

Public Authority Program Overview

Shelline K. Bennett, Public Authority Chief Spokesperson, Liebert Cassidy Whitmore
Joy Cronin, Executive Director, In-Home Supportive Services Public Authority
Stacey Sandoval, Finance Chief, Department of Social Services

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Agenda

- Public Authority Overview
- Caseload Demographics
- Recent Legislative Changes
- Funding Structure
- Fiscal Implications

Public Authority Overview

- The Public Authority is the employer of record for In-Home Supportive Services Providers and is a local agency legally separate from the County.
- County boards 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 12302.25)

Public Authority Overview

- Fresno County Ordinance Chapter 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 In-Home Supportive Services Program provides services to eligible recipients to allow them to remain safely in their homes as an alternative to out-of-home care.
- As of August 2016:
 - **15,827 active cases received payment.**
 - **The average hours per recipient was 110.**
 - **14,396 IHSS providers actively provided services.**
 - **An average of 129 hours were worked per provider.**
 - **Approximately 67% of recipients received services from a family member.**

Recent Legislative Changes

- The Coordinated Care Initiative (CCI) was enacted as part of the Budget Act of 2012 to avoid unnecessary hospital/nursing home admissions through coordinated service delivery.
- CCI shifted responsibility of collective bargaining to the State. CCI is currently in pilot phase, and it is unknown when it would be implemented in Fresno County.
- The legislation also implemented a County Maintenance of Effort (MOE) for the IHSS Program effective July 1, 2012.

Funding Structure

- Pre CCI – (prior to July 2012)
 - Provider wage & benefit costs were funded with federal, and non-federal (state/county) funding sources depending on the case type and statutory sharing ratios.
 - **The average County share of cost was 17.6%.**
- County share of cost could only be funded with 1991 Realignment or County General Funds.

Funding Structure

- Post CCI – (after July 2012)
 - Provider wage & benefit costs are funded with federal, and non-federal (state/county) funding sources depending on the case type and statutory sharing ratios
 - County share of cost capped through establishment of a Maintenance of Effort (MOE), or actual County share of cost for expenditures in FY 2011-12 (base year).
 - Any non-federal costs above MOE are funded by the State; however, the MOE can be increased as described on next slide

Funding Structure

- Maintenance of Effort (MOE)
 - FY 2011-12 base year costs can only be increased each subsequent fiscal year based on the following:
 - **3.5% inflation factor except in years where there is negative growth in 1991 Realignment, and/or**
 - **County negotiated wage and benefits increase.**
 - County share of cost can only be funded with 1991 Realignment or County General Funds.

Funding Structure

- Maintenance of Effort (MOE) History

Program	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
IHSS Provider Benefits/ Wages	\$26,334,908	\$26,334,908	\$27,256,629	\$28,210,612	\$29,197,984

Funding Structure

- Provider Wage/Benefit Rate
 - Currently at combined hourly rate of \$11.10:
 - **\$10.25 for wages**
 - **\$0.85 for benefits**
 - Benefits costs are paid to Dublin Insurance, who is the health insurance administrator chosen by SEIU 2015
 - Health Insurance Coverage:
 - **2,000 providers enrolled in health benefits (14%)**
 - **7,362 providers enrolled in Medi-Cal (51%)**
 - **5,034 providers have Other/No Coverage; or unknown to PA (35%)**

Fiscal Implications

- Provider Wage/Benefit Rate Increase
 - Any increase in the combined rate between \$11.10 and \$12.10 (State cap) is funded:
 - **Federal Share - 53.4%**
 - **State Share - 30.3%**
 - **County Share – 16.3%**
 - After \$12.10, the State does not contribute funding to the non-federal share and costs above \$12.10 are funded:
 - **Federal share – 53.4%**
 - **State Share – 0%**
 - **County Share – 46.6%**

Fiscal Implications

- State Minimum Wage Increases
 - Any State minimum wage increases will increase provider wages and will be funded with federal and state funding with no impact to MOE/County share of cost. Increases are scheduled as followed:
 - **\$10.50 on January 1, 2017**
 - **\$11.00 on January 1, 2018**
 - **\$12.00 on January 1, 2019**
 - **\$13.00 on January 1, 2020**
 - **\$14.00 on January 1, 2021**
 - **\$15.00 on January 1, 2022**