

COUNTY OF SAN MATEO  
Departmental Correspondence

Date: **DEC 24 2001**

Hearing date: **JAN 8 2002**

TO: Honorable Board of Supervisors  
Acting as the In-Home Supportive Services Public Authority

FROM: Charlene A. Silva, Director, Aging and Adult Services *CS*

SUBJECT: Appropriation Transfer Request for In-Home Supportive Services Public Authority

RECOMMENDATION

Approve an Appropriation Transfer Request (ATR) adding \$1,496,272 in revenues and appropriation to In-Home Supportive Services Public Authority budget and moving \$394,203 of Reserves to Individual Provider Pay account (4/5 vote required)

Background

In September 1993, your board approved an ordinance establishing a separate Public Authority to administer the provider components of the In-Home Supportive Services Program (IHSS) and designating the San Mateo County Board of Supervisors as the governing Board of the Public Authority.

The goal of IHSS is to assist eligible aged, blind, and disabled individuals to remain in their own homes and avoid institutionalization. Using independent providers, IHSS provides participants with a wide variety of basic services such as meal preparation, feeding and bathing, protective supervision, laundry and shopping, transportation, house cleaning, and certain paramedical services authorized by a physician.

A worker registry and referral system to assist clients in securing qualified workers (independent providers) has been an integral part of the Public Authority's model from the start. The Public Authority recruits, screens, and matches independent providers with clients. Recruitment, training, and retention of service providers have been key to effective service delivery. Furthermore, the creation of the Authority as the "employer of record" has allowed the independent provider work force to engage in collective bargaining. The independent providers are represented by Service Employees International Union (SEIU), and the Public Authority negotiates with the union.

On June 26, 2001, your board, acting as the IHSS Public Authority, approved a Memorandum of Understanding (MOU) with SEIU for the term July 1, 2001 to June 30, 2002. This MOU committed the Public Authority to providing \$820,000 for Health, Dental, Vision, and Life Insurance coverage for independent providers for that contract term. A portion of this amount was to be paid from

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funds that were budgeted but not spent on health benefits in Fiscal Year (FY) 2000-01. These funds are currently in Reserves in the Public Authority budget.

The IHSS Public Authority budget includes all revenues and expenses associated with the contract mode of services and administration of the Public Authority. However, because the paychecks for the independent providers are actually prepared by the state, historically (even before the creation of the Public Authority) only the county share of the cost for independent provider pay (including taxes and worker's compensation) has been included in the county's budget. Thus neither the state nor federal shares of the cost or the associated revenues for independent provider pay have been included in the county's budget for these services.

Discussion

Following the budgeting pattern used for independent provider wages, only the county share of the cost of benefits was included (both revenue and appropriation) when the Public Authority budget for FY 2001-02 was prepared last spring. However, benefits are being paid and billed differently from the independent provider wages. That is, the Public Authority pays the full cost of the benefits and in turn bills the state for the state and federal shares of this cost. Consequently it is necessary to increase both the appropriation and revenue in the current year's budget to cover the state and federal shares of the benefit costs. The amounts to be added total \$1,496,272 in state and federal revenues and matching appropriation. This change will not be made ongoing for 2002-03 at this time because a portion of these benefits is paid out of one-time only funds. Necessary changes to revenues and appropriation to incorporate the federal and state shares into the Public Authority budget for 2002-03 will be made through the budgeting process for next year.

This ATR also appropriates \$394,203 set aside in Reserves for benefits in FY 2000-01 into the independent provider pay account so that those funds are available to be used for the benefits approved through the MOU with SEIU.

Fiscal Impact

This ATR adds \$745,746 in federal revenues and \$750,526 in state revenues to the IHSS Public Authority budget for a total of \$1,496,272. This same total amount is added to appropriation in the account for individual provider pay. In addition \$394,203 is moved from Reserves to this same account, making the total added to appropriation \$1,890,475. There is no impact on the county General Fund as a result of the approval of this ATR.

RECOMMENDED

  
HEALTH SERVICES DEPARTMENT

**COUNTY OF SAN MATEO  
APPROPRIATION TRANSFER REQUEST**

REQUEST NO.

DEPARTMENT Health Services Agency DATE December 14, 2001

**1. REQUEST TRANSFER OF APPROPRIATIONS AS LISTED BELOW:**

	C O D E S		AMOUNT	DESCRIPTION
	FUND OR ORG.	ACCOUNT		
From	58210	8821	394,20300	General Reserves - Non General Fund
	58210	1713	750,52600	State IHSS
	58210	1913	745,74600	Federal IHSS
To	58210	6142	1,890,47500	Individual Provider Pay - IHSS

Justification. (Attach Memo if Necessary) Following the budgeting pattern used for independent provider wages, only the county share of the cost of benefits was included (both revenue and appropriation) when the Public Authority budget for 2001-02 was prepared last spring. However, benefits are being paid and billed differently from the independent provider wages. The public Authority pays the full cost of the benefits and in turn bills the state for the state and federal shares of this cost. This ATR adds \$745,746 in federal revenues and \$750,526 in state revenues for a total of \$1,496,272. In addition \$394,203 is moved from Reserves for a total

DEPARTMENT HEAD Charlene G. Silva DATE 12/14/01

2.  Board Action Required appropriation of \$1,890,475.  Four-Fifths Vote Required  Board Action Not Required

COUNTY CONTROLLER  
BY: \_\_\_\_\_ DATE \_\_\_\_\_

3.  Approve as Requested  Approve as Revised  Disapprove

COUNTY MANAGER  
BY: \_\_\_\_\_ DATE \_\_\_\_\_

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BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA  
RESOLUTION TRANSFERRING FUNDS

RESOLUTION NO. \_\_\_\_\_

RESOLVED, by the Board of Supervisors of the County of San Mateo, that  
WHEREAS, the Department hereinabove named in the Request for Appropriation, Allotment or Transfer of Funds has requested the transfer of certain funds as described in said Request; and  
WHEREAS, the County Controller has approved said Request as to accounting and available balances, and the County Manager has recommended the transfer of funds as set forth hereinabove:  
NOW, THEREFORE, IT IS HEREBY ORDERED AND DETERMINED that the recommendations of the County Manager be approved and that the transfer of funds as set forth in said Request be effected.

Regularly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Ayes and in favor of said resolution: \_\_\_\_\_ Noes and against said resolution: \_\_\_\_\_