TRI-COUNTIES REGIONAL CENTER
EXECUTIVE DIRECTOR REPORT
November 2, 2012

I. AUTISM HEALTH INSURANCE PLAN MANDATE (SB 946) IMPLEMENTATION PLAN UPDATE

- **Attachment #1:** SB 946 Letter to Families
- **Attachment #2:** SB 946 Flow Chart
- **Attachment #3:** TCRC SB 946 Insurance Co-Payment Fact Sheet
- **Attachment #4:** SB 946 FAQ – Updated September 28, 2012
- **Attachment #5**: TCADD Service Policy and Guidelines 10601
- **Attachment #6**: SB 946 Implementation & Outreach Activities "By the Numbers" Update From TCRC Autism Coordinator

On July 1, 2012 Senate Bill 946 (Steinberg) went into effect, making California the 28th state in the nation to pass an Autism Insurance Mandate. This new law requires California private insurance companies to contract with Qualified Autism Services Providers and cover behavioral intervention (ABA services). This new law also requires TCRC ensure individuals and families (current and those new to the regional center system) seek payment of all behavioral services through their health insurance carrier or service plan prior to seeking payment from regional centers. Families with Medi-Cal only and Cal-PERS PPO plans are not affected by this new law. However, Department of Managed Health Care recently released new draft regulations regarding the implementation of SB 946 that emphasize the expectation of Healthy Families (will be merged with Medi-Cal) and Cal-PERS plans to provide services based upon the original intent of AB 88, CA Mental Health Parity Act.

TCRC has developed a SB 946 local implementation plan. This plan includes a written notice sent out to all the individuals and families impacted informing them of the new law and inviting them to attend one of six informational sessions that were held at each TCRC office in June to better understand the law and to answer their questions **(Attachment #1)**. Additionally, TCRC held seven follow-up informational meetings in the Month of August at each of the TCRC offices to offer families additional opportunities to learn about the SB 946 requirements and to answer questions. TCRC plans on holding one more round of additional informational meetings at each of the TCRC offices by the end of the calendar year to provide another opportunity for families to learn about the law and to answer questions. TCRC has also developed a flow chart on how the process will work, a SB 946 Co-

Payments Fact Sheet and a Frequently Asked Question (FAQ) document for persons served and families – with the assistance of ARCA **(Attachments #2-#4)**.

TCRC will continue to work collaboratively with all individuals and families impacted by this change, utilizing the individual planning team process, to ensure as smooth a transition as possible. TCRC staff will support the person and family through their insurance company's process for accessing SB 946 services. When the insurance company approves services, the TCRC Service Coordinator will work with the family to request that the health plan waive any co-payments. If this is not possible, TCRC will offer to pay any co-payments for SB 946 services directly to the ABA service provider, using a service code that maximizes federal funding. Co-payments will be capped at $45 per co-payment to ensure cost-effectiveness. This cap was determined using Service Code 620 median rate minus a 15% administrative overhead.

To date many families have been able to work with their existing ABA service provider to transition services to their insurance. Families who are currently being served by ABA service providers who are not paneled with the family's insurance will be required to switch to an ABA service provider that can accept their insurance. A tracking process is underway to more specifically identify how families are succeeding in an effort to transition services to private insurance. This information will be used by TCRC to provide more focused assistance to families and to report systemic issues to ARCA to possibly intervene at the state level. By far the greatest challenge has surfaced with Kaiser and their exclusive contract with one ABA provider in Ventura County. The ABA provider does not seem to have the staffing capacity to handle the large inflow of new clients causing a delay in the transition from regional center funded ABA services to Kaiser funded ABA services. TCRC has reported this information to ARCA and is working with families to file complaints and appeals per the law.

New questions are arising regarding payment of co-insurance costs. TCRC is in the process of developing additional rates and billing codes to reflect the various co-insurance rates which will also be considered for reimbursement through the exception process on a case by case basis. Some plans have recently begun charging only co-insurance and are waiving the co-pay since the services are provided in the home setting and are not considered an office visit. An internal TCRC cross-department workgroup has been established to review the emerging issues and will be making any necessary revisions to TCRC procedures related to SB 946 implementation due to new information obtained and learning that is occurring.

Service Coordinators continue to work with families who have not started to access their insurance for ABA services. Letters are being sent to these families informing them of the requirement to access and use their insurance coverage for ABA services and to offer assistance from TCRC in helping them with the transition process. The

TCRC Autism Coordinator, Colleen Duncan, continues to work with staff internally, families, service providers, insurance companies, and ARCA to address individual and systemic issues **(Attachments #5-#6)**.

In the event that a planning team is unable to agree on the transition steps or the transition to insurance is unsatisfactory, the Lanterman Act Notice of Action and Fair Hearing procedures remain available to TCRC, persons served by TCRC and their families to seek resolution.

II. LEGISLATIVE INFORMATIONAL HEARING ON CALIFORNIA'S DEVELOPMENTAL CENTERS

- **Attachment #7:** Agenda and Background Information on the October 23, 2012 Oversight Hearing of California's Developmental Centers by Subcommittee #3 of the Senate Committee on Budget & Fiscal Review and Senate Human Service Committee
- **Attachment #8:** CDCAN Report #165-2012: Legislative Informational Hearing on Developmental Centers

California's Department of Developmental Services (DDS) operates four institutional Developmental Centers (DCs) and one smaller state-operated community facility that care for approximately 1650 adults and children with developmental disabilities. Numerous issues pertaining to the DCs was the focus of an informational joint hearing held on October 23, 2012 by the Subcommittee #3 of the Senate Committee on Budget & Fiscal Review and by the Senate Human Services Committee of California's Legislature. The informational hearing titled "Developmental Centers: A System in Transition" consisted of four panels covering (1) Overview of Developmental Centers and their Utilization in California, (2) Licensing Citations and Patient Care at Sonoma Developmental Center due to recent allegations of abuse and mistreatment of several residents, (3) Update on closure process at Lanterman Developmental Center, and (4) Implementation of recent legislation regarding services for individuals with complex needs. The six hour hearing provided detailed information to the Legislature from numerous stakeholder groups regarding the necessity, cost, challenges, and recommendations on the future of the Developmental Centers **(Attachments #7-8)**. ARCA is in the process of developing written recommendations to submit to the Legislature as follow-up to this hearing. There may be additional hearings scheduled on this topic in the near future. ARCA and the regional centers will continue to provide input to the Legislature as needed and appropriate.

III. THE WAY FORWARD INITIATIVE

- **Attachment #9:** The Way Forward for California Regional Centers Status Report

The Southern California Conference of Regional Center Directors (SCCRCD) have initiated a dialogue among member Regional Center Executive Directors, Board Presidents and Association of Regional Center Agencies (ARCA) Board delegates on the future direction of the community based developmental disabilities service system. Several Northern California regional centers have also joined the SCCRCD with this effort.

Numerous external forces including chronic and recurring budget reductions have imposed dozens of new changes through Trailer Bills since 2009 impacting every provision of service offered by regional centers. As the gap between expectations and financial support widens accompanied with continued “tinkering” with the system, it appears that the community based services system may be on the wrong path not only unable to effectively address budgetary challenges, but may also result in a system that is unable to carry out its mission of meeting the needs of persons with developmental disabilities and their families as outlined in the Lanterman Act. Regional centers must be willing to take risks, hear the critics, and be open to change and innovation while all stakeholders must recognize the limitations on public funds and the implications of these limitations on provision of services.

In an attempt to respond proactively and more strategically to these pressures, the SCCRCD is utilizing a survey, numerous focus groups with persons with developmental disabilities, and interviews with experts nationwide to gather input and develop a set of recommendations in the form of a “white paper” to guide the system into the future. The survey was by invite only and was sent to 180 persons in the TCRC area consisting of persons served, families, service providers, Board members, and other stakeholders. There were eleven focus groups held soliciting qualitative input from persons with developmental disabilities and currently there are interviews being conducted with ten national experts in the delivery and financing of developmental services across the county. This data will be analyzed and used by the Way Forward members to develop recommendations for changes to the developmental services system in California **(Attachment #9)**.

IV. QUESTIONS & ANSWERS

Attachment #1

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
www.tri-counties.org

May 31, 2012

Dear Parent,

These are exciting times of change in California and we are writing to let you know about a new law that will help you obtain behavioral intervention treatment, including applied behavioral analysis (ABA) for your child or adult loved one with autism or pervasive developmental disorder (PDD).

On July 1, 2012, Senate Bill 946 becomes law, making California the 28th state in the nation to pass an Autism Insurance Mandate. This new law requires California private insurance companies to contract with Qualified Autism Services Providers and cover behavioral intervention. **Families with Medi-Cal only are not affected by this new law.** More information about this new law is enclosed.

Tri-Counties Regional Center (TCRC) will be holding information sessions in each office during the month of June to help families understand the law and how TCRC will be working with families and providing assistance to you during the transition. In the event that the Planning Team is unable to agree on the transition steps or the transition to insurance is unsatisfactory, the Lanterman Fair Hearing procedures remain available to persons served and their families.

Please join us to learn more. RSVP as soon as possible by calling your local TCRC office. Spanish translation will be available. Please request Spanish translation when calling to RSVP.

Autism Insurance Training Schedule

All Sessions will be held from 6:00pm -7:30pm

Wednesday	June 6	Atascadero	(805) 461-7402
Thursday	June 7	San Luis Obispo	(805) 543-2833
Wednesday	June 13	Santa Maria	(805) 922-4640
Wednesday	June 20	Simi Valley	(805) 522-8030
Thursday	June 21	Santa Barbara	(805) 962-7881
Thursday	June 27	Oxnard	(805) 485-3177

Senate Bill 946 is Good News for California and brings families a new opportunity to receive essential services. TCRC looks forward to working with you and the health insurance providers to implement this historic change.

