

**Sierra County
Board of Supervisors'
Agenda Transmittal &
Record of Proceedings**

MEETING DATE: March 5, 2019	TYPE OF AGENDA ITEM: <input type="checkbox"/> Regular <input type="checkbox"/> Timed <input checked="" type="checkbox"/> Consent
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DEPARTMENT: Social Services APPROVING PARTY: Vickie Clark, Director PHONE NUMBER: (530) 993-6720

AGENDA ITEM: Authorization to sign letter in support of Governor's January Budget proposal to revise the County In-Home Supportive Services (IHSS) Maintenance of Effort (MOE)

SUPPORTIVE DOCUMENTS ATTACHED: Memo Resolution Agreement Other
Support Letter

BACKGROUND INFORMATION: Please see attached memo

FUNDING SOURCE:
GENERAL FUND IMPACT: No General Fund Impact
OTHER FUND:
AMOUNT: \$ N/A

ARE ADDITIONAL PERSONNEL REQUIRED? <input type="checkbox"/> Yes, -- -- <input type="checkbox"/> No	IS THIS ITEM ALLOCATED IN THE BUDGET? <input type="checkbox"/> Yes <input type="checkbox"/> No IS A BUDGET TRANSFER REQUIRED? <input type="checkbox"/> Yes <input type="checkbox"/> No
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SPACE BELOW FOR CLERK'S USE

BOARD ACTION: <input type="checkbox"/> Approved <input type="checkbox"/> Approved as amended <input type="checkbox"/> Adopted <input type="checkbox"/> Adopted as amended <input type="checkbox"/> Denied <input type="checkbox"/> Other <input type="checkbox"/> No Action Taken	<input type="checkbox"/> Set public hearing For: _____ <input type="checkbox"/> Direction to: _____ <input type="checkbox"/> Referred to: _____ <input type="checkbox"/> Continued to: _____ <input type="checkbox"/> Authorization given to: _____	Resolution 2019- _____ Agreement 2019- _____ Ordinance _____ Vote: Ayes: Noes: Abstain: Absent: <input type="checkbox"/> By Consensus
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COMMENTS:

CLERK TO THE BOARD _____	DATE _____
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Memorandum

To: Sierra County Board of Supervisors

From: Vickie Clark, Director

Reference: Agenda Item

Date of memo: February 25, 2019

Date of Board Meeting: March 5, 2019

Requested Action: Authorization to sign letter in support of Governor's January Budget proposal to revise the County In-Home Supportive Services (IHSS) Maintenance of Effort (MOE)

Mandated by: NA

Funding

Budgeted? Yes **No**

Revenue		Source(s)
Expenses		Budget attached
Difference		

Background Information:

The letter provides a good summary of the issues.

The IHSS programs in Sierra County serves 40 to 50 clients in any given month. They live in all of our communities across the county. These numbers have stayed fairly steady for the past several years, but with our aging population we anticipate increased demands for in-home supportive services which will allow more of our elderly people to age in place and remain as independent as possible for as long as possible. In December 2018 our stats show just over 4100 hours of services provided to our 45 active cases. These hours of services paid wages to 35 IHSS providers to help people with household chores, personal care, transportation, and errands. They also provide a human connection that many not otherwise receive.

The ask is that the BOS consider this letter of support for the governor's efforts to keep these programs financially sustainable while limiting county burdens.

In addition to the IHSS program benefits we also support the relief to be offered to Public and Behavioral Health's abilities to access their general growth revenues to their realignment bases.

Potential Issues to consider:

Alternatives or Impacts of disapproval:

February 25, 2019

The Honorable Joaquin Arambula, M.D.
Chair, Assembly Budget Subcommittee #1
State Capitol, Room 5155
Sacramento, CA 95814

The Honorable Richard Pan, M.D.
Chair, Senate Budget and Fiscal Review Subcommittee #3
State Capitol, Room 5114
Sacramento, CA 95814

Re: Revised County In-Home Supportive Services Maintenance of Effort – Support

Dear Assembly Member Arambula and Senator Pan:

On behalf of Sierra County, I write in strong support of the Governor's January Budget proposal to revise the County In-Home Supportive Services (IHSS) Maintenance of Effort (MOE). Our county is grateful to the Governor for the proposal which significantly increases State General Fund commitments for IHSS costs and creates a more sustainable structure for counties to manage IHSS costs.

The IHSS program provides critical services to seniors and disabled individuals to help them remain in their own homes rather than in more expensive institutional care. Counties have proudly partnered with the state and administered the IHSS program since it was realigned in 1991.

