



County of Santa Cruz

775

HUMAN RESOURCES AGENCY

CECILIA ESPINOLA, ADMINISTRATOR

1000 EMELINE ST., SANTA CRUZ, CA 95060

(408) 4544130 OR 4544045

FAX: (408) 454-4642

June 8, 1999

Agenda: June 22, 1998

BOARD OF SUPERVISORS

County of Santa Cruz
701 Ocean Street
Santa Cruz, California

APPROVAL OF IN-HOME SUPPORTIVE SERVICES CONTRACT EXTENSION

As you may recall, the Human Resources Agency contracted with Addus HealthCare Inc., of Palatine, Illinois to provide In-Home Supportive Services (IHSS) during FY 98/99. In accordance with the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Section 23-622, the County has the option of renewing the IHSS contract for a period of one year, to provide services in FY 99/00.

Based on the contractor's satisfactory performance during FY 98/99, the Human Resources Agency recently entered negotiations with Addus to exercise the one-year renewal option. Based on its actual expenditures, Addus has requested an increase of the hourly rate for IHSS from the FY 98/99 rate of \$12.38 per hour to the proposed FY 99/00 rate of \$12.69 per hour. HRA has reviewed Addus's documentation of its expenses and concluded that this 2.5% increase is reasonable. Therefore, at this time HRA is requesting your Board's approval of the attached contract amendment, which extends the contract with Addus through June 30, 2000, and increases the contract rate for FY 99/00 to \$12.69 per hour. Under the proposed amendment, HRA may purchase up to 184,000 service hours for a maximum contract amount of \$2,344,960. Funds for IHSS services have been included in HRA's proposed budget for FY 99/00.

Under the provisions of CDSS MPP Section 23-625, a public hearing is required prior to your Board's approval of the IHSS contract amendment. On June 15, 1999 your Board directed the Clerk of the Board to schedule the required public hearing for your meeting on June 22, 1999, in order to consider the proposed amendment.

BOARD OF SUPERVISORS

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Agenda: June 22, 1999

Approval of In-Home Supportive Services Contract Extension

IT IS THEREFORE RECOMMENDED that your Board:

1. Hold a public hearing regarding the proposed amendment to the IHSS contract with Addus HealthCare, Inc. of Palatine, Illinois; and
2. Approve the amendment to the IHSS contract for the period of July 1, 1999 through June 30, 2000 for a maximum of \$2,334,960 to purchase up to 184,000 service hours at the rate of \$12.69 per hour, and authorize the Human Resources Agency Administrator to sign the amendment, contingent upon the approval of HRA's recommended FY 1999/2000 budget.

Very truly yours,

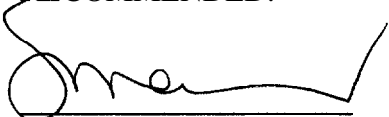


CECILIA ESPINOLA

Administrator

CE/JY/n:\hra\board\contractextension99-00bos.doc

RECOMMENDED:



Susan A. Mauriello

County Administrative Officer

cc: County Counsel
Auditor-Controller
California Department of Social Services
Seniors Commission
Long Term Care Interagency Commission
Human Services Commission
Commission on Disabilities
Addus HealthCare, Inc.-Capitola office
Addus Health Care, Inc.-Palatine, Illinois office

The **COUNTY OF SANTA CRUZ HUMAN RESOURCES AGENCY**, hereinafter referred to as "COUNTY" and **ADDUS HEALTHCARE INC.**, hereinafter referred to as "CONTRACTOR", hereby modify Contract number 8 1270 which provides In-Home Supportive Services (IHSS) Family to eligible aged, blind and disabled individuals who are unable to remain safely in their own homes without this assistance. The purpose of the Amendment is to extend the term of the contract for an additional year pursuant to Welfare and Institutions Code (WIC) Section 12302.1 and increase the amount (cost/rates) of the contract as follows:

Section VI. A. "TERM OF AGREEMENT" is amended to read:

The term of this contract shall be from July 1, 1999 through June 30, 2000.

