

Changes in funding for In-Home Supportive Services

February 28, 2017

Agenda Item #5

IHSS Funding

- * IHSS is funded using State and Federal funds, and County share of cost (1991 Realignment and County General Funds).
- * As of July 1, 2012, a Maintenance of Effort (MOE) was established, which froze County share of cost at actual FY 2011-12 expenditures, subject to an annual 3.5% inflation factor.
- * Under the MOE, Fresno County has been able to come into compliance with State regulations

Changes in Regulations

- * Overtime
- * FMLA
- * Paid Sick Leave (3 days)
- * Increases in wages each year until 2022 per State Minimum Wage legislation
- * Due to MOE, the costs of these changes were covered by the State General Fund.

Fiscal Impact

- * The proposed elimination of the MOE would result in a 15 – 17.5% County share of cost
- * For FY 17/18, the estimated increase in County share is an additional \$25.3 million in the first year of the change. As caseloads and wages continue to increase, this amount will significantly increase in future fiscal years.
- * Fresno County spends \$29 million on the program under the current MOE for FY 2016-17

Fiscal Impact

- * Counties are allowed to use 1991 Realignment Funds to cover the cost for IHSS
- * There is not enough 1991 Realignment to cover the increased costs
- * Deficits in Realignment does not relieve the county of responsibility to provide IHSS services.
- * Any additional funds required to administer the program will need to be funded by County General Fund

Conclusion

- * Fresno County BOS to submit an opposition letter
- * Request a successor MOE to address the increased costs