

1 [Opposing the Dismantling of the Coordinated Care Initiative and the In-Home Supportive
2 Services Maintenance of Effort (MOE) Cost Sharing Agreement - Supporting Ongoing
3 Negotiations to Fund and Reinstate the 2012 MOE]

4 **Resolution opposing the dismantling of the Coordinated Care Initiative and the In-**
5 **Home Supportive Services (IHSS) Maintenance of Effort (MOE) Cost Sharing**
6 **Agreement under the Governor's FY2017-2018 Budget; and supporting the California**
7 **State Legislature and Governor Brown's ongoing negotiations to fully fund the IHSS**
8 **and reinstate the 2012 MOE.**

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10 WHEREAS, The In-Home Supportive Services (IHSS) Program provides in-home
11 personal care and chore services to an estimated 500,000 low-income aged, blind, or
12 disabled Californians; and

13 WHEREAS, San Francisco currently employs approximately 20,000 providers,
14 enabling services to over 22,000 consumers, requiring a total budget of approximately
15 \$470,000,000 in
16 FY2016-2017 towards provider wages, IHSS contracts, and county administration, of which
17 San Francisco is responsible for \$81,000,000 or approximately 17% of the complete IHSS
18 program budget; and

19 WHEREAS, The IHSS program is an entitlement under the state's Medicaid State Plan,
20 preventing local counties' ability to alter or eliminate programming due to cost pressures; and

21 WHEREAS, The 1991 State and Local Program Realignment redistributed the cost
22 ratio to 65% of the program's nonfederal costs to the state and the remaining 35% to the
23 counties; and

24 WHEREAS, Beginning in 2012-13, the Coordinated Care Initiative (CCI) replaced the
25 prior county contribution rate with a county IHSS-Maintenance of Effort (MOE); and

1 WHEREAS, The 2012 Maintenance of Effort (MOE) limited county IHSS cost burdens
2 to 2011-2012 baseline costs, plus an annual increase of 3.5%; and

3 WHEREAS, The IHSS and CCI cost increases have now exceeded the savings
4 estimated to the state through the Coordinated Care Initiative, spurring State of California,
5 Finance Director Cohen to trigger the dismantling of CCI and the IHSS Maintenance of Effort
6 (MOE) arrangement under the Governor’s FY2017-2018 budget; and

7 WHEREAS, The policy-driven increases to IHSS programming costs exceed the
8 revenue mechanics laid out in the 1991 Realignment Structure, driving an estimated
9 \$623,000,000 cost increase to California Counties; and

10 WHEREAS, IHSS is a critical and cost-effective service for seniors and adults with
11 disabilities which often results in better health outcomes, prevents early institutionalization of
12 individuals and is significantly less than the cost of skilled nursing facilities; and

13 WHEREAS, The White House published a policy brief in 2015 that called publicly-
14 financed, consumer-directed long-term care “one of the most promising developments in
15 helping older Americans remain in their homes and community as they age;” and

16 WHEREAS, The cost of providing in-home care nationwide has remained relatively
17 stable, while all other types of care have risen in the past decade; and

18 WHEREAS, The dissolution of the MOE will trigger approximately a \$40,000,000 cost
19 increase to San Francisco County in FY2017-2018 alone; and

20 WHEREAS, San Francisco County is facing unprecedented budget uncertainty from
21 both potential Federal budget cuts to social services, as well as potential severe limitations on
22 how funds are used; now, therefore, be it

23 RESOLVED, That the San Francisco Board of Supervisors urges the California State
24 Legislature and the Governor to reach a negotiation that allows IHSS to continue to be fully
25 funded without impacting county budgets in an adverse way; and, be it

1 FURTHER RESOLVED, That the San Francisco Board of Supervisors supports the
2 California State Legislature and the Governor’s ongoing negotiations to re-instate the IHSS
3 Maintenance of Effort (MOE) agreement of 2012; and, be it

4 FURTHER RESOLVED, That the San Francisco Board of Supervisors supports the
5 California State Legislature and the Governor’s ongoing negotiations to revisit and recalculate
6 the total revenues made available under the 1991 Realignment to reflect policy-driven cost
7 increases before proceeding with any future transfer of fiscal responsibility for IHSS between
8 the State and the Counties.

9 FURTHER RESOLVED, That the Clerk of the Board be directed to send a copy of this
10 Resolution to the offices of Governor Jerry Brown and the California State Legislature.

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