



**SAN FRANCISCO
HUMAN SERVICES AGENCY**

Department of Benefits
and Family Support

Department of Disability
and Aging Services

P.O. Box 7988
San Francisco, CA
94120-7988
www.SFHSA.org

MEMORANDUM

TO: DISABILITY AND AGING SERVICES COMMISSION

THROUGH: KELLY DEARMAN, EXECUTIVE DIRECTOR

FROM: JILL NIELSEN, DEPUTY DIRECTOR
ESPERANZA ZAPIEN, DIRECTOR OF CONTRACTS

DATE: MAY 3, 2023

SUBJECT: NEW CONTRACT: **SOCIAL POLICY RESEARCH ASSOCIATES (SPRA) (FOR PROFIT)** TO PROVIDE CONTRACT MODE IHSS INFRASTRUCTURE AND FINANCIAL VIABILITY ASSESSMENT

TERM: 6/1/23 to 9/30/24

AMOUNT: \$99,619

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Mayor

Trent Rhorer
Executive Director

Funding Source	<u>County</u>	<u>State</u>	<u>Federal</u>	<u>Contingency</u>	<u>Total</u>
FUNDING:	\$99,619				\$99,619
PERCENTAGE:	100%				

The Department of Disability and Aging Services (DAS) requests authorization to enter into a new contract with Social Policy Research Associates for the time period 6/1/23 to 9/30/24, in an amount of \$99,619. The purpose of the contract is to evaluate the San Francisco Human Service Agency's (SFHSA) service model structure and conduct a financial viability assessment for the contracted service that provides Contract Mode In-Home Supportive Services.

Background

The In-Home Supportive Services (IHSS) program is a county-administered program that provides homecare assistance to



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eligible people with disabilities who are unable to fully provide for their own personal care or carry out household activities without assistance. The IHSS program compensates providers to carry out a wide variety of caregiver services, including household chores and personal care, to facilitate IHSS recipients' safe community living while encouraging independence. A Medi-Cal benefit, IHSS is considered an alternative to out-of-homecare, such as nursing facilities; California is the only state with such a robust homecare public benefit program.

The majority of San Francisco's 28,000 IHSS clients manage their caregivers (e.g., hiring, scheduling, directing care, signing timesheets). However, a subset of clients are unable to manage their own services, typically as a result of cognitive impairment and/or serious mental illness. To ensure these individuals receive the support they need, San Francisco contracts with a non-profit organization for agency-based homecare services ("Contract Mode IHSS"). San Francisco is the only county in the state to offer Contract Mode IHSS.

The existing contract for Contract Mode IHSS will expire in June 2025 and needs to be procured anew in late 2024. The current approach is not financially feasible, nor adequately meeting community needs. Despite multiple innovations and strategic initiatives, the program continues to struggle to maintain an adequate caregiver workforce to provide the necessary hours of homecare for our clients. Consequently, we have been limited in the number of clients who can be served through this model. At the same time, costs in this hourly rate-based contract have increased; this reflects increased wages to support recruitment and retention but also that baseline administrative program costs are now spread across fewer hours.

An evaluation of the program infrastructure required to effectively direct a caregiver workforce, coupled with a fiscal analysis of the contract structure, is needed to support the financial viability of Contract Mode IHSS and ensure high-quality service delivery.

Services to be Provided

SPRA will provide expert analysis that will provide actionable insights into program infrastructure requirements and fiscal strategies that will allow DAS to structure its contract for Contract Mode IHSS in a way that maximizes recruitment and retention of IHSS caregivers, effectively provides necessary care hours, and promotes the financial stability of the



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program.

The main deliverable will be a report detailing project finding and the recommendations for DAS leadership related to contract structure and program infrastructure.

Through data collection, focus groups, key informant interviews, data analysis and project management, the final report will address key issues such as:

1. Program infrastructure required to effectively hire and direct a caregiver workforce
2. Programmatic and structural strategies to maximize worker retention
3. Fiscal analysis of the contract structure

Selection

Grantee/Contractor was selected through Informal Bid 1085 issued in March 2023

Funding

Funding for this contract is provided entirely by City and County General Funds.

