



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Health System

DATE: June 26, 2009
BOARD MEETING DATE: July 14, 2009
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

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

FROM: Jean S. Fraser, Health System Chief
Lisa Mancini, Director, Aging and Adult Services

SUBJECT: Executive Summary: Implementation of last, best and final offer for the County's participation in the wage for In-Home Supportive Services providers.

RECOMMENDATION:

Adopt a Resolution unilaterally implementing the last, best and final offer to contribute \$2.15 per hour for In-Home Supportive Services provider wages regardless of federal and State participation levels for one year.

BACKGROUND:

In 1993, the San Mateo County Board of Supervisors passed an ordinance establishing a Public Authority to administer the provider components of the In-Home Supportive Services (IHSS) program and designating the Board as the Governing Board of the Public Authority (PA).

The Board of Supervisors, as the Governing Board of the PA, has previously matched the IHSS provider wage at the rate at which the State participates. The current Memorandum of Understanding (MOU) with Service Employees International Union, Local 521 (SEIU) expired on June 30, 2009. The MOU stated that the wage for IHSS providers shall be \$11.50, contingent on State participation at that rate. In the fall, the PA was notified that the State would decrease its participation in the IHSS provider wage rate from \$11.50 to \$9.50. The Governor has proposed reducing the maximum wage at which the State will participate to \$8.00, effective October 1, 2009.



In January, 2009 negotiations between the PA and SEIU began on the MOU. Since that date, there have been many attempts by the County to continue to meet and negotiate the terms of the MOU. The report contains a chronology of the efforts.

DISCUSSION:

The PA's last, best and final offer to SEIU is to contribute \$2.15 per hour for IHSS provider wages regardless of federal and State participation levels. This is the same amount that the PA contributes currently. Despite the County's financial difficulties, we are proposing to maintain the PA contribution to IHSS wages. We will not, however, use PA/County funds to fill in the reduced State contribution to the wage. This offer is predicated on the current proposed changes to the State's participation in the wage for IHSS providers, the impact of those changes on the PA's and County's budgets, and the impact of the current economy and other changes at the State level that will have major, adverse impacts on the County's and Public Authority's finances

We would have preferred to have come to a negotiated agreement. However, after six months of efforts, we have not been able to engage SEIU in fruitful discussions, and the contract has expired. Accordingly, the PA declared an impasse and exhausted the impasse resolution procedures. As a result, we are requesting authority to implement our last, best and final offer for one year. If we do not implement our last, best and final offer, the fiscal impact will be a minimum of \$673,450 and a maximum of \$2,587,243 if the State reduces the wage at which it will participate to \$8.00. These additional sums are not in the tentatively Adopted FY 2009-10 Budget.

The net result of keeping our contribution stable will be that the IHSS wage will be \$10.19 if the State remains at \$9.50, and \$9.21 if the State goes down to \$8.00. The wages are higher than the State maximum participation rate because we are not reducing our contribution and we are able to draw down federal matching dollars for our "extra" contribution to the wage.

Adopting the Resolution contributes to the Shared Vision 2025 outcome of a Healthy Community by assuring the provision of services to assist individuals with the greatest needs maintain their independence and dignity within the least restrictive setting possible.

FISCAL IMPACT:

This action of contributing \$2.15 per hour for IHSS provider wages regardless of federal and State participation levels is within the PA's tentatively Adopted FY 2009-10 Budget. There is no increase in Net County Cost as a result of this action.