.00
			(Source:)	\$	
Additional Requested:	\$	0.00	Total Source of Funds:	\$	0.00

Explanation (if required): IHSS provider wages are addressed in the HSD proposed 2009-10 budget.

Prior Board Action(s):

- 08/19/08 Approved CDSS Rate Request
- 03/18/08 Approved current MOU with SEIU-UHW
- 01/15/02 Approved first MOU with SEIU
- 06/02/01 Approved Ordinance to establish the Sonoma County IHSS Public Authority

Alternatives – Results of Non-Approval:

Non-approval would result in increased County cost for IHSS provider wages effective 8/1/09.

Background:

The Board of Supervisors established the Sonoma County In-Home Supportive Services (IHSS) Public Authority (PA) on June 5, 2001, pursuant to Welfare & Institutions Code §12301.6(a)(2). The Public Authority is an independent public entity, with the members of the Board of Supervisors serving as the Board of Directors. The purpose of the Public Authority is twofold: 1) to act as the employer of record for individual IHSS care providers for the purpose of collective bargaining over wages, hours, and other conditions of employment and 2) to provide State mandated functions of referral, registry, screening, and training to IHSS consumers and providers.

The first PA-SEIU MOU was approved by the Board of Supervisors in January 2002. The current MOU was approved by the Board of Supervisors on March 18, 2008. It provided for a wage increase to \$11.20 per hour effective May 1, 2008 and an additional increase to \$11.50 effective October 1, 2008. The MOU expires on September 30, 2009. The current MOU is contingent upon the State providing matching funds consistent with the levels described in the MOU. The California Department of Social Services (CDSS) has notified all counties that effective July 1, 2009, State participation in the wage will decrease from a maximum wage of \$11.50 per hour and \$.60 for health benefits to a wage of \$9.50 per hour and \$.60 for health benefits.

The current Memorandum of Understanding (MOU) between the PA and the SEIU-UHW provides that in such a case as there are reductions in Federal or State participation levels, wages are to be reduced to keep the total cost to the PA the same as before the change. For Sonoma County, this will result in a reduction in the hourly wage from \$11.50 to \$10.20 per hour with \$.60 for health benefits.

In accordance with the MOU, even if it's due to the State's unilateral action, the Public Authority must give the Union written notice 30 days in advance of any wage change. The Union may request to meet and confer regarding the impact. In order to give adequate notice to the Union and for CDSS to make the necessary programming adjustments, the wage change will be effective August 1, 2009.

General Fund Impact:

The cost of IHSS wages and benefits has been the largest factor in the increasing Welfare Program costs in the last seven years. Program costs are increasing while realignment revenues are decreasing, resulting in ever-increasing costs to the General Fund. This is due in part to caseload growth that reflects the aging Sonoma County population. IHSS caseload growth has averaged about 10% (per year) in recent years. It is also due to higher wages, including substantial amounts of County

Attachments:

Resolution

On File With Clerk:

CLERK OF THE BOARD USE ONLY

Board Action (If other than "Requested")

Vote:

Background: (Continued)

General Fund Impact (continued)

discretionary funds to pay caregivers more than the State minimum wage. Wages in FY 08-09 have been \$12.10 hour (including \$.60 cents per hour in benefits). The total IHSS hours forecast for FY 08-09 was 5,600,000 at a General Fund cost of \$13.1 million. The County cost for IHSS provider wages would have increased from \$8.2 million in FY 03-04 to \$14.1 million in FY 09-10 if the wage rate and funding ratios had not changed.

Additional Information:

There are 20 counties in California that currently pay IHSS providers \$11.50 per hour. Of the eleven counties nearby Sonoma County, five have already reduced IHSS provider wages effective July 1. Four counties are in negotiations to reduce wages. Two counties are precluded by MOU language or local initiative (e.g., living wage) from making changes to provider wages.

PA Rate Request:

This Board item will approve a revised Public Authority rate request to the California Department of Social Services (CDSS) to decrease IHSS provider wages from \$11.50 to \$10.20 per hour with \$.60 for benefits, effective August 1, 2009.

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