

# TRI-COUNTIES REGIONAL CENTER EXECUTIVE DIRECTOR REPORT

September 6, 2013

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## I. Changes at DDS

Last week, Terri Delgadillo, Director of the Department of Developmental Services for the past seven years, announced her retirement (Attachment #1). She cited ongoing health reasons as a contributing factor in her decision to retire after 35 years in public service. The transition plans are not known at this time, but her intent is to conclude her work at DDS by the end of December.

- **Attachment #1 -Announcement of Retirement- Terri Delgadillo, Director, Department of Developmental Services**

## II. Regional Center Finances

Also last week, DDS sent each regional center their long-awaited E-1 Allocation. ARCA has begun its analysis of the funding of the regional center system with a review of the E-1 Allocation and an estimate of unallocated funds (Attachment #2). TCRC is reviewing its specific E-1 allocation, which will be covered in the Financial Report by Lorna Owens.

- **Attachment #2- E 1 Allocation and Unallocated Funds Estimate**

## III. POS Data Report

Based on the report presented to the TCADD Board in June, TCRC has submitted the required Data Report to DDS as of mid-August (Attachment #3). Input from the Board and from the public meeting have been summarized, along with current and proposed strategies to address significant findings and attempt to assure equity and fairness in the use of POS funds across cultural, ethnic, and diagnostic groups.

- **Attachment #3 – POS Data Report**

## IV. AB 89 Trailer Bill Implementation

TCRC staff have been actively studying and initiating implementation of the changes in the Lanterman Act put into place by the 2013-14 Budget Trailer Bill, AB 89, affecting the regional center system (Attachment #4). The significant changes involved access to State Developmental Centers, utilization of IMD facilities, the closure of Lanterman Developmental Center by the end of 2014, a required Developmental Center Master Plan, continuation of the Annual Family Program Fee, and regional center ability to fund co-pays or co-insurance for health services. Colleen Duncan, TCRC's Autism Coordinator,

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led the effort to educate the public, staff, families, and providers about the changes in statute related to co-pays and co-insurance (Attachment #5). She has prepared material for the website and for mailing to affected families. She also visited each office in August to train staff and families on the new law.

- **Attachment #4-FY 13/14 Budget Trailer Bill-AB89**
- **Attachment #5-Family Co-Insurance / Co-Pay**

## V. Medi-Cal Cuts

The courts decided that the Governor's proposed cuts in the Medi-Cal program, proposed in 2011, are legal. There is a schedule for the phased in reductions in the Medi-Cal system (Attachment #6). Of particular concern to the regional center system is the continued availability of willing health care providers in the Medi-Cal system and the impacts the 10% cuts will have on the Intermediate Care Facilities (ICFs) that provide residential services for many persons with developmental disabilities.

- **Attachment #6 – Implementation of AB97 Reductions**

## VI. Legislation

ARCA continues to track bills of interest to the regional center system as the legislative calendar comes to a close for this session as of mid-September (Attachment #7). Of particular interest has been SB 579, the proposed bill to review and pilot changes to the quality assurance and licensing requirements affecting persons served by regional centers. The bill is now only going to study the service system. The pilot effort has been deleted for now. Another bill being followed closely by ARCA and TCRC is SB 468, Self-Determination (Attachment #8). As a pilot regional center for self-determination, TCRC staff has been directly involved in the ARCA committee that has been giving input to the bill's authors so that it would be amended to best serve participants. ARCA supports the bill if amended, per the letter of August 26, 2013 (Attachment #9). TCRC expects this bill to be passed and sent to the Governor this month.

- **Attachment #7-2013 AB89 Insurance Implementation Presentation**
- **Attachment #8 – ARCA Legislative Outcomes**
- **Attachment #9 – ARCA Support-SB468**

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## VII. Person Centered Practices

TCRC continues to be a leader in implementing person centered practices for persons served and for the agency. TCRC will host the California Gathering at the end of September. Tina Calderaro-Mendoza, PCT Coordinator has been instrumental in this effort (Attachment #10).

- **Attachment #10 – PCT -The Gathering**

## VIII. Q&A

# Attachment #1

August 29, 2013

Dear Board Members,

In a broadly-distributed email sent out minutes ago, Terri Delgadillo, director of the Department of Developmental Services, has announced her intent to retire. The email is presented in its entirety below.

“After 35 years of public service at the federal, state and county levels, I have notified Governor Brown and Secretary Dooley of my intent to retire.

It's been a privilege to serve for over 7 years as Director of DDS with such dedicated and compassionate staff, consumers, families, advocates, regional center representatives and stakeholders.

I'm very proud of what we have accomplished. Working together we have retained the nation's only non-income tested entitlement program, increased community living opportunities, significantly increased federal funding for consumer services, expanded employment options and weathered the worst fiscal crisis to face our system.

I leave with a heavy heart knowing there are still significant challenges ahead for the Department. However, continuing health issues have prompted me to make the difficult decision to retire.

I greatly appreciate the opportunity to serve in this Administration and have offered to stay on until the end of the year, health permitting, to assist with the transition.

Thank you for your support and collaboration during my tenure at DDS.”

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Daniel Savino  
Association of Regional Center Agencies  
Staff Analyst  
916.446.7961 x17

## **CDCAN DISABILITY RIGHTS REPORT**

### **CALIFORNIA DISABILITY COMMUNITY ACTION NETWORK**

**#083-2013 – August 28, 2013 – Wednesday Night**

*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.*

*Sign up for these free reports by going to the CDCAN website. Website: [www.cdcan.us](http://www.cdcan.us)*

*To reply to THIS Report write:*

*Marty Omoto at [martyomoto@rcip.com](mailto:martyomoto@rcip.com) Twitter: [martyomoto](https://twitter.com/martyomoto)*

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

#### **SPECIAL NOTE ON CHANGES FOR CDCAN REPORTS – HELP NEEDED:**

- *NEW EMAIL LIST SERVICE PROVIDER - CDCAN has been in the process of transitioning over the past couple of months to a different email list service to send out future CDCAN reports very soon that should provide a lot of ways to improve and expand reporting. The reports will look basically the same, though there will be differences in format and we won't be able to send out attachments. Please let me know if you are receiving the reports using the new service, and if the format and reporting looks okay or have other comments.*
- *HELP NEEDED: It will cost more every month, so any support would be greatly (and urgently) needed and appreciated. Please help! (see below)*
- *I want to pay special tribute to River City Internet Providers (RCIP) and the staff there for their tremendous support they have given over the past 15 years to CDCAN and the work of advocacy for people with disabilities, mental health needs, the blind and seniors. Without them I could not have been able to provide the reports I was able to do over the years.*

#### **State Capitol Update**

### **DEPARTMENT OF DEVELOPMENTAL SERVICES DIRECTOR TERRI DELGADILLO ANNOUNCES RETIREMENT**

- *Will Retire After 35 Years of State Service Due to On-going Health Reasons*
- *Could Stay On Until End of the Year to Help With Transition Health Permitting*
- *First Appointed As Director of Developmental Services September 2006 – Served February – August 2006 as Interim Director*

SACRAMENTO, CA (CDCAN) [Last updated - 08/28/2013 – 11:30 PM] –



Terri Delgadillo, who as director of the Department of Developmental Services led the agency through the State's worst on-going budget crisis, announced late Wednesday afternoon that she will retire from state service after 35 years, due to undisclosed personal health issues.

Delgadillo [pictured left at a legislative hearing], in a surprise announcement sent out to several advocates (including CDCAN) via email, said she could stay on as director until the end of the year to help with transition, health permitting.

Delgadillo, widely respected by legislators from both parties and by many advocates across the State, wrote that she would be leaving "...with a heavy heart knowing there are still significant challenges ahead..." for the department she has headed for the past 7 years under two different Administrations, but that "...continuing health issues have prompted me to make the difficult decision to retire."

The Department of Developmental Services is responsible for community-based services for about 250,000 eligible children and adults with developmental disabilities funded through 21 non-profit regional centers, and four state owned and operated facilities known as developmental centers, plus one smaller health facility, where just over 1,400 persons reside. One of the four remaining developmental centers – Lanterman located in Pomona – is currently undergoing closure, which is expected to be completed sometime in late 2014.

The department also is the lead state agency for the State's federally funded early intervention program called "Early Start" for families whose infants or toddlers (birth through 36 months) have developmental delay or disabilities, or are at risk for developmental delay or disabilities.

The total department budget is about \$4.5 billion, with over 6,000 employees.

#### **DELGADILLO SENT ANNOUNCEMENT VIA EMAIL**

In an email sent to several advocates just before 4 PM Wednesday afternoon (August 28<sup>th</sup>), Delgadillo wrote:

*After 35 years of public service at the federal, state and county levels, I have notified Governor Brown and Secretary Dooley of my intent to retire.*

*It's been a privilege to serve for over 7 years as Director of DDS with such dedicated and compassionate staff, consumers, families, advocates, regional center representatives and stakeholders.*

*I'm very proud of what we have accomplished. Working together we have retained the nation's only non-income tested entitlement program, increased community living opportunities, significantly increased federal funding for consumer services, expanded employment options and weathered the worst fiscal crisis to face our system.*

*I leave with a heavy heart knowing there are still significant challenges ahead for the Department. However, continuing health issues have prompted me to make the difficult decision to retire.*

*I greatly appreciate the opportunity to serve in this Administration and have offered to stay on until the end of the year, health permitting, to assist with the transition.*

*Thank you for your support and collaboration during my tenure at DDS.*

## **DELGADILLO HAD HER CRITICS BUT WAS WIDELY RESPECTED BY LEGISLATORS FROM BOTH PARTIES AND MANY ADVOCATES**

- Like all department heads weathering the on-going budget crisis, Delgadillo did have her critics, but she was widely respected by legislators and legislative leaders from both parties, other department heads and many advocates who were often amazed at her ability to provide details and information on programs, services and other issues that normally only department managers or deputies are able to provide at budget and other informational hearings over the years.
- The department and Delgadillo underwent serious controversy and criticism earlier this year over reported abuses at Sonoma Developmental Center. Some advocates harshly criticized her leadership on that issue – though others praised her role in responding to the abuses and taking steps to correct the reported problems.
- Some advocates criticized the department and Delgadillo for the operation of four state owned and operated developmental centers – some advocates demanding immediate closure of all facilities – some advocates urging that they remain open – and others calling for different alternatives. [A task force appointed by California Health and Human Services Agency Diana Dooley – which Delgadillo serves on – is currently looking at the future of the developmental centers with recommendations expected at the end of the year.]
- Some advocates at the Lanterman Developmental Center expressed unhappiness in recent months at the department and Delgadillo over policies related to the on-going closure and transition of the facility – while other advocates there praised her role in trying to implement a careful closure process under difficult budget circumstances.
- Many advocates however praised her leadership as crucial in the closure of Agnews Developmental Center (completed March 2009), widely viewed by nearly every advocate and policymaker as an enormous success, in partnership with families, local providers and several regional centers.
- Some advocates and providers, including some regional centers, were critical of Delgadillo in recent years over significant funding reductions and other budget related policies implemented by the department.
- However many other policymakers, advocates and providers throughout the state widely praised her leadership as critical in helping to prevent far deeper cuts in funding for community-based services and supports that other departments suffered during the worst years of California's on-going budget crisis.
- Many advocates, including many providers, also lauded Delgadillo's work in outreach to bring stakeholders together to discuss and review possible alternatives to outright budget reductions during the worst periods of the State's budget crisis in 2009-2011. While some advocates were critical of her role – many advocates and policymakers gave her enormous praise – including budget committee members, citing what they viewed as a successful effort, urged other departments to emulate Delgadillo's stakeholder process.

## **DELGADILLO FIRST APPOINTED DIRECTOR IN 2006**

- Delgadillo was appointed by Governor Arnold Schwarzenegger on September 1, 2006, as director of the Department of Developmental Services. She previously

served as Chief Deputy Director/Interim Director of the department from February through August 2006.

- Unlike other major department directors, Delgadillo's appointment as director continued following the November 2010 election of Governor Jerry Brown, serving the almost 3 years under California Health and Human Services Agency Secretary Diana Dooley.
- Prior to her appointment as director of the Department of Developmental Services, Delgadillo served as Deputy Secretary at the California Health and Human Services Agency from 2004 to 2006 under then California Health and Human Services Agency Secretary Kim Belshe.
- She previously served as Deputy Director for the Department of Health Services, and Acting Undersecretary and Deputy Secretary for the Youth and Adult Correctional Agency.
- Delgadillo's career has focused on public policy and social services, that included providing classroom instruction for children with developmental disabilities, volunteer work for the Special Olympics, and worked as a Peace Officer.
- In addition, Delgadillo later worked for more than 15 years as a legislative staffer at the state and national levels, including serving as the legislative director for US Senators John Seymour (Republican – California) who served from January 10, 1991 until November 3, 1992 filling the seat vacated by Pete Wilson upon his election as Governor in November 1990. She served also as legislative director US Senator Paul Coverdell (Republican – Georgia) who was elected in 1992 and died in office in 2000 of a cerebral hemorrhage. She served as the chief consultant for the California Senate Select Committee on Drug and Alcohol Abuse.
- She holds a Masters degree in Social Work and a Bachelor of Arts degree in Social Science.