Sincerely,

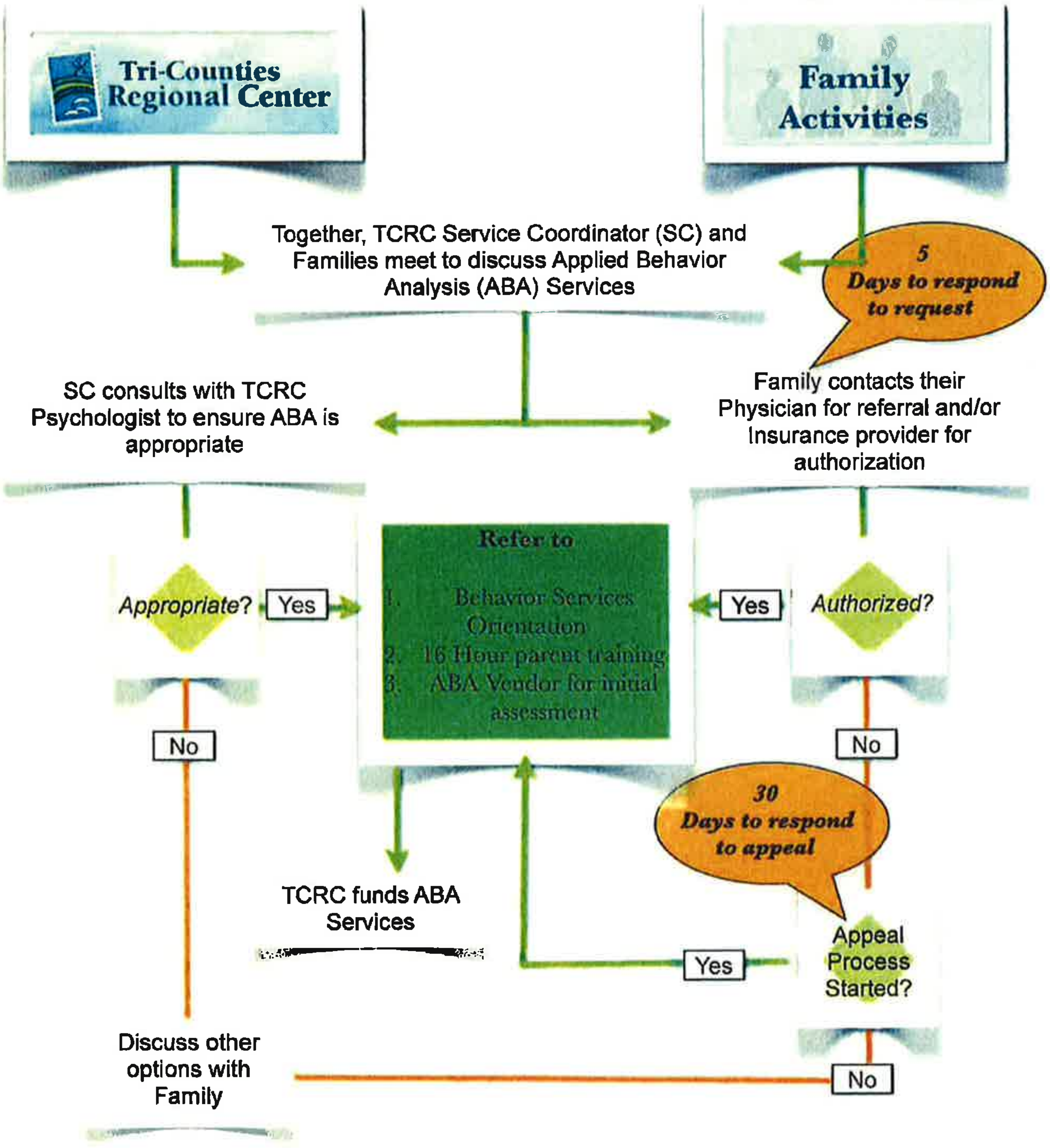
Omar Noorzad, Ph.D.
Executive Director

Attachment #2

Tri-Counties Regional Center

SENATE BILL 946

INSURANCE COMPANY FUNDING OF APPLIED BEHAVIOR ANALYSIS



Together, TCRC Service Coordinator (SC) and Families meet to discuss Applied Behavior Analysis (ABA) Services

SC consults with TCRC Psychologist to ensure ABA is appropriate

Family contacts their Physician for referral and/or Insurance provider for authorization

Refer to

1. Behavior Services Orientation
2. 16 Hour parent training
3. ABA Vendor for initial assessment

TCRC funds ABA Services

Appeal Process Started?

Discuss other options with Family

Attachment #3

Tri-Counties Regional Center

SB 946 – Autism Health Insurance Plan Mandate
INSURANCE CO-PAYMENTS

August 2012

A. **GENERAL GUIDELINES**

1. **TCRC will pay co-payment amounts ("co-pays") for Applied Behavior Analysis ("ABA") sessions provided to persons served and their families who are covered by private insurance up to $45 per day.**
2. TCRC will not require any financial justification from families to approve co-pays.
3. TCRC will pay the ABA service provider directly for family co-pays.
4. TCRC will not reimburse families directly for insurance co-pays. This eliminates any potential IRS income penalties for the family.
5. TCRC will only reimburse co-pays for ABA treatments at this time. (OT, PT, SLP or other medically necessary services are not included in this reimbursement procedure).
6. Early Start services and insurance reimbursement are regulated differently; contact the Service Coordinator or the Early Start Manager in the local TCRC office if there are questions about insurance funded services for children 0-3.
7. ABA service providers may waive the co-pay requirement if direct reimbursement from TCRC violates any of the health plan or business procedures of the ABA service provider.
8. Health Plans may also waive co-pays. Information will be provided to Service Coordinators and Managers as provided by the Health Plans.
9. TCRC will reimburse co-pays using Medicaid Waiver billable service codes.
10. Families who are on the Medicaid Waiver and have private insurance will need to use private insurance as the primary funding source.
11. Families receiving Medi-Cal only and who do not have private insurance are not affected by SB 946 and ABA services will be fully funded by TCRC.
12. Information on participating Health Plans and ABA Providers is available on TCRC's website.

Attachment #4

FAQs Regarding Insurance Funding for Behavioral Health Treatment for Autism and PDD

September 28, 2012

Please note that this document provides information about a situation that continues to evolve. As such, ARCA anticipates that changes will be made to it as updated information becomes available.

1. Which insurance plans are required to provide funding for behavioral health treatments for autism and PDD?

Every privately-funded health insurance plan that provides hospital, medical or surgical coverage in addition to behavioral and health services is impacted with the exception of employer self-funded plans is responsible for coverage of these services as of July 1, 2012 as a result of Senate Bill 946. Additionally, the Department of Managed Health Care has indicated that as of this same date this responsibility also applies to plans funded by Healthy Families as well as certain plans funded by CalPERS under Assembly Bill 88 (Mental Health Parity). TRICARE has been funding for ABA services for active duty family members, but was recently ordered by a federal court to begin providing the service to all members. It may be some time before TRICARE expands coverage to all members.

2. Which CalPERS plans are required to fund behavioral health treatments for individuals with autism or PDD?

The three CalPERS HMO plans (Blue Shield of California Net Value, Blue Shield Access+ and Kaiser Permanente) are required to fund these services. CalPERS PPO plans (PERS Select, PERS Choice and PERSCare) are self-funded and are not required to offer these services.

3. Do different standards apply to plans funded by CalPERS and Healthy Families?

Yes. As of September 6, 2012 there is an emergency regulation in place that applies to plans funded by CalPERS and Healthy Families. Essentially, the regulation establishes that CalPERS and Healthy Families plans must provide "medically necessary" treatment for Autism and PDD under existing mental health parity law. This means that services provided under those plans must be provided by licensed mental health professionals rather than by unlicensed BCBAs and paraprofessionals. CalPERS funded Blue Shield plans and Healthy Families funded Blue Cross plans are permitted to utilize the services of unlicensed professionals under a settlement agreement with DMHC. ARCA will provide updates as this situation continues to evolve.

4. Are any self-funded plans providing coverage for behavioral health treatments for individuals with autism or PDD?

Self-funded plans are not required to provide funding for these services under California law. Some are, however, opting to provide this as a benefit to their members. At least one regional center is requiring that families in self-funded plans provide evidence that their plan is self-funded as well as an indication from their insurers whether this is a covered benefit. ***TCRC is asking families to inquire with their Human Resources Department if the self funded plan includes an Autism Benefit and to encourage their employer to add such coverage to the company policy. TCRC will cover ABA services if it is not a covered benefit of the current self funded plan.***

5. When do the funding requirements go into effect?

Most insurance carriers were required to comply no later than July 1, 2012. TRICARE was already providing services as were some insurance companies that were part of a settlement agreement on this issue last year.

6. What is the process for requesting funding for behavioral health treatments for individuals with health care service plans based in other states?

Thirty states have mandates of one kind or another that require health insurers to fund behavioral health treatment for individuals with autism. For a list of those states, please visit http://www.autismspeaks.org/advocacy/states. If the state has a mandate, the referral process would be initiated by contacting the insurer. If problems arise in with these referrals, the regulatory agency overseeing health insurers in that state can be contacted for assistance (http://www.naic.org/documents/members_membershiplist.pdf).

7. As children now served by Healthy Families will be transitioning into Medi-Cal, what should regional centers do with those children in the meantime?

Healthy Families provides private HMO coverage through contracted insurance providers to income-eligible children. As a part of the 2012-2013 state budget, there was agreement to transition children served by Healthy Families into Medi-Cal. The timeline for termination of Healthy Families outlined in trailer bill language is very preliminary and dependent upon approval to changes in Medi-Cal. Funding for behavioral health treatments through insurers funded by Healthy Families remains available in the meantime. As such, regional centers should pursue funding for these services through those insurers. ***Healthy Families through Ventura County Health Plan has contracted with local ABA providers to cover services until they transition to Medi-Cal in August 2013. CenCal in Santa Barbara/San Luis Obispo is still pending clarification.***

8. What should regional centers do with children who are receiving behavioral health treatment services and are institutionally deemed?

As with other clients, check to ascertain whether they have health insurance in addition to Medi-Cal and pursue funding for behavioral health treatment through that insurance provider.

9. Will insurance companies implement these requirements consistently from one provider to the next?

No. Insurance companies have broad latitude in the implementation of the requirements. Insurance plans can choose what providers to contract with and what rates to pay. They will also individually determine what copayments will be charged for the services provided. ***TCRC will cover the cost of co-pays, up to $45 per session per day, up to 6 days per week. Contact your Service Coordinator for assistance. Families will need to provide a copy of their insurance card to verify the co-pay amount.***

10. Will authorizations for these services be handled similarly to those for medical services that insurance companies authorize?

There are a couple of important distinctions to be aware of. First, some insurance plans contract out their behavioral health services to other providers such as Magellan or Optum Behavioral Health, so individuals may be redirected to call a different phone number once it is apparent that the request is for behavioral health treatment. Some insurance cards have a distinct phone number on the back for the behavioral health provider, but this is not necessarily the case. Second, some insurers that are anticipating a high volume of referrals for these services have established special units to address concerns related to these specific services. For information regarding how to best access these services from many health providers, please see the document titled "Behavioral Health Treatment Insurance Referral Processes" that ARCA has developed. ***Contact Colleen Duncan TCRC Autism Coordinator if you have questions about specific Health Plan's referral process at cduncan@tri-counties.org.***

11. What types of treatments are required to be covered?

The statute states that funding will be provided for ABA services in addition to "evidence-based behavior intervention programs". There is a lot of ongoing discussion about what other therapies would be considered "evidence-based" and those that would not.

12. What efforts are in place to try to increase consistency?

Senate Bill 946 also required the creation of an Autism Advisory Task Force overseen by the Department of Managed Health Care that is exploring best practices related to evidence-based treatment options, duration of therapy as well as the qualifications of providers among other topics. This group will finish its work by the end of 2012 and must present a report to the Legislature at that time.

13. How will this change impact service provision for regional center clients in need of behavioral health treatment?

Under Welfare and Institutions Code Section 4659 (a)(2) regional centers are required to access funding from "private entities to the maximum extent they are liable for the cost of services, aid, insurance, or medical assistance to the consumer." As such, individuals and family members need to access available funding from insurance companies for behavioral health treatment associated with autism and pervasive developmental disorder before the regional center can offer funding for these services.

14. How can regional centers facilitate a referral for behavioral health treatment to an individual's health insurer?

The procedure for each plan differs a bit. The larger plans have developed a distinct referral process for this transition. In general, the plans are requesting that either the current behavioral provider or regional center contact the plan and be able to provide at a minimum:

- Individual's date of birth
- Individual's health member identification number
- Diagnostic assessment confirming the diagnosis of autism or PDD
- Current behavioral treatment plan that includes:
    - Measurable goals
    - Current symptomalogy
    - Background of the individual
    - Number of hours of service requested delineated by service level (i.e., BCBA and paraprofessional)

ARCA has developed detailed procedures for specific health plans on their preferred processes for transition. As noted in the following question, it is important to realize that different timelines for approval or denial of funding requests apply depending upon who initiates contact with the health plan. As additional plan contact information becomes available, ARCA will continue to expand the information provided related to accessing services through specific health plans.

15. Once a health plan receives a request for services, how long does the plan have to determine if funding for the service will be granted?

This depends upon whether the request for services is initiated by a provider or another entity. If a provider (in-network or not) requests authorization to provide a service, the plan has five business days to determine whether to fund it, deny the request or request additional information necessary to make a decision. If a family requests the service, there are no firm timelines, but a health plan must initiate its internal grievance procedure if an enrollee or representative expresses dissatisfaction with the actions of the plan. The internal grievance procedure can take no longer than thirty calendar days. If either the five day or thirty day timelines pose an "imminent and serious threat to the health of the enrollee", plans must issue an expedited decision within three calendar days. ***TCRC encourages families to contact their health plan for information regarding their health plan's approved provider network and request their preferred provider to contact their health plan to request authorization for ABA services.***

16. Should regional centers refer only those clients with a firm diagnosis of autism or PDD to health plans, or should others be referred as well?

