



CDSS

WILL LIGHTBOURNE  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
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EDMUND G. BROWN JR.  
GOVERNOR

February 23, 2015

COUNTY FISCAL LETTER (CFL) NO. 14/15-44

TO: COUNTY WELFARE DIRECTORS  
COUNTY WELFARE FISCAL OFFICERS

SUBJECT: MAINTENANCE OF EFFORT REQUIREMENT FOR THE  
IN-HOME SUPPORTIVE SERVICES PROGRAM

REFERENCE: [SENATE BILL \(SB\) 1036 \(CHAPTER 45, STATUTES OF 2012\)](#)  
[SB 94 \(CHAPTER 37, STATUTES OF 2013\)](#)  
[ASSEMBLY BILL \(AB\) 1471 \(CHAPTER 439, STATUTES OF 2012\)](#)  
[CFL NO. 12/13-28, DATED JANUARY 24, 2013](#)  
[CFL NO. 13/14-48, DATED MAY 13, 2014](#)

This letter provides counties with the following: 1) description of the calculation for the county-specific In-Home Supportive Services (IHSS) program Maintenance of Effort (MOE) adjustments for locally negotiated wage and Health Benefit (HB) changes, 2) final county IHSS MOE amount for Fiscal Year (FY) 2012-13 and FY 2013-14 and 3) preliminary county IHSS MOE amounts for FY 2014-15.

### **County-Specific IHSS MOE Adjustment Methodology**

In accordance with Welfare and Institutions Code section 12306.15, subdivision (d), the methodology for the computation of the county-specific adjustments to counties' IHSS MOE levels for locally negotiated wages and HB increases was developed in consultation between the Department of Finance and the California State Association of Counties. Adjustments to a county's IHSS MOE for locally negotiated wage and HB increases are based on the county's actual FY 2011-12 paid hours as recorded in the Case Management Information and Payrolling System II and the county's FY 2011-12 share of cost. These adjustments are calculated as follows:

1. The hourly rate increase (either for wages or HBs or a combination of the two) is multiplied by the number of FY 2011-12 federally eligible hours, and that product is

multiplied by the county-specific share of non-federal costs for federally eligible hours.

2. The hourly rate increase (either for wages or HBs or a combination of the two) is multiplied by the number of FY 2011-12 residual (non-federally eligible) hours, and that product is multiplied by the county-specific share of the non-federal costs for the non-federally eligible hours.
3. If a locally negotiated wage or HB increase does not take effect in the first month of the FY, the county's IHSS MOE adjustment for the first FY that the rate increase is in effect will be based only on the months the increase is in effect for the FY. The full annualized amount of the IHSS MOE adjustment will not take effect until the following FY.

Beginning on July 1, 2014, and annually thereafter, each county's IHSS MOE shall be adjusted by an inflation factor of 3.5 percent. However, pursuant to WIC section 12306.15 (c)(3)(A), any FY in which 1991 realignment revenues from the prior year are lower than the 1991 realignment revenues from the next prior year (e.g., revenues dropped in the prior year), the inflation factor shall be zero. The 3.5 percent inflation factor will be applied to a county's total IHSS MOE, including any adjustments for prior FYs.

Attachment II and Attachment III provide each county's FY 2011-12 paid hours and share of costs (with Community First Choice Option savings) for federally eligible hours and residual hours, respectively. This information will allow each county to calculate the increase to its IHSS MOE base if a county locally negotiates a wage or HB increase.

Listed below are example scenarios to assist counties in determining if the rate change will have an impact to their IHSS MOE. The scenarios reflect changes to wages and HBs that were negotiated and included in a single Public Authority (PA) rate package to the California Department of Social Services (CDSS). Please note that if a county negotiated and ratified a wage/HB increase and notified CDSS and then subsequently negotiated and ratified a HB/wage decrease within the same FY, the two changes would not net out, and the MOE adjustment would only apply to the increase.