## **PLEASE HELP!!!!!!**

**August 28, 2013**



### ***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 8<sup>th</sup> Street Suite 480, Sacramento, CA 95814]**

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



**ASSOCIATION OF REGIONAL CENTER AGENCIES  
ESTIMATION OF UNALLOCATED FUNDS  
FY 2013-14  
SEPTEMBER 3, 2013**

|  | <u>Operations</u>   | <u>Purchase<br/>of Service (POS)</u> | <u>Community<br/>Placement<br/>Plan (CPP)</u> | <u>Total POS &amp; CPP</u> | <u>TOTAL</u>         |
|--|---------------------|--------------------------------------|---|----------------------------|----------------------|
| Budget per the 2013 May Revision         | \$562,059,000       | \$3,744,817,000                      | \$54,937,000                                  | \$3,799,754,000            | \$4,361,813,000      |
| Funds not allocated to RCs:              |                     |                                      |   |                            |                      |
| Projects                                 | (\$20,029,188)      |                                      |   | \$0                        | (\$20,029,188)       |
| ICF-SPA Administrative Fees              | (\$1,745,000)       |                                      |   | \$0                        | (\$1,745,000)        |
| ICF-SPA Expenses (DP and Transp)         |                     | (\$116,386,000)                      |   | (\$116,386,000)            | (\$116,386,000)      |
| Dental Expenses (Delta Dental)           |                     | (\$11,972,000)                       |   | (\$11,972,000)             |                      |
| QA Fees for ICF SPA                      |                     | (\$9,424,000)                        |   | (\$9,424,000)              | (\$9,424,000)        |
| Net Budget for RCs                       | \$540,284,812       | \$3,607,035,000                      | \$54,937,000                                  | \$3,661,972,000            | \$4,202,256,812      |
| Allocated to RCs through the E-1         | \$519,447,060       | \$3,482,378,777                      | \$0   | \$3,482,378,777            | \$4,001,825,837      |
| <b>Unallocated as of August 30, 2013</b> | <b>\$20,837,752</b> | <b>\$124,656,223</b>                 | <b>\$54,937,000</b>                           | <b>\$179,593,223</b>       | <b>\$200,430,975</b> |

|   | <u>Unallocated as of<br/>8/30/2013</u> |
|---|--|
| <b><u>OPS Funds for Specific Purposes</u></b> |  |
| CPP OPS                                       | \$12,472,000                           |
| DC Closures - Agnews and Lanterman            | \$6,483,000                            |
| Wellness Projects                             | \$100,000                              |
| Total Restricted OPS Funds                    | \$19,055,000                           |
| Net OPS Funds Available                       | <b>\$1,782,752</b>                     |

**ASSOCIATION OF REGIONAL CENTER AGENCIES  
COMPARISON OF REGIONAL CENTERS OPERATIONS BUDGET TO E-1 ALLOCATION  
FISCAL YEAR 2013-14  
SEPTEMBER 3, 2013**

|  | <u>BUDGET</u>               | <u>E-1 ALLOCATION</u>       | <u>UNALLOCATED</u>         |
|--|-----------------------------|-----------------------------|----------------------------|
| <u>Staffing</u>                                |                             |                             |                            |
| Core Staffing                                  | \$420,468,000               | \$417,674,298               | \$2,793,702                |
| Operating Expenses                             | \$39,600,000                | \$34,356,571                | \$5,243,429                |
| Facility Rent                                  | \$52,020,000                | \$53,813,445                | (\$1,793,445)              |
| Eliminate QA Reviews - Savings                 | \$0                         | (\$1,500,000)               | \$1,500,000                |
| ES Intake & Assess Savings                     | \$0                         | (\$5,500,000)               | \$5,500,000                |
| Adjusted Core Staffing                         | <u>\$512,088,000</u>        | <u>\$498,844,314</u>        | <u>\$13,243,686</u>        |
| CPP  | \$12,472,000                | \$0                         | \$12,472,000               |
| Staffing for Coll of FFP - Contracted Services | \$2,228,000                 | \$1,771,544                 | \$456,456                  |
| Intake and Assessment - 60 to 120 Days         | (\$4,465,000)               | (\$4,465,000)               | \$0                        |
| Unallocated Reduction - FY 2001-02             | (\$10,559,000)              | (\$10,559,000)              | \$0                        |
| Cost Containment - FY 2004-05                  | (\$5,968,000)               | (\$5,968,000)               | \$0                        |
| 1.25% Payment Reduction Restoration Adj        | \$172,000                   |                             | \$172,000                  |
| Savings Target                                 | (\$14,145,000)              |                             | (\$14,145,000)             |
| Cost Containment - FY 2011-12                  | (\$3,486,000)               | (\$3,486,000)               | \$0                        |
| Unallocated Reduction - FY 2011-12             | (\$5,400,000)               | (\$5,400,000)               | \$0                        |
| Total Rent, Operating Exp, and Other Staffing  | <u>(\$29,151,000)</u>       | <u>(\$28,106,456)</u>       | <u>(\$1,044,544)</u>       |
| <b>Subtotal - Staffing</b>                     | <b><u>\$482,937,000</u></b> | <b><u>\$470,737,858</u></b> | <b><u>\$12,199,142</u></b> |
| <u>DC Closures</u>                             |                             |                             |                            |
| Agnews Ongoing Workload                        | \$2,946,000                 | \$0                         | \$2,946,000                |
| Lanterman DC Closure                           | \$3,537,000                 | \$0                         | \$3,537,000                |
| <b>Total DC Closures</b>                       | <b><u>\$6,483,000</u></b>   | <b><u>\$0</u></b>           | <b><u>\$6,483,000</u></b>  |
| <u>Federal Compliance</u>                      |                             |                             |                            |
| HCBS Waiver                                    | \$21,135,000                | \$21,135,000                | \$0                        |
| HCBS Waiver Compliance                         | \$9,200,000                 | \$8,073,405                 | \$1,126,595                |
| Case Managers to Meet HCBS Waiver Req          | \$11,868,000                | \$9,611,346                 | \$2,256,654                |
| TCM  | \$4,129,000                 | \$4,129,000                 | \$0                        |
| Nursing Home Reform                            | \$473,000                   | \$423,000                   | \$50,000                   |
| Fed Medicaid Req for RC HCBS Services          | \$984,000                   | \$984,000                   | \$0                        |
| <b>Total Federal Compliance</b>                | <b><u>\$47,789,000</u></b>  | <b><u>\$44,355,751</u></b>  | <b><u>\$3,433,249</u></b>  |
| <b>Subtotal Operations</b>                     | <b><u>\$537,209,000</u></b> | <b><u>\$515,093,609</u></b> | <b><u>\$22,115,391</u></b> |
| <u>Projects</u>                                |                             |                             |                            |
| IT System Hardware Maintenance                 | \$195,812                   | \$195,812                   | \$0                        |
| Wellness Projects                              | \$100,000                   | \$0                         | \$100,000                  |
| Foster Grandparent/Senior Companion Prgm       | \$1,739,000                 | \$1,739,000                 | \$0                        |
| Homeland Security Grant                        | \$0                         | \$0                         | \$0                        |
| Increased Access to Mental Health Svcs         | \$740,000                   | \$739,995                   | \$5                        |
| Sherry S.                                      | \$301,000                   | \$321,000                   | (\$20,000)                 |
| <b>Total Projects to RCs</b>                   | <b><u>\$3,075,812</u></b>   | <b><u>\$2,995,807</u></b>   | <b><u>\$80,005</u></b>     |

**ASSOCIATION OF REGIONAL CENTER AGENCIES  
COMPARISON OF REGIONAL CENTERS OPERATIONS BUDGET TO E-1 ALLOCATION  
FISCAL YEAR 2013-14  
SEPTEMBER 3, 2013**

|   | <u>BUDGET</u>              | <u>E-1 ALLOCATION</u> | <u>UNALLOCATED</u>   |
|---|----------------------------|-----------------------|----------------------|
| <u>Other</u>                                      |                            |                       |                      |
| Family Resource Centers/Networks                  | \$0                        | \$990,201             | (\$990,201)          |
| Miscellaneous                                     | \$0                        | \$367,443             | (\$367,443)          |
|   | \$0                        |                       | \$0                  |
|   | \$0                        |                       | \$0                  |
| <br>  |                            |                       |                      |
| <b>Total Other</b>                                | <b>\$0</b>                 | <b>\$1,357,644</b>    | <b>(\$1,357,644)</b> |
| <br>  |                            |                       |                      |
| <b>TOTAL REGIONAL CENTER OPERATIONS</b>           | <b>\$540,284,812</b>       | <b>\$519,447,060</b>  | <b>\$20,837,752</b>  |
| <br>  |                            |                       |                      |
| <u>Projects Not Allocated to Regional Centers</u> |                            |                       |                      |
| Information Technology Costs                      | \$2,721,188                |                       |                      |
| Clients' Rights Advocacy Contract                 | \$5,564,000                |                       |                      |
| Quality Assessment Contract                       | \$2,992,000                |                       |                      |
| Direct Support Professional Training              | \$2,590,000                |                       |                      |
| Office of Administrative Hearings Contract        | \$2,910,000                |                       |                      |
| Special Incident Reporting/Risk Assessment        | \$807,000                  |                       |                      |
| Enhancing FFP, Phase II Consultant                | \$500,000                  |                       |                      |
| University Enterprises                            | \$113,000                  |                       |                      |
| Affordable Housing                                | \$94,000                   |                       |                      |
| Review of SB 1175 Housing Proposals               | \$150,000                  |                       |                      |
| Denti-Cal Infrastructure for RC Dental Svcs       | \$1,197,000                |                       |                      |
| Homeland Security Grant                           | \$391,000                  |                       |                      |
| <br>  |                            |                       |                      |
| <b>Total Projects Not Alloc to RCs</b>            | <b>\$20,029,188</b>        |                       |                      |
| <br>  |                            |                       |                      |
| <b>ICF-SPA RC Administrative Fees</b>             | <b>\$1,745,000</b>         |                       |                      |
| <br>  |                            |                       |                      |
| <b>TOTAL OPERATIONS</b>                           | <b>\$562,059,000</b>       |                       |                      |
| <br>  |                            |                       |                      |
| <i>Note: Total Projects</i>                       | <u><u>\$23,105,000</u></u> |                       |                      |

**Association of Regional Center Agencies  
Purchase of Service Budget  
Per May Revision for FY 2013-14  
E-1 Budget Amendment**

9/3/2013 13:39

|                         | <u>CCF</u>  | <u>Med Fac</u> | <u>Day Prgrm</u> | <u>WAP/SEP</u> | <u>Transp</u> | <u>Supp Svc</u> | <u>IH Resp</u> | <u>OOH Resp</u> | <u>Health Care</u> | <u>Misc</u>  | <u>Totals</u> | <u>% of Total</u> |
|-------------------------|-------------|----------------|------------------|----------------|---------------|-----------------|----------------|-----------------|--------------------|--------------|---------------|-------------------|
| May Revise - FY 2012-13 | 911,163,000 | 26,393,000     | 815,180,000      | 142,708,000    | 230,935,000   | 761,356,000     | 202,437,000    | 46,695,000      | 89,043,000         | 397,725,000  | 3,623,635,000 |                   |
| Diff - Est to Base      | (5,630,000) | (188,000)      | 5,557,000        | (2,416,000)    | 786,000       | 4,952,000       | (3,915,000)    | (3,100,000)     | 239,000            | (22,809,000) | (26,524,000)  |                   |
| Base                    | 905,533,000 | 26,205,000     | 820,737,000      | 140,292,000    | 231,721,000   | 766,308,000     | 198,522,000    | 43,595,000      | 89,282,000         | 374,916,000  | 3,597,111,000 | 95.16%            |
| Growth                  | 7,379,000   | 190,000        | 32,551,000       | 2,593,000      | 5,685,000     | 34,516,000      | 4,638,000      | (931,000)       | 3,878,000          | 8,008,000    | 98,507,000    | 2.61%             |
| SSI/SSP Incr            | (3,351,000) |                |                  |                |               |                 |                |                 |                    |              | (3,351,000)   | -0.09%            |
| Avg Cost Incr           | 19,744,000  |                | 1,600,000        |                |               |                 |                |                 |                    |              | 21,344,000    | 0.56%             |
| CPP                     | 19,515,000  | 164,000        | 3,952,000        | 176,000        | 745,000       | 4,450,000       | 24,000         | 76,000          | 671,000            | 25,164,000   | 54,937,000    | 1.45%             |
| GAP                     |             | 337,000        |                  |                |               |                 |                |                 |                    |              | 337,000       | 0.01%             |
| FMS for PD Services     |             |                |                  |                | 814,000       |                 | 6,212,000      | 3,562,000       | 139,000            |              | 10,727,000    | 0.28%             |
| Ind Liv Suppl           |             |                |                  |                |               | 498,000         |                |                 |                    |              | 498,000       | 0.01%             |
| Subtotal                | 948,820,000 | 26,896,000     | 858,840,000      | 143,061,000    | 238,965,000   | 805,772,000     | 209,396,000    | 46,302,000      | 93,970,000         | 408,088,000  | 3,780,110,000 | 100.00%           |

ICF-SPA Exp

ICF-DD Revenue

43,905,000 14,288,000

Est ICF-SPA Expenses

87,810,000 28,576,000

116,386,000

QA Fees for ICF-SPA

3,780,110,000

Impacts from Other Departments

9,424,000

Co-Pays

355,000

9,865,000

Total POS Budget

3,799,754,000

|                                    | <u>Budget</u>        | <u>E-1</u>           | <u>E-2</u> | <u>E-3</u> | <u>E-4</u> | <u>E-5</u> | <u>E-6</u> | <u>E-7</u>           | <u>Total Allocated</u> | <u>Balance Available</u> |
|------------------------------------|----------------------|----------------------|------------|------------|------------|------------|------------|----------------------|------------------------|--------------------------|
| Base + Growth                      | 3,606,698,000        | 3,482,296,751        |            |            |            |            |            | 3,482,296,751        | 124,401,249            |                          |
| GAP                                | 337,000              | 82,026               |            |            |            |            |            | 82,026               | 254,974                |                          |
| Downsizing                         |                      |                      |            |            |            |            |            | 0                    | 0                      |                          |
| Total Regular POS                  | 3,607,035,000        | 3,482,378,777        | 0          | 0          | 0          | 0          | 0          | 3,482,378,777        | 124,656,223            |                          |
| CPP                                | 54,937,000           |                      |            |            |            |            |            | 0                    | 54,937,000             |                          |
|                                    |                      |                      |            |            |            |            |            | 0                    | 0                      |                          |
| <b>Subtotal (to RCs)</b>           | <b>3,661,972,000</b> | <b>3,482,378,777</b> | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>3,482,378,777</b> | <b>179,593,223</b>     |                          |
| Dental Expenses                    | 11,972,000           |                      |            |            |            |            |            | 0                    | 11,972,000             |                          |
| ICF-SPA Expenses                   | 116,386,000          |                      |            |            |            |            |            | 0                    | 116,386,000            |                          |
| QA Fees ICF-SPA (Not alloc to RCs) | 9,424,000            |                      |            |            |            |            |            | 0                    | 9,424,000              |                          |
| <b>Totals</b>                      | <b>3,799,754,000</b> | <b>3,482,378,777</b> | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>3,482,378,777</b> | <b>317,375,223</b>     |                          |

## TRI-COUNTIES REGIONAL CENTER

### DATA REPORTS REQUIRED BY WELFARE & INSTITUTIONS CODE SECTION 4519.5

#### Report for the Department of Developmental Services

August, 2013

#### Introduction

An amendment in June, 2012, to the Lanterman Act, Section 4519.5 of the Welfare and Institutions Code, requires that all regional centers compile and report data related to purchase of service authorization, utilization, and expenditures across identified demographic groups of people served, categorized by age, race or ethnicity, primary language and disability. Tri-Counties Regional Center ("TCRC") has collaborated with the Department of Developmental Services ("DDS") to prepare this data and has posted it on its website in accordance with these statutes. TCRC utilized data reports downloaded from DDS and a standard report format utilized by the majority of regional centers. TCRC posted its reports by March 31, 2013, under the Transparency section of the website.

#### Issues Identified by the Data

Included in the reports is a summary of limitations to the data. We have encouraged viewers to keep these limitations in mind when reviewing the data. These limitations include exclusion of expenditures paid for by generic agencies, late billings and services paid for under contract. In addition, due to the data compilation methods, regional center caseload will not match the summation of the data and total client count will not match the summation of clients with multiple diagnoses.

The following conclusions were derived from TCRC's data:

#### For All Ages

- The highest per capita expenditures for all ages are for persons with a diagnosis of Epilepsy at \$21,629, while the lowest is for persons with a diagnosis of Category 5 at \$13,698.
- Per capita expenditures for persons identifying themselves as Black/African-American were the highest at \$20,972, followed by people identifying themselves as White at \$19,803. The lowest per capita expenditures fell in the Native American category at \$6,569.
- Asian, Black/African-American, Filipino and White all had per capita expenditures above the average of \$12,454.
- Persons with Asian as their declared primary language had the highest per capita expenditures at \$16,117, and persons with Spanish as their declared primary language had the lowest per capita expenditures at \$6,524.

