

In-Home Supportive Services Public Authority Program Update

Sanja Bugay, Director, Fresno County Department of Social Services

Oralia Gomez, Deputy Director, Fresno County Department of Social Services

Bruna Chavez, Deputy Director Finance, Fresno County Department of Social Services

September 10, 2024

Public Authority Overview

- The Public Authority is the employer of record for In-Home Supportive Services (IHSS) Providers and is a local agency legally separate from the County.
- County Board of Supervisors are required to establish a Public Authority (PA), by ordinance, or contract with a Nonprofit Consortia (NPC) to serve as the IHSS employer of record [Welfare & Institutions Code (W&IC), section 12302.25]

Public Authority Overview

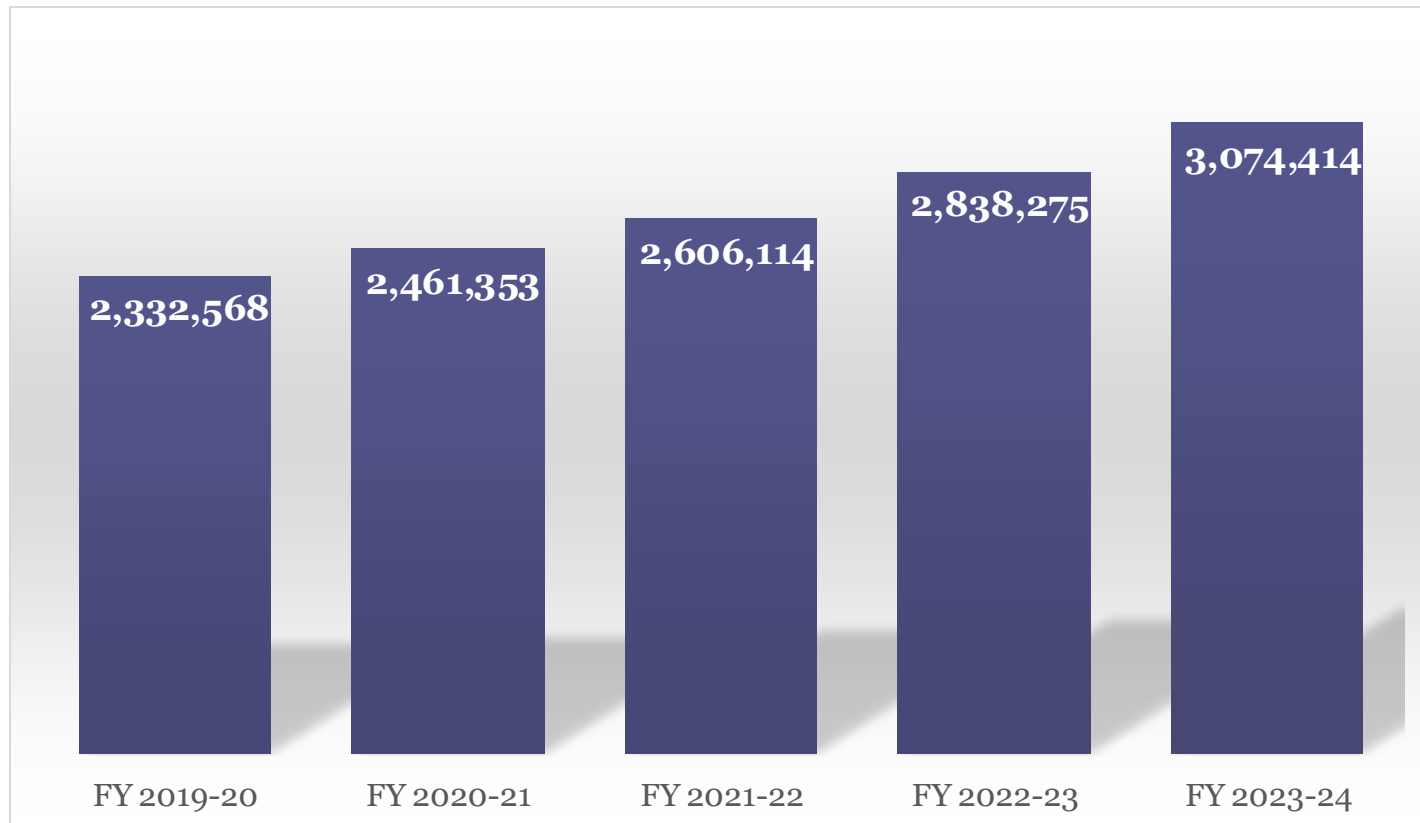
- Fresno County Ordinance, Title 2, Chapter 2.80, Section 2.80.030 establishes a Public Authority whose powers and authority are derived from and consistent with the W&IC.
- The governing body of the PA shall be the Fresno County Board of Supervisors.
- The PA is deemed the employer for the purposes of employee/employer relations for IHSS Providers, including collective bargaining. However,
 - **The recipient is the provider's employer and is responsible to hire, train, supervise, and fire the individual**