Scenario	Wages	Locally-Negotiated HBs	Difference – MOE Adjustment
1	Decrease \$0.40	Increase \$0.50	\$0.10 net increase to MOE
2	Decrease \$0.50	Increase \$0.40	\$0.10 net decrease - No change to MOE
3	Increase \$0.50	Decrease \$0.40	\$0.10 net increase to MOE
4	Increase \$0.40	Decrease \$0.50	\$0.10 net decrease - No change to MOE
5	Decrease \$0.50	Increase \$0.50	No change to MOE
6	Increase \$0.50	Decrease \$0.50	No change to MOE

**Instructions on Supplemental Information to CDSS of Rate Increases for Locally Negotiated Health Benefits**

Instructions on submitting additional information in the SOC Form 449, as part of the PA rate package change for locally negotiated wage and HBs, to CDSS will be detailed in All County Letter No. 15-23.

**IHSS MOE Amounts for FY 2012-13, FY 2013-14 and FY 2014-15**

Attachment I displays the adjustments to counties' IHSS MOEs based on locally negotiated wage and HB changes for FY 2012-13 and FY 2013-14. This attachment also shows the final IHSS MOE amounts for all counties for FY 2012-13 and FY 2013-14 and the preliminary IHSS MOE amounts for FY 2014-15. If your county did not negotiate a wage or HB change or did not submit an estimated change to the hourly rate for a locally negotiated HB change, then the FY 2014-15 IHSS MOE amount will remain unchanged for your county. The FY 2014-15 IHSS MOE amounts only reflects the addition of the 3.5 percent inflation factor (in addition to any previous adjustments for those counties' MOEs that changed in FY 2012-13 and FY 2013-14 due to local negotiations) and does not reflect any locally negotiated wage or benefit increases that may take effect in FY 2014-15.

By March 2015 CDSS anticipates issuing a one-time supplemental billing for each of the three FYs to adjust the MOE and to reflect the final MOE base for FY 2012-13 and FY 2013-14 and the updated base for FY 2014-15. For those counties having a final or adjusted MOE, which is more than the interim MOE previously billed for the applicable FY, the one-time supplemental billings will provide instructions to submit payment to CDSS. For those counties that have a final MOE, which is less than the interim MOE previously billed, a supplemental billing with a credit amount will be issued and offset against the county's current monthly IHSS MOE billing. After all adjustments are made, current IHSS monthly MOE billings will reflect the new base for FY 2014-15.

The CDSS will adjust the monthly MOE billings once this CFL is released to reflect the current FY MOE. For future FYs, CDSS will release a CFL annually in September to finalize the last FY MOE amounts and display the next preliminary FY MOE base. The CDSS will make the necessary billing adjustments to match the annual CFL. For example, in September 2015 CDSS will release final MOE amounts for FY 2014-15 and preliminary FY 2015-16.

Program related questions regarding the Supplemental Notification or the SOC 449 form should be directed to the Adult Programs Fiscal and Administrative Unit at (916) 653-1908. Any questions regarding this county specific IHSS MOE adjustments should be directed to [fiscal.systems@dss.ca.gov](mailto:fiscal.systems@dss.ca.gov).