ATTACHMENTS

Appendix A

Appendix B

Appendix A – Services to be Provided
Social Policy Research Associates
Contract Mode IHSS Infrastructure and Financial Viability Assessment
June 1, 2023-September 30, 2024

I. Purpose of Contract

The purpose of the contract is to evaluate San Francisco Human Service Agency’s service model structure and conduct a financial viability assessment for the contracted service that provides Contract Mode In-Home Supportive Services (IHSS). This will include an evaluation of the current program structure/infrastructure, and a fiscal analysis of the contract structure.

The Contractor is expected to integrate findings from these components to develop recommendations for a program infrastructure and contract structure that are financially feasible and ensure high-quality service delivery.

II. Definitions

CARBON	Contracts Administration Reporting & Billing Online database
Contractor	Social Policy Research Associates, Inc.
DAS	Department of Disability and Aging Services
IHSS	In-Home Supportive Services
SFHSA	San Francisco Human Services Agency

III. Description of Services

Contractor will provide expert analysis that will provide actionable insights into program infrastructure requirements and fiscal strategies that will allow DAS to structure its contract for Contract Mode IHSS in a way that maximizes recruitment and retention of IHSS caregivers, effectively provides necessary care hours, and promotes the financial stability of the program.

The final deliverable for this contract will be a report detailing project findings and the recommendations for DAS leadership related to contract structure and program infrastructure. The information in the report will inform the contract procurement process in late 2024. As such, the report has a firm deadline of June 30, 2024.

The report will address the following areas:

- A. Evaluation of the current program structure/infrastructure
 1. What program infrastructure is required to effectively hire and direct a caregiver workforce? How can staffing and administrative support be structured to maximize impact and cost efficiency?
 2. What elements of program structure affect caregiver retention, and how can those elements be designed to maximize worker retention?

3. Is a single-agency approach appropriate, or is there reason to have multiple contractors and/or subcontractors? Is one approach more cost-effective than another? If so, why?
- B. Fiscal analysis of the contract structure
1. Should contract funding be structured as a rate-based payment for hours of care provided, a fixed contract amount in a cost reimbursement model, a hybrid of the two, or some other structure?
 2. What are the advantages and disadvantages of each option, and what is the recommended approach?

To answer these questions, Contractor will complete the research and evaluation activities described below. This work is structured in five parts with key project activities detailed in each area.

1. Project Initiation

- A. Project kick off.** Within two weeks of the project start date, Contractor will convene a project kick-off meeting with key members from SFHSA and DAS. This will provide an opportunity to discuss the evaluation needs in more detail, gather relevant materials on the current IHSS Program model, and review the overall project design and approach.
- B. Project plan.** Within one month of the project start date, Contractor will develop a draft project plan that outlines key research activities, deliverables, and timeline for review and feedback by SFHSA. If edits are needed, a final project plan will be delivered no more than one week after feedback from SFHSA is received.

2. Evaluation of Program Structure/Infrastructure

- A. Key informant interviews.** Contractor will conduct between 10 to 20 interviews with local stakeholders and subject matter experts to understand the opportunities and barriers to hiring and retaining a direct care workforce. This will include but is not limited to interviews with staff from SFHSA and DAS, the IHSS Public Authority, current Contract Mode IHSS provider, the City's Office of Workforce and Economic Development, and organizations providing homecare and representing homecare workers. Contractor will work with DAS to secure interpretation services as needed.
- B. Focus groups.** Contractor will conduct up to three (3) focus groups. This will include at least one focus groups with existing Contract Mode IHSS homecare providers. Contractor will work with DAS to secure interpretation services as needed.
- C. Review of existing data and reports.** Contractor will review existing analysis and documentation from current Contract Mode IHSS provider related to hiring, retention, wage progression, exit interviews, and other relevant topics. If necessary, Contractor may supplement with additional data analysis to fill in information gaps related to the current approach (e.g., administrative staffing, ratio of clients to providers, hours authorized vs served)
- D. Research.** Contractor will research and interview systems nationally that shed light on effective, affordable practices for caregiver hiring that address stabilizing staff. Contractor will research and assess the feasibility of non-monetary strategies to improve worker experience. Contractor may also review other

community-based programs that support this client population to live in the community to identify any transferrable learnings for Contract Mode IHSS that support caregiver retention and operations.