#### For Birth to Age 2 Years, Inclusive

- The highest per capita expenditures for this age category are for persons with a diagnosis of Autism at \$11,039, while the lowest is for persons with a diagnosis of Intellectual Disability at \$7,815.

- Per capita expenditures for people classifying themselves in the Filipino category were the highest at \$4,288, followed by White at \$4,211. The lowest per capita expenditures fell in the Black/African-American category at \$2,322 (excludes 1 person in the Polynesian category with per capita expenditures of \$357).
- Filipino, Hispanic and White all had per capita expenditures above the average of \$3,654.
- Persons with Spanish as their declared primary language had the highest per capita expenditures at \$3,973, and persons with Asian as their declared primary language had the lowest per capita expenditures at \$1,552.

#### For Age 3 Years to 21 Years, Inclusive

- The highest per capita expenditures for ages 3 to 21 years are for persons with a diagnosis of Autism at \$11,124, while the lowest is for persons with a diagnosis of Cerebral Palsy at \$5,577.
- Per capita expenditures were the highest for those in the Asian category at \$11,202, followed by White at \$9,090. The lowest per capita expenditures fell in the Native American category at \$1,765.
- Asian, White and the Other Ethnicity or Race categories all had per capita expenditures above the average of \$7,653.
- Persons with Asian as their declared primary language had the highest per capita expenditures at \$13,669, and persons with Spanish as their declared primary language had the lowest per capita expenditures at \$5,282.

#### For Age 22 Years and Older

- The highest per capita expenditures for the age 22 and older category are for persons with a diagnosis of Autism at \$37,865, while the lowest is for persons with a diagnosis of Category 5 at \$19,284.
- Per capita expenditures for persons classifying themselves in the White category were the highest at \$28,904, followed by the Black/African-American category at \$28,070. The lowest per capita expenditures fell in the Native American category at \$10,063.
- Black/African-American and White had per capita expenditures above the average of \$24,839.
- Persons with English as their declared primary language had the highest per capita expenditures at \$26,178, and persons with Spanish as their declared primary language had the lowest per capita expenditures at \$15,213.

#### **Results of the Public Stakeholder Meeting**

TCRC held a public meeting on June 8, 2013. The required Purchase of Services Expenditure and Demographic Data Reports for Fiscal Year 2011-2012 were presented (refer to Attachment A) and a PowerPoint presentation highlighting certain aspects of the data was presented (refer to Attachment B).

A summary of the public comments include:

- What does the data mean and what should we do with this information?

- It provides no value. There are a lot of aspects that this data doesn't provide.
- Services are approved by the planning team.
- There may be certain communities or ethnic groups that are not getting their due share.
- Based on this data, we cannot extrapolate any correlation between needs and cost per capita.
- It would be more relevant to take this data and look at it statewide.
- This is not a dollar-for-dollar correlation.
- It gets back to satisfaction.
- The data needs more analysis.
- What is expected if each family gets their "due share"? Does that mean that each family gets a fixed number of dollars every year and then that's it?
- This data is very new, it is the first time it has been run.
- Are we comparing apples to oranges?
- We need to explore this data further, but we cannot draw any conclusions from this data at this point.
- What was the cost for each regional center to develop this?

**Current Strategies:**

Tri-Counties Regional Center has for many years strived to eliminate disparate service delivery by implementing a variety of strategies as identified below:

- Employing Bi-Lingual Service Coordination Staff: TCRC's unique number of people served was 13,944 in FY 2011-12. Approximately 23% identified themselves with Spanish as their primary language, while approximately 35% identified themselves as Hispanic ethnicity. Almost 50% of TCRC's service coordinators are Spanish bi-lingual. This percentage is higher in some of TCRC's communities such as Oxnard and Santa Maria, with 63%-64% bilingual staff currently, to more closely meet the needs of those populations. In addition, in 2012, 76% of the new hires were bilingual. TCRC recognizes the importance of having adequate bilingual staff and offers these staff a wage premium to attract and retain.
- Translation of Print Materials: TCRC translates a variety of its documents into Spanish. These include but are not limited to TCRC's agency brochure, newsletter, annual report, Person Centered Thinking tools and brochure, One Page Profiles, and Weingart Grant Publication, in addition to various letters, packets, IPPs/IFSPs, and forms.
- Language Convertible Website: TCRC's website contains a substantial amount of information about TCRC's services, policies and procedures. Users of TCRC's website can pick a language from over 50 languages and much of the website information will be translated once the language is selected from a drop down menu.
- Translator Services: TCRC funds a translator for persons requesting this assistance. Approximately 30 people per month are currently being funded for this service.
- Satisfaction Survey: TCRC conducts an independent annual satisfaction survey, administered by Kinetic Flow, in which over 1,000 recipients of TCRC services were recently surveyed. In 2012, approximately 40% of the survey participants were

Hispanic/Latino. One of the questions is: “How would you rate the regional center staff at taking into account your cultural needs and preferences?” TCRC has made improvements in this area given the responses to this question over the past 10 years. In 2002, the overall rating for this question was 3.06 (3 equals Good; 4 equals Excellent; 5 equals Truly Outstanding). In 2012, the rating increased to 3.83. Further, the breakdown by primary ethnicity indicates a rating in 2012 of 4.11 for persons identifying themselves as Hispanic/Latino, while this rating is 3.50 for persons identifying themselves as White. The response to this question by primary language also shows higher satisfaction by primary Spanish speakers with a rating of 4.43 compared to 3.52 for primary English speakers.

As a second example, another survey question asked, “Overall, how would you rate the services and supports the regional center provides for you and your family?” The response by primary ethnicity indicates a rating in 2012 of 4.20 for the Hispanic/Latino group, while this rating is 3.78 for the White group. The response to this question by primary language also shows higher satisfaction by primary Spanish speakers with a rating of 4.36 compared to 3.82 for primary English speakers.

- **Performance Development:** TCRC has competency models for various types of employee positions. The administrative and service coordination competency models contain reference to cultural sensitivity and expertise. Managers review staff’s performance annually using these models.
- **Service Provider Requirements:** TCRC has incorporated a requirement into all new RFPs that requires provider staff to speak the language of the people they support. In addition, for certain contracted services the service provider must employ Spanish-speaking staff and also provide access to translation services (Spanish or otherwise).
- **Family Resource Centers:** A variety of Spanish language support, resources and information is available. Examples include:
  - Spanish Support Group Partnership groups are sponsored throughout the month by Rainbow Connection in collaboration with professionals from agencies that provide services in various communities. For more information on these support groups, go to Rainbow Connection’s website at [www.rainbowconnectionfrc.weebly.com](http://www.rainbowconnectionfrc.weebly.com).
  - Rainbow Connection provides support, resources, and information to families who have been impacted with an N.I.C.U. experience and provides a monthly N.I.C.U. resources class and a separate support group. Resource parents are available for support 24/7 that can be provided in English or Spanish.
  - Parents Helping Parents (PHP) ensures the intake process is available in Spanish when designated by the referring agency. PHP also strives toward achieving cultural competency to meet the expanding multicultural population. Bilingual support staff and English and Spanish brochures are distributed to all first contacts and at all activities in which PHP participates.
  - At Alpha Resource Center, three members of the Children & Family Services team are bilingual Spanish speakers. Their newsletter is disseminated quarterly



in English and Spanish which highlights education opportunities, health news, parent support and other topics related to developmental disability news.

**Proposed Strategies:**

Further strategies being explored include:

- **Information Sharing and Gathering:** TCRC plans to conduct meetings with service coordinator teams and various stakeholder groups to share the POS data by categories and obtain input on improving services to persons who may be underserved and identify areas to target that would make a difference to underserved populations.
- **Enhanced Cultural Diversity Training:** TCRC plans to incorporate specific curriculum that speaks to cultural competency. Several years ago TCRC offered a module on cultural competence as part of service coordinator orientation. Due to recent budget reductions this training was discontinued. TCRC plans to build this back into the new service coordinator orientation as a first step. This will also provide some attention to this topic while the online module is being developed by ARCA's Training and Information Group. We are also looking at courses to purchase through the Learning Management System.
- **Enhanced Service Provider Requirements:** TCRC will add language to all future and renewed contracts that service providers shall ensure that services are provided in the preferred language of the individuals receiving services.
- **Enhanced Performance Development Models:** TCRC's competency models may be expanded and revised for more specific focus and goals to ensure services are provided fairly and consistently across all ethnic and language groups.
- **Satisfaction Surveys:** Additional questions will be added to the 2013 survey with the intent to gather more detailed information on satisfaction with TCRC's services in potentially underserved populations.

**Attachments:**

- Data reports and narrative Presented at Public Meeting June 8, 2013.
- Powerpoint Presented at Public Meeting June 8, 2013.

## DEPARTMENT OF DEVELOPMENTAL SERVICES

1600 NINTH STREET, Room 320, MS 3-9  
SACRAMENTO, CA 95814  
TDD 654-2054 (For the Hearing Impaired)  
(916) 654-1958



**DATE: July 12, 2013**

**TO: REGIONAL CENTER DIRECTORS AND BOARD PRESIDENTS**

**SUBJECT: JUNE 2013 TRAILER BILL LANGUAGE AFFECTING REGIONAL CENTERS**

The purpose of this correspondence is to transmit a summary of the recently enacted Developmental Services Budget Trailer Bill, AB 89 (Chapter 25, Statutes of 2013), and other statutory changes that directly affect regional centers or the developmental services system. AB 89 contains an urgency clause, and was therefore effective immediately upon enactment, June 27, 2013. Changes effected by AB 89 include the following:

- Establishment of a closure date for Lanterman Developmental Center (LDC).
- Deletion of the time limitation on use of Department of Developmental Services (Department) employees under the Community State Staff Program.
- Further restrictions on the use of Institutions for Mental Disease (IMDs) and a requirement that regional centers complete a comprehensive assessment for any consumer residing in an IMD as of July 1, 2013.
- Specification of the conditions under which regional centers may fund IMD services for consumers under 21 years of age.
- Requirements that notification is provided to the Clients' Rights Advocate (CRA) of the appropriate regional center when:
  - A consumer is admitted to an IMD;
  - There is a request for extended stay of a consumer under 21 years of age in an IMD;
  - A consumer files a petition for writ of habeas corpus; or,
  - The comprehensive assessment results for a consumer residing in a developmental center will be discussed at an individual program planning (IPP) meeting.
- Authorization for the CRA of the appropriate regional center to participate in IPP meetings related to actions the CRA is notified of, as specified above, unless a consumer objects, and to attend any hearing related to a petition for writ of habeas corpus.
- When a consumer residing in a developmental center or IMD files a petition for writ of habeas corpus, a requirement that regional centers submit to specified entities a copy of the consumer's most recent comprehensive assessment within two days of the regional center receiving notice of the filing.

**"Building Partnerships, Supporting Choices"**

- Authorization for regional centers to pay copayments and coinsurance associated with health care service plans and health insurance policies, under specified conditions.
- Requirements that regional centers notify the Department of public meetings regarding disparities data 30 days prior to the date of the meeting; post a notice on its Internet Web site 30 days prior to the date of the meeting; and, send the notice to individual stakeholders and groups representing underserved communities in a timely manner.
- Elimination of the sunset date for the Annual Family Program Fee.

The following changes in law did not require Trailer Bill language (TBL), since each provision contained a sunset date.

- Restoration of the 1.25 percent regional center Operations and service provider payment reductions.
- Elimination of statutory provisions that:
  - Authorized regional centers to modify personnel requirements, functions, or qualifications, or staff training requirements for providers, except for licensed or certified residential providers, whose payments were reduced by 1.25 percent.
  - Relieved vendored residential service providers, whose payments were reduced by 1.25 percent, from requirements to complete quarterly and semiannual progress reports pursuant to Title 17, California Code of Regulations (Cal. Code Regs., tit. 17) section 56026(b) and (c).
  - Suspended requirements described in Cal. Code Regs., tit. 17 sections 56732 and 56800, that community-based day programs and in-home respite agencies conduct annual reviews and submit written reports to vendoring regional centers, user regional centers, and the Department.
- Reinstatement of statutory provisions requiring that:
  - Regional centers maintain specific service coordinator caseload ratios for consumers who have not moved from the developmental centers to the community since April 14, 1993, are three years of age and older, and are not enrolled in the Home and Community-Based Services (HCBS) Waiver program.
  - Contracts between the Department and regional centers require the regional center to have or contract for specialized expertise.

While this correspondence provides a high level summary of AB 89, a complete and thorough review of the bill is imperative for regional centers' statutory compliance.<sup>1</sup> Clarifying information regarding implementation of AB 89 is included in several areas below. Regional centers should continue to educate their communities regarding these legislative changes.

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<sup>1</sup> Go to the June 11, 2013, amended version of the bill at <http://leginfo.legislature.ca.gov> to see the changes in statute made by AB 89.

### **LDC Closure**

**Section 13:** AB 89 requires the Department to complete closure of LDC by the fall of 2014, and no later than December 31, 2014. The closure shall be completed pursuant to the plan developed in accordance with Section 4474.1 of the Welfare and Institutions Code<sup>2</sup>.

**Section 2:** Section 4474.2 was amended to eliminate the time limitation (i.e., two years following the transfer of the last resident from LDC) on use of Department employees, working at LDC, to work in the community with former LDC residents while remaining state employees (also known as the "Community State Staff Program").

### **Comprehensive Assessments of Developmental Center Residents**

**Section 1:** Section 4418.25 was amended, specifying that comprehensive assessments of developmental center residents conducted pursuant to this section shall *identify the types of community-based services and supports available to the consumer that would enable the consumer to move to a community setting*. Necessary services and supports not currently available in the community setting shall be considered for development pursuant to regional center community placement plans and associated funding.

Additionally, Section 4418.25 was amended, requiring regional centers to provide, to the extent appropriate, when updating a comprehensive assessment (i.e., annually, as part of the IPP process), relevant information from the statewide specialized resource service (SSRS) established pursuant to Section 4418.25(b). The CRA for the regional center shall be notified of each IPP meeting that includes discussion of the assessment results and may participate in the IPP meeting unless the consumer objects on his or her own behalf.

### **Utilization of IMDs**

**Section 5:** Section 4648 was amended to specify that, effective July 1, 2012, regional centers shall not place a consumer in an IMD for which federal Medicaid funding is not available unless there is an emergency circumstance, as outlined in Section 4648(a)(9)(C)(ii). Effective July 1, 2013, the prohibition on placement in, and purchase of new residential services from, an IMD applies regardless of the availability of federal funding. Prior to any emergency IMD admission, regional centers shall consider, to the extent feasible, resource options identified by the SSRS. The CRA for the regional center shall be notified of each emergency admission and IPP meeting pursuant to Section 4648(a)(9)(C), and may participate in all IPP meetings unless the consumer objects on his or her own behalf.