Items 1 and 2 of Section V. A. "Cost/Rates" are amended to read:

1. The maximum amount of this contract for the period July 1, 1999 through June 30, 2000 shall not exceed \$2,334,960. This amount will purchase a maximum of 184,000 service hours at a fixed rate of \$12.69 per hour.
2. The rate is supported by the Contract Budget and Budget narrative, EXHIBIT "A" which is attached and incorporated herein by this reference.

All other provisions of said contract shall remain the same.

COUNTY OF SANTA CRUZ HUMAN RESOURCES AGENCY

Human Resources Agency Administrator

DATE

CONTRACTOR'S LEGALLY AUTHORIZED REPRESENTATIVE

M. J. Heaney
Title: Vice President

6/3/99
DATE

Address: 2401 S. Plum Grove Road, Palatine, Illinois 60067

Phone Number: (847) 303-5300

TAX ID Number: 42-1014070

Approved as to form:

Lee Shuman
COUNTY COUNSEL

6/7/99
DATE

Approved as to Insurances:

Janet M. Kunkley
RISK MANAGEMENT

6-7-99
DATE

Attachment (EXHIBIT A)

0778

REQUIRED CONTRACT BUDGET

County: <u>Santa Cruz County</u>	Date: <u>April 28, 1999</u>
Contractor <u>Addus HealthCare, Inc.</u>	
Period Beginning: <u>July 1, 1999</u>	Period Ending: <u>June 30, 2000</u>
Total Service Hours for Period: <u>184,000</u>	Hourly Rate: <u>12.6948</u>

TOTAL COST

HOURLY RATE

IHSS Provider Wages

Full Time.....	<u>1,332,686.03</u>	<u>7.2429</u>
Part Time.....	<u>0</u>	<u>0.0000</u>

IHSS Provider Employment Taxes

Social Security (FICA)	<u>115,407.49</u>	<u>0.6272</u>
Federal Unemployment Ins. (FUTA)....	<u>12,068.76</u>	<u>0.0656</u>
State Unemployment Ins. (SUI)	<u>37,714.87</u>	<u>0.2050</u>
State Disability Ins. (SDI)	<u>0</u>	<u>0.0000</u>

IHSS Provider Worker's Compensation . . .

<u>114,653.19</u>	<u>0.6231</u>
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IHSS Provider Employment Benefits

Vacation	<u>56,494.30</u>	<u>0.3070</u>
Sick Leave	<u>32,650.81</u>	<u>0.1775</u>
Holiday	<u>53,893.75</u>	<u>0.2929</u>
Health Insurance	<u>177,058.92</u>	<u>0.9623</u>
Dental Insurance	<u>0</u>	<u>0.0000</u>

IHSS Provider Travel Costs

Travel Wages*	<u>22,518.05</u>	<u>0.1224</u>
Mileage	<u>68,120.00</u>	<u>0.3702</u>

IHSS Provider Orientation/Skill Development Training

Training Wages	<u>10,351.72</u>	<u>0.0563</u>
Training Staff/Consultants	<u>0</u>	<u>0.0000</u>
Other Training Costs (<i>specify</i>)	<u>0</u>	<u>0.0000</u>

Administrative Salaries

Local Administration	<u>33,000.00</u>	<u>0.1793</u>
Clerical**	<u>0</u>	<u>0.0000</u>
IHSS Supervisors	<u>106,103.07</u>	<u>0.5766</u>
Salaries to Owners/Officers/Directors..	<u>0</u>	<u>0.0000</u>

Administrative Taxes

Social Security (FICA)	<u>10,641.38</u>	<u>0.0578</u>
Federal Uemployment Ins. (FUTA)	<u>1,112.82</u>	<u>0.0060</u>
State Unemployment Ins. (SUI)	<u>3,477.58</u>	<u>0.0189</u>
State Disability Ins. (SDI)	<u>0</u>	<u>0.0000</u>

Administrative Worker's Compensation . .