The statute stemming from Senate Bill 946 refers back to the statute that established mental health parity in the state of California. Per regulation, mental health parity requires services be provided to those with a "preliminary or initial diagnosis" until a final diagnosis can be made. If a health plan questions the validity or strength of the diagnosis of autism of PDD, it would then be incumbent upon the plan to seek further diagnostic clarity at its expense while providing medically necessary services to treat the condition. Most health plans follow the American Academy of Pediatrics screening guidelines for Autism and PDD and complete screening of toddlers at ages 18 and 24 months and full diagnostic assessments if indicated at that time.

17. Once a health plan has approved funding for behavioral health treatments, how long may an individual wait before services begin?

The health plan is responsible to offer an appointment to begin services within a specified period of time depending on the services being offered. This offer of an appointment may not work with the individual's schedule and services may be delayed for that reason. Non-physician mental health provider appointments must be offered within 10 business days. An appointment must be offered for an occupational therapist, speech therapist or specialty physician (i.e., a psychiatrist) within 15 business days. Generally, these requirements are considered for the plan as a whole rather than in individual cases as it is a measurement of overall network adequacy.

18. If a regional center is currently funding a behavioral health treatment for a client, how can it discontinue funding for that service as a result of availability of funding for similar services through the individual's health insurance?

As with other changes to the Individual Program Plan, this change requires the consent of the planning team. If agreement cannot be reached, the regional center will need to issue a notice of proposed action at least thirty days prior to discontinuing funding. Many regional centers have found that having personal conversations with impacted clients and families prior to sending written notification of the change is an important first step to take. Clients and their families will have an opportunity to appeal that decision.

19. How do regional centers and the people they serve know which providers have contracted with which insurance companies?

Families and regional centers should access the health plan's on-line provider list. Since the providers change frequently, a printed listing would be quickly out of date. One regional center has indicated they have asked behavioral treatment vendors to provide this information so that they can match families with insurance to vendors that are contracted with their health plans. Lastly, regional centers and health plans have been asked to provide liaison contact information to troubleshoot issues such as this as they arise. ARCA has provided regional centers with the insurance liaison contact information that has been received. ***Contact Colleen Duncan, TCRC Autism Coordinator if you need assistance with health plan contacts, cduncan@tri-counties.org***

20. Are all regional center vendors being accepted by health insurers into their network?

No. As long as an insurer can show that it has an adequate network of providers to serve various geographic areas as well as the volume of those needing services, it can contract with as few providers or as many as it would like. Some insurers have indicated a plan only to contract with providers associated with licensed professionals (i.e., psychologists or LMFTs) rather than those overseen by BCBAs. This is permissible, and in response, many providers have recently associated themselves with licensed professionals that the insurance companies are willing to contract with.

21. What are the options if an individual or family is currently receiving services from a provider that is not contracted with their health provider and would like to continue with that same provider?

This depends a bit upon the type of health plan involved. If the coverage is provided through an HMO, the provider can request a "single case agreement" or to be paid as an out-of-network provider if there is a strong justification to not change providers. HMOs have wide discretion on whether to approve such requests or not. In a PPO plan, contracted providers are in the network and those meeting necessary qualifications that have not contracted with the PPO are not. Individuals and families may choose to utilize a non-network provider and pay a higher coinsurance for the service. As regional centers are the payers of last resort, ongoing funding of alternative providers at family request may not be permissible. ***TCRC is maintaining an internal list of currently contracted behavioral vendors who have obtained contracts with various health plans which is provided at each monthly Behavioral Services Orientation and is available to assist staff and families seeking to transition to insurance funded behavioral services. This list is updated as often as vendors provide updated information regarding their status with insurance panels & is subject to change as insurance companies work to develop adequate Qualified Autism Services Provider networks.***

22. What should a regional center do with new requests for behavioral health treatment for this population?

As health insurance funding for these services began on July 1, 2012, regional centers should assist families to pursue funding for these services through their private insurance before making funding commitments. This will ensure the smoothest access to services for individuals and their families. ***Families attending the Behavioral Services Orientations in each office will receive initial information regarding health insurance access as well as a list of TCRC contracted providers who are also contracted with local health plans. TCRC will continue to offer Group Parent Training for families referred to behavioral services.***

23. How do health care service plans determine the amount of service they will fund?

In most cases, the plan determines the number of service hours that it believes is medically necessary. A few health plans (Blue Shield and Blue Cross included) entered into settlement agreements last year that resulted in the granting of hours without considering medical necessity. In some areas of the state, it has been reported that the number of hours that a health care services plan has granted exceeds the service level that the regional center would have authorized, which may be related to the settlement agreements.

24. What if insurance companies deny funding for these services?

Most impacted health plans are licensed by the Department of Managed Health Care. That department provided a webinar training about the internal grievance procedures for plans as well as further appeal processes to regional center staff on June 14, 2012. This was intended to enable regional center staff to assist individuals and their families with walking through the insurance appeal process. DMHC archived this webinar for future regional center training use. It is available for viewing at https://dmhc.webex.com/dmhc/ldr.php?AT=pb&SP=MC&rID=66226517&rKey=db1a63e163e38fdd or for download at https://dmhc.webex.com/dmhc/lsr.php?AT=dw&SP=MC&rID=66226517&rKey=2f9baf31be70da14.

The Department of Managed Health Care (DMHC) needs specific information about problems that have arisen to be reported to their Help Center at 1-888-466-2219 in order to be able to intervene with health providers on a case-by-case as well as systemic basis. DMHC has four complaint processes, including:

- Quick Resolution – Routine matters that can be resolved within a couple of days via telephone with the health plan.
- Urgent Complaints – Issues that cannot wait thirty days for resolution such as prescriptions and delays in obtaining appointments.
- Standard Complaint Resolution – Coverage disputes and concerns about the quality of care (i.e., a plan indicates it does not cover ABA).
- Independent Medical Review – Medical necessity for a covered benefit (i.e., a plan covers ABA but indicates a belief that the client does not need it).

Regional centers can act as an authorized representative for the individual and family in the complaint and Independent Medical Review process through completion and submission of forms available on the DMHC website. ***Contact the TCRC Autism Coordinator, Colleen Duncan at cduncan@tri-counties.org if you need the forms.***

25. There have been reports that some families are seeking a denial from their health plan rather than funding for services in order to approach regional centers for continued funding. Is it permissible for an insurance company to deny services at the request of the family?

No. A health plan must evaluate a request for services on the merits of the claim. The plan must first determine whether the requested treatment is a covered benefit under the plan. If it is, the plan must determine medical necessity for the service and issue the correct decision related to funding based on the facts of the individual case. Health plans may only issue denials if the requested service is either not a covered benefit or if it is found not to be medically necessary for the individual.

26. Do insurance companies provide aid paid pending during the appeal process if they decide not to support ongoing authorization for services?

No. Services are authorized for a specified period of time. Before the authorization ends, the insurer makes a decision as to whether to authorize additional service hours for another period of time. If the decision is not to authorize additional services that are being requested, the individual or family of a minor child is notified in writing and given the opportunity to appeal.

27. Is the expectation that regional centers will fund ongoing services while a funding decision is being appealed through the insurance carrier?

It is incumbent upon the regional center to make an independent decision about whether to support funding of a service that an insurance company denies. Part of making this decision would likely mean requesting records about interventions that the individual has received via health insurance funding. Once regional centers begin providing funding, they are likely responsible for aid paid pending should an appeal stem from a decision to discontinue it at a later date.

28. How is information exchanged between regional centers and health care service plans related to an individual's diagnosis, treatment and progress?

Both health care service plans and regional centers are subject to the requirements of HIPAA. Regional centers have additional requirements related to their practice outlined in Welfare and Institutions Code Section 4514. Section 4514 (c) allows for an exception to normal confidentiality of regional center records "to the extent necessary for a claim, or for a claim or application to be made on behalf of a person with a developmental disability for aid, insurance, government benefit, or medical assistance to which he or she may be entitled." Some regional centers have indicated a plan to err on the side of caution on this issue and to obtain signed releases from families before disclosing specific information to health insurers.

29. Is there a means for regional centers to recover funds from health care service plans for services funded during periods that individuals or their families are appealing a decision by a health care service plan?

The Department of Managed Health Care cannot require insurers to reimburse regional centers or any third parties that provide funding even when the funding decision by the health care service plan is overturned on appeal. There is a provision in Welfare and Institutions Code Section 4659.11 that appears to allow for regional centers to submit claims to health care service plan in this instance. ARCA is working to get clarification related to the mechanics of this process.

30. What are regional centers doing relative to requests for assistance with funding of the copayments associated with behavioral health treatments funded by health care service plans?

ARCA's attempts to have the insurance copayment issue legislatively addressed were not successful. Regional centers are in the process of developing practices for their individual centers around this issue. In some instances, centers are planning to pay the copayments to providers directly under the service code that they are already vendored for. There is a commitment to ensuring that there remains access to needed services. . ***TCRC IS covering co-pays up to a maximum of $45.00 per session/day. Contact your Service Coordinator for assistance. Families will be required to provide a copy of their insurance card to verify co-pay amount, but will not be asked to provide any income to approve co-pays for***

payment directly to the ABA provider, once insurance has verified the amount of sessions provided through insurance. TCRC is also considering co-insurance costs and deductibles for families who face a hardship that would prevent their family member from receiving necessary treatment. These are being reviewed individually. Please contact your Service Coordinator for more information.

31. Has ARCA requested a legal opinion related to the responsibility of regional centers to fund copayments?

Yes. ARCA requested a legal opinion from Enright and Ocheltree on the issue of regional centers' ability to fund copayments for behavioral health treatments that are being funded by health care plans. Each regional center Executive Director received a copy of this opinion. This legal opinion was inadvertently released and was distributed online between various groups. ARCA maintains that this document remains a protected document as its initial release was unintentional. One regional center recently argued that point in a fair hearing and was able to exclude the document from evidence.

32. Are providers permitted to accept third-party (i.e. , regional center) payments for copayments?

Yes. Providers can accept third-party payments for copayments if they choose to. ***TCRC will pay co-payments directly to the ABA provider, using the provider's existing contract billing codes. (POS Service Codes), to avoid any potential IRS income issues which could result if reimbursement went directly to family. TCRC's Resource Development Team has also established procedures to complete limited vendor agreements with ABA providers who are not currently TCRC vendors for the purpose of funding the co-pays only. If your insurance company has contracted with a provider who is not currently contracted with TCRC, please let your Service Coordinator know.***

33. How do families know when they've reached their annual copayment maximum?

ARCA has heard reports that health insurers are less consistent at tracking copayments for behavioral health than for medical services. Families should be encouraged to keep track of copayment amounts paid in order to avoid an overpayment of copayments. Some insurers provide information about copayment expenditures on their websites to make this simpler to follow. ***TCRC has also developed a form which is on our website (www.tri-counties.org) which families can use to track requests for services and co-payment reimbursement.***

34. Is it permissible for a BHT provider to accept a contracted rate from a health care plan and subsequently bill the regional center or family for the difference between the provider's typical rate and the contracted rate?

No. This is known as "balance billing" and is not allowed. Providers are expected to charge copayments and coinsurance consistent with the terms of the health plan, but an in-network provider in an HMO plan should not be engaging in this practice.

35. How does the implementation of the Affordable Care Act impact the future of health care funding for behavioral health treatment for those diagnosed with Autism or PDD?

The California Legislature passed two bills last week which outlined the "essential health benefits" that many health plans will have to provide after January 1, 2014. One included benefit is behavioral health treatment for individuals diagnosed with Autism or PDD. These requirements apply to new plans issued to individuals or small employers after January 1, 2014. Additionally, Medi-Cal will be required to provide some form of behavioral health treatment but the exact parameters of that are unclear at this time.

