

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



October 28, 1993

ALL-COUNTY INFORMATION NOTICE NO. I-40-93

TO: ALL-COUNTY WELFARE DIRECTORS

SUBJECT: IN-HOME SUPPORTIVE SERVICES
(IHSS) MANAGED CARE CONTRACTS
FOR FY 1993-94

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

The purpose of this notice is to provide Counties with preliminary information and necessary average cost per case and capitated rate data in order to plan for issuing a bid for managed care contracts for certain In-Home Supportive Services (IHSS) recipients, as contained in Welfare and Institutions Code (WIC) Section 12302.7, added by the passage of SB 35 (Chapter 69, Statutes of 1993).

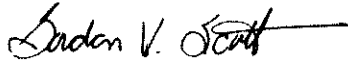
Counties should be aware that this information is for planning purposes only. No proposals should be submitted until two conditions have been met: 1) the Department of Health Services has determined that the provisions of WIC 12302.7 are consistent with federal law and has ensured federal financial participation for services provided under Title XIX of the federal Social Security Act; and 2) State regulations on managed care have been developed and implemented. Pending the completion of these two major steps, no proposals can be considered. It is projected that federal approvals will be obtained and implementing regulations developed by July 1, 1994.

In general, WIC Section 12302.7 provides the authority for any County to issue invitations for bids for managed care contracts at a capitated rate. Eligible persons are nonseverely impaired (NSI) IHSS recipients who are 65 years of age or older when they initially qualify for IHSS. Such contracts shall generally apply to recipients becoming eligible for IHSS services on or after the start date of the contract. However, at County option, NSI recipients who become eligible prior to the start date and who are at least 65 years of age may elect to be served under a managed care contract under certain conditions, as contained in WIC Section 12302.7.

Enclosed with this ACIN for each County is average cost per case and 88 percent of average cost per case for June 1992 as well as June 1993, for the target population. This information is important as WIC 12302.7(a)(1) requires that the cost of these contracts shall not exceed 88 percent of the County's June 1992 average cost per age 65+ NSI case, adjusted as contained in SB 35. For planning purposes, we are also providing June 1993 data to give Counties an up-to-date picture of costs for the age 65+ NSI population.

We have received numerous inquiries asking for specific information on how Counties can estimate savings under the managed care contract mode. Appropriate formulas and methodologies for the calculation of estimated potential managed care savings are being developed, and will be shared with Counties when finalized. This information, as individually adjusted by Counties to reflect estimated contract costs, caseloads, and other relevant factors, will enable Counties to then estimate potential managed care savings.

If you have any questions regarding the contents of this ACIN, please call your IHSS Fiscal Analyst.



GORDON V. SCOTT
Acting Deputy Director
Adult Services Division

Enclosure

cc: CWDA

IHSS AVERAGE COST PER CASE AND 88 PERCENT OF AVERAGE COST PER CASE
NON-SEVERELY IMPAIRED, AGE 65 OR OLDER
JUNE 1992 AND JUNE 1993

COUNTIES	JUNE 1992		AVG COST PER CASE	88% OF AVG * COST PER CASE	JUNE 1993		AVG COST PER CASE	88% OF AVG COST PER CASE
	PAID CASES	1,977			\$ 262.89	\$ 231.34		
ALAMEDA	1	289.00	254.32	-	-	-	-	-
ALPINE	42	237.81	209.27	45	198.87	175.00		
AMADOR	974	248.84	218.98	823	253.32	222.92		
BUTTE	82	254.44	223.91	77	311.39	274.02		
CALAVERAS	11	215.91	190.00	20	233.15	205.17		
COLUSA	1,118	285.15	250.93	996	295.18	259.76		
CONTRA COSTA	92	197.96	174.20	85	233.16	205.18		
DEL NORTE	128	354.43	311.90	130	338.96	298.29		
EL DORADO	3,125	226.17	199.03	2,901	227.30	200.03		
FRESNO	72	164.46	144.72	84	183.81	161.75		
GLENN	375	213.48	187.86	327	221.90	195.27		
HUMBOLDT	700	292.22	257.15	749	283.78	249.43		
IMPERIAL	49	200.71	176.63	48	172.04	151.40		
INYO	1,681	198.57	174.75	1,526	200.49	176.43		
KERN	234	171.11	150.48	234	193.68	170.43		
KINGS	313	232.75	204.38	298	228.26	200.87		
LAKE	31	117.55	103.44	20	135.85	119.55		
LASSEN	30,785	242.48	213.38	29,948	240.64	211.77		
LOS ANGELES	421	174.74	153.77	374	171.83	151.21		
MADERA								

* Represents maximum cost per case for managed care contracts. Cost per case may be below this amount.

