

TRI-COUNTIES REGIONAL CENTER EXECUTIVE DIRECTOR REPORT

June 6, 2015

I. FY 2015-2016 PROPOSED BUDGET UPDATE

- **Attachment #1:** Department of Developmental Services 2015 – 2016 Governor’s May Revision Budget Highlights
- **Attachment #2:** ARCA Analysis of FY 2015 – 2016 Governor’s May Revision
- **Attachment #3:** CDCAN Report (5/14/2015) – No New Major Restorations Proposed in Governor Brown’s “May Revise” Budget Revisions – Proposes Closure of Sonoma Developmental Center
- **Attachment #4:** CDCAN Report (6/2/2015) – Budget Conference Committee Convenes 11 AM Tuesday Morning for k-12 & Higher Education Agenda – Completed First Pass on Health & Human Services Agendas – Kept Major Items “Open” for More Discussion
- **Attachment #5:** Annual State Budget Process Flow Chart

Governor Brown released his May Revise Budget Proposal on May 14, 2015. The Governor’s May Revision Proposal is an update to his initial budget proposal released on January 9, 2015 for the budget year that begins July 1, 2015 and ends June 30, 2016. The Governor’s May Revision holds a tight lid on any new increases in spending and does not propose any new funding restorations or major funding increases to health and human services programs including Developmental Services. The Governor’s revisions, however, did contain a major proposal for a multi-year goal of closure of the State’s three remaining Developmental Centers starting with closure of Sonoma Developmental Center by the end of 2018 followed by the closures of Fairview Developmental Center and the General Treatment Area of the Porterville Developmental Center by the end of 2021. The Governor’s May Revision includes \$49.3 million of Community Placement Plan (CPP) funding to begin development of resources to support the transition of Sonoma Developmental Center residents. These resources will fund the initial development of homes to support the Sonoma Developmental Center residents, provide additional training for providers, and develop additional programs such as supported living services, crisis services, and transportation services (**Attachment #1-#3**).

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Given the Governor's May Revise does not contain any provisions to restore any portion of more than \$1 billion in reductions to the regional center budget incurred during the Great Recession in spite of California projecting several billions of dollars in budget surpluses, the Lanterman Coalition consisting of Association of Regional Center Agencies (ARCA), service providers associations, advocacy groups and SEIU are continuing to unify in calling for the Legislature to approve a 10% across the board increase for regional centers and service providers in FY 2015-2016, and 5% increases yearly, until long term funding reform is implemented.

Since the release of the Governor's May Revise Budget Proposal, it has been going through review by the Legislature in Budget Subcommittees in the Assembly and the Senate. Both the Assembly and the Senate Budget Subcommittees have acted on the Lanterman Coalition's request for a 10% increase for regional centers and service providers and long term funding reform by taking different actions. The Assembly Budget Subcommittee version recommends a 10% across the board increase phased in over two fiscal years, starting with a 5% increase effective January 1, 2016 and another 5% increase effective July 1, 2016. The Senate Subcommittee version recommends targeted 10% increases to Supported Living Services, Supported Employment Services, Respite Services, and a 5% increase to Transportation Services thus giving an increase to some services and nothing to other services. Additionally, the Senate Subcommittee version recommends Trailer Bill Language to (1) Require the Developmental Services Task Force to make recommendations to the Legislature by January 10, 2016 for revisions to existing rate-setting methodologies for community based services and to regional center operations budget core staffing formulas (2) Apply the General Fund savings derived from the closure of the State Developmental Centers, including any proceeds from the sale or lease of Developmental Center lands, to benefit community based services.

As is the case with all bills (including the Budget bills), where differences between each house's bills exist, those differences must be resolved in a Conference Committee. The Budget Conference Committee chaired by Senator Mark Leno (Democrat – San Francisco) has begun its work of holding hearings and working to resolve the differences between the two houses. The Budget Conference Committee has a very tight timeline to finish its work within the next week (**Attachment #4**). The next step in the budget process will most likely be floor votes in the Senate and the Assembly sometime on or before the June 15th constitutional deadline that requires the Legislature to pass a budget and present it to the Governor (**Attachment #5**). As a result of the passage of Proposition 25 several years ago, the budget can now be approved by a simple majority vote rather than a 2/3 vote. Penalties imposed by Proposition 25 if a State budget is

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not passed by June 15th would also take effect including permanent loss of pay and travel/living expenses for legislators for each day the budget is delayed.

II. SELF-DETERMINATION PROGRAM

- **Attachment #6:** DDS Self Determination Program – FQA
- **Attachment #7:** Disability Rights California Self Determination Program – FQA
- **Attachment #8:** TCRC Self Determination - FQA
- **Attachment #9:** Similarities and Differences Between Traditional Regional Center Service Provision and the New Self-Determination Program

In October of 2013, Governor Brown, signed into law SB 468 (Emmerson /Beal /Mitchel /Chesbro) authorizing the implementation of the Statewide Self-Determination Program that offers a voluntary, alternative to the traditional way of providing regional center services. The Self Determination Program is intended to provide individuals served by the regional center and their families more freedom, control, and responsibility in choosing services and supports to help them meet objectives in their Individual Program Plan (**Attachments #6-#9**).

It will take several years for the Self Determination Program to be fully in place. Securing federal funding is necessary in order to implement the Self-Determination program. On December 31, 2014, the Home and Community Based Services application seeking funding for Self-Determination was submitted to the Center for Medicare and Medicaid Services (CMS). CMS has 90 days to take one of three actions on the Waiver application (approve; deny; or request additional information).

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It is very likely that CMS will request additional information for clarification in the Waiver application which will lead to an extended review period beyond the initial 90 days.

Once federal approval of matching funds is authorized, the program must be available in every regional center. For the first three years, the number of participants in the Self-Determination Program is capped at 2,500 individuals throughout the state. After the three year phase-in period, the program will be available to all eligible persons served and families on a voluntary basis with no limit on the number of participants. TCRC will have 114 individuals or families enrolled in the program for the first three years. This includes the 16 individuals who are currently in our Self-Determination pilot project plus an additional 98 people that TCRC will be able to add under the new program.

As we wait for more information, TCRC has formed an internal work group consisting of Omar Noorzad, Executive Director; Lorna Owens, CFO; Diva Johnson, Director of Community Development; Pam Crabaugh, Director of Services and Supports; Eulalia Apolinar, Assistant Director of Services and Supports SB/SLO Counties; Sha Azedi, Assistant Director of Services and Supports Ventura County; Cheryl Wenderoth, Assistant Director of Federal Programs; Mary Beth Lepkowsky, Assistant Director of Training and Organizational Development; Judith White, Manager of Resource Development; and Anastasia Bacigalupo, Executive Director, State Council on Developmental Disabilities Central Coast Office. The group will be working together on a variety of activities in preparation for the Self-Determination Program.

These include:

1. Identification and selection of our local advisory committee.
2. Guidelines on participant eligibility, selections and enrollment
3. Self-Determination services and definitions

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EXECUTIVE DIRECTOR REPORT

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4. Budget setting and tracking.
5. Fiscal Management Services (FMS)
6. Training
7. Person-Centered Planning
8. Community outreach
9. Monitoring of the Self-Determination program
10. Billing and payment procedures

TCRC and the Central Coast State Council have selected 12 members that will comprise the Self Determination Advisory Committee (a 13th member will be a Clients Rights Advocate as required by the legislation) and the Committee's first meeting will be held by the end of June 30, 2015. More information will be forthcoming in the near future about the members of the Self Determination Committee and specifics about the first meeting of the committee.

TCRC has posted information about the Self Determination Program on the TCRC website at www.tri-counties.org . The information will be kept updated to keep the community informed about the status of the Self Determination Program.

III. Q&A

Department of Developmental Services

May Revision Highlights



**Edmund G. Brown Jr.
Governor
State of California**

**Diana S. Dooley
Secretary
California Health and Human Services Agency**

**Santi J. Rogers
Director
Department of Developmental Services**

Updated May 15, 2015

DEPARTMENT OF DEVELOPMENTAL SERVICES MAY REVISION HIGHLIGHTS

PROGRAM HIGHLIGHTS

The Department of Developmental Services (Department or DDS) is responsible under the Lanterman Developmental Disabilities Services Act (Lanterman Act) for ensuring that approximately 280,000 persons with developmental disabilities receive the services and support they require to lead more independent and productive lives and to make choices and decisions about their lives.

California provides services and supports to individuals with developmental disabilities two ways: the vast majority of people live in their families' homes or other community settings and receive state-funded services that are coordinated by one of 21 non-profit corporations known as regional centers. A small number of individuals live in three state-operated developmental centers and one state-operated community facility. The number of consumers with developmental disabilities in the community served by regional centers is expected to increase from 279,453 in the current year to 289,931 in 2015-16. The number of individuals living in state-operated residential facilities is expected to be 996 by the end of Fiscal Year (FY) 2015-16.

Plan for Developmental Center Closures

The May Revision proposes to initiate the closure planning process for the three remaining developmental centers (DCs); Sonoma, Fairview and the General Treatment Area of Porterville, over the next six years. The Department will submit a closure plan to the Legislature on October 1, 2015 with the goal of closing Sonoma DC (SDC) by the end of 2018. The closure of Fairview DC (FDC) will follow the closure of SDC and lastly the closure of the General Treatment Area of Porterville DC (PDC) by 2021.

This is consistent with the recommendations of the DC Task Force "*Plan for the Future of Developmental Centers*," issued January 13, 2014 that recommended that the future role of the State should be to operate a limited number of smaller, safety-net crisis and residential services, and continue serving individuals judicially committed to the State for competency training at the PDC Secure Treatment Program (STP) and to provide transition services at Canyon Springs Community Facility.

Trailer bill language is being proposed to allow DDS to allocate funds to start developing community resources specific to the needs of residents of SDC prior to the statutorily required SDC Closure Plan as described in Welfare and Institutions Code Section 4474.1 that will be submitted for Legislative approval on October 1, 2015.

The May Revision includes \$49.3 Million (\$46.9 Million GF) of Community Placement Plan (CPP) funding to begin development of resources to support the transition of SDC residents. These resources will fund the initial development of homes to support consumers, provide additional training for providers, and develop additional programs such as supported living services, crisis services, and transportation support and

services. This funding will also be used for regional center and state coordination of the SDC closure. Specifically, DDS proposes \$46.7 Million for start-up and placement, \$1.3 Million for regional center coordination and \$1.3 Million for state coordination.

May Revision Budget Summary

The May Revision includes \$5.9 Billion total funds (\$3.5 Billion GF) for 2015-16; a net increase of \$456.7 Million above the updated 2014-15 expenditures, an 8.3 percent increase.

| BUDGET SUMMARY <i>(Dollars in Thousands)</i> | | | | |
|--|----------------------------|----------------------------|-------------------|----------------------------------|
| | Updated 2014-15 | Updated 2015-16 | Difference | Percent of Change |
| TOTAL FUNDS | | | | |
| Community Services | \$4,891,976 | \$5,389,415 | \$497,439 | 10.2% |
| Developmental Centers | 557,693 | 515,579 | -42,114 | -7.6% |
| Headquarters Support | 42,484 | 43,850 | 1,366 | 3.2% |
| TOTALS, ALL PROGRAMS | \$5,492,153 | \$5,948,844 | \$456,691 | 8.3% |
| GENERAL FUND | | | | |
| Community Services | \$2,803,150 | \$3,203,828 | \$400,678 | 14.3% |
| Developmental Centers | 310,131 | 295,127 | -15,004 | -4.8% |
| Headquarters Support | 27,043 | 28,341 | 1,298 | 4.8% |
| TOTALS, ALL PROGRAMS | \$3,140,324 | \$3,527,296 | \$386,972 | 12.3% |

For more details see Budget Summary and Funding Charts on Pages 10 and 11.