Caseload Demographics

- The IHSS Program provides services to eligible recipients to allow them to remain safely in their homes as an alternative to out-of-home care.
- In June 2024:
 - 24,035 active cases received payment
 - The average hours per recipient was 122.8
 - 22,290 IHSS providers actively provided services
 - The average hours worked per provider was 142
 - June paid hours = 3,238,833
 - Approximately 69.9% of recipients received services from a family member

Caseload Demographics

5-Year Average Monthly Paid Hours Growth (32%)



Memorandum of Understanding (MOU) Agreement No. 20-036

- Term: January 16, 2020 – December 31, 2022
- **Renegotiation start date: On or about September 30th 2022**

Wages & Benefits Terms:

- Wage rate = minimum wage
- Wage supplement = \$0.60 per hour
- Health benefit rate = \$0.85 – (payment = preceding three months average of paid hours worked by providers multiplied by \$0.85 cents)

Updates on Proposals and negotiations posted on Public Authority Website:

<https://www.fresnocountyca.gov/Departments/Social-Services/Adult-Services/Public-Authority>

IHSS Wages & Benefits

	12/2019 Prior to last MOU	Last MOU (1/20 to 12/2022)	Current 1/1/24	Increase
Wage (based on minimum wage)	\$12.00	\$13.00	\$16.00	33%
Wage Supplement	\$0.00	\$0.60	\$0.60	
Total Wage	\$12.00	\$13.60	\$16.60	38%
Health Benefits	\$0.85	\$0.85	\$0.85	0%
Wages and Benefits	\$12.85	\$14.45	\$17.45	36%

- Minimum wage history: 1/1/19 - \$12.00, 1/1/20 - \$13.00, 1/1/21 - \$14.00, 1/1/22 - \$15.00, 1/1/23 - \$15.50, 1/1/24 - \$16.00

Health Benefits

County Health Benefit Contribution

- On a monthly basis the County issues a payment to the Health Benefit trust **which is equal to \$0.85 multiplied by the average monthly paid hours for the prior 3 months for all providers**
- Total average cost per month = \$2,736,049
 - (annualized = \$31,748,141)

Health Benefits Administration

- Benefit costs are paid to Dublin Insurance, the health insurance administrator chosen by SEIU Local 2015
 - The health plan is a Kaiser Permanente Traditional HMO (\$1,416 month/provider)
 - **Eligibility for health benefits are not determined by the County.**
- Providers enrolled in Health Benefits = **2,085 (or 8% of 25,276 total registered providers)**

IHSS Provider Coverage Breakdown

June 2024:

- **25,276** Registered IHSS Providers in Fresno County
- **2,085 or 8%** of providers receive Kaiser Silver Plan coverage through SEIU 2015 Trust.
- **8,959 or 36%** of IHSS providers have Covered California or other Health Insurance Coverage
- **14,232 or 56%** of IHSS Providers are currently receiving Medi-Cal benefits.
- Medi-Cal Managed Care Plans currently available in Fresno County:
 - Anthem Blue Cross; CalViva; Kaiser

Medi-Cal Expansion and Impact on IHSS Providers

Medi-Cal Expansion 1/1/2024:

- Asset Limit eliminated for Medi-Cal Eligibility resulting in more individuals now qualifying for Medi-Cal.
- Undocumented individuals aged 26-49 now eligible to full scope Medi-Cal services.
- Property limits were removed from determining Medi-Cal eligibility.