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<sup>2</sup> All citations are to the Welfare and Institutions Code unless otherwise stated.

Regional centers shall complete a comprehensive assessment for any consumer residing in an IMD as of July 1, 2013, prior to the individual's next scheduled IPP meeting.

Section 6: Section 4648.01 was added, authorizing a consumer who is under 21 years of age to be placed in an IMD for a period that exceeds 180 days if all of the following conditions are satisfied prior to the end of the 180-day period or, if the consumer was placed in the institution prior to July 1, 2013, if the conditions are satisfied within 30 days of the consumer's placement reaching 180 days or by July 31, 2013, whichever is later:

1. The regional center has conducted an updated comprehensive assessment and based on that assessment the IPP team determines that due to the nature and extent of the consumer's disability, he or she requires the services provided at the IMD and there is no less restrictive setting currently available for the consumer.
2. The IPP team has developed a plan that identifies the specific services and supports necessary to transition the consumer into the community, and the plan includes a timeline to obtain or develop those services and supports.

A consumer described in Section 4648.01 shall not be placed in an IMD for a period that exceeds one year unless the regional center demonstrates significant progress toward implementing the plan to transition the consumer into the community, and extraordinary circumstances that are beyond the regional center's control have prevented the regional center from obtaining necessary services and supports within the timeline established in the plan. In this case, the regional center may request, and the Department may approve, an additional extension of the placement for a period not to exceed 30 days. The CRA for the regional center shall be notified of any proposed extension and the IPP meeting to consider the extension, and may participate in the IPP meeting unless the consumer objects on his or her own behalf.

Section 4648.01 requires the Department and regional centers to work together to identify services and supports needed to serve individuals under 21 years of age with both developmental and mental health disabilities, facilitate the development of a community-based statewide network of crisis stabilization resources for children, and, if appropriate, target the use of community placement plan funds for these consumers. Section 4648.01 shall become inoperative on July 1, 2014, and as of January 1, 2015, is repealed, unless a later enacted statute that is enacted before January 1, 2015, deletes or extends the dates on which it comes inoperative and is repealed.

*Implementation: The Department will work with the Association of Regional Center Agencies (ARCA) Community Placement Plan Committee and Difficult to Serve Task Force in fulfillment of this statutory requirement. When purchasing IMD and mental*

*health rehabilitation center services, regional centers are required to adhere to the timelines contained in AB 1472 (Chapter 25, Statutes of 2012). In correspondence dated March 1, 2013, the Department provided guidance to regional centers regarding the statutory timelines and requirements when purchasing services from facilities ineligible for federal financial participation, which may only occur under emergency circumstances.*

### **Writ of Habeas Corpus**

**Section 9:** Section 4801 was amended, requiring the clerk of the appropriate superior court to transmit to the CRA of the appropriate regional center, a copy of any petition for writ of habeas corpus filed on behalf of a consumer pursuant to Section 4800. The petition shall be transmitted at the time it is filed together with notification regarding the time and place of an evidentiary hearing in the matter. The CRA may attend any hearing pursuant to this section to assist in protecting the person's rights.

If the person seeking release, or for whom release is sought, resides in a developmental center or IMD, the regional center director or designee shall submit to the court, the person's attorney, and all parties required to be noticed pursuant to Section 4801(b), a copy of the most recent completed assessment required by Section 4418.25(c), 4418.7(e), or 4648(a)(9). The regional center shall submit copies of these assessments within two working days of receiving the notice required pursuant to Section 4801(b).

**Section 10:** Section 4806 was added, specifying that Sections 4800-4805 (Chapter 10 of Division 4.5) shall be construed in a manner that affords the adult requesting release all rights under Section 4502, including the right to treatment and habilitation services and supports in the least restrictive environment, and the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), including the right to receive services in the most integrated setting appropriate.

### **Copayments and Coinsurance Associated with Health Care Service Plans and Health Insurance Policies**

**Section 7:** Section 4659.1 was added, authorizing regional centers to, when necessary to ensure that a consumer receives a service or support pursuant to his or her IPP or individualized family service plan (IFSP), pay any applicable copayment or coinsurance associated with the service or support for which a parent, guardian, or caregiver is responsible if all of the following conditions are met:

1. The service or support is paid for, in whole or in part, by the health care service plan or health insurance policy of the consumer's parent, guardian, or caregiver.
2. The consumer is covered by his or her parent's, guardian's, or caregiver's health care service plan or health insurance policy.
3. The family has an annual gross income that does not exceed 400 percent of the federal poverty level.

4. There is no other third party having liability for the cost of the service or support, as provided in Section 4659(a) and Article 2.6 (commencing with Section 4659.10).

For consumers 18 years of age or older, regional centers may, when necessary to ensure that a consumer receives a service or support pursuant to his or her IPP, pay any applicable copayment or coinsurance associated with the service or support for which a consumer is responsible if the following conditions are met:

1. The service or support is paid for, in whole or in part, by the consumer's health care service plan or health insurance policy.
2. The consumer has an annual gross income that does not exceed 400 percent of the federal poverty level.
3. There is no other third party having liability for the cost of the service or support, as provided in Section 4659(a) and Article 2.6 (commencing with Section 4659.10).

Regional centers may pay a copayment or coinsurance for a service or support provided pursuant to a consumer's IPP or IFSP if the family's or consumer's income exceeds 400 percent of the federal poverty level, the service or support is necessary to successfully maintain the child at home or the adult consumer in the least-restrictive setting, and the parents or consumer demonstrate one or more of the following:

1. The existence of an extraordinary event that impacts the ability of the parent, guardian, or caregiver to meet the care and supervision needs of the child or impacts the ability of the parent, guardian, or caregiver, or adult consumer with a health care service plan or health insurance policy, to pay the copayment or coinsurance.
2. The existence of catastrophic loss that temporarily limits the ability of the parent, guardian, or caregiver, or adult consumer with a health care service plan or health insurance policy, to pay and creates a direct economic impact on the family or adult consumer. For purposes of this paragraph, catastrophic loss may include, but is not limited to, natural disasters and accidents involving major injuries to an immediate family member.
3. Significant unreimbursed medical costs associated with the care of the consumer or another child who is also a regional center consumer.

The parent, guardian, or caregiver of a consumer or an adult consumer with a health care service plan or health insurance policy shall self-certify the family's gross annual income to the regional center by providing copies of W-2 Wage Earners Statements, payroll stubs, a copy of the prior year's state income tax return, or other documents and proof of other income. The parent, guardian, or caregiver of a consumer or an adult consumer with a health care service plan or health insurance policy is responsible for notifying the regional center when a change in income occurs that would result in a change in eligibility for coverage of the health care service plan or health insurance

policy copayments or coinsurance. Documentation submitted pursuant to this section shall be considered records obtained in the course of providing intake, assessment, and services and shall be confidential pursuant to Section 4514.

This section shall not be implemented in a manner that is inconsistent with the requirements of Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431 et seq.).

Note: Regional centers shall not pay health care service plan or health insurance policy deductibles.

*Implementation: Regional centers must ensure that purchases for health insurance copayments or coinsurance are authorized only if the family (or adult consumer) either 1) has an annual gross income that does not exceed 400 percent of the federal poverty level or 2) demonstrates the existence of an extraordinary event, catastrophic loss or significant unreimbursed medical costs as defined. Compliance with this section of TBL will be monitored through the Department's fiscal audits of regional centers.*

*For consumers 18 years of age or older, if the consumer is either the health insurance policy holder or identified as eligible under a policy held by another, purchases for copayments or coinsurance may be authorized if the consumer meets either the income or other criteria.*

**Section 4:** Section 4519.6 was added, requiring the Department and regional centers to annually collaborate to determine the most appropriate methods to collect and compile meaningful data in a uniform manner, as specified in Section 4519.5, related to the payment of copayments and coinsurance by each regional center.

*Implementation: Based on an informal survey of regional centers conducted by ARCA and discussion with a number of regional center representatives, it was apparent that the use of service sub codes was the most appropriate method to identify purchases for copayment or coinsurance. However, a uniform method, which could be applied statewide, does not currently exist. Therefore, regional centers must use the following service sub codes for copayment or coinsurance.*

*Copayments: sub code must begin with 'ICP'*

*Coinsurance: sub code must begin with 'ICI'*

*Additionally, to ensure purchases are eligible for federal reimbursement, copayments and coinsurance purchases must be made using the service code appropriate for the type of service/provider. For example, a copayment for a service provided by a Behavior Analyst must be made using service code 612 and a sub code that begins with 'ICP'. Effective July 1, 2013, all copayment and coinsurance purchases must use these service/sub code combinations.*



**Disparities Data – Notification of Public Meetings**

**Section 3:** Section 4519.5(e) was amended, requiring regional centers to inform the Department of public meetings regarding disparities data, scheduled pursuant to this section<sup>3</sup>, 30 days prior to the date of the meeting. Additionally, regional centers shall post a meeting notice on its Internet Web site 30 days prior to the meeting and send the notice to individual stakeholders and groups representing underserved communities in a timely manner. The Department is required to post notice of any regional center stakeholder meetings on its Internet Web site.

*Implementation:* Since regional centers are required to post meeting notices on their Internet Web sites 30 days prior to the meeting, regional centers may, at that time, provide the Department with a link to their Internet Web site posting in fulfillment of this requirement.

**Annual Family Program Fee**

**Section 8:** Section 4785 was amended, lifting the sunset date for the Annual Family Program Fee.

*Implementation:* In FY 2013-14, the Department will work with ARCA and regional centers to resolve issues associated with implementation of the Annual Family Program Fee.

**Technical Changes Clarifying Court Ordered Commitments**

**Sections 11 and 12:** Sections 6500 and 6509 were amended to clarify that a person with a developmental disability *may* be committed to the Department for residential placement (e.g., a licensed community care facility or health facility) other than in a developmental center or state-operated community facility if he or she is found to be a danger to himself, herself, or others. Any order of commitment for residential placement other than in a state developmental center or state-operated community facility [made pursuant to Section 6500(b)(1)] shall expire automatically one year after the order of commitment is made. Subsequent petitions for additional periods of commitment may be filed by any party enumerated in Section 6502. In the event subsequent petitions are filed, the procedures followed shall be the same as with the initial petition for commitment.

**Developmental Centers Master Plan**

**Section 14:** The California Health and Human Services Agency (Agency) shall, on or before November 15, 2013, submit to the appropriate policy and fiscal committees of the Legislature a master plan for the future of developmental centers. In the preparation of this plan, Agency shall consult with a cross-section of consumers, family members, regional centers, consumer advocates, community service providers, organized labor, the Department, and representatives of the Legislature.

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<sup>3</sup> Section 4519.5(e) requires regional centers to meet with stakeholders in a public meeting within three months of compiling the data with the Department.

Agency shall, on or before January 10, 2014, submit to the appropriate policy and fiscal committees of the Legislature a report regarding Agency's plans to address:

- The service needs of all developmental center residents;
- The fiscal and budget implications of the declining developmental center population and the aging infrastructure, staffing, and resource constraints;
- The availability of community resources to meet the specialized needs of residents now living in the developmental centers;
- A timeline for future closures; and,
- The statutory and regulatory changes that may be needed to ensure the delivery of cost-effective, integrated, quality services for this population.

#### **Additional Statutory Changes**

The following changes in law did not require TBL, since each provision contained a sunset date.

#### **Restoration of the 1.25 Percent Operations & Purchase of Service Funding Reduction**

The Governor's Fiscal Year (FY) 2013-14 Budget contains funding to restore the 1.25 percent regional center Operations and service provider payment reductions.

#### **Caseload Ratios & Regional Center Expertise**

Section 4640.6 contained provisions, which sunsetted on June 30, 2013. Section 4640.6(j), states, "From July 1, 2010, until June 30, 2013, the following shall not apply:

- The service coordinator-to-consumer ratio requirements of paragraph (1), and subparagraph (C) of paragraph (3), of subdivision (c)..."

Therefore, the following caseload ratio requirements resumed, effective July 1, 2013:

- An average service coordinator-to-consumer ratio of 1 to 62 for all consumers who have not moved from the developmental centers to the community since April 14, 1993. In no case shall a service coordinator for these consumers have an assigned caseload in excess of 79 consumers for more than 60 days.
- All consumers who have not moved from the developmental centers to the community since April 14, 1993, and who are not described in subparagraph (A), an average service coordinator-to-consumer ratio of 1 to 66. [The individuals described in subparagraph (A), are all consumers three years of age and younger and consumers enrolled in the HCBS Waiver program for persons with developmental disabilities.]

- ...The requirements of paragraphs (1) to (6), inclusive, of subdivision (g).” This reinstated statutory provision requires that contracts between the Department and regional centers shall require the regional center to have, or contract for, all of the following areas:
  - (1) Criminal justice expertise to assist the regional center in providing services and support to consumers involved in the criminal justice system as a victim, defendant, inmate, or parolee.
  - (2) Special education expertise to assist the regional center in providing advocacy and support to families seeking appropriate educational services from a school district.
  - (3) Family support expertise to assist the regional center in maximizing the effectiveness of support and services provided to families.
  - (4) Housing expertise to assist the regional center in accessing affordable housing for consumers in independent or supportive living arrangements.
  - (5) Community integration expertise to assist consumers and families in accessing integrated services and supports and improved opportunities to participate in community life.
  - (6) Quality assurance expertise, to assist the regional center to provide the necessary coordination and cooperation with the area board in conducting quality-of-life assessments and coordinating the regional center quality assurance efforts.

#### Temporary Service Provider Relief

Section 4791 contained a provision which sunsetted on June 30, 2013. This section states, “Notwithstanding any other provision of law or regulation, from July 1, 2010, until June 30, 2013, regional centers may temporarily modify personnel requirements, functions, or qualifications, or staff training requirements for providers, except for licensed or certified residential providers, whose payments are reduced by 1.25 percent pursuant to the amendments to Section 10 of Chapter 13 of the Third Extraordinary Session of the Statutes of 2009, as amended by the act amending this section...

...(d) Notwithstanding any other provision of law or regulation, the department shall suspend, from July 1, 2010, until June 30, 2013, the requirements described in Sections 56732 and 56800 of Title 17 of the California Code of Regulations requiring community-based day programs and in-home respite agencies to conduct annual reviews and to submit written reports to vendoring regional centers, user regional centers, and the department.

(e) Notwithstanding any other provision of law or regulation, from July 1, 2010, until June 30, 2013, a residential service provider, vendored by a regional center and whose payment is reduced by 1.25 percent pursuant to the amendments to Section 10 of Chapter 13 of the Third Extraordinary Session of the Statutes of 2009, as amended by the act amending this section, shall not be required to complete quarterly and

Regional Center Directors and Board Presidents  
July 12, 2013  
Page eleven

semiannual progress reports required in subdivisions (b) and (c) of Section 56026 of Title 17 of the California Code of Regulations. During program review, the provider shall inform the regional center case manager of the consumer's progress and any barrier to the implementation of the individual program plan for each consumer residing in the residence."

If you have any questions regarding this correspondence, please contact Brian Winfield, at (916) 654-1569.