Sincerely,

***Original Document Signed By:***

BRIAN DOUGHERTY, Chief  
Financial Management and Contracts Branch

Attachments

IHSS COUNTY MOE

County	FY 2011-12 Base MOE CFL 13/14-48 Services and Admin	FY 2012-13 Wage Increases		Base FY 2013-14	FY 2013-14 Wage Increases		Estimated FY 2013-14	Base FY 2014-15	Increase 3.5% FY 2014-15
		Billed for FY 2012-13	Annualized for FY 2013-14		Increases for FY 2013-14	Annualized for FY 2014-15			
ALAMEDA	\$49,932,503			\$49,932,503			\$49,932,503	\$49,932,503	\$51,680,141
ALPINE	\$83,181			\$83,181			\$83,181	\$83,181	\$86,092
AMADOR	\$285,143			\$285,143			\$285,143	\$285,143	\$295,123
BUTTE	\$6,651,028	\$ 107,135	\$ 317,428	\$6,968,456			\$6,968,456	\$6,968,456	\$7,212,352
CALAVERAS	\$592,663			\$592,663			\$592,663	\$592,663	\$613,406
COLUSA	\$142,008			\$142,008	\$3,645	\$4,905	\$145,653	\$146,913	\$152,055
CONTRA COSTA	\$17,790,515			\$17,790,515			\$17,790,515	\$17,790,515	\$18,413,183
DEL NORTE	\$743,239			\$743,239			\$743,239	\$743,239	\$769,252
EL DORADO	\$1,834,999			\$1,834,999			\$1,834,999	\$1,834,999	\$1,899,224
FRESNO	\$28,009,925			\$28,009,925			\$28,009,925	\$28,009,925	\$28,990,272
GLENN	\$911,457			\$911,457	\$16,254	\$21,723	\$927,711	\$933,180	\$965,841
HUMBOLDT	\$2,645,069			\$2,645,069	\$114,193	\$125,353	\$2,759,262	\$2,770,422	\$2,867,387
IMPERIAL	\$8,056,497			\$8,056,497			\$8,056,497	\$8,056,497	\$8,338,474
INYO	\$214,275	\$ 11,491	\$ 13,820	\$228,095	\$6,953	\$9,213	\$235,048	\$237,308	\$245,614
KERN	\$7,461,369			\$7,461,369	\$61,446	\$148,383	\$7,522,815	\$7,609,752	\$7,876,094
KINGS	\$2,729,650			\$2,729,650	\$43,845	\$58,005	\$2,773,495	\$2,787,655	\$2,885,223
LAKE	\$4,474,466			\$4,474,466			\$4,474,466	\$4,474,466	\$4,631,072
LASSEN	\$294,725			\$294,725			\$294,725	\$294,725	\$305,040
LOS ANGELES	\$324,877,264	\$ 9,107,775	\$ 18,085,859	\$342,963,123			\$342,963,123	\$342,963,123	\$354,966,832
MADERA	\$3,127,645			\$3,127,645			\$3,127,645	\$3,127,645	\$3,237,113
MARIN	\$4,488,834	\$ 122,381	\$ 291,034	\$4,779,868	\$69,932	\$166,305	\$4,849,800	\$4,946,174	\$5,119,290
MARIPOSA	\$442,884	\$ 3,263	\$ 9,679	\$452,563			\$452,563	\$452,563	\$468,403
MENDOCINO	\$3,561,182			\$3,561,182			\$3,561,182	\$3,561,182	\$3,685,823
MERCED	\$4,140,884			\$4,140,884			\$4,140,884	\$4,140,884	\$4,285,815
MODOC	\$174,631			\$174,631			\$174,631	\$174,631	\$180,743
MONO	\$79,392			\$79,392			\$79,392	\$79,392	\$82,171
MONTEREY	\$9,003,892			\$9,003,892			\$9,003,892	\$9,003,892	\$9,319,028
NAPA	\$2,690,043			\$2,690,043			\$2,690,043	\$2,690,043	\$2,784,195
NEVADA	\$1,419,540			\$1,419,540	\$26,348	\$28,735	\$1,445,888	\$1,448,275	\$1,498,965
