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**DEPARTMENT OF SOCIAL SERVICES**  
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ARNOLD SCHWARZENEGGER  
GOVERNOR

October 1, 2009

ALL-COUNTY LETTER NO.: 09-53

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY FISCAL OFFICERS  
ALL IHSS PROGRAM MANAGERS  
PUBLIC AUTHORITY EXECUTIVE DIRECTORS

Reason For This Transmittal

- State Law Change
- Federal Law or Regulation Change
- Court Order or Settlement Agreement
- Clarification Requested by one or More Counties
- Initiated by CDSS

SUBJECT: PUBLIC AUTHORITY (PA) ADMINISTRATIVE BUDGET REDUCTION FOR FISCAL YEAR (FY) 2009/10.

The purpose of this letter is to provide the Fiscal Year (FY) 2009-10 final allocations from the state for the administrative costs associated with the In-Home Supportive Services (IHSS) Public Authority (PA) administrative activities. The PA Administrative budget has been reduced due to changes in the State Budget Act. A total of \$10,000,000 General Fund (GF) has been made available in the FY 2009-10 Budget Act.

**IHSS Public Authority Administrative Allocation:**

The California Department of Social Services (CDSS) has determined that IHSS administrative cost allocations for the FY 2009-2010 will be based on an allocation methodology weighing three significant components of the IHSS program and PA funding: (1) current Department approved budgets = 25%; (2) 2008-09 State Fiscal Year (SFY) actual expenditures = 50%; and (3) IHSS county caseload = 25%. The methodology also establishes a minimum allocation for the 20 smallest counties based on FY 2008-09 expenditures which means no small or very small county will receive more than a 20% reduction compared to their FY 2009-10 expenditures.

The three components listed above are used in the methodology to arrive at a final allocation for the PA Administrative costs because they are important components in the annual planning by the PAs. First, current rate approval package is part of the budget approved by the State and it is an important component because it reflects the latest approval by the county Board of Supervisors. Second, the actual expenditures from SFY 2008-2009 and they are more heavily weighted because they most closely reflect the organization's actual practice. It is important to note that the PA expenditures reflect updated 4<sup>th</sup> Quarter invoices that were submitted later in the year.

Finally, the county caseload is included as a component because it reflects the potential workload.

To arrive at the new Administrative budget there were a number of steps involved. First, each of the three components was converted to a dollar amount which was then multiplied by each county's percentage of the state total PA budget. Second, the three totals were combined to determine a net total allocation for each county. Then, adjustments were made to the small counties' net total allocation to raise each to the minimum amount. Finally, for the remaining counties, a total sharing was derived based on the total amount of state allocation after redistribution. This calculation was selected to provide the greatest statewide equity among counties.

The formula above setting forth the Administrative allocation only relates to the amount of IHSS PA Administrative costs in which the state will participate as a component of the PA rate. Column G in the attached document sets forth that amount pursuant to the calculation described above. The state will participate at a rate of 65% of the nonfederal share up to the amount stated in that column. The county is responsible for paying the nonfederal share of any PA Administrative costs reflected in the PA rate exceeding the amount listed in column G. The new state participation does not affect the PA rate that is currently in effect and that CDSS and the Department of Health Care Services (DHCS) have approved. As always, if a county would like to change the PA rate to lower the PA administrative component, a new PA rate change request may be submitted at any time.

The process for submitting rate changes has not changed. Counties will be required to follow the previously established rules for submitting a PA Rate Change Request. State approval of the PA Rate requires the approval of CDSS and DHCS. In accordance with Welfare and Institutions Code section 12306.1 (b), any change made to the PA/NPC rate shall take effect commencing the first day of the month following final approval received by CDSS and DHCS. Counties should keep in mind that the state approval process can take any amount of time up to 60 days.

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Any questions or concerns regarding the new PA Administrative budget allocations should be directed to the Fiscal and Administrative Bureau at (916) 653-3850.