Sincerely,

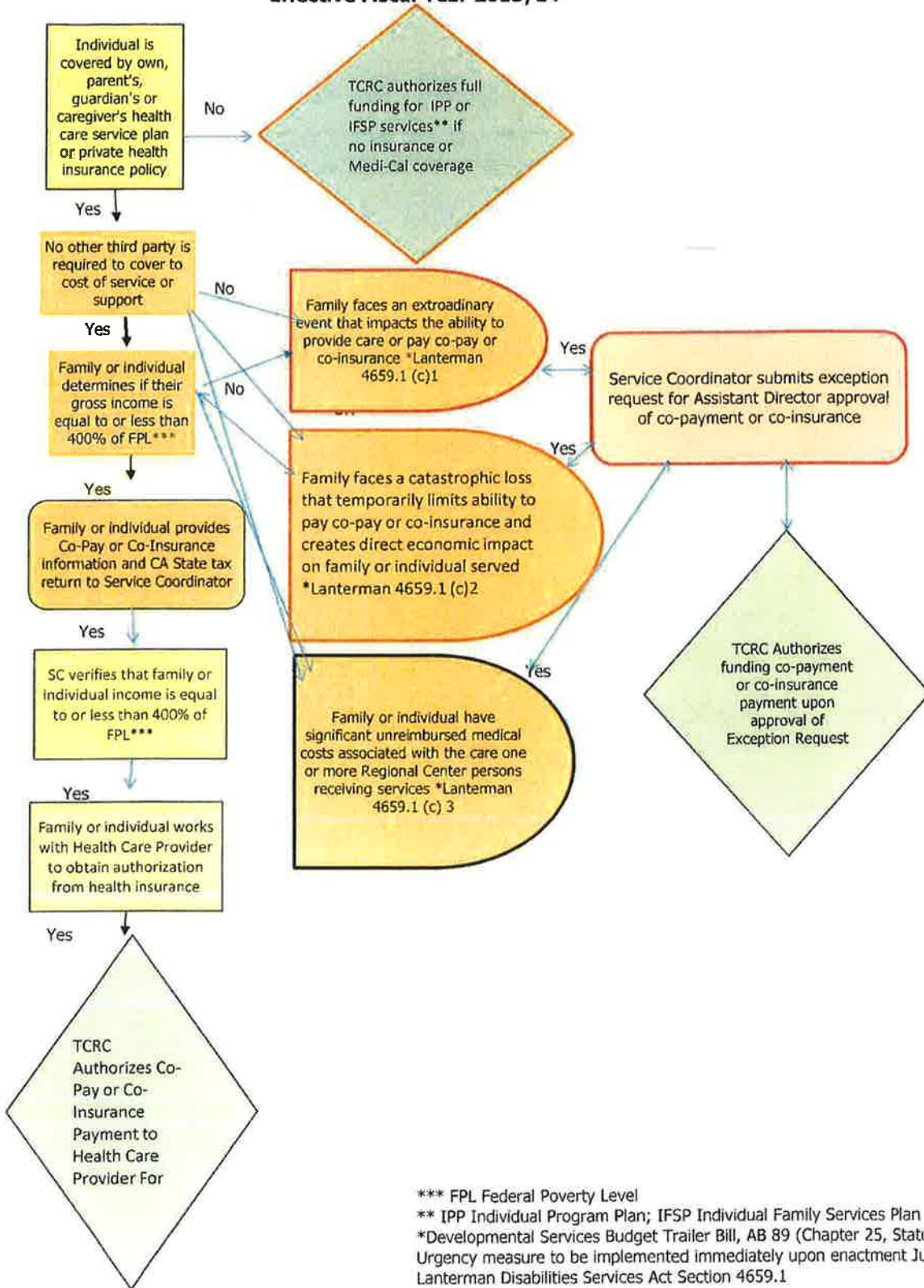
*Original Signed by*

NANCY BARGMANN  
Deputy Director  
Community Services Division

cc: Eileen Richey, ARCA  
Mark Hutchinson, DDS

TRI-COUNTIES REGIONAL CENTER

## TCRC Funding for Services Covered by Health Insurance Effective Fiscal Year 2013/14



\*\*\* FPL Federal Poverty Level

\*\* IPP Individual Program Plan; IFSP Individual Family Services Plan

\*Developmental Services Budget Trailer Bill, AB 89 (Chapter 25, Statutes of 2013)

Urgency measure to be implemented immediately upon enactment June 27, 2013

Lanterman Disabilities Services Act Section 4659.1



# Tri-Counties Regional Center

## **NEW LAW CHANGES HOW TCRC CAN HELP FAMILIES WITH PRIVATE HEALTH INSURANCE**

TCRC is offering information sessions to review the new requirements for Regional Centers to obtain income information before paying co-payments or co-insurance payments for Behavioral Health or other medically related services in the Individual Program Plan (IPP). This new statute also prohibits Regional Centers from paying any health insurance deductibles. Contact your Service Coordinator if you have questions. NO Childcare is available.

**Service Providers & Families are welcome to attend**

Please RSVP with the location you wish to attend to

[cduncan@tri-counties.org](mailto:cduncan@tri-counties.org) (English) or [PedroM@tri-counties.org](mailto:PedroM@tri-counties.org) (Spanish)

| <b><u>All Information Sessions will be held from 6-8 PM</u></b> |                        |
|---|------------------------|
| <b>Wednesday, August 14</b>                                     | <b>Santa Maria</b>     |
| <b>Thursday, August 15</b>                                      | <b>Simi Valley</b>     |
| <b>Wednesday, August 21</b>                                     | <b>Oxnard</b>          |
| <b>Thursday, August 22</b>                                      | <b>Santa Barbara</b>   |
| <b>Wednesday, August 28</b>                                     | <b>Atascadero</b>      |
| <b>Thursday, August 29</b>                                      | <b>San Luis Obispo</b> |



# Tri-Counties Regional Center

## NUEVOS CAMBIOS EN LA LEY QUE AFECTAN COMO EL CENTRO REGIONAL PUEDE AYUDAR A LAS FAMILIAS CON SEGURO MEDICO

El Centro Regional De Los Tres Condados (TCRC) está ofreciendo sesiones de información para revisar los nuevos requisitos que los Centros Regionales deben de obtener sobre la información del ingreso familiar antes de pagar los co-pagos o pagos de co-seguros para los servicios del comportamiento u otros servicios médicamente relacionados en el Plan de Programa Individual (IPP)/IFSP. Esta nueva ley también prohíbe a los Centros Regionales de pagar los deducibles de seguros de salud. Si usted tiene alguna pregunta favor de contactar a su coordinador de servicios. NO ofreceremos cuidado de niños.

Los proveedores de servicios y las familias están invitados a asistir

Favor de reservar el lugar donde usted quiera asistir

[cduncan@tri-counties.org](mailto:cduncan@tri-counties.org) (Ingles) o [PedroM@tri-counties.org](mailto:PedroM@tri-counties.org) (Español)

| <b>Todas las sesiones de información se llevará a cabo a partir de las 6-8 PM</b> |                        |
|---|------------------------|
| <b>Wednesday, August 14</b>   | <b>Santa Maria</b>     |
| <b>Thursday, August 15</b>  | <b>Simi Valley</b>     |
| <b>Wednesday, August 21</b>   | <b>Oxnard</b>          |
| <b>Thursday, August 22</b>  | <b>Santa Barbara</b>   |
| <b>Wednesday, August 28</b>   | <b>Atascadero</b>      |
| <b>Thursday, August 29</b>  | <b>San Luis Obispo</b> |



# TRI-COUNTIES REGIONAL CENTER

*Enhancing the Quality of Life for Persons with Developmental Disabilities*

Office address  
Office phone #s

Date

Individual served  
Address

Re: Regional Center Funding of Co-Payments or Co-Insurance

Dear:

Tri-Counties Regional Center (TCRC) must inform you of recent changes in State law which place greater restrictions upon regional centers related to funding co-payments and co-insurance of IPP or IFSP health services. On June 27, 2013, Assembly Bill 89 was approved and signed into law which states that effective June 27, 2013, regional centers may only fund co-payments or co-insurance if:

- The child is covered by the parent's, guardian's, or caregiver's health care service plan or health insurance policy; and,
- There are no other third parties having liability for the cost of the service; and,
- The family's annual gross income does not exceed 400 percent of the federal poverty level.

TCRC has been a strong supporter of families of individuals diagnosed with autism by providing financial support of insurance co-payments and co-insurance required by most private insurance when purchasing behavior services (Applied Behavior Analysis). Regional centers must now apply a means test to demonstrate the need for families to receive financial support of co-payments and co-insurance.

For families whose annual gross income is *less than* 400 percent of the federal poverty level, regional centers may continue to pay co-payments and co-insurance, however, we will need to verify income based on family size. According to the new law, families shall be required to self-certify their annual gross income by providing copies of their prior year's State income tax return (Lanterman Act, Section 4659.1).

Regional centers may pay a co-payment or co-insurance for an IPP or IFSP health service if the family's annual gross income exceeds 400 percent of the federal poverty level only if the service or support is necessary to successfully maintain the child at home and parents demonstrate one or more of the following:

- The existence of an extraordinary event that impacts the ability of the parent, guardian, or caregiver to meet the care and supervision needs of the child or impacts the ability of the parent, guardian, or caregiver, or adult person served with a health care service plan or health insurance policy, to pay the co-payment or co-insurance.
- The existence of catastrophic loss that temporarily limits the ability to pay of the parent, guardian, or caregiver, or adult person served with a health care service plan or



health insurance policy, and creates a direct economic impact on the family or adult person served. For purposes of this paragraph, catastrophic loss may include, but is not limited to, natural disasters and accidents involving major injuries to an immediate family member.

- Significant unreimbursed medical costs associated with the care of the person served or another child who is also a regional center person served.

Because of these recent changes, TCRC's ability to continue funding your co-payments or co-insurance may change. Your service coordinator will be in touch with you over the next week to gather any needed information to help us determine whether or not TCRC will be able to continue this funding. Should you have any questions, please contact your service coordinator directly.

Sincerely,

Signatory

Title

Tri- Counties Regional Center

Address

Phone

Attachment: 400 Percent of Federal Poverty Level Chart



# TRI-COUNTIES REGIONAL CENTER

SAN LUIS OBISPO · SANTA BARBARA · VENTURA

520 E. Montecito Street  
Santa Barbara, CA 93103  
T/ 800.322.6994  
F/ 805.884.7229

Fecha

Persona servida

Direccion

Direccion

Re: La financiación Del Centro Regional de co-pago o co-seguro

Tri-Counties Regional Center (TCRC) debe informarle sobre un cambio reciente en la ley estatal que coloca mayores restricciones sobre los centros regionales relacionados con la financiación de co-pagos y co-seguros de IPP o IFSP servicios de salud. El 27 de Junio de 2013, el Proyecto de Ley 89 se aprobó y se firmó la ley que establece que a partir del 27 de Junio de 2013, los centros regionales sólo podrán financiar los co-pagos o co-seguros si es:

- Que el niño está cubierto por los padres, tutores, o el plan de servicios de salud del cuidador o póliza de seguro de salud
- Que no existan otros terceros que tengan responsabilidad por el costo del servicio
- Que los ingresos brutos anuales de la familia no superan el 400 por ciento del nivel federal de pobreza.

TCRC ha sido un firme defensor de las familias de las personas diagnosticadas con autismo mediante el apoyo financiero de los seguros de los co-pagos y co-seguros requeridos por la mayoría de los seguros privados en la compra de los servicios de conducta (Análisis Conductual Aplicada). Los centros regionales deben ahora solicitar una prueba para demostrar la necesidad de las familias al recibir apoyo financiero de los co-pagos y co-seguros.

Para las familias cuyo ingreso bruto anual es inferior al 400 por ciento del nivel federal de pobreza, los centros regionales pueden seguir pagando los co-pagos y co-seguros, sin embargo, tendremos que verificar los ingresos basados en el tamaño de la familia. De acuerdo con la nueva ley, las familias tendrán la obligación de certificar sus propios ingresos brutos anuales, proporcionando copias de su declaración de impuestos Estatales de su año anterior (Ley Lanterman, sección 4659.1).

Los centros regionales pueden pagar los co-pagos o co-seguros para un servicio de salud IPP o IFSP si el ingreso bruto anual de la familia supera el 400 por ciento del nivel de pobreza federal sólo si el servicio o el apoyo es necesario para mantener con éxito al niño en casa y los padres pueden demostrar uno de más de los siguientes:

- La existencia de un acontecimiento extraordinario que afecte la capacidad de los padres, tutor o cuidador para atender al cuidado de las necesidades de atención y supervisión del niño o que impacte la capacidad de los padres, tutor o cuidador o persona adulta servida con un plan o póliza de seguro de salud, para pagar el co-pago o co-seguro.
- La existencia o pérdida catastrófica que limita temporalmente la capacidad de pago de los padres, tutor o cuidador o persona adulta servidas con un plan o póliza de seguro de salud, y que haga generado un impacto económico directo a la persona de la familia o un adulto servido. Con respecto al presente párrafo, la pérdida catastrófica puede incluir, pero no limitarse a, los desastres naturales y accidentes con grandes lastimaduras a un miembro de su familia inmediata.
- Gastos médicos significativos sin reembolso asociados con el cuidado de la persona atendida u otro niño que también sea una persona servida por el centro regional.

Debido a estos cambios recientes, la capacidad de TCRC de seguir financiando sus co-pagos o co-seguros puede cambiar. Su coordinador/a de servicios se pondrá en contacto con usted en la próxima semana para coleccionar toda la información necesaria para ayudar a determinar si TCRC será capaz o no de continuar con este financiamiento. Si tiene alguna pregunta, por favor póngase en contacto con su coordinador/a de servicios directamente.