COMMUNITY SERVICES PROGRAM

2014-15

To provide services and support to 279,453 persons with developmental disabilities in the community, the May Revision updates the Governor's Budget to \$4.9 Billion total funds (\$2.8 Billion GF). The May Revision includes increase of \$43.4 Million total funds (\$41.7 Million GF) above the 2014-15 Governor's Budget for regional center operations (OPS) and purchase of services (POS). This is composed of:

Caseload and Utilization

\$73.9 Million increase (\$52.4 Million GF increase) in OPS and POS costs to reflect updated caseload and utilization due to updated population and expenditure data including Home and Community Based Services (HCBS) waiver enrollment above budgeted levels.

Continuation Costs for Residents Transitioning from a DC into the Community

\$21.4 Million increase (\$15.7 Million GF increase) in POS to reflect the continuing costs for consumers who under the CPP transitioned from a DC into the community in 2013-14 and whose costs will now be funded in 2014-15 with POS. For DC residents who transitioned into the community in 2013-14 their continuation costs are reflected in the POS expenditure trends for 2014-15. However, the continuation costs for residents of DCs who transitioned into the community in 2012-13 and 2013-14 are significantly higher than in prior years. Currently, the Governor's Budget includes \$4.2 Million in continuation costs in the estimate for Community Care Facilities. For the May Revision we propose increasing continuation costs by an additional \$21.4 Million. With future placements of DC residents into the community that include individuals with challenging service needs it is expected that continuation costs will need to be adjusted on an annual basis.

Assembly Bill (AB), Chapter 351, Statutes of 2013, 10 Minimum Wage Increase, Effective July 1, 2014

-\$31.2 Million decrease (-\$16.5 Million GF decrease) in POS to reflect costs associated with state-mandated hourly minimum wage increase from \$8 to \$9 that went into effect July 1, 2014. Initial estimate of costs was \$106.5 Million (\$59.7 Million GF). Based upon service providers and regional center reports of estimated annual fiscal impact the revised estimate of costs is \$75.3 Million (\$43.2 Million GF).

GF Offset Due to Reduction in Revenues from the Program Development Fund (PDF)

-\$1.3 Million decrease in revenue from the PDF offset by \$1.3 Million increase in GF in POS to reflect updated population, assessments and payment information associated with the Parental Fee Program.

United States Department of Labor's Home Care Regulations (Federal Labor Overtime Regulations)

-\$20.7 Million decrease (-\$11.2 Million GF decrease) to reflect the United States District Court's actions regarding the Federal Labor Overtime Regulations that would have required overtime pay for previously exempted home care workers.

2015-16

The May Revision projects the total community caseload at 289,931, as of January 31, 2016, and assumes an increase of 10,478 consumers over the updated 2014-15 caseload. The estimate proposes 2015-16 funding for services and support to persons with developmental disabilities in the community at \$5.4 Billion total funds (\$3.2 Billion GF), an increase of \$247.7 Million (\$211.9 Million GF) over the Governor's Budget. The regional center budget changes include:

Caseload and Utilization

\$120.8 Million increase (\$82.9 Million GF) in OPS and POS to reflect caseload and utilization due to updated population and expenditure data including HCBS Waiver enrollment above budgeted levels.

AB 10, Minimum Wage

-\$31.0 Million decrease (-\$16.4 Million GF decrease) as follows:

- \$0.2 Million increase (\$0.2 Million GF increase) in OPS to reflect a correction of the costs associated with the state-mandated hourly minimum wage increase from \$9 to \$10, effective January 1, 2016. For the Governor's Budget the estimated fiscal impact did not include regional center Revenue Clerk positions that are budgeted at the minimum wage; and
- -\$31.2 Million decrease (-\$16.5 Million GF decrease) to reflect costs associated with the state-mandated minimum wage increase from \$8 to \$9 that went into effect July 1, 2014. Initial estimate of costs was \$106.5 Million (\$59.7 Million GF).

Continuation Costs for Residents Transitioning from a DC into the Community

\$37.9 Million increase (\$29.9 Million GF increase) in POS to reflect the continuing costs for consumers who under the CPP transitioned from a DC into the community in 2014-15 and whose costs will now be funded in 2015-16 with POS.

United States Department of Labor's Home Care Regulations (Federal Labor Overtime Regulations)

\$2.0 Million increase (-\$0.9 Million GF decrease) in POS to reflect a correction in funding for the Federal Overtime Regulations. In error the Governor's Budget did not reflect \$1.9 Million in federal financial participation, and updated costs associated with implementation of the Regulations.

AB 1522, Chapter 317, Statutes of 2014; Healthy Workplace, Healthy Families Act of 2014

\$1.7 Million increase (-\$0.9 Million GF increase) in POS to reflect an update of costs associated with the implementation of paid sick days by service providers.

Early Start Restoration of Eligibility Criteria

\$9.8 Million GF increase in POS to reflect the full-year cost to provide expanded eligibility for Early Start Services. The Governor's Budget includes funding of \$5.6 Million to implement changes to the Early Start Program, effective January 1, 2015. For 2015-16, the Governor's Budget includes the same amount of funding to provide 12 months of expanded eligibility of Early Start Services. For the May Revision the

estimate of 2015-16 is updated to \$15.3 Million GF, an increase of \$9.8 Million over the Governor's Budget.

Impacts from Other Departments: Department of Health Care Services (DHCS) – Behavioral Health Treatment (BHT)

-\$3.0 Million decrease (-\$1.5 Million GF decrease) in POS to reflect an update of the estimated fiscal impact of implementation of BHT services by DHCS per Senate Bill 870, Chapter 40, Statutes of 2014, which directs DHCS to implement BHT services as a Medi-Cal benefit for individuals under the age of 21 with an Autism Spectrum Disorder diagnosis if required by federal law. This estimate reflects updated caseload data.

GF Offset Due to Reduction in Revenues from the PDF

-\$1.4 Million decrease in revenue from the PDF offset by \$1.4 Million increase in GF in POS to reflect updated population, assessments and payment information.

GF Offset Due to Reduction in the Early Start, Part C Grant

-\$0.5 Million decrease in the Early Start, Part C grant in POS due to a reduction in the State's share of the children under 3 years of age population offset by a \$0.5 Million GF increase.

Prior Year GF Shortfall

\$61.5 Million GF increase in POS to reflect unrealized savings and offsetting federal funds for prior year expenses, resulting in a need for additional GF to repay outstanding GF loans. After reconciling information on federal fund reimbursement assumptions, DDS has identified a shortfall of \$15.6 Million in fiscal year 2011-12 and \$46.0 Million in 2012-13. The shortfall is the result of an overestimate of reimbursements not adjusted for cost-containment proposals enacted during those fiscal years and lower than anticipated savings from the private insurance coverage of behavioral health therapy required by Chapter 650, Statutes of 2011 (Senate Bill 946). Additionally, provisional language is requested to specify that these funds are to be used only for prior year shortfalls.

Additional CPP for the Closure of Sonoma DC by 2018

\$48.0 Million GF increase in POS for additional CPP costs for the closure of SDC by the end of 2018; \$46.7 Million for start-up and placement, and \$1.3 Million for regional center resources for coordination.

DEVELOPMENTAL CENTERS PROGRAM

2014-15

To provide services and support to 1,117 residents in developmental centers (average in-center population), the May Revision updates the Governor's Budget to \$557.7 Million total funds (\$310.1 million GF), a net decrease of -\$5.2 Million total funds (\$0.5 Million GF increase) for Developmental Centers' State Operations funding. The update is comprised of:

Foster Grandparent and Senior Companion Program Transfer from the Developmental Centers Program to the Community Services Program

A decrease of -\$103,000 (-\$68,000 GF) from the Developmental Centers Program to the Community Services Program to reflect the closure of Lanterman DC.

Update on Expansion of Secured Treatment Program (STP) at Porterville DC

A decrease of -\$2.0 Million GF, and reduction of -19.0 positions, from the Governor's Budget. This is the result of an update of the estimated number of admissions to the STP from 32 to 20.

Update on Sonoma DC Four Intermediate Care Facilities (ICF) Units GF Backfill

A decrease of -\$4.4 Million in Reimbursement Authority, offset by an increase of \$4.4 Million GF, to backfill the loss of Medi-Cal Reimbursement for an additional four months (March through June 2015), covering the four Sonoma DC ICF units withdrawn January 2013 from the Medicaid Provider Agreement to ensure continued federal funding for the remaining seven ICF units. The state is in the process of negotiating a settlement with the federal government to continue federal funding for ICF units. However, it is not anticipated that the settlement will include funding for the withdrawn ICF units.

Update on the Program Improvement Plans (PIP) for Fairview and Porterville DCs

A decrease of -\$3.1 Million (-\$1.9 Million GF) and reduction of -46.1 positions as recruitment and retention efforts have demonstrated slow progress in hiring key positions at both FDC and PDC. The delay in the hiring of staff has reduced the amount of funding needed for the PIPs in the current year.

2015-16

For 2015-16 the May Revision provides services and support for 1,035 residents (average in-center population) in developmental centers, an increase of 25 residents (due to less placements budgeted for in the prior year than anticipated) over the Governor's Budget. Funding increased to \$515.6 Million (\$295.1 Million GF); an increase of \$0.4 Million (\$15.3 Million GF). Authorized positions decreased from 4,270 to 4,249.0; a decrease of 21.2 positions below the Governor's Budget. By the end of

the budget year, there is expected to be 996 individuals residing in the state operated facilities. DC costs are also adjusted to reflect complete closure of the Lanterman DC. Adjustments to the FY 2015-16 May Revision for the developmental centers include:

DC Population Staffing Adjustments

A net decrease of \$0.4 Million (\$0.1 Million GF increase) and a net reduction of -18.7 positions due to an update of operational needs at each DC location, while managing an increase of 25 in the average-in-center resident population, compared to the Governor's Budget.

Update on Lanterman DC Community State Staff Program

A net reduction of -\$42,000 (\$22,000 GF increase) to correct an error within the salary and wages calculation, and the realignment of the funding for the program as the positions do not meet the Centers for Medicare and Medicaid Services guidelines for federal funding participation as a Medi-Cal eligible expenditure.

Update on Expansion of the STP at Porterville DC

A net increase of \$0.8 Million GF and a net reduction of -2.5 positions; an increase of 22 Level of Care staff and a reduction of -24.5 Non-Level of Care staff to reflect an update of the costs for the expansion of the STP from 170 admissions to 211 admissions for adults and to designate the STP as adult beds only.

Update on Sonoma DC Four ICF Units GF Backfill:

Decrease of -\$13.2 Million in Reimbursement Authority offset by an increase of \$13.2 Million in GF, to backfill the loss of Medical Reimbursement for the full fiscal year specific to the four ICFs that were voluntarily withdrawn January 2013 from the Medicaid Provider Agreement to ensure continued federal funding for the remaining seven ICF units. The state is in the process of negotiating a settlement with the federal government to continue federal funding for ICF units. However, it is not anticipated that the settlement will include funding for the withdrawn ICF units.

Update on the PIPs for Fairview and Porterville DC

-\$1.2 Million decrease in Reimbursement Authority offset by a \$1.2 Million increase to correct an error in determining the amount of eligible expenditures eligible for Reimbursement Authority.

Reevaluating Sonoma Creek Pump Station Project

The Governor's Budget proposed a \$1.6 Million GF increase for the replacement of the SDC Pump Station Intake System located at the Sonoma DC, for Phase I funding to prepare Preliminary Plans and Working Drawings. DDS is reevaluating this proposed project in light of the current drought conditions and the water curtailments that are occurring throughout the state. Our reevaluation will consider the water needs for SDC residents and for fire suppression.

HEADQUARTERS

2014-15

There are no changes for 2014-15.

2015-16

\$1.3 Million increase GF for 7.0 positions within the Community Services Division and funds for an Inter-Agency Agreement with the Department of Social Services for reimbursement of one dedicated staff position to handle the workload associated with expediting licensing of new license settings in 2015-16.

CAPITAL OUTLAY

There are no changes for 2014-15 or 2015-16.