<u>2,253.47</u>	<u>0.0122</u>
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REQUIRED CONTRACT BUDGET

	TOTAL COST	HOURLY RATE
Administrative Benefits		
Vacation	Included in Salaries	0.0000
Sick Leave	Included in Salaries	0.0000
Holiday	Included in Salaries	0.0000
Health Insurance	14,935.46	0.0812
Dental Insurance	0	0.0000
Administrative Travel		
Travel Wages	Included in Salaries	0.0000
Mileage	2,730.00	0.0148
Insurance and Bonding		
Liability Insurance	8,028.61	0.0436
Automobile Insurance	Included Above	0.0000
Fidelity Bond	Included Above	0.0000
Performance Bond	N/A	0.0000
Letter of Credit	Included in Other Costs	0.0000
Office Expense		
Rent	22,416.00	0.1218
Maintenance/Janitorial	425.00	0.0023
Utilities	0	0.0000
Equipment (new)	0	0.0000
Equipment Maintenance	1,200.00	0.0065
Equipment Deprec. (purchased prior)	0	0.0000
Accounting and Data Processing	Included in Other Costs	0.0000
Telephone	7,200.00	0.0391
Postage	2,000.00	0.0109
Photocopying/Printing	1,500.00	0.0082
Supplies	3,000.00	0.0163
Personnel Advertising	900.00	0.0049
Other Costs (see Budget Narrative)	9,275.00	0.0504
Profit (proprietary firms)	68,034.49	0.3698
Audit Costs	4,000.00	0.0217
TOTAL COSTS	2,335,850.77	12.6948
HOURLY RATE		12.6948

6780

Santa Cruz County
July 1, 1999 to June 30, 2000
BUDGET NARRATIVE

IHSS Provider Wages

The following are the minimum wage rates for each classification of worker and worker seniority. The composite wage rate is based upon the current year's rate of turnover and employee movement on the wage scale outlined below. The proposed budget is in full compliance with all city, local, state, and federal guidelines.

Wage and Benefit Package

August 1, 1998 - June 30, 1999					
Step	Homemaker I	Homemaker II	Homemaker III	Estimated Hours	Estimated Salaries/Cost
Entry	6.35	6.60	6.85	19,801	126,974
6 months	6.50	6.80	7.00	16,979	113,827
1 year	6.60	6.90	7.10	19,721	135,089
2 years	6.75	7.05	7.25	13,653	95,394
3 years	6.90	7.20	7.40	26,757	190,537
4 years	7.10	7.40	7.60	13,419	97,811
6 years	7.25	7.55	7.75	16,141	120,646
8 years	7.40	7.70	7.90	16,105	123,038
10 years	7.55	7.85	8.05	19,421	148,493
12 years	7.70	8.00	8.20	22,003	174,638
Shop Steward	1.00	1.00	1.00	0	6,240
Total				184,000	1,332,686

Composite Wage

Composite Wage rate is calculated by estimating the number of workers in each wage category and factoring wage increases, staff turnover and new hires to support additional units of service.

$$\begin{array}{rclclcl} \text{Composite wage:} & & 7.2429 & \text{per hour} & & \\ 7.2429 \times & 184,000 & = & 1,332,686.03 & \text{Total Cost} \end{array}$$

IHSS Provider Employment Taxes

Taxes have been computed on a base composed of:

Provider Wages	\$1,332,686.03
Vacation	\$56,494.30
Sick Leave	\$32,650.81
Holiday	\$53,893.75
Travel Wages	\$22,518.05
Training Wages	\$10,351.72
Total	\$1,508,594.66

Social Security (FICA):

Reflects the federally mandated level of taxable wages. The amount of taxable wages equals the amount of total provider wages for this workforce.

$$\begin{array}{rclclcl} 7.65\% \times & 1,508,594.66 & = & \$115,407.49 & \text{total cost} \\ \$115,407.49 / & 184,000 & = & 0.6272 & \text{per hour} \end{array}$$

Federal Unemployment Insurance (FUTA):

Reflects the federally mandated level of taxable wages. The amount of taxable wages equals the amount of total provider wages for this workforce.

$$\begin{array}{rclclcl} 0.80\% \times & 1,508,594.66 & = & \$12,068.76 & \text{total cost} \\ 12,068.76 / & 184,000 & = & 0.0656 & \text{per hour} \end{array}$$

State Unemployment insurance (SUI):

Reflects the rate set for our company by the State. We recognize that only a portion of the annual wages of some direct service employees is taxable for SUI, however, because we, nor any provider of such service, can predict with total accuracy the longevity of any particular holder of any position, We have based our calculation upon the total wages and the rate quoted to us by our carrier.