Atentamente,

Signatory

Title

Tri-Counties Regional Center

Address

Phone

Attachment: 400 percent of Federal Poverty Level Chart

**FAMILY COST PARTICIPATION ASSESSMENT SCHEDULE**

Effective April 1, 2013

Number of Persons Living In The Family Home

| %FCP* | 2            | 3            | 4             | 5            | 6            | 7            | 8            | 9            | 10           | FPL % |
|-------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|-------|
| 10%   | \$62,040.00  | \$78,120.00  | \$94,200.00   | \$110,280.00 | \$126,360.00 | \$142,440.00 | \$158,520.00 | \$174,600.00 | \$190,680.00 | 400%  |
| 10%   | \$65,142.00  | \$82,026.00  | \$98,910.00   | \$115,794.00 | \$132,678.00 | \$149,562.00 | \$166,446.00 | \$183,330.00 | \$200,214.00 | 420%  |
| 10%   | \$68,244.00  | \$85,932.00  | \$103,620.00  | \$121,308.00 | \$138,996.00 | \$156,684.00 | \$174,372.00 | \$192,060.00 | \$209,748.00 | 440%  |
| 10%   | \$71,346.00  | \$89,838.00  | \$108,330.00* | \$126,822.00 | \$145,314.00 | \$163,806.00 | \$182,298.00 | \$200,790.00 | \$219,282.00 | 460%  |
| 10%   | \$74,448.00  | \$93,744.00  | \$113,040.00  | \$132,336.00 | \$151,832.00 | \$170,928.00 | \$190,224.00 | \$209,520.00 | \$228,816.00 | 480%  |
| 11%   | \$77,550.00  | \$97,650.00  | \$117,750.00  | \$137,850.00 | \$157,950.00 | \$178,050.00 | \$198,150.00 | \$218,250.00 | \$238,350.00 | 500%  |
| 12%   | \$80,652.00  | \$101,556.00 | \$122,460.00  | \$143,364.00 | \$164,268.00 | \$185,172.00 | \$206,076.00 | \$226,980.00 | \$247,884.00 | 520%  |
| 13%   | \$83,754.00  | \$105,462.00 | \$127,170.00  | \$148,878.00 | \$170,586.00 | \$192,294.00 | \$214,002.00 | \$235,710.00 | \$257,418.00 | 540%  |
| 14%   | \$86,856.00  | \$109,368.00 | \$131,880.00  | \$154,392.00 | \$176,904.00 | \$199,416.00 | \$221,928.00 | \$244,440.00 | \$266,952.00 | 560%  |
| 15%   | \$89,958.00  | \$113,274.00 | \$136,590.00  | \$159,906.00 | \$183,222.00 | \$206,538.00 | \$229,854.00 | \$253,170.00 | \$276,486.00 | 580%  |
| 16%   | \$93,060.00  | \$117,180.00 | \$141,300.00  | \$165,420.00 | \$189,540.00 | \$213,660.00 | \$237,780.00 | \$261,900.00 | \$286,020.00 | 600%  |
| 17%   | \$96,162.00  | \$121,086.00 | \$146,010.00  | \$170,934.00 | \$195,858.00 | \$220,782.00 | \$245,706.00 | \$270,630.00 | \$295,554.00 | 620%  |
| 18%   | \$99,264.00  | \$124,992.00 | \$150,720.00  | \$176,448.00 | \$202,176.00 | \$227,904.00 | \$253,632.00 | \$279,360.00 | \$305,088.00 | 640%  |
| 19%   | \$102,366.00 | \$128,898.00 | \$155,430.00  | \$181,962.00 | \$208,494.00 | \$235,026.00 | \$261,558.00 | \$288,090.00 | \$314,622.00 | 660%  |
| 20%   | \$105,468.00 | \$132,804.00 | \$160,140.00  | \$187,476.00 | \$214,812.00 | \$242,148.00 | \$269,484.00 | \$296,820.00 | \$324,156.00 | 680%  |
| 25%   | \$108,570.00 | \$136,710.00 | \$164,850.00  | \$192,990.00 | \$221,130.00 | \$249,270.00 | \$277,410.00 | \$305,550.00 | \$333,690.00 | 700%  |
| 30%   | \$111,672.00 | \$140,616.00 | \$169,560.00  | \$198,504.00 | \$227,448.00 | \$256,392.00 | \$285,336.00 | \$314,280.00 | \$343,224.00 | 720%  |
| 35%   | \$114,774.00 | \$144,522.00 | \$174,270.00  | \$204,018.00 | \$233,766.00 | \$263,514.00 | \$293,262.00 | \$323,010.00 | \$352,758.00 | 740%  |
| 40%   | \$117,876.00 | \$148,428.00 | \$178,980.00  | \$209,532.00 | \$240,084.00 | \$270,636.00 | \$301,188.00 | \$331,740.00 | \$362,292.00 | 760%  |
| 45%   | \$120,978.00 | \$152,334.00 | \$183,690.00  | \$215,046.00 | \$246,402.00 | \$277,758.00 | \$309,114.00 | \$340,470.00 | \$371,826.00 | 780%  |
| 50%   | \$124,080.00 | \$156,240.00 | \$188,400.00  | \$220,560.00 | \$252,720.00 | \$284,880.00 | \$317,040.00 | \$349,200.00 | \$381,360.00 | 800%  |
| 55%   | \$127,182.00 | \$160,146.00 | \$193,110.00  | \$226,074.00 | \$259,038.00 | \$292,002.00 | \$324,966.00 | \$357,930.00 | \$390,894.00 | 820%  |
| 60%   | \$130,284.00 | \$164,052.00 | \$197,820.00  | \$231,588.00 | \$265,356.00 | \$299,124.00 | \$332,892.00 | \$366,660.00 | \$400,428.00 | 840%  |
| 65%   | \$133,386.00 | \$167,958.00 | \$202,530.00  | \$237,102.00 | \$271,674.00 | \$306,246.00 | \$340,818.00 | \$375,390.00 | \$409,962.00 | 860%  |
| 70%   | \$136,488.00 | \$171,864.00 | \$207,240.00  | \$242,616.00 | \$277,992.00 | \$313,368.00 | \$348,744.00 | \$384,120.00 | \$419,496.00 | 880%  |
| 75%   | \$139,590.00 | \$175,770.00 | \$211,950.00  | \$248,130.00 | \$284,310.00 | \$320,490.00 | \$356,670.00 | \$392,850.00 | \$429,030.00 | 900%  |
| 80%   | \$142,692.00 | \$179,676.00 | \$216,660.00  | \$253,644.00 | \$290,628.00 | \$327,612.00 | \$364,596.00 | \$401,580.00 | \$438,564.00 | 920%  |
| 85%   | \$145,794.00 | \$183,582.00 | \$221,370.00  | \$259,158.00 | \$296,946.00 | \$334,734.00 | \$372,522.00 | \$410,310.00 | \$448,098.00 | 940%  |
| 90%   | \$148,896.00 | \$187,488.00 | \$226,080.00  | \$264,672.00 | \$303,264.00 | \$341,856.00 | \$380,448.00 | \$419,040.00 | \$457,632.00 | 960%  |
| 95%   | \$151,998.00 | \$191,394.00 | \$230,790.00  | \$270,186.00 | \$309,582.00 | \$348,978.00 | \$388,374.00 | \$427,770.00 | \$467,166.00 | 980%  |
| 100%  | \$155,100.00 | \$195,300.00 | \$235,500.00  | \$275,700.00 | \$315,900.00 | \$356,100.00 | \$396,300.00 | \$436,500.00 | \$476,700.00 | 1000% |

\*RESPIRE, DAY CARE, AND CAMPING as defined in Title 17, California Code of Regulations, Section 54342

(Note: This program shall not exempt parents from responsibilities for Day Care pursuant to the Welfare and Institutions Code, Section 4685 (c)(6).)

***Should you have any questions, please contact;***

***Jon Fraser***

***Cost Assessment Specialist/Fiscal Auditor***

***Tri-Counties Regional Center***

***Phone (805) 884-7283***

***Facsimile (805) 884-7277***



# TRI-COUNTIES REGIONAL CENTER

*Enhancing the Quality of Life for Persons with Developmental Disabilities*

Office address

Office ph #

Date:

Individual served

Address

Re: Notice of Proposed Action Regarding Termination of Payment of Health Insurance Deductibles

Dear:

Tri-Counties Regional Center (TCRC) must inform you of recent changes in State law that now prohibit regional centers from funding any deductibles required by any private health care service plan or health insurance policy. The new State law is included in Assembly Bill 89, which was approved and signed into law effective June 27, 2013:

*Welfare and Institutions Code, Section 4659.1 (g) Regional centers shall not pay health care service plan or health insurance policy deductibles.*

TCRC has been a strong supporter of families and individuals diagnosed with autism by providing, by exception, financial support of insurance deductibles required of some families by their private insurance when purchasing behavior services (Applied Behavior Analysis). In accordance with the Lanterman Act, Section 4659.1 (g), regional centers are now no longer allowed to provide funding of deductibles for health services covered by private insurance.

Consequently, this letter will serve as your 30 day Notice of Proposed Action ending this support for your child or family member. You have rights in this regard which are included in the attached Notice of Proposed Action. If you have any questions about the change in State law or wish to discuss this action, please contact your service coordinator directly.

Thank you,

Signatory

Title

Tri Counties Regional Center

Address

Phone

Attachment: Notice of Proposed Action and Advocacy Resources



# TRI-COUNTIES REGIONAL CENTER

SAN LUIS OBISPO · SANTA BARBARA · VENTURA

520 E. Montecito Street  
Santa Barbara, CA 93103  
T/ 800.322.6994  
F/ 805.884.7229

Fecha

Persona servida

Dirección

Dirección

Re: Aviso de Acción Propuesta en referente a la Terminación de Pago de Deducible de Seguro de Salud

Estimado/a:

Tri-Counties Regional Center (TCRC) debe informarle sobre los cambios recientes en la ley estatal que ahora prohíbe a los centros regionales la financiación de los deducibles requeridos por cualquier plan de servicio de salud privado o plan de seguro de salud o seguro médico. La nueva ley estatal está incluida en el Proyecto de Ley 89, la cual fue aprobada y firmada efectiva desde el 27 de Junio de 2013:

*Código de Bienestar e Instituciones, sección 4659.1 (g) Los centros regionales no pagarán ningún plan de servicios de salud o los deducibles de póliza de seguro de salud.*

TCRC ha sido un firme defensor de las familias y de los individuos diagnosticados con autismo, facilitando, por excepción, el apoyo financiero de los deducibles de seguros requeridos de algunas familias por su seguro privado en la compra de los servicios de conducta (Análisis Conductual Aplicado). De acuerdo con el Lanterman Act, sección 4659.1 (g) los centros regionales ya no están autorizados a proporcionar fondos de deducibles para los servicios de salud cubiertos por un seguro privado.

Por consiguiente, esta carta le servirá como aviso de 30 días de Acción Propuesta, en el cual se está terminando el apoyo para usted o su hijo o su familiar. Usted tiene derechos en este sentido, los cuales vienen incluidos en el Aviso de Acción Propuesta. Si usted tiene alguna pregunta sobre el cambio en la ley estatal o desea hablar sobre esta acción, por favor póngase en contacto con su coordinador/a de servicios directamente.

Gracias,

Signatory

Title

Tri-Counties Regional Center

Address

Phone

Attachment: Notice of Proposed Action and Advocacy Resources

## Implementation of AB 97 Reductions

The Department of Health Care Services (DHCS) is announcing today the implementation plan for the provider payment reductions required pursuant to Assembly Bill 97 (Chapter 3, Statutes of 2011). AB 97 requires DHCS to implement 10% provider payment reductions to most categories of services in Medi-Cal fee-for-service (FFS) as well as actuarially equivalent reductions in Medi-Cal managed care.

DHCS received federal approval for the reductions, effective June 1, 2011, but has been prevented from implementing many of these reductions due to a court injunction in the *Managed Pharmacy Care, et al v. Kathleen Sebelius, et al* case. On June 14, 2013, the United States Court of Appeals for the Ninth Circuit denied the plaintiffs' motion for a stay of mandate in this case, allowing the implementation of all of the AB 97 Medi-Cal provider 10% payment reductions.

Providers affected by the earlier court injunction that blocked the payment reductions will soon have a 10% prospective payment reduction applied to all claims they submit for services. The chart below shows the date on which providers will begin to see the reductions.

| Provider Categories                                       | Date       |
|---|------------|
| Medical Transportation                                    | 9/5/2013   |
| Dental  | 9/5/2013   |
| Durable Medical Equipment/Medical Supplies                | 10/24/2013 |
| Pharmacy  | 1/9/2014   |
| Physician/Clinic  | 1/9/2014   |
| Distinct Part Nursing Facility Level B (PT 17 & AC 1,2,3) | 1/9/2014   |

Additionally, since the 10% payment reduction is effective for services provided on or after June 1, 2011, DHCS will also begin recouping a percentage of provider payments to recover overpaid funds during this retroactive period. These retroactive payment recoveries will not occur until after the prospective 10% payment reductions are implemented. DHCS will provide at least sixty (60) day advanced notification of scheduled recoveries.

### FFS Payments

In order to preserve and protect access to care for Medi-Cal members, DHCS is also announcing the following provider payment reduction exemptions, subject to federal approval of State Plan Amendments (SPA):

- Nonprofit dental pediatric surgery centers that provide at least 99% of their services under general anesthesia to children with severe dental disease under age 21 will be exempted prospectively from the 10% payment reduction. After required public notice, the effective date of this prospective exemption will be in the near future.
- Distinct part nursing facilities, Level B, classified as rural or frontier, based upon the California Medical Service Study Area's definitions, will be exempted prospectively from the 10% payment reductions and will not be subject to the rate freeze at the 2008-09 levels on a prospective basis. After required public notice, the effective date of this prospective exemption will also be in the near future.

- Certain prescription drugs (or categories of drugs) that are generally high-cost drugs used to treat extremely serious conditions, such as hemophilia, multiple sclerosis, hepatitis and others will be exempt from the 10% payment reduction. DHCS has submitted a SPA (SPA 12-014) to exempt these categories of drugs, with an effective date for the exemption of March 31, 2012.

**Managed Care**

As noted above, DHCS is required to make actuarially equivalent reductions to Medi-Cal managed care. Such reductions will be effective on October 1, 2013, on a prospective basis only. DHCS previously announced that given the differences between managed care and FFS, reductions to pharmacy would not be applied in managed care. DHCS is now announcing that specialty physician services in Medi-Cal managed care will not be subject to a reduction. Guidance on the Medi-Cal managed care implementation will be issued soon in an All Plan Letter.

Future information may be found at [www.medi-cal.ca.gov](http://www.medi-cal.ca.gov).