DEPARTMENT OF DEVELOPMENTAL SERVICES
2015 May Revision

FUNDING SUMMARY

(Dollars in Thousands)

| | 2014-15 | 2015-16 | Difference |
|--|--------------------|--------------------|------------------|
| BUDGET SUMMARY | | | |
| COMMUNITY SERVICES | \$4,891,976 | \$5,389,415 | \$497,439 |
| DEVELOPMENTAL CENTERS | 557,693 | 515,579 | -42,114 |
| HEADQUARTERS SUPPORT | 42,484 | 43,850 | 1,366 |
| TOTALS, ALL PROGRAMS | \$5,492,153 | \$5,948,844 | \$456,691 |
| FUND SOURCES | | | |
| General Fund | \$3,140,324 | \$3,527,296 | \$386,972 |
| Reimbursements: Totals All | 2,276,958 | 2,362,538 | 85,580 |
| <i>Medicaid (aka HCBS) Waiver</i> | 1,338,205 | 1,432,621 | 94,416 |
| <i>Medicaid (HCBS) Waiver Administration</i> | 15,941 | 16,136 | 195 |
| <i>Medicaid Administration (NHR)</i> | 11,265 | 11,265 | 0 |
| <i>Targeted Case Management</i> | 157,875 | 162,687 | 4,812 |
| <i>Targeted Case Management Admin.</i> | 5,292 | 5,292 | 0 |
| <i>Medi-Cal</i> | 236,405 | 213,292 | -23,113 |
| <i>Title XX Block Grant</i> | 214,555 | 214,555 | 0 |
| <i>ICF-DD/State Plan Amendment</i> | 56,922 | 56,922 | 0 |
| <i>Quality Assurance Fees (DHCS)</i> | 10,073 | 10,073 | 0 |
| <i>1915(i) State Plan Amendment</i> | 180,880 | 193,592 | 12,712 |
| <i>Money Follows the Person</i> | 8,277 | 7,976 | -301 |
| <i>Homeland Security Grant</i> | 0 | 0 | 0 |
| <i>Race to the Top</i> | 341 | 143 | -198 |
| <i>Early Periodic Screening Diagnostic & Treatment</i> | 25,288 | 26,274 | 986 |
| <i>Other</i> | 15,639 | 11,710 | -3,929 |
| Federal Trust Fund | 70,116 | 54,200 | -15,916 |
| Lottery Education Fund | 367 | 367 | 0 |
| Program Development Fund (PDF) | 3,058 | 3,082 | 24 |
| Mental Health Services Fund | 1,180 | 1,211 | 31 |
| Developmental Disabilities Svs Acct | 150 | 150 | 0 |
| AVERAGE CASELOAD | | | |
| Developmental Centers | 1,117 | 1,035 | -82 |
| Regional Centers | 279,453 | 289,931 | 10,478 |
| AUTHORIZED POSITIONS | | | |
| Developmental Centers | 4,616.0 | 4,249.0 | -367.0 |
| Headquarters | 381.5 | 388.5 | 7.0 |

**DEPARTMENT OF DEVELOPMENTAL SERVICES
2015 May Revision**

(Dollars in Thousands)

| | 2014-15 | 2015-16 | Difference |
|--|--------------------|--------------------|------------------|
| Community Services Program | | | |
| Regional Centers | \$4,891,976 | \$5,389,415 | \$497,439 |
| Totals, Community Services | \$4,891,976 | \$5,389,415 | \$497,439 |
| General Fund | 2,803,150 | \$3,203,828 | \$400,678 |
| Dev Disabilities PDF | 2,733 | 2,733 | 0 |
| Developmental Disabilities Svs Acct | 150 | 150 | 0 |
| Federal Trust Fund | 67,207 | 51,354 | -15,853 |
| Reimbursements | 2,017,996 | 2,130,610 | 112,614 |
| Mental Health Services Fund | 740 | 740 | 0 |
| Developmental Centers Program | | | |
| Personal Services | \$467,561 | \$430,633 | -\$36,928 |
| Operating Expense & Equipment | 90,132 | 84,946 | -5,186 |
| Staff Benefits Paid Out of Operating Expense & Equipment | 0 | 0 | 0 |
| Total, Developmental Centers | \$557,693 | \$515,579 | -\$42,114 |
| General Fund | \$310,131 | \$295,127 | -\$15,004 |
| Federal Trust Fund | 349 | 285 | -64 |
| Lottery Education Fund | 367 | 367 | 0 |
| Reimbursements | 246,846 | 219,800 | -27,046 |
| Headquarters Support | | | |
| Personal Services | \$36,290 | \$37,163 | \$873 |
| Operating Expense & Equipment | 6,194 | \$6,687 | 493 |
| Total, Headquarters Support | \$42,484 | \$43,850 | \$1,366 |
| General Fund | \$27,043 | \$28,341 | \$1,298 |
| Federal Trust Fund | 2,560 | 2,561 | 1 |
| PDF | 325 | 349 | 24 |
| Reimbursements | 12,116 | 12,128 | 12 |
| Mental Health Services Fund | 440 | 471 | 31 |
| Totals, All Programs | \$5,492,153 | \$5,948,844 | \$456,691 |
| Total Funding | | | |
| General Fund | \$3,140,324 | \$3,527,296 | \$386,972 |
| Federal Trust Fund | 70,116 | 54,200 | -15,916 |
| Lottery Education Fund | 367 | 367 | 0 |
| Dev Disabilities PDF | 3,058 | 3,082 | 24 |
| Developmental Disabilities Svs Acct | 150 | 150 | 0 |
| Reimbursements | 2,276,958 | 2,362,538 | 85,580 |
| Mental Health Services Fund | 1,180 | 1,211 | 31 |
| Caseloads | | | |
| Developmental Centers | 1,117 | 1,035 | -82 |
| Regional Centers | 279,453 | 289,931 | 10,478 |
| Authorized Positions | | | |
| Developmental Centers | 4,616.0 | 4,249.0 | -367.0 |
| Headquarters | 381.5 | 388.5 | 7.0 |

ASSOCIATION OF REGIONAL CENTER AGENCIES ANALYSIS OF THE FY 2015-16 MAY REVISION MAY 14, 2015

Plan for Developmental Center Closures

The May Revision proposes to begin the closure planning process for the remaining Developmental Centers (DCs). Under this plan Sonoma DC will close by the end of 2018. Subsequently, Fairview will close and then the General Treatment Area of Porterville DC will close by 2021.

Trailer bill language will be proposed to allow DDS to allocate funds to develop the necessary programs to serve the residents of those DCs. Approval of this language is expected by October 1, 2015.

The May Revision includes \$49.3 million for additional CPP funding for this effort. \$46.7 million for start-up and placement costs, \$1.3 million for RC OPS for project coordination, and \$1.3 million for state coordination.

FY 2014-15 (Current Year)

1. CASELOAD

The November Estimate projected the regional center Community Caseload to be 278,593 consumers as of January 31, 2015. The May Revision increases the January 31, 2015 caseload to 279,453, an increase of 860 consumers.

2. PURCHASE OF SERVICE - \$41.8 Million Increase (%0.9 Increase)

- \$ 72.3 million increase to Purchase of Services over the November Estimate due to updated caseload and expenditure data. This results in a total increase of \$177.1 million over the enacted budget.
- \$20.7 million decrease in the amount budgeted for the implementation of the new Federal labor regulations. Due to the court decision, the implementation of this is now on hold. This decrease results in a net decrease of \$17.0 million from the enacted budget.
- \$21.4 million for continuation costs for residents transitioning from the DCs into the community.
- \$31.2 million decrease to the amount budgeted for the implementation of AB 10 minimum wage increases to reflect actual costs (Note 1).

3. OPERATIONS - \$1.6 Million Increase (0.3% Increase)

- A \$1.7 million increase in OPS from the November Estimate due to updated caseload and expenditure data. Overall, this is a \$7.8 million net increase in OPS over the enacted budget. The changes include:

- \$112,000 net decrease in Projects.
- \$30,000 increase in the ICF-SPA Administrative Fees.

FY 2015-16 (Budget Year)

1. CASELOAD

The May Revision anticipates an increase of 289,931 consumers (a 3.8% increase) over the 279,453 consumers projected for January 31, 2015.

2. PURCHASE OF SERVICE - \$470.6 Million Increase Over Current Year (10.9% Increase)

- \$223.7 million increase due to caseload and utilization growth.
- \$39.7 million increase for the anticipated implementation of the new Federal labor regulations.
- \$13.0 million decrease for the one-time re-appropriation of funds from prior years for CPP.
- \$62.4 million increase for implementation of AB 10 minimum wage increases.
- \$27.0 million increase for implementation of AB 1522 employee sick-leave benefits (Note 2).
- \$5.0 million decrease due to Behavior Health Treatments to be covered by Medi-Cal (Note 3).
- \$16.5 million increase for continuation costs for residents transitioning from the DCs into the community (Note 4).
- \$9.8 million increase for the restoration of the Early Start eligibility criteria (Note 5).
- \$48.0 million for additional CPP start-up and placement costs for the closure of Sonoma DC by the end of 2018.
- \$61.5 million for prior year General Fund loans (Note 6).

3. OPERATIONS – \$27.1 Million Increase Over Current Year (4.6% Increase)

- \$24.7 million increase in Staffing due to the projected increase in caseload.
- \$125,000 increase in case managers to meet HCBS waiver requirements to reflect updated caseload data.
- \$339,000 net increase in Projects.
- \$2.1 million increase for implementation of AB 10 minimum wage increases (increase to Core staffing Formula salaries).
- \$96,000 decrease to OPS funding for the Lanterman DC closure.
- \$45,000 decrease for OPS funding for CPP re-appropriated from prior years.

Future Fiscal Issues and New and revised Major Assumptions

DDS lists four issues in Future Fiscal Issues of the budget. They are:

- Competitive, Integrated Employment for People with Intellectual Disabilities
- Senate Bill (SB) 468 (Chapter 683, Statutes of 2013), Statewide Self-Determination Program
- Developmental Services Task Force
- CMS Final Regulations for Home and Community-Based Services

Notes

1. AB 10 increased the minimum wage from \$8 to \$9 effective July 1, 2014. DDS's initial estimate of costs was \$106.5 Million. Based upon service providers and Regional Center reports of estimated annual impact the revised estimate of costs is \$75.3 Million.

2. AB 1522 (Chapter 317, Statutes of 2014) Employment: Paid Sick Days enacts the Healthy Workplaces, Healthy Families Act of 2014. In certain circumstances employers are required to give their employees paid sick leave. The Governor's Budget estimate of the fiscal impact to service providers to comply with the requirements of AB 1522 was \$25.3 Million. For the May Revision the updated estimate is \$27.0 Million. This revised estimate reflects updated expenditure data. Please note that this estimate is subject to change as DDS is working with service providers to refine this estimate.

3. SB 870 added WIC, Section 14132.56 to direct DHCS to implement Behavior Health Treatment (BHT) services to the extent that it is required by the federal government to be covered by MediCal for individuals under 21 years of age. This program ensures children with autism receive early treatment to reduce or eliminate the need for services as they age. Once implemented, the retroactive date of this new service will be July 1, 2014.

It is estimated that 7,800 individuals currently receiving BHT services through the regional centers may be eligible to receive these services under the proposed Medi-Cal benefit.

DHCS' interim policy guidance issued on September 15, 2014, indicates all individuals receiving BHT services through the RCs on September 14, 2014 will continue to receive those services through the RCs until such time that DHCS, and DDS develop a plan for transition. DHCS is working with DDS and stakeholders on a plan to transition current Medi-Cal eligible RC clients who are

receiving services. These services will be covered by Medi-Cal upon federal approvals. The transition is expected to be finalized later in 2014-15, with the transition expected to occur in 2015-16.

4. DDS has changed the way it budgets for the continuation costs for DC placements. Clients placed from a DC have their costs charged to CPP funds during the year of placement. In the year following placement, their costs are charged to regular POS. Since the average cost of clients placed from a DC are significantly higher than the average costs of other new clients to the RC system, DDS has budgeted for these clients separate from regular POS growth.