Sincerely,

***Original Document Signed By:***

EVA L. LOPEZ  
Deputy Director  
Adult Programs Division

Attachments

**Amended Rates for PA Admin and Overall PA Rate**

COUNTY	New PA Admin Allocation FY 2009-2010	Approved Rate Package Projected Hours	Current Admin Rate	Current PA Rate	PA Admin Costs in which State will Participate	Illustration of PA Rate containing Column G
A	C	D	E	F	G	H
Alameda	\$ 979,954.00	19,588,100	0.10	13.59	0.05	13.54
Amador	\$ 141,446.00	184,800	1.19	10.95	0.77	10.53
Butte	\$ 214,695.00	4,093,000	0.10	9.59	0.05	9.54
Calaveras	\$ 215,706.00	279,680	1.24	10.99	0.77	10.52
Colusa	\$ 82,062.00	215,922	0.79	9.47	0.38	9.06
Contra Costa	\$ 999,051.00	8,550,516	0.29	14.27	0.12	14.10
Del Norte	\$ 81,302.00	454,825	0.26	10.42	0.18	10.34
El Dorado	\$ 286,261.00	845,700	0.60	11.01	0.34	10.75
Fresno	\$ 749,274.00	13,485,090	0.10	12.19	0.06	12.15
Glenn	\$ 174,083.00	410,000	0.77	9.65	0.42	9.30
Humboldt	\$ 172,522.00	1,830,557	0.24	8.85	0.09	8.70
Imperial	\$ 203,879.00	4,519,000	0.08	10.5	0.05	10.47
Inyo	\$ 75,715.00	169,702	0.56	9.3	0.45	9.19
JPA Counties	\$ 534,281.00	1,082,412	0.67	10.69	0.49	10.51
Kern	\$ 341,869.00	4,983,368	0.16	11.36	0.07	11.27
Kings	\$ 279,343.00	1,545,851	0.42	10.74	0.18	10.50
Lake	\$ 271,396.00	2,224,140	0.20	10.49	0.12	10.41
Lassen	\$ 54,489.00	345,527	0.32	8.92	0.16	8.76
Los Angeles	\$ 3,549,074.00	162,504,494	0.05	10.5	0.02	10.47
Madera	\$ 137,339.00	1,373,219	0.26	10.9	0.10	10.74
Marin	\$ 363,407.00	1,700,000	0.46	13.39	0.21	13.14
Marisposa	\$ 150,688.00	288,932	1.00	12.34	0.52	11.86
Mendocino	\$ 283,440.00	1,584,866	0.47	12.15	0.18	11.86
Merced	\$ 263,366.00	2,233,050	0.25	11.47	0.12	11.34
Modoc	\$ 63,978.00	122,580	0.65	9.39	0.52	9.26
Mono	\$ 83,924.00	44,556	2.36	10.4	1.88	9.92
Monterey	\$ 332,429.00	3,632,159	0.21	14.47	0.09	14.35
Napa	\$ 168,642.00	740,000	0.41	12.97	0.23	12.79
Orange	\$ 705,114.00	13,038,587	0.09	10.19	0.05	10.15
Placer	\$ 380,361.00	2,305,547	0.39	11.99	0.16	11.76
Riverside	\$ 1,603,526.00	15,697,085	0.24	11.91	0.10	11.77
Sacramento	\$ 1,281,107.00	22,540,958	0.11	12.12	0.06	12.07
San Benito	\$ 155,881.00	498,192	0.44	12.37	0.31	12.24
San Bernardino	\$ 1,401,220.00	20,129,420	0.16	10.54	0.07	10.45
San Diego	\$ 2,156,843.00	26,516,561	0.23	11.1	0.08	10.95
San Francisco	\$ 1,509,399.00	19,600,000	0.13	14.89	0.08	14.84
San Joaquin	\$ 607,921.00	6,000,000	0.18	11.21	0.10	11.13
San Luis Obispo	\$ 225,851.00	1,650,000	0.27	11.77	0.14	11.64
San Mateo	\$ 353,886.00	3,280,195	0.29	13.72	0.11	13.54
Santa Barbara	\$ 565,425.00	1,989,092	0.54	11.95	0.28	11.69
Santa Clara	\$ 786,844.00	11,816,303	0.10	15.91	0.07	15.88
Santa Cruz	\$ 367,123.00	1,866,038	0.78	14.32	0.20	13.74
Shasta	\$ 354,673.00	2,590,308	0.28	10.29	0.14	10.15
Siskiyou	\$ 57,646.00	400,000	0.32	8.43	0.14	8.25
Solano	\$ 425,091.00	3,320,110	0.29	14.52	0.13	14.36
Sonoma	\$ 712,573.00	6,310,333	0.25	13.29	0.11	13.16
Stanislaus	\$ 741,137.00	5,103,834	0.32	10.86	0.15	10.69
Sutter	\$ 201,499.00	1,058,304	0.67	10.74	0.19	10.26
Tehama	\$ 161,253.00	840,000	0.31	9.67	0.19	9.56
Trinity	\$ 2,397.00	160,166	0.08	8.82	0.01	8.75
Tulare	\$ 342,493.00	2,139,520	0.28	10.74	0.16	10.62
Ventura	\$ 386,546.00	3,088,630	0.26	11.11	0.13	10.98
Yolo	\$ 284,718.00	1,553,403	0.44	12.64	0.18	12.38
Yuba	\$ 101,858.00	668,139	0.30	11.75	0.15	11.60
<b>Total</b>	<b>\$ 27,126,000.00</b>					

**JPA Counties:**

Nevada	822,054	0.67	10.69
Sierra	34,000	0.67	10.69
Plumas	226,358	0.67	10.69
Total JPA:	1,082,412		