**Cathy Berry - Re: CDCAN REPORT #081-2013 (AUG 14 2013): MEDI-CAL PROVIDER 10% RATE REDUCTION IMPLEMENTATION SCHEDULE ANNOUNCED BY BROWN ADMINISTRATION - SCHEDULE WILL ALSO COLLECT REDUCTION RETROACTIVELY TO JUNE 1, 2011**

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**From:** "Marty Omoto - CDCAN (California Disability Community Action Network)" <martyomoto@rcip.com>  
**To:** <CDCANreportlist01@rcip.com>  
**Date:** 8/15/2013 12:55 AM  
**Subject:** Re: CDCAN REPORT #081-2013 (AUG 14 2013): MEDI-CAL PROVIDER 10% RATE REDUCTION IMPLEMENTATION SCHEDULE ANNOUNCED BY BROWN ADMINISTRATION - SCHEDULE WILL ALSO COLLECT REDUCTION RETROACTIVELY TO JUNE 1, 2011  
**Attachments:** 20130813 - Department of Health Care Services AB 97 Implementation Announcement of 10% Medi-Cal Provider Reductions (2 Pages - Aug 14 2013).pdf; Part.006

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**CDCAN DISABILITY RIGHTS REPORT**  
**CALIFORNIA DISABILITY COMMUNITY ACTION NETWORK**  
**#081-2013 – August 14, 2013 – Wednesday Night**

*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.*

*Sign up for these free reports by going to the CDCAN website. Website: [www.cdcan.us](http://www.cdcan.us)*

*To reply to THIS Report write:*

*Marty Omoto at [martyomoto@rcip.com](mailto:martyomoto@rcip.com) Twitter: [martyomoto](https://twitter.com/martyomoto)*

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

**SPECIAL NOTE ON CHANGES FOR CDCAN REPORTS – HELP NEEDED:**

- *NEW EMAIL LIST SERVICE PROVIDER - CDCAN has been in the process of transitioning over the past couple of months to a different email list service to send out future CDCAN reports very soon that should provide a lot of ways to improve and expand reporting. The reports will look basically the same, though there will be differences in format and we won't be able to send out attachments. Please let me know if you are receiving the reports using the new service, and if the format and reporting looks okay or have other comments.*
- *HELP NEEDED: It will cost more every month, so any support would be greatly (and urgently) needed and appreciated. Please help! (see below)*
- *I want to pay special tribute to River City Internet Providers (RCIP) and the staff there for their tremendous support they have given over the past 15 years to CDCAN and the work of advocacy for people with disabilities, mental health needs, the blind and seniors. Without them I could not have been able to provide the reports I was able to do over the years.*

**State Budget**

**BROWN ADMINISTRATION RELEASES SCHEDULE TO IMPLEMENT 10% MEDI-CAL PROVIDER RATE REDUCTION**

- **Late June Ruling By US 9<sup>th</sup> Circuit Court of Appeals Cleared Way For State To**

### ***Implement Cuts Retroactively to June 1, 2011***

- ***Brown Administration Will Exempt Several Provider Categories – But Most Providers Impacted***
- ***Implementation of 10% Cut Will Be Done on Staggered Schedule By Medi-Cal Provider Category***

SACRAMENTO, CA (CDCAN) [Last updated - 08/14/2013 – 08:06 PM] – With legal hurdles largely cleared through the federal courts that previously stopped the 2011 Medi-Cal provider cuts from being enacted, the Brown Administration released on Wednesday its plan to implement those 10% cuts on a staggered schedule for providers impacted beginning September 5, 2013.

Some providers are exempted from the reduction, including pharmacy in Medi-Cal managed care plans, a certain fee-for-service Medi-Cal providers – but most providers are impacted.

The 2011 cuts were authorized in AB 97 that was one of several budget related bills that made up the 2011-2012 State Budget. AB 97 called for a 10% provider payment reductions to most categories of services in Medi-Cal fee-for-service (FFS) as well as equivalent reductions in Medi-Cal managed care plans. The cuts to Medi-Cal managed care plans will be applied only prospectively (meaning as of the scheduled date of October 1, 2013) and not retroactively.

Attached to this CDCAN report is the 2 page announcement from the Department of Health Care Services, the state agency that oversees California's federally funded Medicaid Program that is matched with State funds – called "Medi-Cal". The document, a pdf file saved as a document (that allows persons who are blind or sight impaired to read it using a screen reading device – pdf image files cannot) is titled "20130813 – Department of Health Care Services AB 97 Implementation Announcement of 10% Medi-Cal Provider Reductions (2 Pages – Aug 14 2013).pdf"

### **MEDI-CAL RECIPIENTS AND PROVIDERS SAY CUTS WILL BE "DEVASTATING"**

- Medi-Cal recipients and providers who filed lawsuits in federal court in 2011 argued that the reductions would have a devastating impact on access to health care and services across the State, especially to children and adults with disabilities, mental health needs, and seniors. The Medicaid Defense Fund, headed by 82 year old attorney Lynn Carman said the cuts, if implemented, violate basic rights of people with disabilities and seniors.
- The State previously acknowledged the seriousness of the cuts but claimed the reductions were necessary to contain costs in order to bridge an ongoing enormous budget shortfall – and to keep the budget balanced in future years.
- It is not clear how the reductions, including the effort to collect the reduction retroactively, will have on the State's efforts to dramatically expand Medi-Cal under the federal health care reform in January and its other efforts to change delivery of services for many people with disabilities and seniors who are eligible for both Medicare and Medi-Cal in 8 counties in the coming year. The Brown Administration has previously stated that it has taken and continues to take steps to strengthen the Medi-Cal program and access to services.
- The implementation schedule of the Medi-Cal reductions follows the implementation of a temporary 8% across-the-board cut in hours to all In-Home Supportive Services (IHSS) recipients that took effect July 1, 2013 as part of a federal court settlement agreement between the Brown Administration and attorneys representing IHSS recipients and workers last May. That cut will fall to 7% on July 1, 2014 and could end on June 30, 2015, unless the State is not able to obtain sufficient new federal funding for IHSS to cover restoring that

IHSS cut.

- All of the recipients of IHSS – who also include thousands of children and adults with developmental disabilities who also receive regional center funded services – are also Medi-Cal recipients who will be impacted by the Medi-Cal provider rate reductions.

### **10% CUT WILL BE APPLIED ON STAGGERED SCHEDULE**

Medi-Cal fee-for-service providers affected by the earlier court injunction that blocked the payment reductions will have a 10% prospective payment reduction applied to all claims they submit for services on the following staggered schedule:

- Medical Transportation - Reduction Begins: 09/05/2013
- Dental - Reduction Begins: 09/05/2013
- Durable Medical Equipment/Medical Supplies - Reduction Begins: 10/24/2013
- Pharmacy [fee-for-service] - Reduction Begins: 01/09/2014
- Physician/Clinic - Reduction Begins: 01/09/2014
- Distinct Part Nursing Facility Level B (PT 17 & AC 1,2,3) - Reduction Begins: 01/09/2014
- Medi-Cal managed care plans equivalent reductions under AB 97 is scheduled to begin October 1, 2013 (see below).

### **STATE WILL ALSO BEGIN COLLECTING REDUCTIONS RETROACTIVELY**

- The Department of Health Care Services indicated in its announcement that since the 10% Medi-Cal fee-for-service provider payment reduction is effective for services provided on or after June 1, 2011, those Medi-Cal providers were over-paid by that amount because the federal court order blocked the cuts from being implemented.
- As mentioned, the US 9<sup>th</sup> Circuit Court of Appeals' December 2012 ruling that reversed the lower federal district court order blocking the cuts, allowed the State to finally implement its planned 10% Medi-Cal provider cut retroactively to its original June 1, 2011 implementation date.
- As a result, the State will also implement a schedule to collect that 10% that was paid to Medi-Cal fee-for-service providers from that June 1, 2011 effective date through the date that the 10% cut is scheduled to be actually applied to providers for new claims and reimbursements on the staggered schedule as listed above.
- These retroactive payments to the State by Medi-Cal fee-for-service providers will not occur until after the 10% payment reductions are implemented for that provider (the first being September 5, 2013 for medical transportation).
- The Department of Health Care Services indicated that it will provide at least sixty (60) days advanced notification to providers of the scheduled recovery of the overpayments.

### **EXEMPTIONS TO MEDI-CAL FEE-FOR SERVICE PROVIDER REDUCTION**

The Department of Health Care Services included in its announcement several exemptions to the Medi-Cal fee-for-service provider rate reductions, "...in order to preserve and protect access to care for Medi-Cal members." It appears however that the State might still intend to collect from those exempted providers the 10% cuts retroactively (from June 1, 2011 to the still not determined effective date of the exemption).

The exemptions are subject to approval by the federal government as part of the amendments (changes) the State will submit to California's Medicaid State Plan.

Providers proposed for exemption are:

- Nonprofit dental pediatric surgery centers that provide at least 99% of their services under general anesthesia to children with severe dental disease under age 21 will be, according to the Department of Health Care Services announcement "...exempted prospectively from the 10% payment reduction. After required public notice, the effective date of this prospective

exemption will be in the near future”.

- Distinct part nursing facilities, Level B, classified as rural or frontier, based upon the California Medical Service Study Area’s definitions, will be exempted prospectively from the 10% payment reductions and will not be subject to the rate freeze at the 2008-09 levels on a prospective basis. After required public notice, the effective date of this prospective exemption will also be in the near future.
- Certain prescription drugs (or categories of drugs) that are generally high-cost drugs used to treat extremely serious conditions, such as hemophilia, multiple sclerosis, hepatitis and others will be exempt from the 10% payment reduction. The Department of Health Care Services indicated that it has submitted an amendment to California’s Medicaid State Plan (SPA or State Plan Amendment 12-014) to exempt these categories of drugs, with an effective date for the exemption of March 31, 2012.

### **MEDI-CAL MANAGED CARE**

- Under AB 97, the Department of Health Care Services indicated in its announcement that it will also be required to make “actuarially equivalent reductions to Medi-Cal managed care”.
- Such reductions will be effective on October 1, 2013, on a prospective basis only – and not retroactively.
- The Department of Health Care Services previously announced that given the differences between the Medi-Cal managed care and Medi-Cal fee-for-service systems, reductions to pharmacy would not be applied in managed care.
- The Department of Health Care Services in its announcement said it was now announcing that specialty physician services in Medi-Cal managed care will not be subject to a reduction.
- Guidance on the Medi-Cal managed care implementation will be issued soon in an All Plan Letter.

### **10% MEDI-CAL PROVIDER CUT WAS PART OF 2011-2012 STATE BUDGET**

- The 10% reductions was originally proposed by Governor Brown and passed by the Legislature as part of the 2011-2012 State Budget in a budget trailer bill – AB 97 (Chapter 3, Statutes of 2011).
- On March 16, 2011 the State Senate passed the bill by a vote of 36 to 2, followed by approval in the Assembly by a vote of 59 to 14. The Governor signed AB 97 on March 24, 2011, taking effect immediately.
- The Brown Administration received approval from the Obama Administration to implement the 10% Medi-Cal reductions effective June 1, 2011, but was blocked from implementing most of those reductions due to a federal lawsuit filed in federal district court in Oakland.
- Last December a 3 judge panel of the US 9<sup>th</sup> Circuit Court of Appeals reversed the lower federal district court order. Earlier this year the full US 9<sup>th</sup> Circuit Court of Appeals rejected an appeal by attorneys representing Medi-Cal recipients and providers, including the Medicaid Defense Fund, to reconsider the 3 judge panel ruling.
- On June 14, 2013, the US 9<sup>th</sup> Circuit of Appeals denied a motion by attorneys representing Medi-Cal recipients and Medi-Cal providers to delay implementation of the Medi-Cal cut until the US Supreme Court decides later this year whether or not to take up the case. That ruling in June cleared the way for the State to implement the 10% Medi-Cal provider rate reductions, including a plan to collect that amount paid to providers since June 1, 2011 retroactively.

# **PLEASE HELP!!!!!!**

**August 14, 2013**

**PLEASE HELP CDCAN CONTINUE ITS WORK  
WE MAY NOT BE ABLE TO CONTINUE!!!**



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 8<sup>th</sup> 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!**

## ABA Services & Insurance

2013 Changes to Regional Center Service Statute Regarding Behavioral Services



Tri-Counties Regional Center

## What's Changed?

- California Legislature passed a new law governing how Regional Centers can help pay for co-pays and co-insurance when using private health insurance
- The new law also prohibits Regional Centers from paying deductibles when using private health insurance



Tri-Counties Regional Center

## August 2013 Outreach

- Information Sessions Scheduled **6-8 PM**
  - Wednesday August 14 Santa Maria
  - Thursday, August 15 Simi Valley
  - Wednesday, August 21 Oxnard
  - Thursday, August 22 Santa Barbara
  - Wednesday, August 28 Atascadero
  - Thursday, August 29 San Luis Obispo
    - RSVP [eduncan@tri-counties.org](mailto:eduncan@tri-counties.org)
    - Families & Service Providers Welcome!



Tri-Counties Regional Center

## A Little History


- AB 88 CA Mental Health Parity Act 2002
- SB 946 CA Autism Insurance Mandate 2012
- AB 89 CA Developmental Services Trailer Bill 2013
- Affordable Care Act/Covered California 2014



Tri-Counties Regional Center

## Co-Pay Or Co-Insurance??


- Co-pay
  - A fixed amount you are expected to pay per session or office visit
  - Usually listed on your insurance card
- Co-insurance
  - Your share of the costs of a health care service.
  - Usually a percentage of total charge for service.
  - If coinsurance is 20 percent; for a \$100 health care bill, you pay \$20 and your insurance company would pay \$80.



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## Deductible?

- The amount individual or family must pay before insurance begins to cover services
- May be applied differently for in network or out of network providers
- May NOT be paid by Regional Centers




Tri-Counties Regional Center




### AB 89 Trailer Bill

- Prohibits Regional Center payment of any portion of health insurance deductibles
- Must show Regional Center proof of income before payment approval can be authorized
  - co-pays
  - co-insurance




### The Law: Assembly Bill 89

- An act to amend Sections 4418.25, 4474.2, 4519.5, 4648, 4785, 4801, 6500, and 6509 of, to add Sections 4519.6, 4659.1, and 4806 to, and to add and repeal Section 4648.01 of, the Welfare and Institutions Code, relating to developmental services, and making an appropriation therefor, to take effect immediately, bill related to the budget.
- [Approved by Governor June 27, 2013. Filed with Secretary of State June 27, 2013.]




### Section 4659.1

- the regional center may, when necessary to ensure that the consumer receives the service or support, pay any applicable copayment or coinsurance associated with the service or support for which the parent, guardian, or caregiver is responsible if




### Annual Income Requirements

- 1) The consumer is covered by his or her parent's, guardian's, or caregiver's health care service plan or health insurance policy.
- (2) The family has an annual gross income that does not exceed 400 percent of the federal poverty level.
- (3) There is no other third party having liability for the cost of the service or support, as provided in subdivision (a) of Section 4659 and Article 2.6 (commencing with Section 4659.10).




### What if My Income is too High?

- (b), a regional center may pay a copayment or coinsurance associated with the health care service plan or health insurance policy for a service or support provided pursuant to a consumer's individual program plan or individualized family service plan if the family's or consumer's income exceeds 400 percent of the federal poverty level, the service or support is necessary to successfully maintain the child at home or the adult consumer in the least-restrictive setting, and the parents or consumer demonstrate one or more of the following:




### Exception: Extraordinary Event

- (1) The existence of an extraordinary event that impacts the ability of the parent, guardian, or caregiver to meet the care and supervision needs of the child or impacts the ability of the parent, guardian, or caregiver, or adult consumer with a health care service plan or health insurance policy, to pay the copayment or coinsurance.



### Exception: Catastrophic Loss


- (2) The existence of catastrophic loss that temporarily limits the ability to pay of the parent, guardian, or caregiver, or adult consumer with a health care service plan or health insurance policy and
- creates a direct economic impact on the family or adult consumer. For purposes of this paragraph, catastrophic loss may include, but is not limited to, **natural disasters and accidents involving major injuries to an immediate family member.**



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### Exception: Significant Medical Cost


- (3) Significant unreimbursed medical costs associated with the care of the consumer or another child who is also a regional center consumer.



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### Self-Certify Income


- (d) The parent, guardian, or caregiver of a consumer or an adult consumer with a health care service plan or health insurance policy shall self-certify the family's gross annual income to the regional center by
- providing copies of W-2 Wage Earners Statements, payroll stubs, a copy of the prior year's state income tax return, or other documents and proof of other income.



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### Notify TCRC of Changes


- (e) The parent, guardian, or caregiver of a consumer or an adult consumer with a health care service plan or health insurance policy is responsible for notifying the regional center when a change in income occurs that would result in a change in eligibility for coverage of the health care service plan or health insurance policy copayments or coinsurance.



