



County of Yolo

Department of Employment and Social Services

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Pam Miller, MSW
Director

TO: Supervisor Mike McGowan, Chairman
And Members of the Board of Supervisors

FROM: Pamela S. Miller, Director

DATE: June 2, 2009

SUBJECT: In-Home Supportive Services (IHSS) Provider Wage Reduction for FY 2009-10 (General fund impacts: \$256,894 increase in realignment costs).

RECOMMENDED ACTION

Ratify application to the California Department of Social Services (CDSS) stating Yolo County's intention to reduce IHSS provider wages to \$9.50 per hour (including \$.60 for health benefits) effective July 1, 2009.

FISCAL IMPACT

Adopting the State maximum rate of \$9.50 per hour (wages only) will result in projected County costs of \$4,043,094 (an increase of \$256,894 from FY 08-09). The county will continue to participate at its normal sharing ratios with the state and federal government in the following additional costs: \$.60/hour for health benefits, \$1.00 for state and federal taxes and \$.32 in administrative costs for a complete total hour wage cost of \$11.42/hour.

REASON FOR RECOMMENDED ACTION

The Governor and the Legislature adopted a reduction to the state's participation in the IHSS provider wage as a part of its budget negotiations earlier this year. The State reimbursement rate to counties was reduced from \$12.10 to \$9.50 per hour. The Yolo County IHSS provider rate is currently \$10.50 per hour. If this action is not taken, the county would be required to backfill the lost state participation which would increase the county's share of the wages.

Counties were instructed by CDSS to submit a letter by June 1, 2009 if they intended to change the existing provider rate effective July 1, 2009.

BACKGROUND INFORMATION

On May 1, 2009 CDSS provided Counties with updated information regarding the reduction in the statutory maximum IHSS provider rate amount in which the State will participate from \$12.10 per hour (including \$.60 per hour for benefits) to \$10.10 per hour (including \$.60 per hour for benefits) effective July 1, 2009.

Counties currently providing wages and benefits above the \$10.10 amount must submit a request to CDSS to reflect the change in the maximum amount in which the State will participate. A letter of intent must be submitted to CDSS by June 1, 2009. As Yolo County currently pays providers \$10.50, we are required to notify CDSS of our rate.

Effective July 1, 2009, the State will no longer reimburse Yolo County at our current rate of \$10.50 per hour. Action is recommended to adjust the County rate to align with the level provided by the State. By reducing the County rate to the State level of reimbursement, the increase in county costs for 2009/10 will be reduced.

OTHER AGENCY INVOLVEMENT

IHSS Public Authority and DESS.

ATTACHMENT