Provider Impacts:

- IHSS Providers income is not countable for Medi-Cal eligibility if they live with the IHSS recipient.
 - 57% of providers live at the same address as their IHSS recipient.
- Providers with income above Medi-Cal limits may qualify for health coverage through Covered California and Advanced Premium Tax Credits (APTC).
 - May also qualify for cost sharing reductions to help with out-of-pocket expenses such as co-pays & deductibles

County Share of Cost = Maintenance of Effort (MOE)

- Maintenance of Effort (MOE) – Defined in Realignment Legislation as the County Share of Cost for the IHSS Program
 - Rebased and Reset in 2019/20
 - FY 19/20 Base MOE = \$43,549,271
 - FY 24/25 MOE = \$56,497,158
- MOE Base increases depend on two factors:
 1. Statutory Annual 4% increases to fund minimum wage and service hour increases; **and**
 2. Locally negotiated wage/benefit increases at statutory shares of cost

MOE Increases at different rates for each cost factor

Maintenance of Effort Structure

- The County Share of Cost for wages and benefits is included in the Maintenance of Effort (MOE) and must be funded with 1991 Realignment or County General Fund
- The MOE base will be adjusted for IHSS provider wages and/or health benefits that are locally negotiated, mediated, imposed, or adopted by ordinance
- Any wage/benefit increases within State limits are funded:
 - Federal Share: 53.7%
 - State Share: 30.1%
 - County Share: 16.2%

MOE Structure

- **The State participation cap on provider wages & benefits is \$1.10 above minimum wage, but allows for:**
 - State financial participation wage/benefit max: For counties above \$1.10 over Minimum Wage, the State will participate up to 10% of combined wage & health benefits within a three-year period
 - The State shall participate for no more than two three-year periods, at which point the County shall pay the entire Non-Federal Share of Cost at 46%
 - Fresno County negotiated wage/benefit is \$1.45 above minimum wage which is above the State cap

IHSS Program Costs & Financing

Fiscal Year	Average Monthly Paid Hours	% Incr.	Annualized Hours	Monthly Rate (Wages & Benefits)	Annual Cost (includes overtime & taxes)	County Share of Cost	County Cost Increase	% Incr.
FY 2019-20	2,338,973	7%	28,067,677	\$13.85	\$438,777,045	\$43,459,271	\$807,518	2%
FY 2020-21	2,443,146	4%	29,317,756	\$14.45	\$467,759,151	\$48,294,007	\$4,834,736	11%
FY 2021-22	2,592,538	6%	31,110,454	\$15.45	\$563,728,255	\$50,225,767	\$1,931,760	4%
FY 2022-23	2,816,502	9%	33,798,030	\$16.45	\$613,499,388	\$52,234,798	\$2,009,031	4%
FY 2023-24	3,074,414	9%	36,892,967	\$17.45	\$ 732,304,362	\$54,324,798	\$2,090,000	4%
FY 2024-25						\$56,497,158	\$2,172,360	4%

County Share (MOE) represents 7.4% of total Program Cost!

FY 23-24 IHSS Program Total Actual Cost

- Average Monthly Paid Hours = 3,074,414
- Annualized Hours = 36,892,967
- Total cost includes wages, benefits, payroll taxes and minimum wage increase effective 1/1/24

FY 23-24 IHSS Program Cost	Total Cost	County Share (MOE)
Provider Wages	\$ 700,556,221	\$ 54,324,190
Provider Benefits	\$ 31,748,141	
Total	\$ 732,304,362	\$ 54,324,190

FY 24-25 IHSS Program Total Cost

- Average Monthly Paid Hours = 3,422,153
- Annualized Hours = 41,065,839
- Total projected cost includes wages, benefits, payroll taxes and minimum wage increase effective 1/1/25

FY 24-25 IHSS Program Cost	Total Cost	County Share (MOE)
Provider Wages	\$ 817,703,906	\$ 56,497,158
Provider Benefits	\$ 35,291,240	
Total	\$ 852,995,146	\$ 56,497,158