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### Confidentiality Protected


- (f) Documentation submitted pursuant to this section shall be considered records obtained in the course of providing intake, assessment, and services and shall be confidential pursuant to Section 4514.



**Tri-Counties Regional Center**

### NO Deductibles Paid by TCRC

- (g) Regional centers shall not pay health care service plan or health insurance policy deductibles.




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## Federal Early Start

- (h) This section shall not be implemented in a manner that is inconsistent with the requirements of Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431 et seq.).



## Now What?




## Where to Start

- Tell your Service Coordinator about your health insurance at your first meeting
  - Provide a copy of your insurance card
  - Include co-pay amount
  - Co-insurance %
- Get to know your Health Coverage
  - Deductible
  - In or out of Network Provider Coverage
  - Annual out of pocket limits




## Contact Your Health Insurance

- Call Member Services at your Health Plan
- Confirm that you have coverage for Behavioral Health Treatment for Autism
- Ask for "Qualified Autism Services Providers" Network list of Applied Behavioral Analysis agencies contracted with your health insurance
- Contact a contracted ABA provider to request authorization for ABA therapy




## What to Provide to TCRC

- Each family will need to determine where they fall on the Family Cost Participation Program (FCPP) income schedule if they are requesting TCRC pay their copay/coinsurance
- submit a copy of their prior year's state tax return to their SC
- TCRC will be following a similar process to assess income as we do for FCPP, thus requiring the state tax return. If that is not available, an exception may be necessary.



## ABA Providers Can Help!

- Many TCRC ABA Providers have In Network Agreements with Multiple Health Insurance Plans
- If your Insurance contracts with an ABA Provider who is not a TCRC vendor, TCRC can establish an agreement with the ABA provider for co-pay and co-insurance payments
- ABA Providers can assist you to obtain authorization from your health insurance
- Keep your Service Coordinator informed too



**Resources to Help You Access Private Insurance**



Autism Health Insurance Project  
autismhealthinsurance.org


**Tri-Counties Regional Center**

**Health Plan Help**

- CA Department of Insurance
  - 1-800-927-HELP (4357)
  - TDD 1-800-482-4833
  - www.insurance.ca.gov
- CA Department of Managed Health Care
  - 1-888-466-2219
  - <http://dmhc.ca.gov/>

**Tri-Counties Regional Center**

**New Pilot Program for Non Active Military**



**NO CHANGE**  
Active Duty TRICARE Basic program & Enhanced Access to Autism Services Demonstration (ECHO Autism Demonstration)

**Tri-Counties Regional Center**

**Tricare ABA Pilot Program**

- Effective July 25, 2013 One Year Pilot
- Non Active Duty Military Family Members
- Requires specific psychometric testing, including the Autism Diagnostic Observation Schedule, 2<sup>nd</sup> Edition (ADOS-2), as a baseline measure before services can be provided
- Requires Vineland Adaptive Behavior Scales, 2<sup>nd</sup> Edition (Vineland-II), to confirm progress in treatment

**Tri-Counties Regional Center**

**Healthy Families Transition**

- Santa Barbara & San Luis Obispo Counties
  - CenCal eligible families continue to receive services through TCRC
- Ventura County
  - Gold Coast Health Care has stated it retain services with existing ABA services for one year through Ventura County Health Plan
  - Kaiser Healthy Families Participants will remain with Kaiser contracted services

**Tri-Counties Regional Center**

Some Individuals and Families may be eligible for better health coverage with new Affordable Care Act Plans.



[www.coveredca.com](http://www.coveredca.com)

**Tri-Counties Regional Center**

Families meeting the same Federal Poverty Guidelines used by TCRC will be eligible for subsidies to reduce health care premiums



**COVERED CALIFORNIA**

Millions will have an equal opportunity to obtain affordable high quality health care coverage.

**GET THE FACTS.**



Tri-Counties Regional Center

### Family Resource Centers


- San Luis Obispo County – PHP
  - <http://www.phpslo.org>
- Santa Barbara County – Alpha
  - <http://www.alphaab.org/>
- Ventura County – Rainbow Connection
  - Website: <http://rainbowconnectionfrc.weebly.com>
  - Facebook: [www.facebook.com/RainbowConnectionFRC](http://www.facebook.com/RainbowConnectionFRC)



Tri-Counties Regional Center

### TCRC STAFF Will Help You

- Your Service Coordinator!
  - On Duty Worker
  - Services & Supports Manager
- TCRC Benefits Coordinator – Pedro Mendoza
  - [PedroM@tri-counties.org](mailto:PedroM@tri-counties.org)
  - Request Referral from your Service Coordinator
  - Available to assist with insurance denials, appeals
  - Medi-Cal Redetermination



Tri-Counties Regional Center

Thank You for Being Here!!

Colleen Duncan  
TCRC Autism Coordinator  
[cduncan@tri-counties.org](mailto:cduncan@tri-counties.org)



Visit our Website for updates.  
[www.tri-counties.org](http://www.tri-counties.org)



Tri-Counties Regional Center

## Legislative Outcomes – Daniel Savino, ARCA Staff Analyst

Dear Board Members,

Today's session was a mixed bag. Results appended below. Green bills passed, red bills died, yellow ones are still pending.

### Assembly Floor Session results

- █ – Extension of SB 946 // Passed unanimously
- SB 208 – The requirement that RFPs inquire about cultural and linguistic competence // Amended on the floor to add in unrelated items about Medi-Cal and sent back to the Health Committee.
- SB 555 – Translation of IPPs/IFSPs // Pass and retain (still active and on the floor)
- SB 651 – Concerning the procedures for responding to allegations of sexual assault in developmental centers // Pass and retain

### Senate Floor Session results

- AB 1232 – Quality assessment systems and the inclusion of a metric for cultural and linguistic competency // To be heard on Tuesday
- █ – Requiring regional center boards to be trained on cultural issues, and to evaluate the center annually on same // Passed

### Assembly Appropriations Committee results

- SB 22 – Mental health parity // Held in committee (dead)
- SB 137 – Posting of vendor rates // Held in committee
- SB 158 – The autism services demonstration program (RECAP), that would let DDS work with universities to identify better ways to meet the health needs of particular communities, related to autism // Passed unanimously
- SB 231 – Bullying Prevention Clearinghouse // Held in committee
- SB 391 – DeSaulnier's California Homes and Jobs Act of 2013, adding a \$75 fee on real estate transactions, to be used towards affordable housing. // Held in committee, but not dead (see [press release](#))
- █ – Self-determination // Passed unanimously, without amendments. It is presumed that the amendments ARCA is discussing with the sponsors will be made on the Assembly floor next week.

### Senate Appropriations Committee (after end of floor session)

- AB 10 – Raising the minimum wage // Passed 5-2 (party-line vote), sent to Senate Rules Committee.
- AB 1041 – The Employment First bill // Passed 6-1 (Sen. Walters voted against), with amendments (not yet in print).
- AB 1112 – An increase in payments to employment-related service providers // Held in committee
- AB 1231 – This year's telemedicine bill // Passed 7-0

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Daniel Savino  
Association of Regional Center Agencies  
Staff Analyst  
916-446-7961 x17



ASSOCIATION OF REGIONAL CENTER AGENCIES

915 L Street, Suite 1440 • Sacramento, California 95814 • 916.446.7961 • Fax: 916.446.6912

August 26, 2013

Senator Bill Emmerson  
State Capitol, Room 5082  
Sacramento, CA 95814-4900

**RE: Support if Amended Position on SB 468 as Amended in the Assembly on 8/21/13**

Honorable Senator Emmerson:

The Association of Regional Center Agencies (ARCA) represents the network of regional centers that advocate on behalf of and coordinate services for California's over 250,000 people with developmental disabilities.

ARCA and its member regional centers strongly support the concept of self-determined services (SDS) as an alternative service delivery system for developmental services in California. The bill in its current form speaks to ARCA's previous concern related to the potential for the budgeting methodology to unfairly address the needs of those in historically underserved communities. As such, ARCA is now moving to a support if amended position on this legislation. There are five remaining issues with the bill as written. In conversations with the sponsor's office, it seems that four of these concerns could be easily corrected, while the last is a significant outstanding issue.

#### **Allocation of Self-Determination Program Participant Slots**

As currently written, the bill would require each regional center to be assigned a proportional share of participants to serve in the Self-Determination Program based on its active caseload. A few problems arise with this. First, small regional centers would not be allocated sufficient slots to justify the development of infrastructure necessary to carry out the program. Second, large centers would potentially be assigned an overwhelming number of participant slots upfront. Third, regional centers that were part of the pilot programs need sufficient capacity in order to expand their pool of participants. Rather than the bill prescribing a methodology, it would be more appropriate if instead the bill instructed the department and ARCA to resolve this through ongoing contract negotiations.

#### **Federal Financial Participation**

The most recent amendments to this bill limit the federal financial participation available to offset program implementation costs to only those funds arising from the participation of the 140 remaining participants of the self-directed services pilots. Prior iterations of this bill allowed for the capturing of additional federal dollars generated by all participants of this program. These federal funds may come in the form of additional Targeted Case Management, Money Follows the Person, and service reimbursement. Implementation of the Self-Determination Program will

require a significantly increased workload on behalf of regional centers, so all sources of available funding must be accessed to ensure success. A reversion to the previous bill language on this issue would seem to accomplish this goal.

### **Self-Determination Program for Children Under Age 3**

Previous versions of the bill required participants in the Self-Determination Program to be at least three years of age, but this provision is no longer present in the current bill language. ARCA is concerned that this could leave the door open for serving individuals who are still participants in California's Early Start program, which would require approval from the federal Office of Special Education Programs. This modification needlessly complicates implementation of this bill. ARCA would propose reversion to the previous language or an indication that children still being served in Early Start are not eligible for participation in the Self-Determination Program.

### **Budget Methodology for Participants New to the Regional Center**

ARCA appreciates the inclusion of a budget methodology to address the concern related to budget development for participants in the Self-Determination Program who are new to regional center services. The wording of this clause, however, needs to be modified as it now refers to "a participant who is not a current consumer of the regional center". Indicating that this methodology applies to those who are newly eligible for services or who have less than twelve months of regional center purchase of service history are potential remedies.

### **Prioritization of Available Funding**

It is unquestionable that the launch and maintenance of the Self-Determination Program will require significant financial resources, both for direct services to participants as well as for necessary administrative processes needed to secure and maintain federal funding for the program. First, processing background checks of potential service providers is an essential departmental function that must be funded. Second, the Self-Determination Program cannot succeed without an increased investment in case management time as individual program plans take significantly longer to develop under this service model. This is particularly true if the regional center service coordinator is performing the services and functions of an independent facilitator as well. Intensive person-centered planning demanded by the Self-Determination Program is time-consuming and costly. Third, regional centers will incur additional costs associated with the administrative requirements of this program (i.e., training, outreach, etc.) as well as with the need to ensure compliance with federal funding standards. A similar Self-Directed Services program that was under development in 2005 would have allocated over \$4 million annually for additional staff had the maximum capacity been 2,500 as proposed for the first three years of this program. Finally, ARCA understands that the department is able to absorb the costs associated with development of a federal waiver, information technology, and the training materials necessary to launch this program. Should unanticipated administrative costs arise on the part of the department, they too should be offset by funds allocated to this program. Attached is a copy of ARCA's proposed amendments which speak to the appropriate prioritization of funding for participant health and welfare, service coordination, and administrative functions associated with implementation of this bill. For the sake of clarity, ARCA's amendments to the current bill language have been highlighted in yellow.

SB 468 proposes the single largest change to the regional center system in more than a decade. The five pilot regional centers found that participants and their families appreciated the increased flexibility and control over their services that the Self-Determination Program would offer more widely. It is essential to note, however, that absent sufficient funding, the Self-Determination Program is not sustainable, neither in the short-term nor when the program expands beyond 2,500 participants. Considerable costs will arise as a result of more creative, more individualized service coordination and resource development. These costs are not absorbable by the regional center system, and in order to make the program functional and to secure the needed federal financial participation, they must be met.

ARCA appreciates the opportunity to comment on SB 468 and looks forward to the resolution of further challenges associated with the bill. If you have any additional questions regarding our position, please do not hesitate to contact Amy Westling in our office at [awestling@arcanet.org](mailto:awestling@arcanet.org) or (916) 446-7961.

Sincerely,

/s/

Eileen Richey  
Executive Director

Cc: Members, Assembly Appropriations Committee  
Myesha Jackson, Chief Consultant, Assembly Human Services Committee  
Mary Bellamy, Consultant, Republican Assembly Caucus  
Julie Salley-Gray, Principal Consultant, Assembly Committee on Appropriations  
Julie Souliere, Assembly Republican Fiscal Consultant  
Catherine Blakemore, Executive Director, Disability Rights California  
Evelyn Abouhassan, Senior Legislative Advocate, Disability Rights California  
Judy Mark, Autism Society of Los Angeles  
Connie Lapin, Autism Society of Los Angeles  
Eric Gelber, Assistant Director, Legislation and Regulations, Department of Developmental Services  
Teresa Trujillo, Legislative Director, Senator Bill Emerson's Office





The **6th annual CA Gathering** will promote the use of Person Centered Thinking practices with people served, their families, and supporters to create positive change in their own lives, communities, and organizations. We are pleased to host this event in collaboration with many community partners and the international Learning Community for Person Centered Practices.

This year we will be joined by Laura G. Buckner who has 26 years' experience in the disability field, she is a mentor trainer and represents the board of directors for the Learning Community for Person Centered practices, Laura provides training on the local, state and national levels. Laura believes her greatest expertise comes from her experience as a Mom. Her 23-year-old son has been both impetus and inspiration.

**Wednesday September 25, 2013 9:00am - 4:00pm**

**Thursday September 26, 2013 9:00am - 3:30pm**

**At the Ventura County Office of Education**

5100 Adolfo Road, Camarillo, CA 93012

**Who Should Attend?...People who:**

- Have completed PCT training
- Are working to apply PCT in their day to day work or personal life
- Have an interest in gaining skills & knowledge in the area of PCT

**Highlights**

- Gallery Walk; Visual displays demonstrate what we have been learning and doing related to PCT
- Breakout sessions focus on different areas of interest related to how we are incorporating PCT in our work
- Learning marketplace sessions provide an opportunity for informal dialogue to share learning
- Large group activities inspire conversation and encourage relationship building with local partners

**Registration**

*Attending Day 1 only: \$65.00*

*Attending Both Days: \$85.00*

- **Click here to learn more or register** or visit: <http://conta.cc/1asZgrl>
- Register early, cost increases after September 2nd
- A Pay Pal account is required for payment. One can be created on line for free.
- Lunch is provided on day one only, for day two restaurants are located in the surrounding areas.
- Some scholarships available for persons served and their families. For information on scholarships, call Tina Calderaro-Mendoza at TCRC at (805) 823-2304.
- Donations welcome, accepted during registration.

Use your smart phone to scan this link to registration. Scroll to bottom and click on "desktop view" for more information.