36. What can regional centers do as more issues arise?

ARCA remains committed to helping regional centers to navigate through the implementation of insurance funding for behavioral health services. ARCA is meeting with the Departments of Managed Health Care, Insurance and Developmental Services as well as the California Association of Health Plans to discuss and resolve Senate Bill 946 implementation issues. ***Please contact Colleen Duncan, TCRC Autism Coordinator (cduncan@tri-counties.org) for additional questions or assistance related to the implementation of SB946.***

Attachment #5

TRI-COUNTIES REGIONAL CENTER

Enhancing the Quality of Life for Persons with Developmental Disabilities

Policies & Guidelines

Policies and Guidelines - 10601

SERVICE POLICY GUIDELINES

Behavior Intervention Services
Tri-Counties Regional Center enhances the quality of life for persons with developmental disabilities by working with individuals and their families to secure assessment and treatment supports and services that maximize their opportunities and choices for living, learning, working, and pursuing recreational activities in their community.

Tri-Counties Regional Center will coordinate, support and advocate for individuals to obtain appropriate behavior intervention services in their community. Tri-Counties Regional Center works with and advocates within the communities it serves to develop and identify appropriate behavior intervention services provided by professionals experienced with and sensitive to the needs of individuals with developmental disabilities. Such services maximize the potential for individuals to develop, and/or prevent deterioration, in areas of their development.

Behavior intervention services are prescribed assessments or treatments provided directly by, or under the supervision of, a qualified licensed or certified professional trained in behavior management. This service is intended to assist persons served and parents or care givers when the individual exhibits maladaptive, harmful, socially unacceptable, or developmentally unacceptable behaviors. Behavior intervention services use specialized methods of teaching important social and adaptive skills and of training family members, or primary care givers, in the effective use of positive behavior management skills. All parents or care givers will be expected to attend a brief orientation to behavior intervention services by Tri-Counties Regional Center staff before services commence. Tri-Counties Regional Center endorses only the use of non-aversive behavior intervention techniques which are evidence-based.

Access to specialized behavior intervention services directly related to the developmental disability of the individual may be necessary for the functional ability of some individuals. Tri-Counties Regional Center may authorize funding for behavior intervention services when an individual exhibits maladaptive, harmful, socially unacceptable, or developmentally unacceptable behaviors that constitute a danger or have a significant adverse effect on their participation in school or work, on family functioning, or on residential options.

The period, frequency and total amount of behavior intervention services is determined by the Planning Team, including a Tri-Counties Regional Center psychologist or physician and service provider. The provision of behavior intervention services is based on the needs of the individual or family as determined by an initial or follow up behavioral assessment. Typically, the behavior intervention service is time limited to achieve both behavioral goals for the individual and training goals for the family or care givers. In addition, the Planning Team may determine that periodic support is needed on a consultative basis to ensure the continued success of past intervention services. The intent for provision of such consultative services is to offer guidance and preventive intervention.

In some situations, intensive family support provided in the form of behavior intervention services may be required to address persistent aberrant behaviors of their children. These behavior intervention services may be offered when the parent or care giver participates as the primary agent of change. The intent for provision of such behavior intervention services is for the parent or care giver to be provided with technical supervision and support. Before intensive behavior intervention services begin, the parent or care giver is expected to attend a group parent training program that explains intensive behavior intervention, expectations of service provision, and the parent participation necessary for the intensive services to be successful. Review of the intensive behavior intervention services is expected to take place at least every six months through the planning team process involving the parent, Tri-Counties Regional Center service coordinator and clinician, and the service provider. The purpose of the review is to assure the satisfaction of the parent, the quality assurance of the service provision, and the effectiveness of the behavior program.

When the need is directly related to, or is the direct result of, a developmental disability and all generic and private resources, including private medical insurance, deny a necessary service, Tri-Counties Regional Center may authorize funding for the purchase of specialized behavior intervention services recommended by the Planning Team. For persons with a diagnosis of Autism or Pervasive Developmental Disorder (PDD), SB 946, effective July 1, 2012, requires privately funded health insurance plans to cover behavioral intervention treatment, including applied behavioral analysis (ABA). Tri-Counties Regional Center staff will support the person and family through their insurance company's process for accessing SB 946 services. When the insurance company approves services, the Tri-Counties Regional Center service coordinator will work with the family to request that the health plan waive any co-payments. If this is not possible, Tri-Counties Regional Center will offer to pay any co-payments for SB 946 services directly to the provider, using a service code that maximizes federal funding. Co-payments will be capped at a level that assures cost-effectiveness.

For persons in public school programs and individuals who reside in Level 4 behavior facilities or in health care facilities, behavior intervention services are expected to be provided as part of the individual's program, rather than as a separately funded service. Tri-Counties Regional Center service coordinators will actively advocate with local education agencies and health care facility providers to ensure the delivery of required and mandated services.

Services for children that the Tri-counties Regional Center clinical team suspect of having autism should begin as soon as eligibility for regional center services has been determined and the IFSP or IPP has been developed. The IFSP or IPP may include the need for intensive services. Tri-Counties Regional Center will coordinate services and supports with other public agencies, including the schools, which have a legal responsibility to serve children with autism or other developmental disabilities. Services for children with autism should be systematically planned and involve developmentally appropriate activities that target specific objectives. They should also have a strong and continuous parent training component.

Children up to three years of age suspected of having autism, served under the California Early Intervention Services Act's Early Start program, should receive a total of up to 25 hours per week of intervention. Included in this total are services from all agencies, including Tri-Counties Regional Center as necessary, that address the core deficits associated with autism. It does not include services that address other needs which are not specific to autism, such as physical therapy and California Children Services (CCS) services.

Starting at three years of age, preschool children eligible for regional center services with a diagnosis of autism under the Lanterman Act should have the school as their primary program of educational intervention. Up to 15 hours per week of Tri-counties Regional Center funded services that address the core deficits associated with autism may be used to supplement the school program. This does not include services that address other needs which are not specific to autism, such as physicial therapy and CCS services.

By seven years of age, children with autism should be enrolled in a school program with approximately 30 hours per week of educational instruction. Up to 10 hours per week of Tri-Counties Regional Center funded services that address the core deficits associated with autism may be used to supplement the school program. This does not include services that address other needs which are not specific to autism, such as physical therapy and CCS services.

Tri-Counties Regional Center will advocate for and work with individuals and their family members to ensure that generic and private service providers discharge their obligations to meet the needs of persons with developmental disabilities. It is the financial responsibility of individuals or their families to pay premiums and meet any required deductible amount or co-payment liabilities, except as noted above for SB 946 services, as determined by generic resources and/or private insurance carriers. Except as legally prohibited by the terms of a Special Needs Trust, trust funds established for the care or benefit of a person served are considered a private resource, and therefore it is expected that this source of funds be used prior to regional center funds.

If a generic or private resource initially denies a required behavior intervention service that Tri-Counties Regional Center has determined to be their responsibility, that denial will be considered for appeal and/or referral to the Department of Managed Health Care for an independent medical review. Tri-Counties Regional Center may authorize funding for a behavior intervention service while the individual or family member pursues coverage or appeals a denial of service by a generic or private resource, including private health insurance, under the following circumstances:

- The Planning Team will make the determination that the service is required to protect the individual's health and safety, or that a prolonged wait for the service will have an irreversible impact on the individual's health and safety; and
- The Planning Team will consider the individual's risk for regression and the capacity of the individual to regain any loss of function or ability if the service is not provided in a timely manner.

Tri-Counties Regional Center will not authorize funding of any behavior intervention service that is considered experimental, optional or elective in nature. The expected result from the provision of a behavior intervention service must meet measurable outcomes as stated on the person's Individual Program Plan. The provision of behavior intervention service must be both clinically and fiscally an effective use of public funds.

Exception Policy:
Tri-Counties Regional Center recognizes that some individual needs are so unique that they may not be addressed in this Service Policy and may require an exception. Such requests for an exception to a Service Policy will be made through the Planning Team process.

Attachment #6

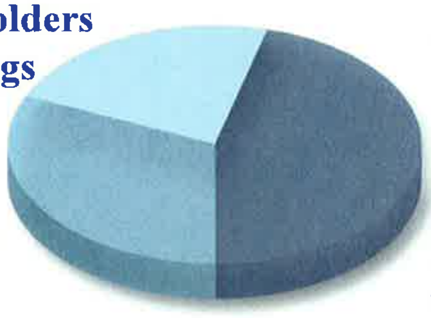
Tri-Counties Regional Center

SB 946 IMPLEMENTATION & OUTREACH

June - October 2012

By the numbers

380 total face to face stakeholders trained



70 Live Events

30 of these events...
are Behavioral Services Orientations held once a month at most offices. Includes personal Health Insurance Q&A.

500 Email & Phone Responses

TCRC Insurance Workgroup Projects Currently Under Construction

- Proposed Procedure Revisions reflecting new understanding of co-insurance and deductibles
- Revised information for parents and guidelines for Service Coordinators supporting families
- Billing Procedures for Vendors
- Vendorization Guidelines for New ABA Providers in Insurance Networks
- Health Plan Provider Network Update

SB 946 Implementation Report

Many families are currently in the process of accessing their health insurance for Applied Behavior Analysis (ABA) treatment. Tri-Counties Regional Center has developed a system for payment of co-pays to vendors. ABA providers who are not currently vendored with TCRC but are contracted with health insurance providers are now able to complete vendor applications for co-pay payments only.

New questions are arising regarding payment of co-insurance costs. Many other Regional Centers are also beginning to view the co-insurance charges similarly to co-pays. TCRC will be developing additional rates and billing codes to reflect the various co-insurance rates which will also be considered for reimbursement through the exception process. Some health plans recently have begun charging only co-insurance and are waiving the co-pay because the services are provided in the home setting and are not considered an office visit.

Individual exception requests for assistance with out-of-pocket costs are being presented twice monthly at the Services Review Committee (SRC). This provides an opportunity to understand the various configurations of out-of-pocket costs, analyze the potential cost- effectiveness to TCRC and inform our decision-making process around issues still needing clarification.

As many health plans are nearing the end of the calendar year, TCRC is also considering the cost-effectiveness of meeting all or part of the individual deductible and attempting to determine the benefit of paying directly for the behavioral service through the end of this calendar year and beginning the new plan year by paying towards the deductible. We anticipate using the SRC forum to review cases through November and then expect to have enough information to complete revised procedures for payment of out-of-pocket insurance costs. An internal cross-department workgroup will be reviewing the emerging issues and making revisions to procedures related to SB 946 implementation during the coming weeks, as a result of the learning from SRC.

DMHC (Department of Managed Health Care) released new draft regulations regarding the implementation of SB 946 on 10/29. These regulations emphasize the expectation of Healthy Families and Cal PERS plans to provide services based upon the original intent of AB 88, CA Mental Health Parity Act, and states that the behavioral health treatments can be delivered by non-licensed providers (qualified autism services paraprofessionals) as defined in SB 946.

ABA Provider Update

- A Los Angeles provider and Keogel Autism Services will allow many families to continue with Keogel through private insurance.
- CenCal will transition all Healthy Families cases to Medi-Cal in January; therefore, TCRC expects to continue payment of ABA services for Healthy Families recipients in SB & SLO counties.
- Healthy Families Ventura is currently funding ABA services and will not transition until August, 2013, and has contracted with multiple TCRC ABA vendors to cover services through Healthy Families funding.