5. To correct an error in the Governor's Budget estimate regarding the full-year cost to provide expanded eligibility for Early Start services the May Revision estimate for 2015-16 is updated to \$15.3 Million, an increase of \$9.8 Million over the Governor's Budget.

6. DDS has a shortfall of approximately \$62 Million in fiscal years 2011-12 and 2012-13, resulting in a need for additional GF to re-pay outstanding GF loans in those years. After reconciling information on federal fund reimbursement assumptions, DDS has identified a shortfall of \$15.6 million in fiscal year 2011-12 and approximately \$46 million in 2012-13. The shortfall is the result of DDS's overestimate of reimbursements not adjusted for cost-containment proposals enacted during those fiscal years and lower than anticipated savings from the private insurance coverage of behavioral health therapy required by Chapter 650, Statutes of 2011 (SB 946). DDS is asking for provisional language to specify that these funds are to be used only for prior year shortfalls.

Omar Noorzad - CDCAN REPORT (MAY 14 2015): Breaking News - No New Major Restorations Proposed In Governor Brown's "May Revise" Budget Revisions - Proposes Closure of Sonoma Developmental Center

From: "Marty Omoto" <martyomoto@rcip.com>
To: "Marty Omoto" <martyomoto@rcip.com>
Date: 5/14/2015 10:51 AM
Subject: CDCAN REPORT (MAY 14 2015): Breaking News - No New Major Restorations Proposed In Governor Brown's "May Revise" Budget Revisions - Proposes Closure of Sonoma Developmental Center

**CDCAN DISABILITY RIGHTS REPORT
CALIFORNIA DISABILITY-SENIOR COMMUNITY ACTION
NETWORK**

MAY 14, 2015 – THURSDAY MORNING

ADVOCACY WITHOUT BORDERS: ONE COMMUNITY – ACCOUNTABILITY WITH ACTION

CDCAN Reports go out to over 65,000 people with disabilities, mental health needs, seniors, people with traumatic brain and other injuries, people with MS, Alzheimer's and other disorders, veterans with disabilities and mental health needs, families, workers, community organizations, facilities and advocacy groups including those in the Asian/Pacific Islander, Latino, American Indian, Indian, African-American communities; policymakers, and others across the State.

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To reply to THIS Report write:

Marty Omoto at martyomoto@rcip.com or martyomoto@att.net [new email - will eventually replace current martyomoto@rcip.com address] Twitter: [martyomoto](https://twitter.com/martyomoto)

Office Line: 916-418-4745 CDCAN Cell Phone: 916-757-9549

REMEMBERING THE LIFE AND WORK OF BETTY PERRY OF OLDER WOMEN'S LEAGUE

BREAKING NEWS:

NO NEW MAJOR FUNDING RESTORATIONS PROPOSED IN GOVERNOR BROWN'S BUDGET REVISIONS – BUDGET PROCESS NOW HEADS TO FINAL PHASE WITH FINAL ROUND OF SUBCOMMITTEE HEARINGS NEXT WEEK & BUDGET NEGOTIATIONS WITH GOVERNOR AND DEMOCRATIC LEGISLATIVE LEADERSHIP

Public Stakeholder Conference Call To Discuss Governor's Budget Revisions Scheduled By California Health And Human Services Agency Secretary Diana Dooley And Department Directors On Thursday Afternoon 1 PM

SACRAMENTO, CA [CDCAN LAST UPDATED 05/14/2015 – 10:10 AM] – As expected, citing limited available revenue resources and the specter of a coming recession, Governor Brown released his budget revisions this morning that contained no new major funding restorations

including health and human services, beyond what he proposed in his 2015-2016 State Budget that he submitted to the Legislature January 9th. As reported by CDCAN earlier, the Governor's revisions however did contain a stunning major proposal for a multi-year goal of closure of the State's three remaining developmental centers, with the focus on Sonoma Developmental Center first, with a closure goal of 2018. The transition and closure process will be based on the recommendations by the stakeholder Developmental Centers Task Force.

The Governor's highly anticipated budget revisions – also known as the "May Revise", required by State law, updates and adjusts spending and revenue numbers from the plan he submitted in January, including adding, changing or eliminating proposals from that original proposed budget.

The budget process for 2015-2016 heads now to its final phase, with the final round of budget subcommittee hearings next week, followed by Budget Conference Committee to resolve differences of actions taken by the Assembly and Senate – and then a final vote on the spending plan by June 15th, the State Constitutional deadline to pass and send a budget to the Governor. At the same time during that process, the Governor and the two top Democratic legislative leaders will be engaged in negotiations – with legislative Democrats pressing hard for some additional funding increases. The Governor's budget revisions, which contained no such additional restorations or increases, will force legislative Democrats to significantly limit and prioritize their long list of proposals for funding restorations and increases for a wide range of budget items and issues, including many in health and human services.

CDCAN will issue report later today with more details on the specifics of the Governor's revisions.

The following focuses on health and human related programs and services

DEVELOPMENTAL CENTERS

Proposes multi-year closure plan for all three remaining developmental centers, with focus first on Sonoma Developmental Center by 2018 and Fairview Developmental Center and non-secured treatment facility portion of Porterville Developmental Center by 2021. The transition and closure process would be different, according to the Brown Administration, from the closure process of recent centers, including Lanterman Developmental Center and Agnews Developmental Center, and instead would be based on the new ideas and transition recommendations made last year by the Developmental Centers Task Force composed of stakeholders and headed by the California Health and Human Services Agency Secretary Diana Dooley.

REGIONAL CENTERS

No major restorations or funding increases beyond what was proposed in the Governor's January proposed budget plan.

IN-HOME SUPPORTIVE SERVICES (IHSS)

7% SERVICE HOUR REDUCTION RESTORATION: The Governor previously proposed in January restoration of service hours currently reduced by an across-the-board 7% reduction to all In-Home Supportive Services (IHSS) recipients, effective July 1, 2015. That restoration was tied to new federal dollars coming from a new proposal to "tax" or assessment on all managed health care organizations in California that requires approval by the federal government. The Governor's revised budget still proposes to restore the IHSS service hours tied to this new funding.

OVERTIME: The Governor's May Revision assumes that the federal lawsuit halting overtime for previously exempted home care workers, including In-Home Supportive Services workers in California, will be resolved, and assumes implementation of overtime sometime in the 2015-

2016 State Budget year. His budget revisions maintain the cost of that overtime as proposed in his January budget plan. The unspent funding that was allocated for overtime that never was implemented due to the federal lawsuit, from January 1, 2015 to June 30, 2015, is proposed in his revisions to be used to cover cost increases related to increases in caseload this year and next year.

MEDI-CAL

No major restorations or funding increases beyond what the Governor proposed as part of his budget plan in January.

SSI/SSP (SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTAL PAYMENT) GRANTS

The Governor's January proposed budget and his May 14th revisions did not propose any restoration of the cost of living adjustment for the state portion of the SSI/SSP grants, or a restoration of the cuts to the SSP portion of the grants.

PUBLIC STAKEHOLDER CONFERENCE CALL ON BUDGET REVISIONS BY CALIFORNIA HEALTH AGENCY SECRETARY

As previously reported by CDCAN, California Health and Human Services Agency Secretary Diana Dooley, along with department directors, will host a public stakeholder conference call on Thursday, May 14th, at 1:00 PM, to discuss and answer brief questions on Governor Brown's budget revisions to his proposed 2015-2016 State Budget plan. Those revisions – called the "May Revise" is scheduled to be released earlier that day, May 14th at 10:00 AM [CDCAN Note: Governor's press conference releasing the "May Revise" will be televised and streamed live by CalChannel – see below for details].

CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY PUBLIC STAKEHOLDER CONFERENCE CALL ON GOVERNOR'S BUDGET REVISIONS

WHEN: May 14, 2015 – Thursday afternoon

TIME: 1:00 PM Pacific Time [please call in 5 minutes prior to start of the conference call to allow enough time to register with operator]

Call-In Number: **(888) 658-8648**

Passcode: **4071494**

CDCAN - MARTY OMOTO YOUTUBE CHANNEL

A CDCAN (Marty Omoto) youtube channel was set up and has several videos dealing with current – and previous state budget issues, disability and senior rights, and advocacy.

To see the current videos, including March 2014 San Andreas Regional Center Aptos Legislative Breakfast, January 2014 panel discussion on services for adults with autism spectrum and related disorders in Palo Alto, and older videos including video of April 2003 march of over 3,000 people with developmental disabilities, families, providers, regional centers and others from the Sacramento Convention Center to the State Capitol (to attend and testify at budget hearing on proposed massive permanent cuts to regional center funded services, go to the CDCAN (Marty Omoto) Channel at:

<https://www.youtube.com/channel/UCEySEyhn9LQRiCe-F7ELhg>

More videos – including new current videos (an interview with longtime advocate Maggie Dee Dowling is planned, among others) – plus archive videos of past events – will be posted soon.

ALERT: PLEASE HELP!!!!!!

MAY 14, 2015 – THURSDAY MORNING
PLEASE HELP CDCAN CONTINUE ITS WORK

CDCAN Townhall Telemeetings, CDCAN Reports and Alerts and other activities cannot continue without YOUR help. To continue the CDCAN website and the CDCAN Reports and Alerts sent out and read by over 65,000 people and organizations, policy makers and media across the State, and to continue and resume CDCAN Townhall Telemeetings, trainings and other events, please send your contribution/donation (please make check payable to "CDCAN" or "California Disability Community Action Network" and mail to:

CDCAN – NEW MAILING ADDRESS:

1500 West El Camino Avenue Suite 499

Sacramento, CA 95833

[replaces 1225 8th Street Suite 480, Sacramento, CA 95814]

Office Line: 916-418-4745 CDCAN Cell Phone: 916-757-9549 (replaced 916-212-0237)

Many, many thanks to all the organizations and individuals for their continued support that make these reports and other CDCAN efforts possible!

Omar Noorzad - CDCAN REPORT (JUN 2 2015): Budget Conference Committee Convenes 11 AM Tuesday Morning for K-12 & Higher Education Agenda - Completed First Pass on Health & Human Services Agendas - Kept Major Items "Open" For More Discussion

From: "Marty Omoto" <martyomoto@rcip.com>
To: <martyomoto@rcip.com>
Date: 6/2/2015 10:46 AM
Subject: CDCAN REPORT (JUN 2 2015): Budget Conference Committee Convenes 11 AM Tuesday Morning for K-12 & Higher Education Agenda - Completed First Pass on Health & Human Services Agendas - Kept Major Items "Open" For More Discussion

CDCAN DISABILITY RIGHTS REPORT CALIFORNIA DISABILITY-SENIOR COMMUNITY ACTION NETWORK JUNE 2, 2015 – TUESDAY MORNING

ADVOCACY WITHOUT BORDERS: ONE COMMUNITY – ACCOUNTABILITY WITH ACTION

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To reply to THIS Report write:

Marty Omoto at martyomoto@rcip.com or martyomoto@att.net [new email - will eventually replace current martyomoto@rcip address] Twitter: [martyomoto](https://twitter.com/martyomoto)

Office Line: 916-418-4745 CDCAN Cell Phone: 916-757-9549

STATE CAPITOL UPDATE:

BUDGET CONFERENCE COMMITTEE MEETS TODAY AT 11 AM FOR FIRST PASS THROUGH OF K-12 & HIGHER EDUCATION AGENDA; COMPLETED INITIAL REVIEW OF HEALTH, HUMAN SERVICES AGENDAS YESTERDAY – ALL MAJOR ITEMS HELD “OPEN” FOR NOW

Budget Conference Committee Keeps All Items Including Medi-Cal, Developmental Services & IHSS, SSI/SSP, CalWORKS, Foster Care, Community Care Licensing Issues “Open” For Further Discussion, Review & Later Action; Takes Action On One Issue Related to Fire Alarm Upgrade for Secured Treatment Area of Porterville Developmental Center

SACRAMENTO, CA [CDCAN LAST UPDATED 06/02/2015 08:55 AM] – The Budget Conference Committee, chaired by Senator Mark Leno (Democrat – San Francisco, 11th State Senate District) finished late afternoon yesterday going through the 27 page human services agenda, though, as expected, except for one minor issue, holding all other budget items “open” for further discussion, review and later action.