- E. Interim Memo.** Contractor will draft an informal memo that summarizes research activities, research completed, and key findings. This will be shared with SFHSA and DAS for discussion and early impressions to support the Final Report

3. Fiscal Analysis of Contract Structure

- A. Research.** Contractor will research potential fiscal structures for contract payment, such as a rate-based approach, cost reimbursement model, or a hybrid of the two. This may entail interviews with administrative staff from county and state level within California, researchers with relevant expertise, and other entities known for innovative and effective program models.
- B. Financial Modeling.** Contractor will develop projections for Contract Mode IHSS fiscal stability under various contract structures and financing models. Contractor will explore strategies to estimate the true cost of provider turnover under current operations.
- C. Interim Memo.** Contractor will draft an informal memo that summarizes research activities, research completed, and key findings. This will be shared with SFHSA and DAS for discussion and early impressions to support the Final Report

4. Final Reporting

- A. Final Report.** Contractor will prepare a final report that summarizes findings from two research areas and provides an integrated set of actionable recommendations. The draft will be provided to SFHSA and DAS for review and feedback by March 31, 2024. The final report will be delivered no later than June 30, 2024
- B. Presentation.** Contractor will develop a presentation with corresponding slide deck that summarizes the findings and recommendations from the final report. Contractor will provide this presentation to SFHSA and DAS leadership within thirty (30) days of submitting the final report and may also provide an additional presentation for the current Contract Mode IHSS provider. This presentation will include an opportunity for attendees to raise questions and discuss details or implications of the evaluation.

5. Project Management

- A. Monthly check-in meetings.** As part of ongoing project management, Contractor will identify and schedule a monthly check-in meeting to offer an update on project status. Contractor will prepare meeting agenda, facilitate discussion, and document minutes to be shared with SFHSA no more than 48 business hours following the meeting.

IV. Deliverables

The following table outlines the key deliverables to be provided.

Deliverable	Timeframe
Project Plan	7/1/2023
Interim Memo: Program Infrastructure	11/30/2023
Interim Memo: Fiscal Analysis	3/31/2024
Final Presentation	7/31/2024
Direct Cost: Incentive Reimbursement	7/31/2024

V. Reporting Requirements

- A. Contractor shall track all activities and provide a monthly progress report with each monthly submitted invoice within 15 days after the previous month.
- B. Invoices must be entered into the Contracts Administration, Reporting, and Billing Online (CARBON) system.
- C. All reports will be submitted to the following individuals:

Leslie Lau, Contract Manager
Office of Contract Management
Leslie.Lau1@sfgov.org

Michael Powell, Program Support Analyst
In-Home Supportive Services
Michael.Powell@sfgov.org

Casey Schutte, Program Support Analyst
SFHSA Planning
Casey.Schutte@sfgov.org

Appendix B: Calculation of Charges
IHSS Contract Mode Infrastructure and Financial Viability Assessment
Social Policy Research Associates
June 1, 2023 – September 30, 2024

Deliverable Schedule and Price: Social Policy Research Associates			
Deliverable	Est Delivery	Price	
1B. Project Plan	7/1/2023	\$	4,830
2E. Interim Memo - Program Structure	11/30/2023	\$	34,125
3.C Interim Memo - Fiscal Analysis	3/31/2024	\$	37,668
4B. Final Presentation	7/31/2024	\$	21,842
Other - Gift cards reimbursed NTE		\$	1,154
Total		\$	99,619

- I.** HSA will reimburse for services provided based on the above schedule of rates on completion of each phase.
- II.** Grantee shall submit invoices on the deliverable schedule above basis in CARBON (Contract Administration, Reporting, and Billing Online) for actual services provided. Invoices shall clearly state the Phase completion.
- III.** The total amount of this budget is not to exceed **\$99,619**.