Attachment #7

A SYSTEM IN TRANSITION: CALIFORNIA'S DEVELOPMENTAL CENTERS
October 23, 2012 Oversight Hearing
Subcommittee #3 of the Senate Committee on Budget & Fiscal Review & Senate Human Services Committee

---

Introduction/Opening Remarks

Panel I. Overview of Developmental Centers & Their Utilization in California

A. Utilization of Developmental Centers
B. Developmental Center Funding
C. Oversight of Developmental Centers – Roles and Functions of Key Entities

Panelists:
Terri Delgadillo, Director, Department of Developmental Services
Lishaun Francis, Legislative Analyst's Office

Panel II. Licensing Citations and Patient Care at Sonoma Developmental Center

A. Overview of the Concerns Raised and Potential Federal Funding Implications
B. Responses to Those Concerns at Sonoma & Throughout the Developmental Center System

Panelists:
Kathleen Billingsley, RN, Chief Deputy Director, Policy & Programs, Department of Public Health
Lishaun Francis, Legislative Analyst's Office
Terri Delgadillo, Director, Department of Developmental Services
Santi Rogers, Executive Director, San Andreas Regional Center
Leslie Morrison, Director of the Investigations Unit, Disability Rights California
Kathleen Miller, President, Parent Hospital Association

Public Testimony, Part I

Panel III. Update on the Closure Process at Lanterman Developmental Center

A. Overview of Closure Process to Date & Challenges Encountered
B. Anticipated Timeframes & Key Milestones Ahead

Panelists:
Terri Delgadillo, Director, Department of Developmental Services
Keith Penman, Executive Director, San Gabriel/Pomona Regional Center
Anna Agopian, Co-President, Lanterman Parents Coordinating Council
Catherine Blakemore, Executive Director, Disability Rights California
Jimmy White, Consumer

Panel IV. Implementation of Recent Legislation Regarding Services for Individuals with Complex Needs

A. Overview of Key Changes in Developmental Center Admissions Standards and Community Services
B. Initial Implementation of Key Changes

Panelists:
Terri Delgadillo, Director, Department of Developmental Services
Carlos Flores, Executive Director, San Diego Regional Center
Terry DeBell, President, CASH-PCR
Catherine Blakemore, Executive Director, Disability Rights California

Public Testimony, Part II

Closing Remarks

SENATE
CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

A SYSTEM IN TRANSITION: CALIFORNIA'S DEVELOPMENTAL CENTERS

A JOINT HEARING OF SUBCOMMITTEE #3 OF THE SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW AND THE SENATE HUMAN SERVICES COMMITTEE

Senator Mark DeSaulnier, Chair, Subcommittee #3
Senator Carol Liu, Chair, Human Services Committee
Senator Bill Emmerson, Vice Chair, Subcommittee #3 &
Human Services Committee

OCTOBER 23, 2012
STATE CAPITOL, ROOM 4203
10 A.M.

I. EXECUTIVE SUMMARY

California's Department of Developmental Services (DDS) operates four institutional Developmental Centers (DCs) and one smaller state-operated community facility that care for approximately 1,650 adults and children with developmental disabilities. These DCs are part of a larger system of developmental services overseen by DDS, which also includes services and supports for approximately 250,000 people with developmental disabilities who live in their communities. In the current budget year (2012-13), the anticipated costs associated with DCs are approximately $559 million, including $284 million in state General Fund (GF) resources. The budget for the larger developmental services system, including DCs as well as community-based services, includes $4.7 billion ($2.7 billion GF).

The first DC opened in 1888, and residents with developmental disabilities were typically co-mingled with patients whose primary needs were related to mental illness. At their peak in 1967, the state's DCs housed more than 13,000 people. Since the late 1960s, however, California has been reducing its use of DCs as a placement for individuals with developmental disabilities. In general, this decline in the use of DCs coincides with the development of strategies to allow individuals to live at home or in other community-based living arrangements, e.g., new assessment and individual service planning procedures and appropriate services and supports.

The focus of this hearing is on some of the critical issues facing the state as it continues to decrease reliance on institutional care in DCs. First, the state must continue to ensure the health, safety, and well-being of individuals who reside in DCs. Recent, serious licensing citations related to the Sonoma DC have raised questions about whether this fundamental obligation is being fully met there and about how the protection of clients in DCs can and must be improved. Second, the state must ensure the timely, safe, and effective transition of clients who are exiting DCs in order to reside in their communities. This obligation exists on a statewide basis, and is particularly relevant with respect to the ongoing process of closing the Lanterman DC. Finally, looking forward, the state must implement new statutes enacted as part of the budget process that significantly narrow the basis for admissions into DCs and for making other restrictive placements for individuals with especially complex needs. DDS, regional centers, advocates, and other partners must assess the needs of developmental services consumers with challenging needs, including severe behavioral issues, co-occurring mental health disorders, and other complexities. Working together, stakeholders must also bolster the breadth, availability, and processes for accessing specialized resources to support these consumers.

II. BACKGROUND

A. DEVELOPMENTAL CENTER AND DEVELOPMENTAL SERVICES OVERVIEW

California's four DCs lie on large campuses with various residential units; many of them were built more than a century ago to house individuals who were unable to remain at home. Each DC has a mix of units that are licensed as skilled nursing facilities, general acute care hospitals, or intermediate care facilities. Housing within the units is based on the needs of individual residents. In addition, the state operates a smaller community facility.

The DCs are part of a larger system of care overseen by DDS that also includes services and supports (e.g., day programs, transportation, employment supports) for approximately 250,000 people with developmental disabilities who live in their communities (e.g., with parents or other relatives, in their own houses or apartments, or in group homes). Care outside the developmental centers is coordinated through 21 non-profit regional centers, which manage individual cases and contract for appropriate services in their local communities. Regional Centers are non-profit organizations that provide diagnosis and assessment of eligibility and help plan, access, coordinate, and monitor consumers' services and supports. Regional Centers also are one of the entities responsible for oversight of the care of individuals residing within developmental centers.

A developmental disability is defined as a severe and chronic disability that is attributable to a mental or physical impairment that begins before age 18 and is expected to continue indefinitely. These disabilities include mental retardation, cerebral palsy, autism, epilepsy, and other similar conditions. Infants and toddlers (age 0 to 36 months) may also be eligible for some developmental services if they are at risk of having developmental disabilities or if they have a developmental delay.

Determination of which services an individual consumer needs is made through the process of developing an Individualized Program Plan (IPP). The IPP is prepared jointly by an interdisciplinary team that includes the consumer, parent/guardian/conservator, persons who have important roles in evaluating or assisting the consumer, and representatives from the regional center and/or DC.

Under the law that existed prior to 2012 statutory changes described later in this document, individuals with developmental disabilities could be placed in DCs through involuntary judicial commitment because of a danger to themselves or others or in order to restore their competency to stand trial on criminal charges, or with judicial review in other circumstances, including voluntary placements.

B. BUDGET FOR DEVELOPMENTAL SERVICES AND CENTERS

The 2012-13 Developmental Services budget includes approximately $4.7 billion [$2.7 billion General Fund (GF)]. Of this total, approximately $550 million ($328 million GF) is dedicated to DC expenditures. The receipt of federal funding for DCs is contingent upon satisfying requirements in eight licensing categories. The two main sources of DC costs are: 1) personnel and 2) operating expenses and equipment. There are approximately 5,150 staff positions allocated to DCs for 2012-13.

The 2011-12 budget also included uncodified trailer bill language that required DDS to reimburse the Office of Statewide Audits and Evaluations within the Department of Finance for a review of the budgeting methodology used to establish annual budget estimates for DCs. The audit, which was completed in April 2012, found that overall the DDS budget methodology for DCs was reasonable and accurately calculated. Specifically, the audit found that the methodology took into account relevant budgetary drivers, including the DC client population, evaluations of client needs, and prior expenditure levels. At the same time, the audit did find that some staffing standards and evaluation systems were outdated and made recommendations for changes. One of those systems is the Client Development Evaluation Report (CDER) program. As a result, DDS began using an updated CDER intended to better reflect the needs of the current population and established a category to better capture the needs of the dually diagnosed.

These changes were incorporated in the May Revision and final 2012-13 budget. Non-level-of-care staffing standards were also updated.

Recent Reductions to the System

Over the three years from 2009-10 to 2011-12, DDS GF spending remained relatively flat, even while the developmental services caseload grew. In general, this cost containment occurred because of: 1) increased use of federal and other funding sources; 2) a reduction in the rate of payments to service providers (ranging from three to 4.25 percent); and 3) administrative changes, cost-control measures, and some service reductions. The anticipated savings from these changes in the years they were enacted (several of which also result in ongoing savings) combined to total over $1 billion GF.

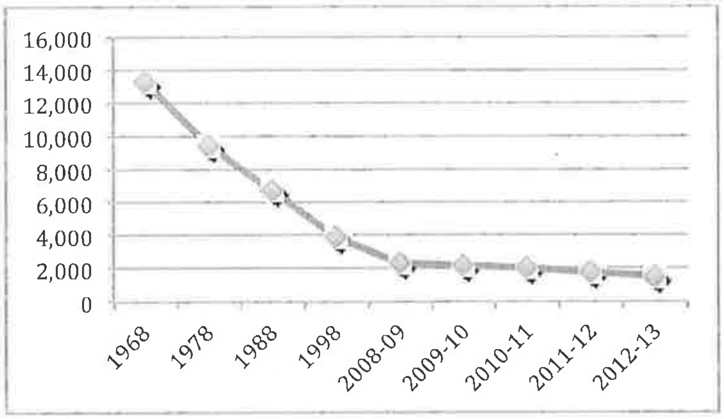
The 2012-13 budget included $240 million GF savings: $40 million from the anticipated receipt of California First 5 (Proposition 10) Commission funding for certain services for children with developmental disabilities and $200 million from a variety of strategies that included increasing federal funds, implementing recent legislation regarding the use of private health insurance for certain services, changes to policies related to the use of DCs (described in greater detail toward the end of this document), and a 1.25 percent reduction to regional center and provider payment rates. The 2012-13 budget also included a "trigger" for an additional $50 million in unspecified reductions to the budget for DDS if the voters do not approve of Proposition 30 in the November election.

C. ADDITIONAL BACKGROUND ON THE USE OF DEVELOPMENTAL CENTERS

The first DC opened originally as the Agnews Insane Asylum in 1888, and residents with developmental disabilities were typically co-mingled with patients whose primary needs were related to mental illness. Over the next 70 years, increased awareness of the unique needs of individuals with developmental disabilities prompted a change in focus, as well as the establishment of other state facilities specifically for people with developmental disabilities. At their peak in 1967, the state's DCs housed more than 13,000 people.

Since the late 1960s, California has been reducing its use of DCs as a placement for individuals with developmental disabilities (as summarized in the table below through point-in-time data from the years reflected). In general, this decline in the use of DCs began as strategies were developed to allow people to keep their family members at home or in other community-based living arrangements, e.g., with new assessment and individual service planning procedures and appropriate services and supports. In the last five years, the population of individuals residing in California's developmental centers has declined about 38 percent, from 2,732 on September 24, 2007, to 1,686 residents at the beginning of the 2012-13 fiscal year.

DEVELOPMENTAL CENTER POPULATION



Placements In Developmental Centers

The shift to community-based care also was given weight by the U.S. Supreme Court, which ruled in *Olmstead vs. LC* (527 U.S. 581, 1999) that a lack of community supports was not legal grounds for denying people with disabilities who could benefit from community placement by a move from an institution to a community setting. Such a denial, they said, was discrimination based on disability under the Americans with Disabilities Act and a violation of individual civil rights. Soon after the ruling, many states began shutting down their institutions and developing additional community-based services.

California's effort to de-institutionalize individuals with developmental disabilities was given another push by a lawsuit settled in 2009, known as *Capitol People First et al v. Department of Developmental Services et al.* Under the settlement agreement, the state provided additional funding to ensure regional center caseworkers would attend planning meetings in the DCs, and agreed to provide consumers with information about community living options. The state additionally agreed to identify best practices and provide training for regional centers to better identify and support individuals who are diagnosed dually with a developmental disability and mental illness. DDS and the regional centers also agreed to develop additional community placement options.

California's current efforts to close the Lanterman Developmental Center in Pomona were preceded by four other closures in the past two decades. In 1995, the state shuttered the Stockton State Hospital. In 1997, the state closed Camarillo State Hospital, which had housed clients with both mental illness and developmental disabilities. In 2009, DDS closed Agnews Developmental Center. Sierra Vista, a state-operated community facility, closed in 2010.

According to DDS, care in DCs has become more focused on serving individuals with severe behavioral issues, autism, co-occurring mental health disorders, and risk factors associated with medical conditions and sensory impairments that require additional support. Nearly half of the residents living in DCs are aged 52 or older, including 17 percent who are 62 or older.

