

Insert **Date**

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

**EXECUTIVE SUMMARY**

**ALL COUNTY LETTER NO. XX-XX**

The purpose of this ACL is to provide clarification to Public Authorities and counties of changes to the claiming and state and federal participation for non-health benefits.

DRAFT



KIM JOHNSON  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
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GAVIN NEWSOM  
GOVERNOR

Insert DATE

ALL COUNTY LETTER (ACL) NO. 19-XX

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY FISCAL OFFICERS  
ALL IN-HOME SUPPORTIVE SERVICES (IHSS) PROGRAM  
MANAGERS  
PUBLIC AUTHORITY EXECUTIVE DIRECTORS

SUBJECT: NON-HEALTH BENEFITS ELIGIBLE FOR REIMBURSEMENT ON  
THE PUBLIC AUTHORITY/NONPROFIT CONSORTIUM INVOICE  
(SOC 448)

REFERENCE: [WELFARE & INSTITUTIONS CODE SECTION 12301.6](#)  
[WELFARE & INSTITUTIONS CODE SECTION 12306.16](#)  
[ACL NO. 19-101, DATED OCTOBER 14, 2019](#)

The purpose of this ACL is to inform and provide clarification to Public Authorities (PAs) and counties of changes to the claiming and state and federal participation for non-health benefits.

### **BACKGROUND**

As specified in Welfare and Institutions (W&IC) section 12306.16, effective July 1, 2019, the IHSS County Maintenance of Effort (MOE) was rebased. Under the 2019 County MOE structure, counties may receive reimbursement under certain conditions for benefits, other than individual health benefits, that are locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or adopted by local ordinance.

### **STATE & FEDERAL PARTICIPATION IN NON-HEALTH BENEFITS**

Some non-health benefits may be claimed as a Public Authority/Nonprofit Consortium (PA/NPC) administrative cost and others may be claimed as a service cost, as outlined below. The PA/NPC administrative rate should include any non-health benefits in the

administrative category. The PA/NPC non-health benefit rate should include non-health benefits that are in the services category.

Eligible non-health benefits must be locally negotiated, mediated, or imposed, or adopted by a local ordinance to receive state and federal reimbursement. Non-health benefits that fall under the services category that are eligible for state reimbursement will trigger a Maintenance of Effort adjustment for rate increases resulting from increased costs in those non-health benefits. The county is required to pay the full cost of any non-health benefit that is not eligible for state and federal participation, and to pay the non-federal share of any non-health benefit that is not eligible for state participation. There will be no MOE adjustments for those non-health benefits that are not eligible for state reimbursement since the county is already paying the full nonfederal share of cost.

Non-health benefits are not included in the state participation cap.

### **NON-HEALTH BENEFIT CLAIMING**

Counties/PAs will receive reimbursement for allowable non-health benefit expenditures up to their approved non-health benefit rate on the SOC 448. Counties/PAs should track their expenditures throughout the fiscal year against their approved non-health benefit and administrative rate.

If claimed expenditures exceed the current approved non-health benefit rate, the county/PA will remove any expenditures over the approved non-health benefit rate on the SOC 448. Counties/PAs exceeding their non-health benefit rate will need to submit a rate change package to increase the rate in order to secure state and federal reimbursement. If a county maintains the same approved non-health benefit rate throughout the fiscal year, the non-health benefit rate will be averaged over the fiscal year. If the non-health benefit rate is changed, the approved rate will be applied towards the months they were effective. The rate change will not retroactively cover costs expended under the previous non-health benefit rate. Please refer to [ACL NO. 18-79](#) for the rate change process.

### **Non-Health Benefits in the PA/NPC Administrative Category**

- Transportation Vouchers

Transportation Vouchers can be claimed under the administrative category and qualify for federal reimbursement only.

Stipends and financial incentives for provider training will no longer receive state or federal reimbursement. However, if stipends or financial incentives for provider training were included in a collective bargaining agreement that was negotiated between March 22, 2018 and the release of this ACL, there will be state and federal participation through the term of that agreement. These costs can be claimed under the administrative category.

**Non-Health Benefits in the Services Category**

- Tuberculosis Testing
- Job Related Safety Equipment

The state will participate in tuberculosis testing and job-related safety equipment (such as gloves, masks, and sanitizer) under the services category that have been locally negotiated, mediated, or imposed. Vacation/holiday pay, pension and life insurance will no longer receive state or federal reimbursement. However, if vacation/holiday pay, pension, or life insurance were negotiated between March 22, 2018 and the release of this ACL, the state will participate through the term of that agreement as a service cost. Paid release time for union activities is not allowable for state or federal reimbursement.

If you have any questions or need additional guidance regarding the information in this letter, contact the Financial Management Unit (FMU), Adult Programs Division (APD) at (916) 652-3850 or at [APD\\_FMU@dss.ca.gov](mailto:APD_FMU@dss.ca.gov).

Sincerely,

***Original Document Signed By***

DEBBI THOMSOM  
Deputy Director  
Adult Programs Division