ORANGE	\$31,387,905			\$31,387,905			\$31,387,905	\$31,387,905	\$32,486,482
PLACER	\$4,901,727			\$4,901,727			\$4,901,727	\$4,901,727	\$5,073,287
PLUMAS	\$320,073			\$320,073	\$5,944	\$6,538	\$326,017	\$326,611	\$338,042
RIVERSIDE	\$42,537,606			\$42,537,606			\$42,537,606	\$42,537,606	\$44,026,422
SACRAMENTO	\$49,964,541			\$49,964,541	\$1,055,640	\$1,491,340	\$51,020,181	\$51,455,881	\$53,256,837
SAN BENITO	\$1,075,786			\$1,075,786			\$1,075,786	\$1,075,786	\$1,113,439
SAN BERNARDINO	\$40,770,451			\$40,770,451			\$40,770,451	\$40,770,451	\$42,197,417
SAN DIEGO	\$45,611,403			\$45,611,403	\$914,133	\$1,369,057	\$46,525,536	\$46,980,460	\$48,624,776
SAN FRANCISCO	\$68,440,501			\$68,440,501	\$1,660,286	\$1,994,283	\$70,100,787	\$70,434,784	\$72,900,001
SAN JOAQUIN	\$10,800,320	\$ 53,582	\$ 130,606	\$10,930,926	\$65,090	\$87,071	\$10,996,017	\$11,017,997	\$11,403,627
SAN LUIS OBISPO	\$3,962,861			\$3,962,861	\$25,683	\$61,325	\$3,988,544	\$4,024,186	\$4,165,033
SAN MATEO	\$9,827,138			\$9,827,138			\$9,827,138	\$9,827,138	\$10,171,088
SANTA BARBARA	\$5,841,216			\$5,841,216	\$95,482	\$226,947	\$5,936,698	\$6,068,163	\$6,280,548
SANTA CLARA	\$58,826,689			\$58,826,689	\$234,144	\$2,716,459	\$59,060,833	\$61,543,148	\$63,697,158
SANTA CRUZ	\$5,632,706			\$5,632,706			\$5,632,706	\$5,632,706	\$5,829,851
SHASTA	\$5,083,875			\$5,083,875			\$5,083,875	\$5,083,875	\$5,261,811
SIERRA	\$72,323			\$72,323	\$994	\$1,076	\$73,317	\$73,399	\$75,968
SISKIYOU	\$720,475			\$720,475			\$720,475	\$720,475	\$745,692
SOLANO	\$8,320,112			\$8,320,112			\$8,320,112	\$8,320,112	\$8,611,316
SONOMA	\$13,567,670			\$13,567,670	\$302,156	\$402,237	\$13,869,826	\$13,969,907	\$14,458,854
STANISLAUS	\$9,710,254			\$9,710,254	\$1,296	\$15,652	\$9,711,550	\$9,725,906	\$10,066,313
SUTTER	\$1,707,808			\$1,707,808			\$1,707,808	\$1,707,808	\$1,767,581
TEHAMA	\$1,457,115			\$1,457,115			\$1,457,115	\$1,457,115	\$1,508,114
TRINITY	\$228,281			\$228,281			\$228,281	\$228,281	\$236,271
TULARE	\$3,727,901			\$3,727,901	\$58,234	\$86,669	\$3,786,135	\$3,814,570	\$3,948,080
TUOLUMNE	\$466,890	\$ 6,423	\$ 14,649	\$481,539			\$481,539	\$481,539	\$498,393
VENTURA	\$8,217,735			\$8,217,735			\$8,217,735	\$8,217,735	\$8,505,356
YOLO	\$4,150,396			\$4,150,396	\$67,723	\$158,301	\$4,218,119	\$4,308,697	\$4,459,502
YUBA	\$1,592,678			\$1,592,678			\$1,592,678	\$1,592,678	\$1,648,422
<b>Total</b>	<b>\$925,783,339</b>	<b>\$ 9,412,049</b>	<b>\$ 18,863,077</b>	<b>\$ 944,646,416</b>	<b>\$ 4,829,422</b>	<b>\$ 9,179,577</b>	<b>\$ 949,475,838</b>	<b>\$ 953,825,993</b>	<b>\$ 987,209,903</b>