State Unemployment Rate Determination Letter is attached as required.

$$\begin{array}{rclclcl} 2.50\% & \times & 1,508,594.66 & = & \$37,714.87 & \text{total cost} \\ \$37,714.87 & / & 184,000 & = & 0.2050 & \text{per hour} \end{array}$$

IHSS Provider Worker's Compensation:

Workers Compensation reflects the most recent rate quoted to us by our carrier.

$$\begin{array}{rclclcl} 7.66\% & \times & 1,508,594.66 & = & \$114,653.19 & \text{total cost} \\ \$114,653.19 & / & 184,000 & = & 0.6231 & \text{per hour} \end{array}$$

12 month period	Manual Rate used per \$100 of wages	Total amount to WC insurance reserve	Actual WC Losses Experienced *	Surcharge *	EX MOD	Net <Loss> or gains for period
4/92-3/93	17.73	190,964	101,719	44,858	1.01	44,387
4/93-3/94	17.73	201,271	118,302	45,901	1.13	37,068
4/94-3/95	17.73	211,939	70,650	27,130	1.05	114,159
4/95-3/96	17.73	231,164	202,810	67,536	1.18	(39,182)
4/96-4/97	17.73	58,867	713	205	1.41	57,949

The surcharge consists of charges by the workers compensation insurance carrier for various costs including claims administration, administrative costs, and their profit.

Worker's compensation rates are based upon our current policy costs and an estimate for subsequent years.

The policy period is from April 1st through March 31st. Due to a change in insurance carrier for the current policy year, the company was able to receive very favorable pricing. It is management's belief, that in future years the pricing will increase to reflect closer to the company's actual experience.

Workers Compensation supporting documentation as required is attached.

Since we are not self-insured, the additional requested self-insured information is non-applicable.

IHSS Provider Employment Benefits

Based upon our experience in the current year and the union benefit package, the amounts budgeted for IHSS provider benefits have been estimated using formulas set forth in the package for each benefit.

Full time employees are employees who work 20 or more hours per week.

Vacation:

Direct service workers shall accrue paid vacation based upon the following formula:

Years of Service	Paid Vacation per year
0-3	1 hour for every 50 hours worked
4-10	2 hours for every 50 hours worked
10+	3 hours for every 50 hours worked

Homemakers must work an average of 20 hours per week to qualify for vacation.

$$\begin{array}{rclclcl} \text{Accrued Hours} & 7,800 & \times & 7.2429 & = & \$ 56,494.30 & \text{total cost} \\ & & & & & \$ 56,494.30 & / & 184,000 & = & 0.3070 & \text{per hour} \end{array}$$

Last year actual total cost **Addus HealthCare was not the current provider last year**

Sick Leave:

All direct service workers shall accrue paid sick leave based upon the following formula:

1 hours for every 40 hours worked

Based upon experience 98% of workers use sick leave benefits

Estimated Hours worked by homemakers 184000

$$\begin{array}{rclclcl} 184,000 & / & 40 & = & 4600 & \times & 98\% & = & 4508.00 & \text{sick hours} \\ 4508.00 & \times & 7.2429 & \text{composite wage} & = & \$ & 32,650.81 & \text{total cost} \\ & & & & & \$ 32,650.81 & / & 184,000 & = & 0.1775 & \text{per hour} \end{array}$$

Last year actual total cost **Addus HealthCare was not the current provider last year**

Holiday:

Holiday pay is based upon the following formula:

All employees are eligible for paid holidays based upon time worked.

10 paid holidays

Holiday pay is based upon the actual hours scheduled to work and

260 work days

Estimated Hours eligible for holiday benefits

7441

$$\begin{array}{rclclcl} & & 7441.0 & \times & 7.2429 & = & \$ 53,893.75 & \text{total cost} \\ & & \$ 53,893.75 & / & 184,000 & = & 0.2929 & \text{per hour} \end{array}$$

Last year actual total cost **Addus HealthCare was not the current provider last year**

Health Insurance:

Health insurance coverage is available to all homemakers who work an average of twenty eight hours per week. The company pays 100% of the monthly premium for full-time employees who opt for coverage. Number of employees covered is based upon the current coverage and the change in contract requirements during this contract period. Carrier is **PacifiCare**.

