

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY



DEPT: Community Services Agency

BOARD AGENDA # *B-24

Urgent Routine

AGENDA DATE June 28, 2011

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of Year-End Budget Adjustments for Community Services Agency In-Home Supportive Services (IHSS) Provider Wages and IHSS Public Authority Benefits Funded From Departmental Revenue

STAFF RECOMMENDATIONS:

1. Approve the year-end adjustments for the Community Services Agency In-Home Supportive Services (IHSS) Provider Wages and IHSS Public Authority Benefits funded from Departmental revenue.
2. Authorize the Chief Executive Officer and the Auditor Controller prior to year-end to make the necessary budget adjustments in the Community Services Agency budgets as identified in the attached Budget Journal to meet the program projections for Fiscal Year 2010-2011.

FISCAL IMPACT:

The In-Home Supportive Services (IHSS) is a mandated program providing services to approximately 5,834 frail, elderly individuals each month, allowing them to remain safely at home. IHSS is supported by Federal and State funds along with a required County share obligation. The County obligation specific to IHSS wages and benefits, generally ranges between 17.6 and 17.97 percent; however, since October 1, 2008,

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BOARD ACTION AS FOLLOWS:

No. 2011-404

On motion of Supervisor O'Brien, Seconded by Supervisor Chiesa
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

FISCAL IMPACT: Continued

both State and County costs have been partially offset by American Recovery and Reinvestment Act (ARRA) enhanced Federal Medicaid Assistance Percentage (FMAP) funds. The enhanced FMAP is estimated to save approximately \$1.9 million in local County funds in the current year. These funds are set to expire on June 30, 2011 resulting in an increased local General Fund cost to this program starting in the 2011-2012 fiscal year.

As part of the Third Quarter Financial Report, the Board of Supervisors approved a budget of \$52.1 million for IHSS Provider Wages, a budget of \$3.4 million for IHSS PA Benefits for a combined budget of \$55.5 million with a County Match requirement of \$7.8 million. The County Match is provided by the following sources: \$5.2 million realignment; \$2.0 million County General Fund; and \$598,376 CSA fund balance.

Current caseload trends indicate a shortfall in the appropriation authorization necessary to meet the program needs prior to fiscal year end. The revised projection for IHSS Wages and Benefits totals approximately \$56.6 million, a total increase of \$1.1 million over the legal budget level. Federal/State revenues will pay the majority of this increase, with approximately \$144,235 in local match requirement remaining. As a result of an increase in realignment revenue projections, the Community Services Agency forecasts sufficient revenues across the various CSA budget units to mitigate the exposure of this increased cost. There is no additional Fiscal Year 2010-2011 impact to the County General Fund as a result of this increase in program wages and benefits.

DISCUSSION:

Budget Adjustment

The 2010-2011 Adopted Final Budget included appropriations of \$46.4 million to support the IHSS program at the current hourly wage of \$9.38 plus 60 cents per hour in benefits and was anticipated to fund the program through March of 2011. The budget included a required County share of \$7.2 million, of which approximately \$2.0 million was funded from the County General Fund.

On May 3, 2011, at third quarter, the Board of Supervisors approved an increase in appropriations of \$9,097,439 to fully fund the IHSS program for Fiscal Year 2010-2011 at the existing hourly wage and benefit rate. This increase was intended to recognize the program mandate through June of 2011 and included the assumption that caseload would be flat, without growth, from the month of February 2011 through June 30, 2011. The increase included \$8,399,063 from State and Federal funding, \$100,000 in provider premium revenue and the use of onetime departmental fund balance of \$598,736 to support the required County share of cost. The total cost of the IHSS wages and benefits program for Fiscal Year 2010-2011 was estimated to be \$55.5 million.

Approval of Year-End Budget Adjustments for Community Services Agency In-Home Supportive Services (IHSS) Provider Wages and IHSS Public Authority Benefits Funded From Departmental Revenue

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At this time, the actual authorized caseload for the months of March through May reflects an average increase of .15%, from 5,852 in February to 5,861 for the most current three month average. In addition, another key variable reflects increased costs due to a greater percentage of paid cases to authorized cases now that delays in fingerprinting and integrity procedures are fully resolved. Using this new information with an estimate for the month of June generates the revised projection for IHSS wages and benefits estimated at \$56.6 million for Fiscal Year 2010-2011. In order for the department to close the fiscal year books within budget authority, the department is submitting this technical budget adjustment request prior to year end.