II. OVERSIGHT ISSUES FOR THIS HEARING

A. Recently Identified Health & Safety Concerns at Sonoma Developmental Center

Sonoma Developmental Center (SDC) is the oldest facility in California established specifically for serving the needs of individuals with developmental disabilities. The facility opened its doors to 148 residents on November 24, 1891. As of October 1, 2012, 522 individuals live on the sprawling campus in Eldridge, just south of the Sonoma County town of Glen Ellen. About 1,530 staff members work at SDC. The facility's 2012-13 budget includes $146 million ($76 million GF).

On July 3, 2012, licensing staff from the California Department of Public Health conducted an annual survey of SDC to assess whether the facility was in compliance with state licensing regulations, as well as to conduct, by proxy, a federal licensing review by the Centers on Medicaid and Medicare Services. Licensing requirements include eight Conditions of Participations that support the delivery of services to residents of an Intermediate Care Facilities for Individuals with an Intellectual Disability or Related Conditions (ICF/IID). These licensing requirements include:

- Appropriate oversight by the governing body, or facility management
- Client protections in areas such as freedom from harm, participation in social activities, accounting of personal funds, and others
- Facility staffing adequate to support resident functions
- Active treatment services that are purposeful and appropriate for each individual
- Client behavior and facility practices including appropriate safeguards for behavioral interventions
- Health care services appropriate to serve clients on a 24-hour basis
- Dietetic services appropriate for individual needs of consumers
- A physical environment that is safe and secure

During the July visit, licensing officials found numerous violations, outlined in a 250 page report, which included lapses in six of these eight categories. Among the findings were that SDC's management failed to take actions that identified and resolved problems of a systemic nature, failed to ensure adequate facility staffing, failed to provide active treatment, failed to provide appropriate health care services and several other key categories. According to page 3 of the report:

> "Individuals have been abused, neglected and otherwise mistreated and the facility has not taken steps to protect individuals and prevent reoccurrence. Individuals were subjected to the use of drugs or restraints without justification. Individual freedoms have been denied or restricted without justification."

On four separate occasions during the survey, the team identified conditions that posed immediate jeopardy to the health and safety of patients at the facility. Among the concerns of surveyors were:

- Thirty-five incidents in which residents ate non-edible items such as gloves, buttons, sunglasses, paper and other items. Two clients required emergency surgery to remove items from their abdomens. These consumers have pica, a disability that compels them to eat such items as clay, glass, paper and other non-edibles. In the instances documented in the Sonoma report, consumers ingested items that were documented in their files as items of concern, including the client who ate the sunglasses.
- Eleven clients who bore injuries that resembled burns from a stun gun. Facility law enforcement personnel found a loaded gun and a stun gun of another type in a staff member's car.
- The sexual assault of two residents by a staff member. Although another staff member who witnessed the alleged perpetrator expose himself to a consumer reported this incident, the facility was faulted for failure to ensure thorough and timely investigation of the incident, as well as implementation of corrective action plans for analysis of facility injury data for patterns and trends to prevent others from harm.
- Inadequate supervision of clients resulting in falls, attacks upon other consumers, clients who ran from the facility, and heightened anxiety among some clients.
- Severe and consistent understaffing patterns which resulted in employees being forced to work consecutive shifts, units being frequently short-staffed and staff members being moved into units to care for consumers they did not know. The report documents at least one incident in which a consumer's agitation was linked to frequent changes in care providers.
- The death of one client from acute peritonitis related to a misplaced gastrostomy tube. After the client's death, it was determined that physician's orders did not accurately identify the gastrostomy tubes and prescribe their care, nor did procedures at SDC adequately provide staff with information about manufacturer's specifications or best practices for gastrostomy tube care.

DDS's responses to these findings have included the removal of two top executives at the facility, contracting with an internal monitor for ongoing evaluation of the plans of correction, requiring unannounced checks by facility managers, as well as the DDS director and other executive staff from DDS headquarters in Sacramento, and implementing a number of new policies designed to provide closer supervision and better training for staff. DDS also indicates that it has informed families of the actions taken and initiated the use of a questionnaire to allow family members, visitors, and clients to provide feedback and request a response to concerns throughout the facility.

The corrective action process is ongoing, with DDS and licensing surveyors continuing to review procedures at SDC. If the issues are not resolved to the satisfaction of federal officials, the state could lose approximately $28 million in federal financial participation in the current year (if funding were to stop on November 1st) for care provided in SDC's Intermediate Care Facilities (ICFs). After this year, if the issues are not resolved to the satisfaction of federal officials, the state could lose approximately $42.5 million annually in federal financial participation for care provided in those facilities.

CRITICAL QUESTIONS TO ADDRESS DURING THE HEARING:

1. For DPH/DDS: Please describe the next steps in the federal licensure review, including identifying which actions are most critical to mitigate licensing concerns and the risk of federal fund losses.

2. For DDS: The licensing report identified significant SDC staffing shortages and the use of overtime as concerns, and recent data indicates continued high vacancy rates compared with other DCs. Can you discuss how the staffing levels reached such a critical level and what steps you are taking to remedy the concerns?

    a. Do other Developmental Centers employ mandatory overtime or have similar staffing levels? If so, are those also being addressed?

    b. SDC also has a significantly higher proportion (39 percent as of September 2012) of unlicensed staff providing direct care than in the other DCs (which have rates of 12 and 17 percent). What accounts for this discrepancy? Do you have a plan in place to reduce it?

3. For All Panelists: What are the most critical steps that the Department, Sonoma Developmental Center leadership, and other involved stakeholders can take to better protect the health and safety of the facilities' residents? Are those steps already being taken and are sufficient communications about them taking place?

4. For All Panelists: How are oversight bodies and involved stakeholders (DDS, Regional Centers, advocates, others) able to ensure that similar care concerns do not exist at the state's other Developmental Centers?

B. The Closure Process for Lanterman Developmental Center

Lanterman Developmental Center (Lanterman) in Pomona consists of 21 client residences, one acute hospital unit, a variety of training and work sites, and recreational facilities, including a camp. The facility's 2012-13 budget includes $96 million ($52 million GF).

Lanterman opened in May 1927 as the Pacific Colony facility, and was later renamed to honor former Assembly Member Frank D. Lanterman for his work in creating a system of community resources, including the regional centers. At its peak, Lanterman housed more than 1,900 individuals. DDS submitted its plan to close Lanterman to the Legislature in January 2010 as part of its budget proposal for 2010-11. The plan was approved in October 2010, and the department instructed regional centers to begin developing additional residential options for consumers who would be moving to the community. At the same time, the department began collaborating with managed care plans to provide health services for transitioning consumers and embarked on other key transitional activities.

When closure was proposed, there were approximately 400 residents and 1,300 staff at the facility. At that time the majority of the residents were between the ages of 21 and 85 years old. Twenty-three percent lived in the Nursing Facility, while the remaining 77 percent lived in the ICF/IID. As of October 1, 2012, there are 238 residents with 936 staff members who provide a wide range of services at the LDC. The majority of consumers residing at Lanterman (59 percent) have lived there for more than 30 years and 73 percent are between 40 and 65 years old. Overall service delivery needs for 27 percent fall into the Significant Health needs category with 32 percent falling within Protection and Safety. The remaining population has needs within Significant Behavioral Services (23 percent) and Extensive Personal Care needs (19 percent).

According to the department, the transition of each Lanterman resident to other appropriate living arrangements is only occurring after necessary services and supports identified in the IPP process are available elsewhere. The closure process is thus focused on assessing those needs and developing community resources to meet them. The Department and the 12 Regional Centers involved in the closure process use Community Placement Plans as one tool to help them accomplish those goals. DDS has also received recommendations from three advisory groups that include a Resident Transition Advisory Group, Quality Management Advisory Group, and Staff Support Advisory Group. The Department indicates that its staff meets regularly with parents and family members of Lanterman residents, Lanterman employees, and the involved Regional Centers.

The 132 former residents of Lanterman who have transitioned to the community so far have similar lengths of stay at Lanterman, ages, and disabilities as the overall residential population. As of June, more of the individuals who had moved have significant behavioral issues as their primary service need than the overall population of Lanterman residents (42 percent of those who have moved as compared to 19 percent of the overall residential population). Fewer of the individuals who had moved have significant health needs as their primary service need (9 percent as compared with 27 percent). The Department indicates that this is due at least in part to the pace of development of specialized homes (i.e., SB 962 homes) that are equipped to handle these particular health needs.

As part of its transition plan, the Department visits consumers who have moved into community residences at 5 days, 30 days, 90 days, and at 6 and 12 months after the move. Regional centers also visit at regular intervals and provide enhanced case management for the first two years after the move. Special incidents, including hospitalizations and other negative outcomes, are tracked by DDS, and individuals who move from Lanterman into the community are asked to participate in a National Core Indicator (NCI) study. The NCI study uses a nationally validated survey instrument that allows DDS to collect statewide and regional center-specific data on the satisfaction and personal outcomes of consumers and family members.

The Administration has declined to give a target date for closure of the facility as the development of these necessary community resources to ensure a safe and successful transition for each consumer is a continual and complex process. However, in March 2012, Subcommittee #3 of the Senate Committee on Budget and Fiscal Review requested for DDS to provide anticipated timeframes for the remaining transitions and steps in the closure process. Subcommittee #1 of the Assembly Budget Committee made a similar request. The Department's draft response to these requests, which was recently released for stakeholder feedback, is attached as an addendum to this background paper.

CRITICAL QUESTIONS TO ADDRESS DURING THE HEARING:

1. For DDS: Without identifying a specific closure deadline, please summarize the anticipated timeframes for the remaining phases of the closure process.

2. For All Panelists: What have been the significant challenges in making progress toward safely transitioning Lanterman residents to the community to date? How can those challenges be overcome in the near term (e.g., the next three months)? How do you envision progress over one year?

3. For All Panelists: How do you define and measure a successful transition?

C. Early Implementation of Recent Statutory Changes

AB 1472 (Chapter 25, Statutes of 2012), a 2012-13 budget trailer bill that was related to savings anticipated to be achieved within the DDS budget, included a series of statutory changes intended to redesign services for consumers with challenging needs. These changes, which are anticipated to result in $20 million GF savings annually, include significant restrictions on the statutory criteria for admissions to DCs, limitations on the use of locked mental health facilities and out-of-state placements, and provisions to strengthen the capacity of the community to serve individuals with challenging needs (including expanded availability of Adult Residential Facilities for Individuals with Special Health Care Needs and the creation of a statewide Specialized Resource Service).

Restrictions on DC admissions and other specified placements

Efforts to shrink the state's reliance on DCs over the past decade have been hampered by continued admissions to the institutions, largely for consumers with complex forensic or behavioral needs. DDS data from 2011-12 indicated that approximately 100 new admissions to DCs were occurring annually in recent years. While some of these admissions were court-ordered and required by law for individuals who may not be able to understand the criminal charges filed against them, other admissions were believed to be avoidable with appropriate community resources (including some resources which may have needed to be developed). As a result, the 2012-13 budget included language restricting new admissions to DCs, except under specific conditions, including when:

- Individuals are committed for competency training under the state's Incompetent to Stand Trial statute, which requires the state to attempt to restore individuals to competency to face criminal charges. The unit that provides this training is housed at Porterville Developmental Center.

- Individuals are in need of short-term care based on a judicial determination that they are dangerous to themselves or others due to a crisis. These individuals will be housed at the Fairview Developmental Center in a unit specifically for this purpose. In order to make a crisis placement, a regional resource development program must make a determination that admittance to a DC is necessary due to an acute crisis, as defined, and include a regional center report detailing all considered community-based options (excluding out-of-state placements and specified placements that are ineligible for federal Medicaid funding) and an explanation of why those options cannot meet the consumer's needs.

At the same time, AB 1472 created restrictions on placements in what were considered inappropriate and costly mental health institutions (mental health rehabilitation centers, MHRCs, or institutions for mental disease, IMDs) in order to encourage development in California of services for individuals with developmental disabilities who are experiencing serious mental health issues. The legislation also prohibits regional centers from purchasing out-of-state services without prior DDS authorization, places time limitations on out-of-state placements, and requires regional centers to submit a transition plan by the end of 2012 for all DDS consumers currently residing out of state.