COUNTIES	JUNE 1992			JUNE 1993			88% OF AVG * COST PER CASE	AVG COST PER CASE	88% OF AVG COST PER CASE
	PAID CASES	AVG COST PER CASE	88% OF AVG * COST PER CASE	PAID CASES	AVG COST PER CASE	88% OF AVG COST PER CASE			
MARIN	234	283.28	249.29	207	287.94	253.38			
MARIPOSA	34	337.00	296.56	47	336.98	296.54			
MENDOCINO	345	242.20	213.13	322	265.82	233.92			
MERCED	737	166.14	146.20	762	180.53	158.87			
MODOC	23	223.61	196.78	26	207.23	182.36			
MONO	N/A	N/A	N/A	N/A	N/A	N/A			
MONTEREY	551	283.01	249.05	597	267.07	235.02			
NAPA	107	256.27	225.52	102	229.26	201.75			
NEVADA	(a) 61	(a) 212.13	(a) 186.68	138	240.91	212.00			
ORANGE	2,493	241.77	212.76	2,364	224.17	197.27			
PLACER	121	296.32	260.76	129	250.94	220.83			
PLUMAS	90	166.41	146.44	79	179.29	157.78			
RIVERSIDE	2,717	272.69	239.96	2,515	276.77	243.55			
SACRAMENTO	2,286	292.51	257.41	2,150	293.18	258.00			
SAN BENITO	54	251.93	221.69	61	241.48	212.50			
SAN BERNARDINO	3,416	212.46	186.96	2,991	209.57	184.42			
SAN DIEGO	5,207	259.56	228.42	5,193	255.78	225.09			
SAN FRANCISCO	(a) 2,611	(a) 301.85	(a) 265.63	3,433	330.28	290.65			
SAN JOAQUIN	1,352	198.01	174.25	1,260	210.01	184.81			
SAN LUIS OBISPO	318	121.00	106.48	293	144.65	127.29			
SAN MATEO	(a) 444	(a) 326.81	(a) 287.59	525	340.72	299.84			

(a) DOES NOT INCLUDE DATA ON CASES SERVED BY CONTRACTOR MODE.

* (Same comments from previous page)

COUNTIES	JUNE 1992		AVG COST PER CASE	88% OF AVG * COST PER CASE	JUNE 1993		AVG COST PER CASE	88% OF AVG COST PER CASE
	PAID CASES	PAID CASES			PAID CASES	PAID CASES		
SANTA BARBARA	626	216.71	190.70	603	246.41	216.84		
SANTA CLARA	1,618	234.23	206.13	1,576	225.81	198.72		
SANTA CRUZ	415	240.47	211.61	398	260.85	229.55		
SHASTA	525	209.40	184.27	470	234.07	205.98		
SIERRA	14	181.29	159.53	22	189.32	166.60		
SISKIYOU	103	215.66	189.78	87	232.60	204.69		
SOLANO	494	298.18	262.40	452	304.54	267.99		
SONOMA	748	224.01	197.13	688	209.38	184.23		
STANISLAUS	1,223	198.51	174.69	1,144	200.71	176.62		
SUTTER	188	139.88	123.10	161	144.81	127.44		
TEHAMA	327	260.24	229.01	284	264.42	232.69		
TRINITY	40	244.18	214.87	41	281.93	248.10		
TULARE	2,350	262.84	231.30	1,985	130.23	114.60		
TUOLUMNE	88	83.90	73.83	83	89.71	78.95		
VENTURA	729	194.81	171.43	674	209.18	184.08		
YOLO	130	248.28	218.48	195	200.45	176.40		
YUBA	329	129.94	114.35	272	135.63	119.35		

(a) DOES NOT INCLUDE DATA ON CASES SERVED BY CONTRACTOR MODE.

* (Same comments from previous page)