## FY 2011-12 Residual Hours and County Share of Total Cost for MOE Adjustment Calculations

COUNTY	Jul-2011	Aug-2011	Sep-2011	Oct-2011	Nov-2011	Dec-2011	Jan-2012	Feb-2012	Mar-2012	Apr-2012	May-2012	Jun-2012	Total Hours	County Share of Total Cost (including CFCO)
ALAMEDA	7,692	11,403	9,838	8,815	9,509	6,501	7,180	11,538	13,719	14,869	8,193	12,585	121,841	100%
ALPINE	270	160	136	143	139	139	148	140	149	145	143	139	1,850	35%
AMADOR	85	28	-	-	-	-	-	-	631	27	26	38	834	35%
BUTTE	6,609	5,695	4,517	5,935	6,595	5,684	5,385	7,557	7,112	7,036	5,648	6,009	73,781	35%
CALAVERAS	87	374	78	310	53	-	180	257	-	271	102	231	1,942	35%
COLUSA	58	48	15	88	-	-	-	-	39	-	-	6	254	35%
CONTRA COSTA	2,299	2,384	3,703	2,277	1,957	2,325	2,077	2,435	2,348	2,091	2,458	4,228	30,582	100%
DEL NORTE	129	308	-	-	-	-	79	133	214	65	110	-	1,037	35%
EL DORADO	1,544	848	845	749	882	521	356	947	1,349	2,046	1,651	2,009	13,743	35%
FRESNO	5,771	5,097	7,802	6,299	4,620	6,213	7,905	6,531	8,460	8,501	10,235	10,710	88,144	35%
GLENN	1,091	981	828	1,158	841	1,055	771	1,033	329	312	298	232	8,928	35%
HUMBOLDT	1,125	542	756	830	643	555	1,011	400	854	1,055	510	336	8,616	35%
IMPERIAL	5,424	4,962	4,391	5,507	3,334	4,693	5,187	4,139	4,052	3,844	4,899	5,640	56,072	35%
INYO	238	247	495	422	128	707	148	324	325	181	116	246	3,577	35%
KERN	2,227	2,688	4,464	2,815	2,886	3,840	3,902	2,802	3,465	2,788	3,133	3,503	38,513	35%
KINGS	1,445	1,592	1,996	1,641	2,015	1,915	1,998	2,444	2,512	2,457	3,547	2,375	25,937	35%
LAKE	3,519	3,233	1,200	1,955	1,438	1,918	615	797	2,119	1,607	2,355	2,032	22,787	35%
LASSEN	55	37	-	-	-	-	109	105	107	-	-	-	414	35%
LOS ANGELES	94,113	87,435	104,024	86,994	69,409	90,698	83,118	67,802	87,117	83,785	88,127	80,162	1,022,785	35%
MADERA	737	1,506	1,586	1,702	1,373	1,144	1,497	981	2,049	1,703	1,994	2,977	19,247	35%
MARIN	1,881	1,977	2,608	2,390	2,083	2,157	2,116	1,873	2,708	2,328	2,689	2,103	26,912	100%
MARIPOSA	-	-	-	-	-	-	-	-	-	-	-	-	56	35%
MENDOCINO	754	946	501	656	593	794	522	264	612	582	332	385	6,941	35%
MERCED	1,352	1,440	1,449	1,331	1,536	2,084	1,928	1,417	1,734	1,474	1,133	1,717	18,594	35%
MODOC	86	139	429	99	390	461	1,026	508	218	235	212	277	4,078	35%
MONO	54	-	102	-	-	-	-	-	-	-	-	-	156	35%
MONTEREY	4,191	4,798	4,298	3,757	3,389	3,835	4,465	3,260	4,322	3,809	3,727	3,453	47,304	35%
NAPA	1,369	1,528	833	1,215	748	1,070	999	819	803	833	591	498	11,306	35%
NEVADA	288	138	203	329	1,045	145	713	447	295	97	283	8	3,991	35%
ORANGE	14,802	13,407	18,344	13,149	12,315	15,303	17,404	13,720	15,700	16,522	14,009	14,692	179,368	35%
PLACER	987	1,023	1,391	1,995	1,404	1,346	1,028	931	980	989	987	971	14,030	35%
PLUMAS	-	-	142	119	119	53	80	-	-	-	-	-	513	35%