The Budget Conference Committee human services agenda includes budget items where the State Senate and Assembly took different actions impacting developmental services, In-Home Supportive Services (IHSS), SSI/SSP (Supplemental Security Income/State Supplemental Payment) grants, CalWORKS, Child Welfare Services, community care licensing, State Long-

Term Care Ombudsman Program

Budget Conference Committee members – on a tight timeline to finish work either by the end of this week or early next week – also faces conflicting major deadlines in both the Assembly and State Senate, where hundreds of bills must be acted on this week on or before June 5th to remain alive for the remainder of the 2015 Legislative Session. [see separate CDCAN Report on those bills, including passage by Senate of minimum wage increase legislation and California implementation of the federal ABLE (Achieving A Better Life Experience) Act. Both bills and others head to the Assembly].

The Budget Conference Committee so far has completed in its first hearings yesterday its first pass of two (health agenda and human services agenda) of the likely six agendas covering different areas of the state budget. The six member special joint committee is scheduled to meet again today (Tuesday) at 11:00 AM through 4:00 PM at the State Capitol in Room 4203, covering the K-12 and Higher Education agenda. That hearing, like all others, are public, though no public comments are taken. The hearing will be televised and streamed live via CalChannel (see below). Like the hearings yesterday, the Budget Conference Committee will hold “open” major items for further discussion and later action.

The 52 page K-12 and Higher Education agenda was released this morning (see link below). The K-12 and Higher Education Agenda includes issues and budget items that have direct or indirect impact to children and adults with disabilities, mental health needs and their families.

THREE AGENDAS RELEASED AND POSTED

As previously reported this morning by CDCAN, the Budget Conference Committee divides its work covering agendas that focus on different budget areas. The following agendas have been released and posted, covering health (23 pages) and human services (27 pages) and K-12 and Higher Education (52 pages):

HEALTH AGENDA (includes Medi-Cal, Public Health items): PDF document copy (23 pages) of the health agenda can be downloaded from the Senate webpage at:

<http://sbud.senate.ca.gov/sites/sbud.senate.ca.gov/files/conference/2015%20Health%20Conference%20Agenda.pdf>

HUMAN SERVICES/ (includes In-Home Supportive Services, Community Care Licensing, Developmental Services, Department of Rehabilitation, Department of Aging, Child Welfare Services and CalWORKS, SSI/SSP, etc): PDF document copy of the human services agenda (27 pages) can be downloaded from the Senate webpage at:

<http://sbud.senate.ca.gov/sites/sbud.senate.ca.gov/files/conference/2015%20Human%20Services.pdf>

K-12 and HIGHER EDUCATION AGENDA (includes Adult Education block grant; foster youth related education services): PDF document copy (52 pages) can be downloaded from Senate webpage at:

<http://sbud.senate.ca.gov/sites/sbud.senate.ca.gov/files/conference/2015%20K-12%20and%20Higher%20Education.pdf>

ALL PROPOSED FUNDING INCREASES & RESTORATIONS HELD “OPEN” FOR NOW

All funding increases and funding restorations where the Senate and Assembly approved different proposals were discussed and all held “open” for further review, discussion and later action, that even Democrats on the Budget Conference Committee said, citing limited resources, cannot all be included in the 2015-2016 State Budget – or if included, be scaled back to allow other priorities to also be funded.

Those proposed increases or restorations included significant but widely different proposed funding increases by the Assembly and Senate for community based services including regional centers and providers under the Department of Developmental Services; the elimination of existing 7% across-the-board reduction in service hours for In-Home Supportive Services

(IHSS) recipients and restoration of funding for those hours; funding to implement overtime for IHSS workers and also impacted home care workers funded through the regional centers if and when there is resolution in a lawsuit pending in a federal appeals court; elimination of existing 10% reduction in Medi-Cal provider fee-for-service rates; restoration of six Medi-Cal adult "optional benefits" that were eliminated in 2009; full restoration of adult Medi-Cal dental benefits (partially restored this year); increase in rates for certain targeted Medi-Cal fee-for-service dental providers; increased in grants and restoration of cost of living for CalWORKs recipients; restoration of the cost of living adjustment for the state portion of the SSI/SSP (Supplemental Security Income/State Supplemental Payment) grants; funding increases for foster care under Child Welfare Services; expansion of Medi-Cal coverage to children regardless of immigration status; and funding increase for Caregiver Resource Centers, and more.

Like nearly all of the Assembly or Senate proposals calling for additional funding or restorations beyond what the Governor proposed, those actions will be determined by negotiations with the Governor and the two Democratic legislative leaders, Assembly Speaker Toni Atkins (Democrat – San Diego) and Senate President Pro Tem Kevin De Leon (Democrat – Los Angeles).

It is possible that if agreement by the Governor and legislative Democratic leaders is not reached by the end of the Budget Conference Committee process, that the committee could advance its version of what legislative Democrats want, with last minute changes to the budget package made on the floor late next week. A vote on the main budget bill and most of the budget trailer bills seems likely to occur on Friday, June 12th, though the State constitutional deadline for the Legislature to pass and send a budget plan to the Governor is June 15th. It is all but certain that the Legislature will pass and send a budget plan to the Governor on or before June 15th.

IHSS 7% SERVICE HOUR RESTORATION SEEMS CERTAIN

While nothing is final until a budget plan is passed and signed by the Governor, the elimination of the existing 7% across-the-board reduction in service hours for all children and adults receiving In-Home Supportive Services (IHSS) and restoration of funding for those hours, seems all but certain to be included in the budget, with an effective date of July 1, 2015. Those impacted are over 460,000 children and adults with disabilities, mental health needs, the blind and low income seniors. Included in that number are thousands of children and adults with developmental disabilities who receive IHSS in addition to other services coordinated and funded through the 21 non-profit regional centers under the Department of Developmental Services. Also impacted by the reduction in varying degrees of lost working hours are hundreds of thousands of IHSS workers.

Governor Brown originally proposed the elimination of the 7% reduction and restoration of those hours in his budget proposal released in January, though the \$228 million in State general funding to restore the hours would come from a new assessment or tax on all California Managed Care Organizations, which is still being developed and requires approval from the federal government.

The total on-going cost of restoration of hours is estimated at \$495.5 million including federal matching funds (\$228 million of that State general funds), for a full year, effective July 1, 2015.

The Brown Administration indicated in May that it would go forward with the restoration on July 1, 2015 even though development and the process for final approval from the federal government of a new Managed Care Organization tax to fund it would likely not be completed until later this year or next year.

The Assembly on March 11th approved the restoration but with the difference that the funding would come from the State general fund if funding from the new Managed Care Organization tax or assessment did not happen. The Senate approved last week the restoration proposed by

the Governor, but would not link the funding to the new Managed Care Organization tax.

Though the Budget Conference Committee kept the item “open” for further review, there was no objection from either house or from the Brown Administration or the non-partisan Legislative Analyst Office (LAO), to eliminate the 7% across-the-board reduction and restore funding effective July 1, 2015.

How the issue is settled - in terms of whether the funding to restore the reduction is tied specifically to the Managed Care Organization tax or not - could have an impact on other proposed on-going funding increases and restorations for other health and human services that require State general fund dollars. But restoration seems all but certain to happen July 1, 2015.

The 7% across-the-board reduction in service hours to all children and adults receiving IHSS, was part of a federal court settlement reached with the Brown Administration and advocates in May 2013 in lawsuits that contested proposed major cuts to IHSS. That settlement included implementation of a 8% across-the-board cut in service hours to all IHSS recipients effective July 1, 2013 through June 30, 2014, that was reduced to 7% effective July 1, 2014 and currently remains in effect.

OVERTIME ISSUE FOR PREVIOUSLY EXEMPTED HOME CARE WORKERS WILL BE IN BUDGET BUT DETAILS NOT CERTAIN YET

While restoration of the 7% service hours for IHSS recipients appears all but certain to happen, less certain, due to a pending lawsuit pending in a federal appeals court, is whether or not overtime for previously exempted IHSS workers and also home care type workers funded through the 21 non-profit regional centers will be implemented in the 2015-2016 State Budget year – and if so, when.

The 2014-2015 State Budget passed last year included the Governor’s proposal and funding to implement overtime for previously exempted IHSS as required by US Department of Labor regulations, effective January 1, 2015, though with restrictions and a new process to keep track time worked. That budget also included a 5.82% rate adjustment for regional center funded Supported Living Services, In-Home Respite Services and personal assistance services who also were impacted by the new federal regulations, to help off-set or address overtime costs.

However, as previously reported, a federal district court in Washington, DC, in response to a lawsuit filed in mid-2014, in late December, issued an injunction delaying the January 1st effective date of the federal regulations, and then in mid-January struck down the regulations, except for some minor provisions unrelated to overtime. The US Department of Labor appealed the ruling to the US Court of Appeals for the DC Circuit, with a hearing held in May, though a decision is not expected until later this month or possibly by the end of summer.

Overtime for previously exempted IHSS and Medi-Cal Waiver Personal Care Services workers – and also Supported Living, In-Home Respite and personal assistance workers funded through the regional centers never went into effect and has been on hold ever since, pending the outcome of the federal lawsuit. The 5.82% rate adjustment for those regional center funded home care services was also put on hold and never implemented due to the lawsuit.

The Governor’s proposal to implement overtime in his May 14th revised budget assumes that the federal government will eventually win its appeal, with the regulations reinstated at some point during the 2015-2016 State Budget year under the same implementation rules for workers and recipients that would have gone into effect last January 1st. However the Governor’s proposal calls for full year funding of overtime because it is possible that if the federal government wins its appeal, that the federal regulations could be implemented retroactively.

The Senate however approved a proposal last week that would reduce the Governor’s proposed full year funding level for overtime by \$64 million in State general funding, and instead provide funding for implementation with an effective date of October 1, 2015, assuming the

federal government wins its appeal and regulations are reinstated by that date. The Brown Administration prefers its proposal for full year funding to avoid a major funding shortfall in the IHSS program if overtime regulations are reinstated retroactively. The Assembly approved in March a proposal to implement overtime for home care workers regardless of the outcome of the federal lawsuit and regulations - a proposal that the Brown Administration said it opposed at yesterday's hearing.

Not addressed were potential problems regarding overtime implementation if it happens. Previously the Brown Administration said that discussions with advocates and other stakeholders to address certain problems with implementation of overtime as required in SB 855, one of the budget related bills tied to the 2014-2015 State Budget, were put on hold and will not resume until there is clarification of the outcome of the federal lawsuit. The Brown Administration previously said it halted work on those issues because if overtime regulations were reinstated, it is not clear at this point if any changes to those regulations would be made that could impact previous problems and concerns.

Those problems include the impact of the cap on work hours on parent providers who have multiple children, including many with developmental disabilities, receiving IHSS; and the impact to recipients and workers under IHSS and Waiver Personal Care Services who face significant health and safety problems if work hours are capped for a worker, and problems related to continuity of services if working hours for workers need to be capped due to funding restrictions.

Proposed Senate budget trailer bill language (under the Department of Developmental Services section of the human services agenda) would require a stakeholder group convened by the Department of Developmental Services to look at the impact of overtime if implemented, for regional center funded home care workers – though did not specifically address major concerns raised by providers regarding possible joint employer status with IHSS or Waiver Personal Care Services, whether rate adjustment was sufficient to cover actual costs of overtime if it is implemented.

While it appears certain that funding for overtime for home care workers will be in the 2015-2016 State Budget with implementation, at least for now, tied to the outcome of the federal lawsuit, whether or not full year funding is included could have an impact on certain budget decisions by the conference committee on other proposed one-time funding increases for services and programs. Also not certain at this point is how concerns raised by advocates and people receiving IHSS and other home care services will be addressed – and when.