In 2017, the conclusion of the Coordinated Care Initiative also resulted in the cessation of the existing IHSS MOE and the shift of nearly \$600 million in IHSS costs from the state to counties. In response, a new IHSS MOE was negotiated through 2017-18 budget-related legislation (SB 90, Chapter 25, Statutes of 2017), which also included specific offsetting revenue, additional collective bargaining provisions, and refinement of the costs for county administration of the IHSS program.

Most significantly, SB 90 also contained a provision that required the Department of Finance to reexamine the 2017 IHSS fiscal structure during the development of the 2019-20 budget. This reopener provision was absolutely vital as beginning in 2019-20, the increased costs to counties would become unsustainable. This includes substantial Realignment revenue shortfalls that would grow each year and require counties to utilize significant county General Fund usually earmarked for local services for IHSS instead. Counties were also concerned that there would be increasing negative impacts to critical health and mental health services.

For Sierra County Health and Human Services the biggest negative impact in light of the IHSS MOE is not to Social Services, but rather to our Public Health and Mental Health programs. Sierra County Social Services was generously funded in the 1991 Realignment while the Public Health and Mental Health departments were not as well funded due to caseload counts at the time. Over the course of the last 28 years, caseload has shifted drastically in Sierra County resulting in currently underfunded Public Health and Mental Health programs. Sweeping general growth and delaying cash flow due to the MOE has further compromised Sierra's ability to keep their Public Health and Mental Health programs operating optimally. Ironically, for the past 10+ years Social Services has annually transferred 20% from their 1991 Realignment base

to the other two departments, and continues to do so while still managing to meet the MOE. Directing general growth back to Mental Health and Public Health, along with the resulting increase in base allocation for Public Health especially, is very important to Sierra.

The Department of Finance released the *Senate Bill 90: 1991 Realignment Report* in January and it outlines the Governor's proposed revisions to the IHSS MOE. It also includes some proposed related Realignment changes and this letter focuses on the core changes to revise the IHSS MOE and increase the state General Fund commitment. The Governor is proposing to increase the State General Fund commitment to IHSS by \$241.7 million in 2019-20, growing to \$547.3 million in 2022-23, for a total of an increased commitment of \$1.6 billion over the next four years. This is accomplished through several specific revisions to the current IHSS MOE. These changes are:

- Lowering the County IHSS MOE base in 2019-20 to \$1.56 billion,
- Reducing the MOE inflation factor from seven percent to four percent,
- Stopping the redirection of VLF growth funds from Health, Mental Health, and County Medical Services Program to Social Services,
- Ending the State General Fund IHSS mitigation,
- Returning to the original method for calculating IHSS caseload and no longer utilizing accelerated caseload growth, and
- Funding IHSS administrative costs through a General Fund allocation.

The increased State General Fund investment will provide needed fiscal relief for counties and allow our county to continue to deliver vital services on behalf of the state. The Governor's proposal does not take away all of the risk of Realignment, but dramatically improves the outlook for counties, critical social services, health, and mental health programs, and the residents we all serve for years to come.

For these reasons, Sierra County respectfully requests your support of the Governor's IHSS MOE proposal. Thank you for your consideration.

Sincerely,

Paul Roen, Chairman
Sierra County Board of Supervisors

cc: Honorable Members, Assembly Budget Subcommittee #1
Honorable Members, Senate Budget and Fiscal Review Subcommittee #3
The Honorable Phil Ting, Chair, Assembly Budget Committee
The Honorable Holly Mitchell, Chair, Senate Budget and Fiscal Review Committee
Nicole Vazquez, Consultant, Assembly Budget Committee
Renita Polk, Consultant, Senate Budget and Fiscal Review Committee
Cyndi Hillery, Assembly Republican Fiscal Office
Rebecca Hamilton, Senate Republican Fiscal Office
Gail Gronert, Office of the Assembly Speaker
Mareva Brown, Office of the Senate President pro Tempore
Jason Sisney, Office of the Assembly Speaker
Chris Woods, Office of the Senate President pro Tempore
Mark Newton, Legislative Analyst's Office

Ginni Bella Navarre, Legislative Analyst's Office
Keely Bosler, Director, Department of Finance
Adam Dorsey, Department of Finance
Pat Leary, Acting Director, Department of Social Services
Tam Ma, Deputy Legislative Secretary, Office of Governor Newsom
Justin Garrett, California State Association of Counties