

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 health and daily care to over 530,000 low-income aged, blind, or disabled Californians; and

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

17 WHEREAS, The 1991 State and Local Program Realignment re-classified IHSS as a  
18 federal entitlement program, preventing local counties' ability to alter or eliminate  
19 programming due to cost pressures; and

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

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

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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 \$500,000,000 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 half 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 at least 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.

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