WHAT THE BUDGET CONFERENCE COMMITTEE DID MONDAY

As expected, the Budget Conference Committee held "open", for further review and discussion and later action on all major budget items, though did take action on four items in the 23 page health agenda and one item in the 27 page human services agenda:

DRUG MEDI-CAL RESIDENTIAL TREATMENT SERVICES (PAGE 7 OF HEALTH AGENDA)

BUDGET CONFERENCE COMMITTEE ACTION 06/01/2015: Approved 6-0 the Senate proposal (or version) that reduced the appropriation by \$5 million in State general funds (and \$9.286 million in Federal Funds) for Drug Medi-Cal treatment services due to uncertainty regarding county implementation dates.

MEDI-CAL CASELOAD – IMPACT OF PRESIDENT'S EXECUTIVE ORDER ON IMMIGRATION (PAGE 9 OF HEALTH AGENDA)

BUDGET CONFERENCE COMMITTEE ACTION 06/01/2015: Approved 4-2 (Democrats voting yes – Republicans voting no) the Assembly proposal (or version) adopting the Legislative Analyst Office (LAO) assumption of a 24 month phase-in of Governor's proposal to provide

Medi-Cal coverage to newly qualified individuals as a result of the President's Executive Order on immigration and the associated reduction in budget year costs, as a result of the longer phase-in assumption. The Governor's proposed a 12 month phase-in, beginning October 1, 2015.

MAJOR RISK MEDICAL INSURANCE PROGRAM (PAGE 13 OF HEALTH AGENDA)

BUDGET CONFERENCE COMMITTEE ACTION 06/01/2015: Approved 6-0 the Senate proposal (or version) that rejected the Governor's proposal to modify the Major Risk Medical Insurance Program, and that adopted [budget] trailer bill language to extend the period of time to reconcile payments for the Guaranteed Issue Pilot (GIP) program from six to 18 months, and to streamline and expedite the Major Risk Medical Insurance Program and Guaranteed Issue Pilot program reconciliation.

MEDI-CAL COUNTY ADMINISTRATION FUNDING (PAGE 14 OF HEALTH AGENDA)

BUDGET CONFERENCE COMMITTEE ACTION 06/01/2015: Approved 4-2 (Democrats voting yes – Republicans voting no) the Assembly proposal (or version) that approved the Governor's proposal to increase Medi-Cal county administration funding by \$150 million (\$48.8 million of that amount in State general funds) due to on-going implementation issues related to the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) information technology system built to implement the federal Affordable Care Act (ACA). The Assembly proposal also augmented (or increased) that funding by \$95.3 million (\$31 million of that amount in State general funds) using unused current year funding associated with CalFresh [State's food stamp program] caseload. Assembly proposal also adopted budget bill language (BBL) allowing the Department of Finance (DOF) to augment (or increase) county eligibility funding during the budget year if additional savings are identified, with Joint Legislative Budget Committee (JLBC) notification.

PORTERVILLE DEVELOPMENTAL CENTER FIRE ALARM SYSTEM UPGRADE (PAGE 2 OF HUMAN SERVICES AGENDA)

BUDGET CONFERENCE COMMITTEE ACTION 06/01/2015: Approved 6-0 the Senate proposal (or version) to limit the Governor's original proposed upgrade of the fire alarm system at Porterville Developmental Center to the secure treatment area and administration building [the limits of the upgrade is due to the Governor's proposed transition and closure of the non-secure treatment area of Porterville Developmental Center and Fairview Developmental Center by the end of 2021, and closure of Sonoma Developmental Center by the end of 2018.

CONFERENCE COMMITTEE MEMBERS APPOINTED LAST WEEK

As reported by CDCAN last week, the membership of the Budget Conference Committee was reduced back to 6 members this year, after being expanded to 8 members last year, when termed out Assemblymember Nancy Skinner served as chair. The six member Budget Conference Committee is composed of four Democrats and two Republicans. Five of the members in the 2015 configuration of the Budget Conference Committee served on last year's conference committee, providing some continuity.

The members of the 2015 Budget Conference Committee are:

SENATE DEMOCRATS (2): *Senator Mark Leno (Democrat – San Francisco, 11th State Senate District) who is also chair of the Senate Budget and Fiscal Review Committee; and Senator Richard Lara (Democrat – Bell Gardens, 33rd State Senate District), who is also chair of the Senate Appropriations Committee. Both Leno and Lara served on the conference committee last year.*

SENATE REPUBLICAN (1): *Senator Jim Nielsen (Republican – Gerber, 4th State Senate*

District), who is also vice chair of the Senate Budget and Fiscal Review Committee. Nielsen served on the conference committee last year/

ASSEMBLY DEMOCRATS (2): Assemblymember Richard Bloom (Democrat – Santa Monica, 50th Assembly District, who is also chair of the Assembly Budget Subcommittee #3 on Resources and Transportation; and Assemblymember Shirley Weber (Democrat – San Diego, 79th Assembly District), who is also chair of the Assembly Budget Committee. Both Bloom and Weber served on the conference committee last year.

ASSEMBLY REPUBLICAN (1): Assemblymember Melissa Melendez (Republican – Lake Elsinore, 67th Assembly District), who is also vice chair of the Assembly Budget Committee. Melendez, elected in November 2012, is serving her first year on the Budget Conference Committee.

HOW TO WATCH HEARINGS ON CALCHANNEL OR ON ASSEMBLY/SENATE TELEVISION LIVE

There are several different ways to watch nearly all of the scheduled events (including those at the State Capitol by the Governor), policy and budget hearings at the State Capitol, either live or “on demand” (meaning sometime later after the hearing is held):

CDCAN INFO ON WATCHING A HEARING LIVE STREAMED ON INTERNET

Go the CalChannel website tab under “Live Webcasts”:

<http://www.calchannel.com/live-webcast/>

Live broadcasts are listed by order of date and time – usually for that day only. The streaming doesn’t begin usually until the actual scheduled time of the hearing or floor session (the time of the hearing to the right of committee name is where you click on to view the stream). IF the hearing or floor session is not listed as one of the events to be streamed live, check below under “ASSEMBLY AND SENATE TELEVISION” for alternate way to watch the hearing or floor session.

CDCAN INFO ON WATCHING A HEARING LATER (“ON DEMAND”)

CalChannel.com keeps an archive of all the hearings held that can be viewed by anyone. Viewing the live or recorded hearings from the CalChannel website is free.

To view a recorded hearing, go to the CalChannel website and click the tab “Video on Demand” or click on this link:

<http://www.calchannel.com/video-on-demand/>

The page will list all the hearings recorded by date and committee name. If you wish to download the entire hearing on your computer, click on the “MP4 Download” link next to the hearing you want. If you wish to view the hearing from the website click the “video” link next to the hearing you want, under the “Watch” column. Both are free to the public.

CDCAN INFO ON LIVE CABLE TV BROADCAST

People can also view the hearing via cable TV through CalChannel, though not all cable companies carry CalChannel. To find what channel it may be on (if your cable company carries CalChannel) check this listing for your city or area and local cable company.

The list is in alpha order by cable company:

<http://www.calchannel.com/local-listing/>

To find out what hearings will be televised live (different from live streaming on the internet) on your cable channel, go to the CalChannel.com website for the schedule of hearings that will be broadcast live (this is DIFFERENT from hearings that are streamed live) at:

<http://www.calchannel.com/tv-schedule/>

CDCAN INFO ON FOR LIVE AUDIO ONLY VIA ASSEMBLY WEBPAGE

For a live audio only (no video) of an Assembly hearing, click on the link below that will take you to the California State Assembly "Today's Events":

<http://assembly.ca.gov/todaysevents>

Scroll down past the title "Committee Hearings". Assembly Committee hearings (including budget subcommittee hearings) are listed in date order, and then by order of time. When you find the desired committee hearing, click on "Listen To This Hearing" and a window should open up

You can also find the audio link to a hearing not streamed live or broadcast live by CalChannel by going to California State Assembly "Room List" webpage, which lists all the rooms (including the chambers where floor sessions are conducted) where all hearings are held.

<http://assembly.ca.gov/listentorooms>

You have to know the room number the committee hearing is scheduled to be held in. If you know, simply scroll down the page until you find the room number and then click on the link "Listen to this room".

CDCAN INFO - LIVE VIDEO STREAM (ASSEMBLY OR SENATE)

If CalChannel is not streaming or broadcasting a specific hearing being held, often the Senate and Assembly may have a live video stream of the hearing, which can be accessed by clicking the link below. The video stream, when it is provided, is different from the CalChannel video stream, with the video camera in a fixed position and the quality not as good. There is no archive of previous hearings held (unlike CalChannel). Look for the hearing room or floor chambers you want to view live (to below, find the room number, and then click on the Assembly website link:

<http://assembly.ca.gov/listentorooms>

After reaching that page, click on the room number (or chamber) where the hearing or floor session is located.

This is the same page where you can also click on the link for an audio only live stream of the hearing you want to listen to. As mentioned, the audio quality varies depending on the room and who is speaking. (It doesn't matter if the floor session or hearing is an Assembly or Senate floor session or hearing – you can access either through this site).

CDCAN - MARTY OMOTO YOUTUBE CHANNEL

A CDCAN (Marty Omoto) youtube channel was set up and has several videos dealing with current – and previous state budget issues, disability and senior rights, and advocacy.

To see the current videos, including March 2014 San Andreas Regional Center Aptos Legislative Breakfast, January 2014 panel discussion on services for adults with autism spectrum and related disorders in Palo Alto, and older videos including video of April 2003 march of over 3,000 people with developmental disabilities, families, providers, regional centers and others from the Sacramento Convention Center to the State Capitol (to attend and testify at budget hearing on proposed massive permanent cuts to regional center funded services, go to the CDCAN (Marty Omoto) Channel at:

<https://www.youtube.com/channel/UCEySEyhnr9LQRiCe-F7ELhg>

More videos – including new current videos (an interview with longtime advocate Maggie Dee Dowling is planned, among others) – plus archive videos of past events – will be posted soon.

ALERT: PLEASE HELP!!!!!!

JUNE 2, 2015 – TUESDAY MORNING

PLEASE HELP CDCAN CONTINUE ITS WORK

CDCAN Townhall Telemeetings, CDCAN Reports and Alerts and other activities cannot continue without YOUR help. To continue the CDCAN website and the CDCAN Reports and Alerts sent out and read by over 65,000 people and organizations, policy makers and media across the State, and to continue and resume CDCAN Townhall Telemeetings, trainings and other events, please send your contribution/donation (please make check payable to "CDCAN" or "California Disability Community Action Network" and mail to:

CDCAN – NEW MAILING ADDRESS:

1500 West El Camino Avenue Suite 499

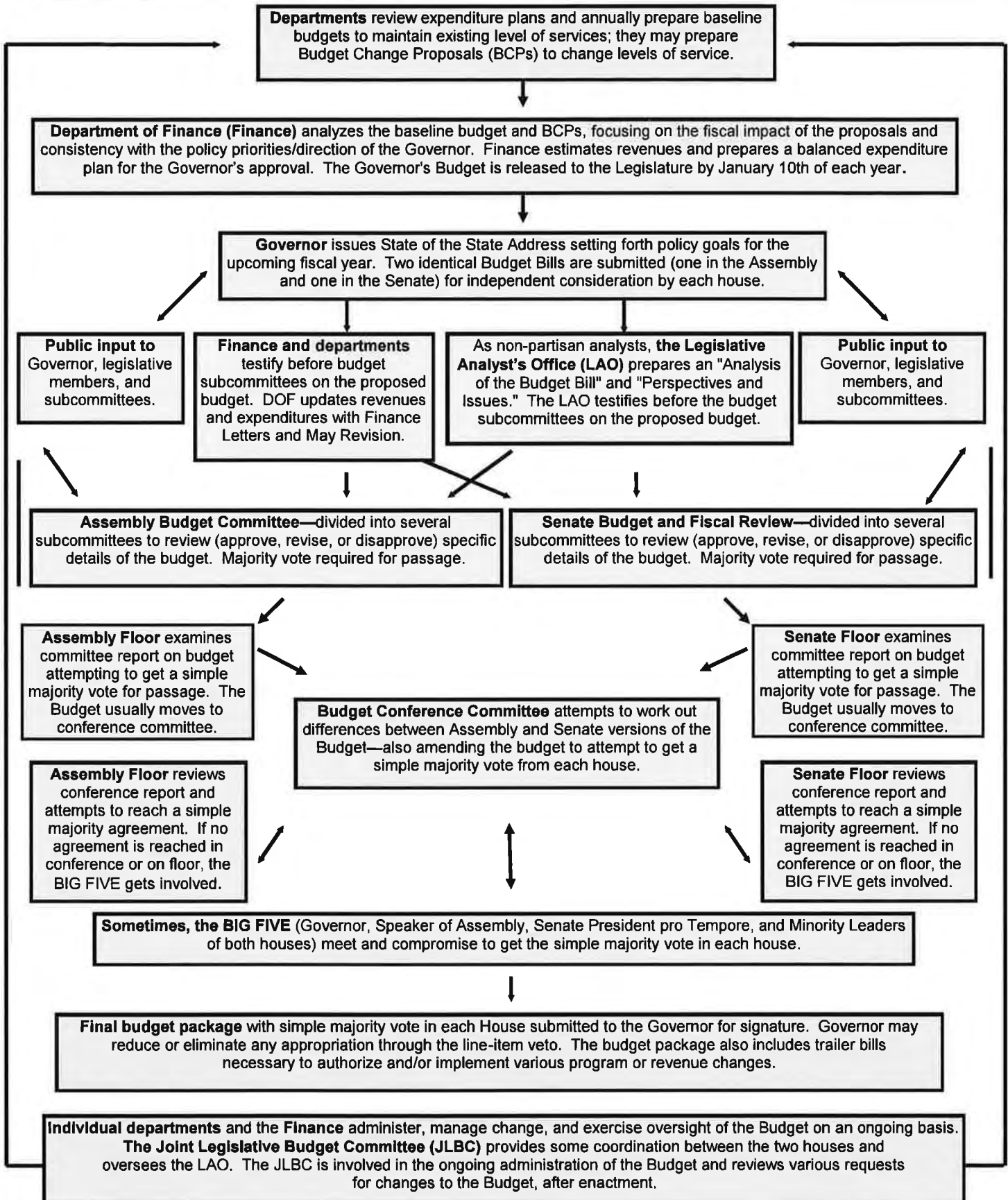
Sacramento, CA 95833

[replaces 1225 8th Street Suite 480, Sacramento, CA 95814]

Office Line: 916-418-4745 CDCAN Cell Phone: 916-757-9549 (replaced 916-212-0237)

Many, many thanks to all the organizations and individuals for their continued support that make these reports and other CDCAN efforts possible!

THE ANNUAL BUDGET PROCESS



State of California

Department of Developmental Services

Self-Determination Program - Frequently Asked Questions

Q1. What is the Self-Determination Program?

A. As authorized in Welfare and Institutions Code, Section 4685.8, "the Self-Determination Program (SDP) is a voluntary delivery system consisting of a mix of services and supports, selected and directed by a participant through person-centered planning, in order to meet the objectives in his or her Individual Program Plan (IPP). Self-determination services and supports are designed to assist the participant to achieve personally defined outcomes in community settings that promote inclusion."

Q2. When does the SDP start?

A. The program will start once it is approved for federal funding. The Department is working with stakeholders to draft a Home and Community-Based Services Waiver application that will be submitted for approval to the Centers for Medicare and Medicaid Services no later than December 31, 2014. Upon approval of the Waiver application, the SDP will be implemented for up to 2,500 participants during the first three years. After this three year phase-in period, the program will be available to all consumers.

Q3. How can I keep updated on the progress of the SDP?

A. Updates will be posted as they become available on the Self-Determination website. If you want to be notified when updates are made, email sdp@dds.ca.gov and ask to be included on the update notification list.

Q4. Who is eligible for the SDP?

A. An individual must meet the following eligibility requirements:

- Has a developmental disability and currently receives services from a regional center or is a new consumer of a regional center;
- Agrees to specific terms and conditions, which include but are not limited to, participation in an orientation to SDP, working with a Financial Management Services entity, and managing SDP services within an individual budget amount.
- An individual who lives in a licensed long-term health care facility (i.e., a Skilled Nursing Facility, Intermediate Care Facility) is not eligible to participate in the SDP. If someone lives in one of these facilities and is interested in the SDP, he or she can request that the regional center provide person-centered planning services in order to make arrangements for transition to the SDP, provided that he or she is reasonably expected to transition to the community within 90 days.

Q5. What if participants are happy with their current service delivery program and do not wish to enroll in the SDP?

A. Enrollment in the SDP is completely voluntary. Just like any other program offered under the Lanterman Developmental Disabilities Services Act in California, an individual chooses what is best for him or her. An individual may choose to participate in, and may choose to leave, the SDP at any time.

Q6. How much responsibility will participants or their family have if they choose to participate in the SDP?

A. The participant will need to develop a person-centered plan and select individuals or members from their planning team to help implement the plan. The participant will also need to choose a Financial Management Services entity that will work with him or her to monitor their individual budget.

Q7. What are Financial Management Services?

A. Financial Management Services assist the participant to manage and direct the funds contained in the individual budget, and ensure that the participant can implement his or her IPP throughout the year. Financial Management Services may include bill paying services and activities that facilitate the hiring of support workers for the participant.

Q8. What is an individual budget?

A. It is the amount of money a SDP participant has available to purchase needed services and supports.

Q9. How does the individual budget amount get determined? UPDATED

A. The individual budget is determined by the IPP team, and is based upon the amount of purchase of service (POS) funds used by the individual in the most recent 12-months. This amount can be adjusted, up or down, if the IPP team determines that the individual's needs, circumstances, or resources has changed. Additionally, the IPP team may adjust the budget to support any prior needs or resources that were not addressed in the IPP.

Q10. How does the individual budget amount get determined for an individual, who is either new to the regional center, or does not have a 12-month history of POS costs? NEW

A. For these individuals, the individual budget amount is determined by the IPP team, and is based upon the average POS cost of services and supports, paid by the regional center, that are identified in the individual's IPP. The average cost may be adjusted, up or down, by the regional center, if needed to meet the individual's unique needs.

Q11. Are there restrictions on what the individual budget can be used for?

A. Yes, a participant can only purchase services and supports as described in the SDP Waiver and in the IPP. Services funded through other sources (e.g., Medi-Cal, schools) cannot be purchased with SDP funds.

Q12. If I choose to participate in the SDP, will I still have the same rights? NEW

A. Yes, participants enrolled in the SDP will have the same rights established under the traditional service model (e.g. appeals, eligibility determinations, all rights associated with the IPP process).

Q13. How can someone learn more about the SDP?

A. Interested participants, families, or others are encouraged to visit the Self-Determination website (www.dds.ca.gov/sdp) to find out more information about SDP. The site will be updated as more information is available.

Q14. This sounds great; can I enroll in Self-Determination now?

A. The process for selecting and enrolling the 2,500 participants in the first three years has not been finalized. However, you can email sdp@dds.ca.gov to express your interest in the program and you'll receive notice of website updates on the progress of the SDP, including the enrollment process. Please include your name and/or the name of the person interested in enrollment and the regional center you are with in the email.



California's Protection & Advocacy System
Toll-Free (800) 776-5746

SB 468 (Emmerson/Beall/Mitchell/Chesbro) Statewide Self-Determination Program

December 2013, Pub. #F077.01

SB 468¹ creates a state-wide Self-Determination Program which is a voluntary, alternative to the traditional way of providing regional center services. It provides consumers and their family with more control over the services and supports they need. Consumers and families for example, may purchase existing services from services providers or local businesses, hire support workers or negotiate unique arrangements with local community resources. Self-determination provides consumers, and their families, with an individual budget², which they can use to purchase the services and supports they need to implement their Individual Program Plan (IPP).

1. When will the statewide Self-Determination Program be up and running?

It will take several years for self-determination to be in place. First, the Department of Developmental Services (DDS) has until December 31, 2014 to apply for federal Medicaid funding to establish and fund the program. Once federal approval is obtained, most likely in 2015, the program will be available statewide but for the first three years is capped

¹ http://www.leginfo.ca.gov/pub/13-14/bill/sen/sb_0451-0500/sb_468_bill_20131009_chaptered.pdf

² See question 6 for an explanation of the individual budget

at 2500 individuals. After the three-year phase-in period, the program is available to all eligible consumers on a voluntary basis.

2. Who is eligible for the Self-Determination Program?

To be eligible for the program, you must:

(1) Have a developmental disability, as defined in the Lanterman Act³, and currently be receiving services under the Lanterman Act. This means that consumers between the ages of birth through two who receive services under the California Early Intervention Services⁴ program are not eligible to participate. However, consumers who are age 3 or older but new to the regional center system are eligible to participate in self-determination.

(2) Not live in a licensed long-term health care facility unless transitioning from that facility⁵.

(3) Agree to do the following:

---Receive an orientation to the Self-Determination Program.

---Utilize self-determination services and supports only when generic services and supports are not available⁶.

---Manage the services and supports within your individual budget.

--Utilize the services of a fiscal manager you choose who is vendored by a regional center.

3. How will the Self-Determination Program be implemented?

Each regional center is required to implement the Self-Determination Program and do the following:

1) Contract with local consumer or family-run organizations to conduct outreach to consumers and families to provide information about the Self-Determination Program and help ensure that the program is available to a diverse group of participants and underserved communities; and

2) Collaborate with the local consumer or family-run organizations to jointly conduct training on the Self-Determination Program for interested consumers and their families.

³ See Welfare and Institutions Code Section 4512

⁴ The early intervention law is found in Government Code Section 95000 et seq.

⁵ These facilities are defined in paragraph (44) of subdivision (a) of Section 54302 of Title 17 of the California Code of Regulations

⁶ This requirement to use generic services is identical to the generic services requirement in the traditional regional center system

4. How will regional centers decide who participates in the program during the three year phase in period?

The Self-Determination Program must be available to individuals who reflect the disability, ethnic and geographic diversity of the state. While SB 468 does not specify how participants will be chosen during the initial phase-in period, regional centers must ensure that the program is available to the diverse group of consumers served in their catchment area.

In the first three years, DDS will determine the number of Self-Determination Program participants in each regional center. This will be based on the relative percentage of total consumers served by the regional centers minus any remaining participants in the self-determination pilot projects.

The bill also recognizes that consumers in traditionally underserved linguistic, cultural, socioeconomic, and ethnic communities have unique challenges in accessing needed regional center services and that the Self-Determination Program offers increased service flexibility, which will help promote access to needed services for these consumers and their families.

5. How is my IPP developed in the Self-Determination Program?

Your IPP team will use a person-centered planning process to develop your IPP. The IPP will include the services and supports, selected and directed by you to achieve the objectives in your IPP. Information about your IPP may be found in our publication "Rights Under the Lanterman Act", Chapter 4: Individual Program Plans:

<http://www.disabilityrightsca.org/pubs/PublicationsRULAEnglish.htm>

6. How is my individual budget determined in the Self-Determination Program?

The individual budget is the amount of regional center funding available to you to purchase the services and supports you need to implement your IPP and ensure your health or safety. The individual budget is calculated once during a 12-month period but may be revised to reflect a change in your circumstances, needs or resources.

For current regional center consumers, the budget will equal 100% of the amount of the total purchase of service expenditures made by the regional center during the past 12 months. This amount can be adjusted by the IPP team, if the team determine an adjustment is needed for one of the following reasons:

---There is a change in your circumstances, needs, or resources that would result in and increase or decrease in your purchase of service expenditures; or

--There are prior needs or resources that were unaddressed in the IPP, which would have resulted in an increase or decrease in your purchase of service expenditures.

