

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



January 10, 1992

ALL-COUNTY LETTER NO. 92-06

TO: ALL-COUNTY WELFARE DIRECTORS

SUBJECT: ASSEMBLY BILL (AB) 1155 AND SENATE BILL (SB) 792

REFERENCE: ACL 89-85, RENEWAL GUIDELINES FOR IN-HOME SUPPORTIVE SERVICES (IHSS) GUIDELINES

The purpose of this letter is to transmit to Counties the changes made regarding In-Home Supportive Services (IHSS) contracts as a result of the passage of Assembly Bill (AB) 1155 and Senate Bill (SB) 792.

Currently, Welfare and Institutions Code (WIC) Section 12302.1 and State Department of Social Services, Manual of Policies and Procedures (SDSS MPP) Section 23-621.13, give Counties the option of renewing contracts (with an initial two-year term) for the provision of IHSS, without rebidding, for a period not to exceed one year.

The revisions and additions to WIC Section 12302.1, as a result of the passage of AB 1155 and SB 792, are listed below and are effective January 1, 1992. Counties that are currently impacted are those which are bidding for new contracts with effective start dates of January 1, 1992 or thereafter. Contracts that begin prior to January 1, 1992 and are in progress, are not impacted by the changes in statute until those contracts expire and are rebid.

Counties may now enter into contracts for IHSS for a term not exceeding a period of up to three years.

In regard to the evaluation of bid proposals, the following has been added to WIC 12302.1: "That the County board of supervisors may evaluate the bid proposal, the experience of the provider, the program plan, and the proposed rate, to determine if a bidder has demonstrated the ability to reasonably provide and sustain uninterrupted, continuous services to recipients as required under the County's invitation for bid, prior to making contract award."

The County may, at the end of a three year contract term, renew the contract for a second term not to exceed one year. Any contract written for a period of less than three years must be rebid if the County chooses to continue use of the contract mode of service delivery.

For any extended contract, the rate shall reflect, but is not limited to, among other things: "Reasonable costs which have been approved by the county department of social services, as long as those costs do not increase unreimbursed county expenditures or lead to a reduction in client services, and those costs can be funded within the maximum allowable rates set by the department for In-Home supportive services contracts and the county's state allocation for in-home supportive services."

It has been our experience that starting the negotiation or rebid process early gives the County a considerable advantage in dealing with any unforeseen circumstances such as a breakdown of negotiations or protest of the contract award. In making a decision to negotiate a renewal it is the County's responsibility to obtain documentation from the contractor needed to justify line item cost increases as well as ensuring that the negotiated rate is reasonable and based on prior actual costs (please reference ACL 89-85, RENEWAL GUIDELINES FOR IN-HOME SUPPORTIVE SERVICES CONTRACTS).

Starting the process ten months in advance of the contract commencement date allows ample time to comply with the timeframes for submittal, review and approval of Invitation For Bids (IFBs) and contracts required by SDSS MPP Section 23-600.

It should be noted that the changes and additions to WIC Section 12302.1 do not change the standards regarding the approval of any IHSS contract, contract extension, rate negotiation, and other factors as currently exists.

Regulations changes will be forthcoming.

If you have questions regarding the contract process or other contents of this letter, please contact your IHSS Program Analyst at (916) 657-2143.



LOREN D. SUTER  
Deputy Director  
Adult and Family Services

cc: CWDA