Development of community resources for individuals with complex needs

The recent DDS budget trailer bill requires regional centers to complete comprehensive assessments of consumers residing in developmental centers by December 2015. The assessments will be provided to individual program planning (IPP) teams to help determine the least restrictive environment for each consumer. The legislation requires that this assessment be updated annually as part of the IPP process.

Finally, AB 1472 also included requirements intended to promote the development of additional community resources. Among those was the establishment of a statewide resource service to track specialty programs to serve individuals with more challenging needs, and to coordinate those services with regional centers statewide. The new statutes also require regional centers to prioritize the development of specialty resources, including regional community crisis homes. In addition, AB 1472 authorizes specified licensed community facilities to utilize delayed egress devices and secured perimeters.

CRITICAL QUESTIONS TO ADDRESS DURING THE HEARING:

1. For DDS & Regional Centers: Have there been crisis admissions to Fairview Developmental Center? If so, please provide the number of admissions and a general description of the nature of services needed.

2. For All Panelists: Please describe the types and numbers of resources that have been

developed (or are being planned) in the community as a result of the recent statutory changes for individuals with the challenging needs, including individuals who have both a developmental disability and mental illness.

3. For All Panelists: What progress has been made to begin conducting the assessments newly required for developmental center residents? What have been (and will be) the regional centers' roles, and roles of others, in planning and conducting those assessments?

IV. CONCLUSION

California's four Developmental Centers house some of the state's most uniquely challenged citizens: individuals who may have profound physical needs, social and behavioral challenges, mental illness, and in some cases, all three. The state's Department of Developmental Services has significant responsibility for their care and safety. Other organizations and individuals also play key roles in oversight and care management, including the regional centers, parents and family members, advocates, community-based organizations, outside providers, other caretakers, and consumers themselves.

At a time when California and the nation are continuing to transition from reliance on institutions to the ongoing development and refinement of community resources, it is critical to understand the role each entity plays in the transition and the collective responsibility for each individual's health, safety, and opportunity to thrive. This hearing offers an opportunity to highlight critical concerns related to the care and support of these especially vulnerable Californians, and to identify opportunities to strengthen that care and support.

LAO
70 YEARS OF SERVICE

October 23, 2012

Funding and Oversight of State Developmental Centers

LEGISLATIVE ANALYST'S OFFICE

Presented to:
Senate Budget and Fiscal Review Subcommittee No. 3 on
Health and Human Services
Hon. Mark DeSaulnier, Chair

Senate Human Services Committee
Hon. Carol Liu, Chair

Organization of Handout

☑ ***Organization of Handout.*** This handout provides the following:

- Overview of the Department of Developmental Services (DDS) programs.
- Background information on the Developmental Centers (DCs) program.
- Overview of funding for the DCs.
- Overview of the major entities that perform oversight of the DCs.

Overview of DDS Programs

☑ ***Lanterman Act Is Basis for Providing Services.*** The Lanterman Developmental Disabilities Services Act of 1969 forms the basis of the state's commitment to currently provide about 254,000 developmentally disabled individuals with a variety of services that are overseen by DDS. The DDS provides community-based services as well as institutional care as follows:

- ***Community Services Program.*** About 252,000, or more than 99 percent, of DDS consumers receive services under the Community Services Program. These community-based services are coordinated locally through 21 nonprofit organizations called regional centers, which provide diagnosis, assessment of eligibility, and help consumers coordinate and access the services they need.
- ***Developmental Services Program.*** About 1,600, or less than 1 percent, of DDS consumers live in state-operated facilities known as DCs. The DDS operates four DCs (Fairview in Orange County, Lanterman in Los Angeles County, Porterville in Tulare County, and Sonoma in Sonoma County) and one smaller leased facility (Canyon Springs in Riverside County) that provide 24-hour care and supervision to their residents.

Background on the DC Program

☑ ***The DCs Provide a Wide Array of Services.*** All of the DCs provide residential and day programs, as well as health care and assistance with activities of daily living, education, and employment.

☑ ***The DC Population Has Steadily Declined in Recent Years.*** Between 2001-02 and 2011-12, the DC population has declined from 3,632 to 1,682—an average annual year-over-year decline of about 7 percent. This is consistent with federal and state policy to provide services to developmentally disabled individuals in the community rather than in an institutional setting. The following significantly contributed to the decline in the DC population over the last decade:

- ***Closure of Agnews DC.*** The closure of Agnews DC (San Jose) was completed in 2009. Most of the Agnews residents were moved to community placements while some were moved to other DCs.
- ***Planned Closure of Lanterman DC.*** The administration announced plans to close Lanterman DC in 2010. Between 2010-11 and 2011-12, the population of Lanterman DC has decreased from 311 to 254.

Background on the DC Program *(Continued)*

☑ ***The DCs Are Aging Facilities.*** With the exception of Canyon Springs, all of the DCs are more than 50 years old. In 1998, consultants from Vanir Construction Management, Inc. assessed the condition of the five DCs operating at that time and recommended hundreds of millions of dollars in capital outlay improvements, most of which have not yet occurred.

☑ ***Porterville DC Serves a Unique Population.*** The Porterville DC operates the secure treatment program to provide services to consumers who have (1) mild-to-moderate mental retardation, (2) have come into contact with the criminal justice system, (3) have been determined to be a danger to themselves or others and/or incompetent to stand trial, and (4) have been determined by the court to meet the criteria requiring treatment in a secure setting. The Porterville DC also serves developmentally disabled individuals who have not come into contact with the criminal justice system and do not require secure treatment.

Overview of DC Funding

☑ ***Caseload and Costs Vary Significantly by Facility.*** As shown in the figure below (with 2011-12 data), caseload, staffing, and costs vary significantly among the four DCs and Canyon Springs.

2011-12 DC Costs and Other Data, by Facility

(Dollars in Millions)

	Caseload	Number of Personnel Years	Personnel Cost	Operating Expenses and Equipment Cost	Total Costs
Lanterman	271	1,051	$86.2	$9.5	$95.7
Porterville	499	1,481	118.6	24.4	143.0
Sonoma	555	1,630	139.3	18.0	157.3
Fairview	377	1,263	101.4	13.5	114.9
Canyon Springs	50	122	9.6	3.9	13.5
6th Center[a]	—	25	8.5	44.2	52.7
Totals	**1,752**	**5,572**	**$463.6**	**$113.5**	**$577.1**

[a] 6th Center = funds that are not allocated to a specific developmental center at the beginning of the fiscal year and are generally allocated based on need at a later date.

☑ ***Funding for $550 Million DC Budget in 2012-13 Comes From Two Main Sources.*** Of the total of $550 million budgeted in 2012-13 for the DCs, $534 million, or 97 percent, comes from the following two sources: (1) General Fund ($286 million), and (2) Federal Title XIX Medi-Cal reimbursements ($248 million) that are passed through to DDS via the Department of Health Care Services—the single state agency recognized by the federal government for Medi-Cal to fund services provided to DC residents. Other funding for DCs comes from: (1) other reimbursements ($15.3 million) for such services as the Community Industries Contract and rental income contracts, (2) grants ($504,000 federal funds) for the Federal Foster Grandparent Program, and (3) State Lottery Education Funds ($453,000).

Overview of DC Funding *(Continued)*

☑ ***There Are Two Main Drivers of DC Costs.*** There are two main drivers of DC costs: personnel and operating expenses and equipment (OE&E). Personnel costs refer to the cost of employees including wages, salary, and benefits. The OE&E refers to general expenses such as the cost of equipment, communication, electricity, and general use of the facility.

- ***Some Costs Are Fixed, Others Are Variable.*** Some costs of operating a DC are fixed, meaning that they do not vary based on the number of residents. For example, costs for grounds maintenance that do not change due to increases or decreases in caseload are fixed costs. However, costs for staff that provide direct care to DC residents do vary based on the number of residents and how acute their needs are for services.

LAO 70 YEARS OF SERVICE

Overview of Major Entities That Perform DC Oversight

☑ ***Several Entities in State Perform Oversight of DCs.*** Several entities in the state oversee various aspects of DC operations. The major oversight entities and their roles are as follows:

- ***DDS.*** The DDS has a general oversight role with DCs in that it hires all their executive level staff, helps manage their budgets, and creates rules and guidelines for how criminal investigations are to be handled. The DDS set forth a new set of reporting guidelines to handle abuse allegations in 2002 and recently updated them in 2012.
- ***Regional Centers (RCs).*** The state provides community-based services to consumers through 21 nonprofit corporations known as RCs, which are located throughout the state. While RCs do not have a direct oversight role over DCs, each DC consumer is also a RC consumer, so RCs are in effect responsible for monitoring each DC client's care. The RCs are responsible for eligibility determinations and client assessment, the development of an individual program plan for each consumer, and case management.
- ***California Department of Public Health (DPH).*** As a health care facility, DCs are subject to being licensed and certified by DPH. To be licensed means that the entity has permission to operate, and to be certified means it has met certain standards set forth by the state and/or federal government. The DCs are licensed and certified as Skilled Nursing Facilities, Intermediate Care Facilities, and General Acute Care hospitals. In addition to ensuring DCs comply with state laws and regulations, DPH communicates with the federal government to ensure that DCs are meeting the federal requirements to receive Medi-Cal funding.
- ***Disability Rights of California (DRC).*** The DRC—a non-profit organization operating in the state—has traditionally taken the role of advocating on behalf of the developmentally disabled by ensuring their legal rights are protected. However, DRC also has federal authority to audit incidents at

Overview of Major Entities That Perform DC Oversight *(Continued)*

the DCs and has done so in the past. The DRC has brought class action lawsuits on behalf of the disability community. For example, in 2009 DRC litigated *Capitol People First v. DDS*, a case that required the state's large facilities, such as DCs, to inform consumers of various community living options and to allow those individuals to choose where they want to live in the community.

- ***State Council on Developmental Disabilities (SCDD).*** The SCDD was established by state and federal law as an independent agency whose purpose is to ensure that people with developmental disabilities receive the services they need. The SCDD produces a report called the State Plan, in which they state its intent and goals to improve the access and services for disabled individuals. In its recent State Plan, SCDD set a goal to be more involved in the planning and closure process of DCs and to work with state and federal entities in order to protect the rights of residents in DCs. Additionally, SCDD has an interagency agreement with DDS to deliver client rights and volunteer advocacy services for DC consumers. This allows them to have two staff members based at each DC to ensure consumer rights are protected and to ensure consumers get the services they need.

☑ Federal Government Plays a Role in DC Oversight

- Under the Civil Rights of Institutionalized Persons Act (CRIPA), the U.S. Department of Justice (USDOJ) routinely conducts investigations in institutions that provide services for persons who are disabled or mentally ill. In 2004, USDOJ opened an investigation in Lanterman and subsequently in Agnews and Sonoma DCs. The USDOJ identified constitutional violations at Lanterman and similar violations at Agnews and Sonoma DCs. For example, USDOJ found that Lanterman failed to protect its residents from neglect and physical harm—a problem compounded by Lanterman's inadequate reporting and investigation system.

Overview of Major Entities That Perform DC Oversight *(Continued)*

☑ **Failure to Meet Federal Licensing Requirement Has Fiscal Implications**

- In 1998-99, several DCs faced sanctions as a result of licensing surveys by the Department of Health Services and the federal Health Care Financing Administration. The surveys cited the DCs for numerous examples of inadequate care and understaffed residential and treatment units. As a result of the surveys, the state was unable to receive the federal match for Medi-Cal for individuals who were newly admitted to the two institutions. The state was instructed to increase staffing in all five of its institutions. In response, the state developed a four-year plan to increase staffing levels to help address federal concerns and to restore lost federal funding. In total, the four-year plan added approximately 1,700 positions at a cost of $107 million ($55 million General Fund).

