



AGENDA____June 28, 2022

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Andrea Ford
Interim Agency Director

June 28, 2022

Honorable Board of Supervisors
Sitting as the Governing Body of the Public Authority for In-Home Supportive Services (IHSS)
County Administration Building
1221 Oak Street, Suite 536
Oakland, CA 94612

SUBJECT: APPROVE A NEW MEMORANDUM OF UNDERSTANDING ("MOU") BETWEEN THE PUBLIC AUTHORITY FOR IN-HOME SUPPORTIVE SERVICES ("IHSS") IN ALAMEDA COUNTY AND SERVICE EMPLOYEES INTERNATIONAL UNION ("SEIU") LOCAL 2015

Dear Public Authority Members:

RECOMMENDATIONS:

- A. Approve the October 1, 2021 through September 30, 2024 Memorandum of Understanding ("MOU") between the Public Authority for In-Home Supportive Services ("IHSS") in Alameda County and Service Employees International Union ("SEIU") Local 2015;
- B. Delegate authority for executing this MOU agreement to the Interim Director of Social Services to execute the MOU following State review and approval;
- C. Approve the submission of a rate change request to the State to increase the Wage Supplement from \$1.75 per hour to \$2.60 per hour (an increase of \$0.85 per hour) effective upon State approval and implementation;
- D. Approve the submission of a rate change request to the State to increase the Wage Supplement from \$2.60 per hour to \$3.05 per hour (an increase of \$0.45 per hour) effective April 1, 2023; and
- E. Approve the submission of a rate change request to the State to increase the Wage Supplement from \$3.05 per hour to \$3.50 per hour (an increase of \$0.45 per hour) effective April 1, 2024.

DISCUSSION/SUMMARY:

This letter requests actions by your Board, sitting as the governing body of the Public Authority for IHSS, to approve a new MOU with SEIU Local 2015. The previous MOU expired on September 30, 2021, and the Public Authority for IHSS and SEIU Local 2015 have reached a tentative agreement on a successor MOU with a term of October 1, 2021 through September 30, 2024. SEIU Local 2015 advised that they ratified the tentative agreement on June 21, 2022. Delegation of authority is being requested to execute the MOU to meet the State's submission deadline of June 30, 2022.

The tentative agreement reached includes the following:

- BASE WAGE: Establish a Provider Base Wage at the State or Federal minimum wage, whichever is highest.

- **WAGE SUPPLEMENT:** Increase the current Wage Supplement of \$1.75 per hour by \$0.85 per hour upon State approval and implementation. Increase the Wage Supplement by \$0.45 per hour effective April 1, 2023, and by an additional \$0.45 per hour effective April 1, 2024.
- **TRAINING AND EDUCATION:** Establish a Job Development/Life Enhancement Fund of up to \$5,000 per fiscal year ("FY") for Providers' education and training, with a reimbursement allowance of up to \$250 every 2-years per Provider.
- **HEALTH AND SAFETY:** Provide up to \$10,000 per FY for the purpose of administering Personal Protective Equipment ("PPE") for Providers for the care of Recipients, in the absence of PPE provided by the State in response to the COVID-19 pandemic.
- **RECOGNITION:** Include the Waiver Personal Care Services Providers in the MOU in accordance with Assembly Bill 1811.
- **REOPENER:** Reopen the MOU on health benefits for Providers in the event there is a reduction in the medical plan premium during the term of the MOU.
- **PAID TIME FOR UNION ACTIVITIES:** Expand the Paid Time for Union Activities provision to include time spent in authorized caucus time and in contract negotiations, and compensate up to eight (8) Providers attending contract negotiations in the Union's bargaining committee for up to eight (8) hours per day.

On January 1, 2022, the State minimum wage increased to \$15.00 per hour, which is the current Provider Base Wage. In accordance with Senate Bill 3, the State minimum wage may increase annually up to 3.5% based on inflation. The current Wage Supplement of \$1.75 per hour "floats" over the Base Wage, resulting in the current Provider Wage of \$16.75 per hour.

FINANCING:

The new IHSS Maintenance of Effort ("MOE") arrangement mandates a permanent County MOE adjustment for any locally negotiated wage and benefit increases and provides guidelines on how the State is to adjust the County MOE. The proposed \$0.85 increase in Wage Supplement, which would go into effect after State approval with an estimated date of September 1, 2022, under the current MOE arrangement and current assumptions, will result in an additional cost to the County of approximately \$4.3 million for the first prorated FY (FY 2022-23), an additional cost of approximately \$5.3 million for the subsequent full FY (FY 2023-24), with the cost increasing by four (4%) percent per FY every FY thereafter.

The proposed \$0.45 wage supplement, which would go into effect April 1, 2023, under the current MOE arrangement and current assumptions, will result in an additional cost to the County of approximately \$0.7 million for the first prorated FY (FY 2022-23), an additional cost of approximately \$2.8 million for the subsequent full FY (FY 2023-24), with the cost increasing by four (4%) percent per FY every FY thereafter.

The proposed \$0.45 wage supplement, which would go into effect April 1, 2024, under the current MOE arrangement and current assumptions, will result in an additional cost to the County of approximately \$0.7 million for the first prorated FY (FY 2023-24), an additional cost of approximately \$3.0 million for the subsequent full FY (FY 2024-25), with the cost increasing by four (4%) percent per FY every FY thereafter.

There is sufficient appropriation in the Social Services Agency FY 2022-23 requested budget, and cost increases will be included in future budget requests. In-Home Supportive Services (IHSS) costs remain an area of concern. While the State has provided substantial relief to counties through the new Maintenance of Effort (MOE) financing arrangement, demographic trends may result in the new MOE being unsustainable for the State, causing cost shifts back to counties.

With increases in locally negotiated wages and benefits and the growing number of older adults in Alameda County, it is certain costs will increase over time that may outpace funding.

VISION 2026 GOAL:

The proposed update meets the 10X goal pathway of **Healthcare for All** in support of the shared goal of creating a **Thriving and Resilient Community** by allowing the senior and vulnerable populations in the County that rely on IHSS access to quality homecare workers to maintain a safe and supportive living situation in their home.

Sincerely,

DocuSigned by:

Andrea Ford

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Andrea Ford, Interim Director
Social Services Agency

DocuSigned by:

Joseph Angelo, Director, Human Resources

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Joe Angelo, Director
Human Resource Services