**FY 2009-2010 PUBLIC AUTHORITY ADMIN BUDGET ALLOCATION**

**ADMIN 25% EXPENDITURES 50% CASELOAD 25%**

<b>COUNTY</b>	<b>Total Funds by County w/NewSGF Reduction Applied</b>	<b>Federal Share</b>	<b>State General Fund Share</b>	<b>County Share</b>
Alameda	\$979,954.00	\$423,830.00	\$361,260.00	\$194,864.00
Amador	\$141,446.00	\$61,171.00	\$52,151.00	\$28,124.00
Butte	\$214,695.00	\$92,857.00	\$79,150.00	\$42,688.00
Calaveras	\$215,706.00	\$93,293.00	\$79,520.00	\$42,893.00
Colusa	\$82,062.00	\$35,489.00	\$30,256.00	\$16,317.00
Contra Costa	\$999,051.00	\$432,090.00	\$368,300.00	\$198,661.00
Del Norte	\$81,302.00	\$35,161.00	\$29,975.00	\$16,166.00
El Dorado	\$286,261.00	\$123,808.00	\$105,530.00	\$56,923.00
Fresno	\$749,274.00	\$324,061.00	\$276,220.00	\$148,993.00
Glenn	\$174,083.00	\$75,296.00	\$64,168.00	\$34,619.00
Humboldt	\$172,522.00	\$74,616.00	\$63,600.00	\$34,306.00
Imperial	\$203,879.00	\$88,178.00	\$75,160.00	\$40,541.00
Inyo	\$75,715.00	\$32,744.00	\$27,916.00	\$15,055.00
JPA Counties	\$534,281.00	\$231,073.00	\$196,968.00	\$106,240.00
Kern	\$341,869.00	\$147,858.00	\$126,030.00	\$67,981.00
Kings	\$279,343.00	\$120,816.00	\$102,980.00	\$55,547.00
Lake	\$271,396.00	\$117,379.00	\$100,050.00	\$53,967.00
Lassen	\$54,489.00	\$23,568.00	\$20,090.00	\$10,831.00
Los Angeles	\$3,549,074.00	\$1,534,977.00	\$1,308,359.00	\$705,738.00
Madera	\$137,339.00	\$59,399.00	\$50,630.00	\$27,310.00
Marin	\$363,407.00	\$157,174.00	\$133,970.00	\$72,263.00
Marisposa	\$150,688.00	\$65,171.00	\$55,553.00	\$29,964.00
Mendocino	\$283,440.00	\$122,588.00	\$104,490.00	\$56,362.00
Merced	\$263,366.00	\$113,906.00	\$97,090.00	\$52,370.00
Modoc	\$63,978.00	\$27,676.00	\$23,578.00	\$12,724.00
Mono	\$83,924.00	\$36,299.00	\$30,936.00	\$16,689.00
Monterey	\$332,429.00	\$143,776.00	\$122,550.00	\$66,103.00
Napa	\$168,642.00	\$72,938.00	\$62,170.00	\$33,534.00
Orange	\$705,114.00	\$304,962.00	\$259,940.00	\$140,212.00
Placer	\$380,361.00	\$164,506.00	\$140,220.00	\$75,635.00
Riverside	\$1,603,526.00	\$693,525.00	\$591,140.00	\$318,861.00
Sacramento	\$1,281,107.00	\$554,079.00	\$472,280.00	\$254,748.00
San Benito	\$155,881.00	\$67,424.00	\$57,458.00	\$30,999.00
San Bernardino	\$1,401,220.00	\$606,028.00	\$516,560.00	\$278,632.00
San Diego	\$2,156,843.00	\$932,835.00	\$795,120.00	\$428,888.00
San Francisco	\$1,509,399.00	\$652,815.00	\$556,440.00	\$300,144.00
San Joaquin	\$607,921.00	\$262,926.00	\$224,110.00	\$120,885.00
San Luis Obispo	\$225,851.00	\$97,681.00	\$83,260.00	\$44,910.00
San Mateo	\$353,886.00	\$153,056.00	\$130,460.00	\$70,370.00
Santa Barbara	\$565,425.00	\$244,542.00	\$208,450.00	\$112,433.00
Santa Clara	\$786,844.00	\$340,310.00	\$290,070.00	\$156,464.00
Santa Cruz	\$367,123.00	\$158,781.00	\$135,340.00	\$73,002.00
Shasta	\$354,673.00	\$153,396.00	\$130,750.00	\$70,527.00
Siskiyou	\$57,646.00	\$24,931.00	\$21,253.00	\$11,462.00
Solano	\$425,091.00	\$183,852.00	\$156,710.00	\$84,529.00
Sonoma	\$712,573.00	\$308,188.00	\$262,690.00	\$141,695.00
Stanislaus	\$741,137.00	\$320,542.00	\$273,220.00	\$147,375.00
Sutter	\$201,499.00	\$87,152.00	\$74,280.00	\$40,067.00
Tehama	\$161,253.00	\$69,747.00	\$59,439.00	\$32,067.00
Trinity	\$2,397.00	\$1,032.00	\$890.00	\$475.00
Tulare	\$342,493.00	\$148,128.00	\$126,260.00	\$68,105.00
Ventura	\$386,546.00	\$167,181.00	\$142,500.00	\$76,865.00
Yolo	\$284,718.00	\$123,139.00	\$104,960.00	\$56,619.00
Yuba	\$101,858.00	\$44,054.00	\$37,550.00	\$20,254.00
<b>Total</b>	<b>\$27,126,000.00</b>	<b>\$11,732,004.00</b>	<b>\$10,000,000.00</b>	<b>\$5,393,996.00</b>