The Community Services Agency's upcoming 2011-2012 Adopted Proposed Budget anticipated a total program cost of \$53.6 million to fully fund the IHSS program and assumed no caseload growth from February 2011 forward. Staff will continue to evaluate statewide and local IHSS caseload growth trends and will evaluate this projection once the actual Fiscal Year 2010-2011 data is finalized. As noted in the Adopted Proposed Budget for 2011-2012 available County funding is not sufficient to fully fund the program in 2011-2012; the Department was authorized appropriations of \$41.8 million which is anticipated to fund the program only through March, 2012. The budget is funded from \$34.5 million in State and Federal funding, \$5.3 million in estimated Realignment revenue and \$2.0 million from the County General Fund. The Department will return to the Board as part of the 2011-2012 mid-year review process to provide an updated analysis of program growth and projected costs.

POLICY ISSUES:

Approval to accept this budget adjustment for In-Home Supportive Services Wages and Benefits supports the Board's priority of Efficient Delivery of Public Services by recognizing the authority to expend wages and benefits consistent with program mandates and the current Memorandum of Understanding.

STAFFING ISSUES:

There is no impact on staffing resulting from the terms of this agreement.

CONTACT PERSON:

Christine C. Applegate, Director 558-2500

County of Stanislaus: Auditor-Controller Legal Budget Journal

Database
Set of Books

FMSDBPRD.CO.STANISLAUS.CA.US.PROD
County of Stanislaus

Balance Type	Budget
Category	* List - Text Budget - Upload
Source	* List - Text CSA KLG REV
Currency	* List - Text USD
Budget Name	List - Text LEGAL BUDGET
Batch Name	Text
Journal Name	Text
Journal Description	Text CSA FY 2010/2011 Fund 1642 Post 3rd Qtr adjustments
Journal Reference	Text
Organization	List - Text Stanislaus Budget Org

Upl	Fund	Org	Acc't	GL Proj	Loc	Misc	Other	Debit		Credit		Period	Line Description
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	4	7	5	7	6	6	5						
JE	1642	0045993	70270	0000000	000000	000000	000000	989240				JUN-11	IHSS Wages
JE	1642	0045993	21060	0000000	000000	000000	000000		251648			JUN-11	St-Admin IHSS
JE	1642	0045993	27184	0000000	000000	000000	000000		601823			JUN-11	Fed-Admin IHSS
JE	1642	0045993	21460	0000000	000000	000000	000000		58776			JUN-11	St-Aid Realignment
JE	1642	0045993	46600	0000000	000000	000000	000000		76993			JUN-11	Operating Transfers In

Totals: 989240 989240

Explanation: Increase Fund 1642 appropriations and estimated revenues per year-end closing projections.

Requesting Department	CEO	Data Entry	Auditors Office Only
 Signature	 Signature	Keyed by	Prepared By
6-21-11 Date	6/21/11 Date	Date	6/21/11 Date
			Approved By

County of Stanislaus: Auditor-Controller Legal Budget Journal

Database
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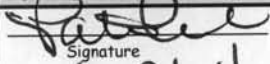
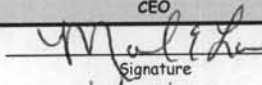
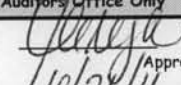
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Balance Type	Budget
Category	* List - Text Budget - Upload
Source	* List - Text CSA KLG REV
Currency	* List - Text USD
Budget Name	List - Text LEGAL BUDGET
Batch Name	Text
Journal Name	Text
Journal Description	Text CSA FY 2010/2011 Fund 1641 Post 3rd Qtr adjustments
Journal Reference	Text
Organization	List - Text Stanislaus Budget Org

Upl	Fund	Org	Acc't	GL Proj	Loc	Misc	Other	Debit		Credit	Period	Line Description
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								decr est revenue	incr est revenue	MMM-YY		
								(format > number > general)		List - Text	Text	
	1641	0045991	63473	0000000	000000	000000	00000	61554			JUN-11	Contracted Services
	1641	0045991	21060	0000000	000000	000000	00000			15698	JUN-11	St-Admin IHSS
	1641	0045991	27184	0000000	000000	000000	00000			37390	JUN-11	Fed-Admin IHSS
	1641	0045991	21460	0000000	000000	000000	00000			3418	JUN-11	St- Aid Realignment
	1641	0045991	46600	0000000	000000	000000	00000			5048	JUN-11	Operating Transfer In

Totals: 61554 61554

Explanation: Increase Fund 1641 appropriations and estimated revenues per year-end closing projections.

Requesting Department	CEO	Data Entry	Auditors Office Only
 Signature	 Signature	Keyed by	 Approved By
6-21-11 Date	6/21/11 Date	Date	6/21/11 Date