RIVERSIDE	17,816	23,365	16,671	17,700	15,326	20,982	16,842	19,458	20,181	21,054	25,278	24,705	239,378	35%
SACRAMENTO	16,632	18,395	21,889	19,732	15,870	20,080	19,784	21,425	27,988	15,082	15,180	21,871	233,927	35%
SAN BENITO	875	1,004	1,201	1,744	775	906	902	1,294	709	233	662	448	10,752	35%
SAN BERNARDINO	18,835	18,989	21,638	19,304	18,018	24,081	20,569	18,117	25,736	22,202	23,032	23,328	253,847	35%
SAN DIEGO	32,627	37,920	27,553	23,385	29,104	31,360	31,519	25,964	32,201	31,446	26,622	24,751	354,449	35%
SAN FRANCISCO	9,599	9,777	12,448	10,758	8,846	12,299	12,882	12,482	13,956	9,964	10,585	8,981	132,575	100%
SAN JOAQUIN	2,851	3,143	2,594	2,936	4,054	3,930	1,949	2,927	3,381	3,188	3,511	3,709	38,172	35%
SAN LUIS OBISPO	1,842	2,875	2,144	1,151	1,408	1,916	2,469	1,453	1,820	1,319	2,223	2,518	23,137	35%
SAN MATEO	5,851	5,061	5,902	3,865	3,485	6,009	4,704	5,846	3,556	5,862	4,258	4,560	58,959	100%
SANTA BARBARA	2,902	1,997	1,643	2,250	1,865	3,015	2,268	1,743	1,887	2,515	1,757	1,803	25,645	35%
SANTA CLARA	7,006	9,324	11,191	10,640	6,387	9,305	8,270	9,752	9,534	11,834	9,835	12,221	115,299	100%
SANTA CRUZ	2,317	3,393	2,999	2,929	1,835	2,131	2,660	2,277	2,248	3,840	2,715	4,713	34,058	35%
SHASTA	1,151	775	1,131	1,761	1,673	1,247	-	767	1,904	2,043	1,391	1,574	15,417	35%
SIERRA	-	-	-	-	-	-	1,411	-	-	-	-	-	1,411	35%
SISKIYOU	449	189	-	314	304	162	303	-	-	36	-	-	1,758	35%
SOLANO	6,103	4,864	2,963	2,977	2,502	2,971	2,003	3,258	4,459	3,895	5,211	5,161	46,367	35%
SONOMA	503	390	2,480	1,140	638	1,461	1,830	2,101	2,221	2,841	2,249	1,869	19,723	35%
STANISLAUS	1,748	2,541	2,565	1,983	1,929	2,379	2,035	1,572	2,350	2,740	2,913	3,166	27,920	35%
SUTTER	143	388	491	539	255	415	563	236	422	587	306	487	4,833	35%
TEHAMA	766	1,109	425	186	111	295	330	127	145	603	227	514	4,836	35%
TRINITY	164	387	209	329	310	207	395	209	261	213	254	179	3,116	35%
TULARE	414	386	316	87	75	395	26	26	431	290	901	74	3,421	35%
TUOLUMNE	82	388	-	99	36	17	193	34	219	99	83	257	1,506	35%
VENTURA	3,676	3,595	5,358	3,681	3,221	4,524	4,425	4,810	5,195	6,090	3,902	4,050	52,526	35%
YOLO	305	594	183	1,573	272	1,001	430	675	638	1,805	820	938	9,233	35%
YUBA	337	135	93	251	530	110	59	39	76	236	33	143	2,043	35%
<b>ALL COUNTIES</b>	<b>295,270</b>	<b>305,948</b>	<b>321,057</b>	<b>283,990</b>	<b>248,272</b>	<b>306,352</b>	<b>290,767</b>	<b>270,193</b>	<b>325,836</b>	<b>309,664</b>	<b>301,454</b>	<b>309,633</b>	<b>3,568,437</b>	

NOTE: County share of costs reflect FY 2011-12 wages and health benefits. If a county negotiates rates that exceed the maximum level of state participation (\$12.10 combined wages and health benefits), the county is responsible for the entire non-federal share of the adjustment.