Department of Social Services Fiscal Year 2024-25

Department of Social Services FY 24/25	Requested Budget FY 24/25	% Budget	Federal/State	1991 Realignment	Net County Cost	Total County Share	% County Share
6310 - CalWORKs Assistance	266,189,377	11.4%	262,729,213	1,896,866	1,563,298	3,460,164	2.8%
Food Stamps Benefits (Off Budget)	564,000,000	24.2%	564,000,000			-	0.0%
6410-Foster Care - Assistance	84,944,835	3.6%	62,143,076	13,375,743	9,426,016	22,801,759	18.4%
6415 - Aid to Adoptions	60,869,120	2.6%	53,377,619	3,603,776	3,887,725	7,491,501	6.0%
6615 - RCA/CAPI Refugee Cash Assistance	4,032,347	0.2%	4,032,347	-	-	-	0.0%
6645 - General Relief	4,443,470	0.2%	517,798	-	3,925,672	3,925,672	3.2%
5610 - Department of Social Services	486,831,545	20.9%	457,363,945	24,728,948	4,738,652	29,467,600	23.8%
5611 - Public Authority	2,729,734	0.1%	2,625,126	-	104,608	104,608	0.1%
7110 - Veterans Services Office	1,099,130	0.0%	908,116	-	191,014	191,014	0.2%
6420 - IHSS - Provider Payments	91,788,398	3.9%	35,291,240	47,890,884	8,606,274	56,497,158	45.6%
IHSS Provider Payments; State/Fed (Off Budget)	761,206,748	32.7%	761,206,748			-	0.0%
IHSS Subtotal	852,995,146	36.6%	796,497,988	47,890,884	8,606,274	56,497,158	45.6%
Total	2,328,134,705	100.0%	2,204,195,229	91,496,217	32,443,259	123,939,476	100.0%

1991 Realignment Budget

- **FY 2024-25 MOE - \$56,497,158**
 - **1991 Realignment - \$47,890,884**
 - **Net County Cost - \$8,606,274**

FY 24/25 1991 Realignment	Budgeted	% Budget
Revenue-1991 SS Receipts		
Sales Tax Base	76,312,459	82%
Vehicle License Fee (VLF) Base	7,376,495	8%
Subtotal Revenue	83,688,954	
Carryover	9,482,092	10%
Total Available Revenue	93,171,045	
Budgeted Use		
5610 - DSS (CalWORKs, CalFresh, IHSS, Child Welfare Services)	24,728,948	27%
5611 -Public Authority		0%
5620 - Public Health - CA Children's Services	1,674,828	2%
6310 - CalWORKs grants (client issuances)	1,896,866	2%
6410-Foster Care - Provider Payments	13,375,743	14%
6415 - Aid to Adoptions	3,603,776	4%
6420 - IHSS - Provider Payments (includes 4% annual inflator)	47,890,884	51%
Total Transfer	93,171,045	

County of Fresno FY 23/24 Adopted Budget

	County's Total Budget	IHSS Total Budget	% IHSS to County's Total
Total Budget	\$4,838,785,185	\$87,539,027	2%
Total NCC Budget	\$446,891,233	\$8,606,274	2%

County of Fresno FY 23/24 Adopted Budget

	*County's Total Budget	*IHSS Total Budget	% IHSS to County's Total
Total Budget	\$5,485,017,216	\$778,504,172	14%
Total NCC Budget	\$446,891,233	\$8,606,274	2%

*County Budget & IHSS Budget amounts include the IHSS off budget provider payments of \$690,965,145

County of Fresno FY 24/25 Recommended Budget

	County's Total Budget	IHSS Total Budget	% IHSS to County's Total
Total Budget	\$5,212,283,342	\$91,788,398	2%
Total NCC Budget	\$469,492,808	\$8,606,274	2%

County of Fresno FY 24/25 Recommended Budget

	County's Total Budget	IHSS Total Budget	% IHSS to County's Total
Total Budget	\$5,973,490,180	\$852,995,146	14%
Total NCC Budget	\$469,492,808	\$8,606,274	2%

*County Budget & IHSS Budget amounts include the IHSS off budget provider payments of \$690,965,145

We are available for any questions.
Thank you