For a participant who is new to the regional center system or does not have 12 months of purchase of service expenditures, the IPP team will determine the services and supports needed and available resources. The regional center will use this information to identify the cost of providing the services and supports based on the average cost paid by the regional center unless the regional center determines that you have unique needs that require a higher or lower cost. This amount will be your individual budget unless it is adjusted as described below.

The regional center must certify that regional center expenditures for the individual budget, including any adjustment for current consumers, would have occurred regardless of your participation in the Self-Determination Program.

The budget will not be adjusted to include additional funds for either the independent facilitator or the financial management services.

7. Who can assist me during the person-centered planning process?

You can use an independent facilitator that they select to assist in the person-centered planning and IPP processes. An independent facilitator must be a person who does not provide services to you and is not employed by a person who provides services to you. You may also use a regional center service coordinator to assist with these functions. An

independent facilitator can advocate for you during a person centered planning meeting, assist you in making informed choices about your budget, and help you identify and secure services. The cost of the independent facilitator is paid from your individual budget.

8. Who assists me with managing my budget so that my funds will last throughout the year?

Participants are required to use a fiscal manager, vendored through the regional center, to help manage and direct the distribution of funds contained in your individual budget and ensure you have enough funds to implement your IPP throughout the year. These services can include bill paying, facilitating the employment of service and support workers, accounting, and compliance with applicable laws. The cost of the fiscal manager is paid from your individual budget, except for the costs of any criminal background check. You and your regional center service coordinator will receive a monthly statement from the fiscal manager which shows the budget amount in each category, the amount you have spent and the amount remaining.

9. Can I move money around in my budget?

The bill allows you to annually transfer up to 10% of the funds originally distributed to any budget category to another budget category or categories, and allows transfers of more than 10% provided the transfer is approved by your IPP team or the regional center. DDS will determine the budget categories with input from stakeholders.

10. What services and supports can I get with self-determination?

The Self-Determination Program will fund only those services and supports that are eligible for federal matching funds and only when generic services (for example, other governmental services such as special education, IHSS, Medi-Cal or insurance) are not available. It will also allow the purchase of some services which were suspended

services such as social recreation, camping, non-medical therapies, and respite⁷.

**11. What happens if I move from one regional center to another?
Can I still participate in the Self-Determination Program?**

You will continue to receive self-determination services and supports if you transfer to another regional center catchment area, provided that you remain eligible for the program. The bill requires the balance of your individual budget to be reallocated to the receiving regional center.

12. What happens if I no longer want to participate in self-determination or am no longer eligible for the program?

The bill requires regional centers to provide for your transition from the Self-Determination Program to traditional regional center services and supports if you are no longer eligible for or voluntarily choose to leave the program..

13. If I leave the Self-Determination Program, can I return?

If the regional center finds you ineligible for the Self-Determination Program you can return to the program upon meeting all applicable eligibility requirements, and upon approval of your planning team. If you, leave the program voluntarily you cannot return to the program for at least twelve months. During the first three years of the program, your right to return is also conditioned on your regional center not having reached its limit on the number of participants.

14. Can my regional center require me to participate in self-determination if I don't want to?

The Self-Determination Program is fully voluntary. A regional center cannot require participation in the program.

15. What if I am in a licensed long-term care facility and I want to participate in the in Self-Determination?

⁷ Welfare and Institutions Code Section 4648.5(a) and 4686.5

If you currently live in a licensed long-term care facility you are not eligible for the Self-Determination Program. However, you may request that the regional center provide person-centered planning services in order to make arrangements for transition to the Self-Determination Program, provided that you are reasonably expected to transition to the community within 90 days. In that case, the regional center shall initiate person-centered planning services within 60 days of the request. If you are not ready to transition to the community, you may ask that your interest in self-determination be reflected in your IPP and request the regional center help you participation in self-determination as part of the transition process.

16. What if I do not receive Medi-Cal? Can I still participate in self-determination?

The bill authorizes participation in the Self-Determination Program for consumers who are not eligible for Medi-Cal, provided that they meet all other program eligibility requirements and the services and supports they receive are otherwise eligible for federal matching.

17. How does the Self-Determination Program ensure the safety of consumers?

The bill establishes criminal background check requirements for providers of services and supports under the Self-Determination Program. It requires DDS to issue a program directive identifying the non-vendored providers that must submit to a criminal background check, which shall include but not be limited to, individuals who provide direct personal care services to a participant and other non-vendored providers for whom a criminal background check is requested by a participant or his/her financial management service. The criminal background check includes a fingerprint requirement for all prospective providers. The cost of the background check is paid by the provider of services.

18. What happens to the individuals who are participating in the self-determination pilot programs?

Individuals receiving services and supports under the self-determination pilot projects can either continue to receive services and supports under the Self-Determination Program, or transition to the traditional model of providing services and supports within the regional center system.

19. What steps can I take if I disagree with a regional center's decision?

The Lanterman Act due process rights apply to self-determination participants. This means, for example, you will receive notice of the regional center finds you ineligible for self-determination or proposes to changes your budget. It also means that you can request a hearing if you disagree with a regional center decision such as your right to participate in self-determination or the amount of your budget.

20. How does the Self-Determination Program ensure transparency and accountability?

Each regional center is required to have a volunteer advisory committee; the majority of whose members are consumers and family members appointed by the regional center and the local Area Board. The clients' rights advocates are also part of the committee. The state Developmental Disability Council will also convene a statewide advisory committee to identify best practices, design effective training materials, and make recommendations for improvements in the Self-Determination Program. DDS is also required to collect and report outcome data to the Legislature as a means of ensuring transparency and accountability.

21. What can consumers and family members do now to learn more or help implement the statewide Self-Determination Program created by SB 468?

-- The Autism Society of Los Angeles plans to hold trainings and conferences as well as distribute materials so consumers and families can learn more. Check the Autism Society's website at www.autismla.org to learn more.

--If you are part of a self-advocacy group or family member groups, you ask your Clients' Rights Advocate or Area Board to do a training about self-determination for your group.

--Share information about self-determination with other consumers and families.

--At your next IPP meeting, ask your regional center to note on your IPP that you are interested in participating in self-determination.

--Volunteer to be on your regional center's advisory committee when it is formed, probably in 2015.

--DDS will obtain input from stakeholders in several areas including, informational materials, possible other budget methodologies and uniform budget categories, and may adopt regulations. You may want to look at DDS website, www.dds.ca.gov, to learn about opportunities to provide input.

Disability Rights California is funded by a variety of sources, for a complete list of funders, go to <http://www.disabilityrightsca.org/Documents/ListofGrantsAndContracts.html>.

TRI-COUNTIES REGIONAL CENTER

SELF-DETERMINATION PROGRAM SB 468

In October of 2013, Governor Edmund G. Brown Jr., signed into law, Senate Bill 468, establishing the Self-Determination Program. The Self-Determination program will provide children and adults served by the regional center, and their families more freedom, control, and responsibility in choosing services and supports to help them meet the goals in their Individual Program Plan (IPP).

When will the Self-Determination program be available?

The Self-Determination program will be available once it is approved by the federal government. California sent an application to the federal government at the end of last year for them to review and hopefully approve.

Who can get services and supports through the Self-Determination program?

To be able to receive services and supports through the Self-Determination program, you must be receiving services from a regional center and meet other requirements that will be made clearer once the federal government approves the program.

Once the federal government approves the program, there will be two parts or phases. During the first phase of the program, each regional center will be able to offer the program to a smaller group of people over a three year period. Tri-Counties Regional Center (TCRC) will be able to offer the program to 114 people. This includes 16 individuals who are currently participating in TCRC's Self-Determination pilot project, plus an additional 98 individuals served by TCRC. ..

For the second phase of the program, there will be no limits on how many people can receive the program and anyone who receives regional center services can request to be part of the program.

What services are included in the Self-Determination Program?

In the Self-Determination Program, planning teams will use a person-centered planning process to develop all Individual Program Plans (IPPs). Persons served, and those who support them, will see many changes in the choice of services and supports available to them. For example, a person served may be able to receive services that regional centers are not allowed to pay for because of past changes to state law, services like camping, certain types of therapies, and behavior services.

Regular regional center services such as supported living services, independent living services and day program services will still be available to persons served and can be purchased through the Self-Determination program. Also, there may be new and different services available through local businesses or community agencies that can be purchased through the Self-Determination program.

How will the IPP process be different under the Self-Determination Program?

Self-Determination program participants will have the opportunity to be more active in creating IPPs and taking on more responsibility in the decision-making process for selecting services and supports. Participants will receive information and training from regional center staff about managing services and supports and hiring staff and agencies. Participants in the program have the option of using an “Independent Facilitator” who can help in planning their services and supports and other tasks related to managing their IPP.

How will budgets be determined under the Self-Determination Program?

Each participant will receive a budget based on the amount of money the regional center spent on services and supports for them from the year before. The budget amount can be changed by the IPP planning team if the participant has some sort of a change in circumstances, needs or resources.

For those who are new to the regional center system, or who have not had a year’s worth of regional center services, the planning team will determine the services and supports needed. Using this information, the regional center will put together a budget based on the average cost of similar services.

What is a Fiscal Management Service and what does it have to do with the Self-Determination program?

A Fiscal Management Service (FMS) is a service that helps a participant to manage their budgets under the Self-Determination program. The FMS representative will help the participant make sure that they have enough money to last throughout the year.

The FMS is a required part of the Self-Determination program by California law. The FMS representative must be part of an agency that contracts with the regional center for services. The FMS representative cannot be a parent or family member of the participant on the Self-Determination program.

What’s next?

At this time, we do not know when the Self-Determination program will begin. There are still a lot of unanswered questions. Things like: When it will all get started. How will participants be selected to participate in the program during the first phase. And what the final rules about the program will be.

However, as we wait for more information about the Self-Determination program, TCRC is involved with the Self-Determination Committee through the Association of

Regional Center Agencies (ARCA) to provide information and suggestions to the Department of Developmental Services about the program.

Also, TCRC and the Central Coast Office of the State Council on Developmental Disabilities will be working together on a variety of activities in preparation for the Self-Determination Program.

Thank you for your interest in Self-Determination and please check the Self-Determination page on the DDS website at: www.dds.ca.gov/sdp/SDPUpdates.cfm for the most recent updates.

For more information, click on the links below:

Department of Developmental Disabilities Services:

www.dds.ca.gov/sdp/SDPFAQ.cfm

Disability Rights California: <http://www.disabilityrightsca.org/pubs/F07701.pdf>

Autism Society Los Angeles County:

<http://autismla.org/resources/Fact Sheet for Consumers and Families.pdf>

**Similarities and Differences between
Traditional Regional Center Service Provision
and the New Self-Determination Program**

| | Traditional Regional Center Service Provision | Self-Determination Program |
|---|---|--|
| Eligibility - Age | All ages | Over age of 3 |
| Eligibility – Living Arrangement | All settings | Must live in community. Can use SDP in licensed long-term health facility if you are expected to move to the community within 90 days |
| Planning Process | Individual Program Plan (IPP) - Meeting where goals are established and services and supports are decided | Person Centered Plan (PCP) – A group of people focus on an individual and that person's vision of what they would like to do in the future. The IPP team shall use the Person Centered Planning process to develop the IPP |
| Frequency of planning process | IPP at least every three years, annually at most regional centers, or within 30 days of a request | PCP at least annually but as often as needed |
| Who decides what services I get? | Regional Center, but you can reject services | You, to meet the objectives in the IPP |
| Who pays the bills? | Regional Center | Financial Management Service |
| Do services have to be provided by vendors of the regional center? | Yes, except in very limited circumstances. | No |

| | Traditional Regional Center Service Provision | Self-Determination Program |
|---|--|--|
| Who finds the service providers? | Regional Center | You, Independent Facilitator, Financial Management Services, Friends, and Family |
| Does regional center monitor the quality of a service provider? | Yes | No |
| Are services that are available through generic agencies like school or Medi-Cal paid by regional center or thru my budget? | No | No |
| Can you change service providers? | Yes, if regional center agrees | Yes |
| Do I have appeal rights? | Yes | Yes |