. 177.77 Total Monthly Premium Cost 83 Full time Employees receive health insurance.

$$\begin{array}{rclclcl} 83 & \times & 177.77 & \times & 12 & = & \$177,058.92 \\ \$177,058.92 & / & 184,000 & = & & & 0.9623 \text{ per hour} \end{array}$$

Last year actual total cost **Addus HealthCare was not the current provider last year**

IHSS Provider Travel Costs**Travel Wages:**

Based upon our experience in the current year in the county, we estimate that provider travel wages will remain level. Providers are compensated for actual time, there is no limit on the travel time between client homes. Travel time is audited by the employees supervisor.

$$\begin{array}{rclclcl} 3,109 & \text{est. hours} & \times & 7.2429 & = & \$22,518.05 \text{ total cost} \\ \$22,518.05 & / & 184,000 & = & & & 0.1224 \text{ per hour} \end{array}$$

Last year actual total cost **Addus HealthCare was not the current provider last year**

Mileage

Based upon our experience in the current year in the county, we estimate that provider mileage reimbursement will remain level. Providers are compensated for actual mileage, there is no limit on the mileage reimbursed. Mileage is audited by the employees supervisor.

$$\begin{array}{rclclcl} 262,000 & \text{est. miles} & \times & 0.26 & = & \$68,120.00 \text{ total cost} \\ \$68,120.00 & / & 184,000 & = & & & 0.3702 \text{ per hour} \end{array}$$

Last year actual total cost **Addus HealthCare was not the current provider last year**

IHSS Provider Orientation/Skill Development Training**Orientation/Skill Development**

Based upon the actual rate of turnover and new hires.

2 Initial Training Hours	6 Estimated new Hires per month
4 Skill Development Training Hours	155 Staff receiving skill development training
10 Personal Care Training Hours	68 Staff receiving Personal Care Training
6 new hires/mth x 2 hrs/mth	= 12
12 x 6.50 average starting wage	= \$78.00
78.00 x 12 months per year	= \$936.00

In addition, all homemakers receive skill development training.

$$155 \times 4 \times 7.2429 = \$4,490.57$$

Last year actual total cost 0.0174 per hour

In addition, homemakers may choose to attend personal care training.

$$68 \times 10 \times 7.2429 = \$4,925.14$$

$$\begin{array}{rclclcl} \$936.00 + \$4,490.57 + 4925.14 & = & \$10,351.72 & \text{Total Training Wages} \\ 10,352 & / & 184,000 & = & 0.0563 \text{ per hour} \end{array}$$

Skill Development Training

Included above in orientation/skill development training costs.

Administrative Salaries**Local Administration:**

1 Branch Manager	\$33,000.00 allocated at	100%	of time to IHSS program.
\$33,000.00	x 100%	= \$33,000.00	Total Cost
33,000	/ 184,000	=	0.1793 per hour

IHSS Supervisors:

1 Supervisor for each	2555	hours of service.
6 Supervisor positions	average wage of	\$8.50 per hour
184,000 / 12	/ 2555	= 6.00
\$8.50 x 40	hours week	x 52 weeks = \$17,680.00
17,680.00	x 6.00 employees	= \$106,103.07 total cost
106,103	/ 184,000	= 0.5766 per hour

Administrative Taxes:

Taxes have been computed on a base composed of:

Local Administration	\$33,000.00
IHSS Supervisors	\$106,103.07
Total	\$139,103.07

Social Security (FICA):

Reflects the federally mandated level of taxable wages.

Local Administrator	7.65% x	\$33,000.00	=	2,524.50
Supervisors	7.65% x	\$106,103.07	=	8,116.88
7.65% x \$139,103.07	=	\$10,641.38	total cost	
10,641 / 184,000	=	0.0578	per hour	

Federal Unemployment Insurance (FUTA):

Reflects the federally mandated level of taxable wages.

Local Administrator	0.80% x	\$33,000.00	=	264.00
Supervisors	0.80% x	\$106,103.07	=	848.82
0.80% x \$139,103.07	=	\$1,112.82	total cost	
1,113 / 184,000	=	0.0060	per hour	

State Unemployment Insurance (SUI):

Reflects the rate set for our company by the State.

Local Administrator	2.50% x	\$33,000.00	=	825.00
Supervisors	2.50% x	\$106,103.07	=	2,652.58
2.50% x \$139,103.07	=	\$3,477.58	total cost	
3,478 / 184,000	=	0.0189	per hour	

A copy of the most recent state Unemployment Insurance rate determination letter has been attached.

Administrative Worker's Compensation:

Workers Compensation reflects the most recent rate quoted to us by our carrier.

1.62% x \$139,103.07	=	\$2,253.47		
2,253 / 184,000	=	0.0122	per hour	

12 month period	Manual Rate used per \$100 of wages	Total amount to WC insurance reserve	Actual WC Losses Experienced *	Surcharge*	EX MOD	Net <Loss> or gains for period
4/92-3/93	1.62	1,837	0	0	1.01	1,837
4/93-3/94	1.62	1,844	0	0	1.13	1,844
4/94-3/95	1.62	1,826	0	0	1.05	1,826
4/95-3/96	1.62	1,862	0	0	1.18	1,862
4/96-4/97	1.62	449	0	0	1.41	449

* The "Actual WC Losses experienced" consists of the claims paid out and reserved and does not include any other costs. The surcharge shown above consists of charges other than for claims from our insurance carrier allocated as a percentage of claims. These charges consist primarily of the insurance carriers administrative costs and profit, various taxes related to workers compensation insurance paid by the insurance carrier and the premium for a stop loss policy. Our Workers Compensation carrier does not separate claims between direct and administrative employees. Workers Compensation supporting documentation as required is attached. Since we are not self-insured, the additional requested self-insured information is non-applicable.

Administrative Benefits:**Vacation, Sick Leave, Holiday**

Vacation, Sick Leave and Holiday benefits are included in salary calculation. Amounts accrued and paid will be those averaged in administrative salaries. Current staff will retain their current level of benefits.

Health Insurance

Health insurance coverage is available to all full-time administrative staff. The company pays 80% of the monthly premium for these employees. 90% of Full time administrative staff are expected to elect health insurance coverage. Health Plan for Administrative Staff is PacifiCare.

7 employees x 177.77 x 12	=	\$14,935.46	total cost	
14,935 / 184,000	=	0.0812	per hour	

Administrative Travel

IHSS Administrative Travel Wages

Administrative travel wages are included in salary calculation since regular travel will be a part of each administrative persons job and will be paid for the actual time traveled at each person's regular rate of pay, as outlined in the administrative salaries section. Management functions required to carry out the contract which involve travel include client monitoring, provider training, initial service visits, general recruiting, and meetings with the County and/or general public, and will be performed by staff at all levels.

IHSS Administrative Mileage

Based upon our experience as the current provider in the county, and using the reimbursement rate of 0.26 per mile our estimate has been calculated as follows:

$$\begin{array}{rclclcl} 10,500 & \text{miles} & \times & 0.26 & = & \$2,730.00 & \text{total cost} \\ 2,730 & & / & 184,000 & = & 0.0148 & \text{per hour} \end{array}$$

Insurance and Bonding**Liability Insurance, Automobile Insurance, Fidelity Bonding**

Coverage's include all required by contract. Coverage is based upon employee wages.

Field Wages	\$1,332,686.03					
Administrative Wages	\$139,103.07					
Total Wages	<u>\$1,471,789.10</u>					
\$1,471,789.10		x	0.5455%	=	\$8,028.61	total cost
8,029		/	184,000	=	0.0436	per hour

Office Expense**Rent**

Based upon current rental costs for all offices in the service area.

Projected at	\$22,416.00	total cost			
22,416		/	184,000		0.1218 per hour

Maintenance/Janitorial

Based upon current costs for routine facility maintenance.

Projected at	\$425.00	total cost			
425		/	184,000		0.0023 per hour

Utilities

Included in Rent.

Equipment

No new equipment will be purchased under this contract.

Equipment Maintenance

Based upon current office equipment maintenance agreements and for repairs not covered by maintenance agreements. Equipment includes Copier, Telephones, Fax and Computers.

Projected at	\$1,200.00	total cost			
1,200		/	184,000		0.0065 per hour

Equipment Depreciation

Non-applicable.

Accounting and Data Processing

Included in Other costs.

Telephone

Based upon current costs for use and maintenance of regular lines and long distance service.

Projected at	\$7,200.00	total cost			
7,200		/	184,000		0.0391 per hour

Postage

Based upon current costs for stamps, postal services, and messenger services/express mail.

Projected at	\$2,000.00	total cost			
2,000		/	184,000		0.0109 per hour

Photocopying/Printing

Based upon current costs copier, forms, general photocopying expenses and factors for outside printing.

Projected at	\$1,500.00	total cost			
1,500		/	184,000		0.0082 per hour

Supplies

0785

Based upon current costs for checks, paper, envelopes, note pads, calculators, and miscellaneous office supplies. Supplies are recorded in total and not itemized separately for accounting records.

Projected at **\$3,000.00** total cost
 3,000 / 184,000 0.0163 per hour

Personnel Advertising

Based upon current costs for placing ads in local newspapers, distributing flyers and making contacts with potential recruitment referral sources.

Projected at \$900.00 total cost
 900 / 184,000 0.0049 per hour

Other Costs

Based upon current costs for data processing, accounting, legal, claims, damages, consultants, letter of credit, temporary help, licenses, taxes, small miscellaneous expenses, Includes cost of regional management and home office expense. Also includes additional costs for compliance with DOL OSHA 29 CFR Part 1910.1030: Occupational Exposure to Blood-Borne Pathogens and employee identification badges.

Estimated at **\$9,275.00** total cost
 9,275 / 184,000 0.0504 per hour

Profit

Projected at 3.00% of the net total.

Estimated at **\$68,034.49** total cost
 68,034 / 184,000 0.3698 per hour

Independent Audit

Estimated cost of required audit based upon current year's audit expense.

Projected at **\$4,000.00** total cost
 4,000 / 184,000 0.0217 per hour

Total Cost

Projected at **\$2,335,850.77** total cost

Hourly Rate

\$2,335,850.77 / 184,000 = 12.6948 hourly rate

COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

(786)

TO: Board of Supervisors
County Administrative Officer
County Counsel
Auditor-Controller

FROM: Human Resources Agency (Dept.)
[Signature] (Signature) 6/4/99 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the County of Santa Cruz Human Resources Agency (Agency)
and Addus HealthCare Inc., 2410 S. Plum Grove Rd, Palatine, Illinois 60067 (Name & Address)
2. The agreement will provide In-Home Supportive Services to elderly and disabled recipients
of IHSS residing in Santa Cruz County.
3. The agreement is needed to provide services at a rate of \$12.66 per hour
4. Period of the agreement is from 7/1/99 to 6/30/00
5. Anticipated cost is \$ 2,104,600 (Fixed amount; Monthly rate; Not to exceed)
6. Remarks: AMEND #1 - extending Term to 6/30/00 and increasing hourly rate.
Maximum contract amount: \$2,334,960 Contact person: Jodie Harris X4741
7. Appropriations are budgeted in 392100 (Index#) 4545 (Subobject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations are available and have been encumbered. * Contract No. 91716 Date 6/9/99
are not will be

* SUBJECT TO APPROVAL OF 1999-2000
BUDGET

GARY A. KNUTSON, Auditor - Controller

By [Signature] Deputy.

Proposal reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the
HRA Administrator

Human Resources Agency (Agency).

County Administrative Officer

Remarks: [Signature] (Analyst)

By [Signature] Date 6/11/99

Agreement approved as to form. Date

Distribution:

Bd. of Supv. • White
Auditor-Controller • Blue
County Counsel • Green •
Co. Admin. Officer • Canary
Auditor-Controller • Pink
Originating Dept. • Goldenrod

* To 81 Dept. if rejected.

ADM - 29 (6/95)

Slate of California)
County of Santa Cruz) ss

I ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,
State of California, do hereby certify that the foregoing request for approval of agreement was approved by
said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered
in the minutes of said Board on

 19 By Deputy Clerk