☑ **Failure to Meet Federal USDOJ Requirements Has Fiscal Implications**

- Although USDOJ has not brought any legal actions against DDS to bring the DCs into compliance with CRIPA, it has done so in respect of other California state institutions. For example, several of the state's mental hospitals recently operated under a CRIPA consent decree for several years. The 2012-13 budget plan includes approximately $65 million related to the state mental hospital workload associated with this judgment. The DDS noted in its program budget estimate released in May of 2012 that it is engaged in settlement negotiations with USDOJ to resolve the investigations.

MILESTONES FOR CLOSURE OF LANTERMAN DEVELOPMENTAL CENTER
October 18, 2012

The Department of Developmental Services (Department) provides services to individuals with significant developmental disabilities in state-operated Developmental Centers. Over the years, as community resources and capacity have increased, reliance on the developmental centers has declined. In April 2010, the Department submitted its recommendation and plan for the closure of Lanterman Developmental Center (LDC) to the Legislature for consideration. The health and safety of each LDC resident is the Department's highest priority and a core principle of the closure plan. The plan expressly states the Department's commitment to meet the needs of each resident while they reside at LDC and throughout all phases of their transition into an alternative living arrangement. This means that no LDC resident will move until the appropriate services and supports identified in each individual's plan are available. Because of these commitments, the Department's plan does not specify a closure date. As required by statute, however, the Department does provide regular updates to the Legislature regarding closure activities and progress in plan implementation.

In addition to reporting on progress, the Legislature has also requested that the Department provide estimated completion dates for significant milestones related to implementation of the plan. To assist in developing these milestones, the Department requested input from a broad array of stakeholders. Two conference calls to obtain input were held on August 21 and 29, 2012, and written comments were accepted by the Department until September 14, 2012. The Department also held a conference call on September 7, 2012, with LDC families and representatives from the Parents Coordinating Council. Through these efforts the Department received valuable input for development of the draft milestones from many perspectives, including LDC families and employees, regional centers, service providers, advocates, legislative staff and the general public.

The Department is asking stakeholders to review the draft milestones and provide additional feedback by November 5, 2012, which the Department will consider prior to finalization of the milestones.

In the course of the stakeholder process, apart from input on milestones and their completion dates, the Department also received suggestions and requests for other information and data related to the facility closure, including, for example: incident report data, unit consolidations, unique and individualized community services, and utilization of the Staff Options and Resource Center. The Department understands that this information is also critical and will make it available throughout the closure process.

The Department would like to thank those that participated in the calls and/or submitted written comments. The Department recognizes that the needs of individuals and their families may change as the closure progresses, and will continue to work closely with families, advocates, regional centers, LDC staff and other stakeholders to monitor the progress on a regular basis, collect and analyze data related to the closure, and provide updates.

Milestones for Closure of LDC

Milestone	Estimated Completion Date
A. Residents	
1. Comprehensive Assessments Current comprehensive assessments will be completed for all residents of LDC by June 2013. This milestone represents one of the key activities performed by regional centers to determine the individual services and supports needed for successful transition to a community living arrangement. **Baseline:** As of October 1, 2012, of the 238 individuals who reside at LDC, 139 have a current comprehensive assessment.	June 2013
2. Peer Informational Meetings (a.k.a. Choices Project) The Choices Project, as included in the closure plan, is a voluntary process for residents to work with designated peers to learn about the variety of living options and the services and supports they provide. Residents may participate in Choices meetings to communicate what is important to them about their home and leisure time activities and help determine their future. The information is considered in their transition plans. **Baseline:** As of October 15, 2012, 92 residents have participated in the Choices Project.	May 2013
3. Case Transfers Residents may request to reside in a community that is outside the catchment area of the individual's current regional center. This request may stem from relocation of their family members or a desire to live with existing roommates or friends in the community. Requested or anticipated regional center transfers of consumer case management services will be jointly discussed monthly between regional centers, LDC and the Department. Residents and families may make or withdraw requests for case management transfers as individual preferences and circumstances change. **Baseline:** Currently, approximately 30 families are exploring living options in an alternate regional center.	November 2012 and Ongoing

<table>
<tr><th>Milestone</th><th>Estimated Completion Date</th></tr>
<tr><td>4. <u>Individual Transition and Health Transition Plans</u>
Individual Transition Plans are developed as part of an intensive person-centered Individual Program Plan (IPP) process. In addition, an Individual Health Transition Plan is developed before a resident moves and includes their health history, a current evaluation of their health status, specific information regarding how health needs will be met after transition and specific transition health services. Individual Transition and Health Transition Plans, which are typically completed a few months prior to placement, will be developed for all current residents by March 2014. This milestone represents the completion of a crucial element in facilitating an individual's safe and successful transition into the community.

Baseline: As of October 1, 2012, 238 individuals currently reside at LDC, of which 55 have plans and 183 still need plans. In addition, 132 former residents had transition plans.</td><td>March 2014</td></tr>
<tr><td colspan="2">B. Community Supports</td></tr>
<tr><td>1. <u>Residential Facilities</u>
The Department annually funds Department-approved regional center Community Placement Plans, which are earmarked for the development of resources in the community for individuals transitioning out of a developmental center. The development of residential facilities to meet the needs of individuals transitioning to the community is expected to be completed by January 2014. This milestone represents the availability of residential services in the community to meet the needs and allow for successful transition of LDC residents. The milestone is divided into three components as presented below.</td><td>January 2014</td></tr>
<tr><td>a. All required residential property is either acquired (if owned by housing non-profit agency associated with the regional center) or identified (if owned by a service provider.)</td><td>January 2013</td></tr>
<tr><td>b. Regional centers have identified all service providers and completed the required profiles on the entity. The provider profiles have been sent to the LDC Parent Coordinating Council (PCC) and the regional center has included a link on their internet websites to the PCC's website.</td><td>May 2013</td></tr>
<tr><td>c. All homes are licensed and ready for occupancy.</td><td>January 2014</td></tr>
<tr><td>Baseline: 100 residential options to be developed as part of the regional center requested and approved Community Placement Plans. Of the 100 residential options to be developed:
• 75 have a site secured, 3 are in escrow and 22 have no site identified.
• 27 of the 75 secured sites are licensed.</td><td></td></tr>
</table>

Milestone	Estimated Completion Date
2. <u>Day Programs and Other Community Resources</u> The Department's Community Placement Plan includes funding for the development of programs to meet the individuals' need for activities during the day. Developing day program services generally requires less lead time than residential programs. The development of day programs to address the needs of LDC residents transitioning to the community is expected to be completed by March 2014. The day program component of this milestone is divided into two components as presented below. In addition, other community service needs may be identified in a resident's transition plan. Many of these support services already exist in the community and are available for individuals as they transition from LDC. However, if the regional center identifies an unmet need, they will work with providers to develop the necessary resources to support the individuals residing in the community, including such services as transportation, crisis supports, etc. The development of other community resources to address the needs of LDC residents transitioning to the community is expected to be completed by March 2014.	March 2014
a. The sites of all day programs have been secured (e.g., lease).	December 2013
b. All day programs are to be licensed and available to provide services.	March 2014
Baseline: Six programs are currently scheduled for development based on regional center requests for Community Placement Plan funding, of which two are pending licensure.	
C. Developmental Center	
1. <u>LDC Staffing Level</u> It is essential that sufficient staffing levels be maintained at LDC throughout the closure to ensure residents' health and safety. However, the need for staff that provides direct care will decrease consistent with the decline in the number of residents and changes in the acuity of those individuals remaining at the facility. Non-direct care staffing also decline throughout the closure process, but generally at a slower rate due to their responsibilities to maintain facility systems and supports that are not related to the resident population. This milestone will include a comparison of staffing to resident population at LDC, as compared to the reduction based upon resident health and safety and acuity, since the announcement of the closure. This comparison will not include any staffing that has been identified to support transition and/or closure activities such as warm shutdown. It can be expected that for every 50 residents that leave the LDC population, the staffing at LDC will reduce by approximately 10%.	Ongoing throughout Closure Process

Milestone	Estimated Completion Date
Baseline: At the time of the closure there were 401 residents at LDC, with a staffing of 1280 Personnel Years (PYs). As of October 1, 2012, there were 238 residents at LDC, with a staffing of 894 PYs. This is slightly above the targeted staffing of 880 PYs that was expected for the resident population of 250 on August 1, 2012. A staff reduction plan was announced shortly thereafter.	
2. <u>Outpatient Clinic</u> As an additional measure to bridge the transition of residents from LDC to community living arrangements, the Department's plan includes the establishment and operation of an outpatient clinic to provide medical, dental and behavioral services for former LDC residents to assist in stabilizing the person in their new setting while they are in the process of transferring care to a new healthcare provider. The Department opened an outpatient clinic in August 2011, which provides services throughout closure and assists the successful transition of healthcare services for all former residents. • The facility will be staffed and ready for full implementation of a freestanding outpatient clinic upon the transfer of the last resident. • The clinic will be able to serve both LDC movers and other consumers. **Baseline:** The clinic currently operates under the LDC license and serves only LDC movers.	Summer 2014
3. <u>Community State Staff Program</u> Legislation that supports the closure efforts allows LDC employees to participate in a Community State Staff (CSS) program that provides an opportunity for individuals to support former LDC residents in the community while retaining their state employment status. Through this program, the specialized knowledge, skills and abilities of state staff are shared with co-workers thereby enhancing service continuity. Although the program is voluntary for the employees and the providers, the interest in the CSS program by residents and families supported the development of this milestone. In support of the CSS program, the Department will conduct informational/training sessions regarding the program, complete a survey of LDC staff to determine interest in the program, and ensure an adequate number of Direct Support Professional (DSP) trainings. The milestone is divided into three components as presented below.	Ongoing throughout the closure process
a. The number of informational/training sessions regarding the utilization of State staff in the community that have been provided to service providers, LDC families and LDC staff. **Baseline:** Throughout the closure there have been 11 informational/question and answer sessions on the CSS program – three (3) for LDC staff and eight (8) for regional centers, service providers, family members and union representatives. Three (3) additional comprehensive trainings will be completed in FY 2012/13.	June 2013

Milestone	Estimated Completion Date
b. The Department will survey LDC staff regarding interest in the CSS program to include geographic preferences. **Baseline:** A survey was distributed to LDC staff in February 2012; results indicated an interest in learning about the CSS program. A follow-up survey will be conducted in November 2012.	November 2012
c. The Department will ensure an adequate number of DSP trainings are held throughout the closure process in support of the CSS program. **Baseline:** As of October 1, 2012, no DSP trainings have been offered as there are no provider contracts in place at this time for the CSS program.	March 2014

Attachment #8

From: "Marty Omoto - CDCAN (California Disability Community Action Network)" <martyomoto@rcip.com>
To: <CDCANreportlist01@rcip.com>
Date: 10/23/2012 9:32 AM
Subject: Re: CDCAN REPORT #165-2012 (OCT 23 2012): Legislative Info Hearing on Developmental Centers This Morning 10 AM - DDS Seeks Comments on Draft Milestones for Lanterman Developmental Center Closure - Assembly Health Committee Hrg on Medi-Cal Managed Care
Attachments: 20121019 - Agenda and 2 Documents for Senate Human Services & Budget Sub 3 Info Hearing on Developmental Centers October 23 2012.pdf; 20121018 - DRAFT Milestones for Lanterman Developmental Center Closure Process (Oct 18 2012).doc; Part.008

CDCAN DISABILITY RIGHTS REPORT

CALIFORNIA DISABILITY COMMUNITY ACTION NETWORK

#165-2012 - October 23, 2012 Tuesday

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, African-American communities; policymakers, and others across the State.

Sign up for these free reports by going to the CDCAN website. Website: <http://www.cdcan.us> www.cdcan.us

To reply to THIS Report write:

Marty Omoto at <mailto:martyomoto@rcip.com> martyomoto@rcip.com Twitter: martyomoto New Phone: 916-757-9549

California Budget Crisis:

INFORMATIONAL HEARING THIS MORNING ON DEVELOPMENTAL CENTERS BY SENATE BUDGET
SUBCOMMITTEE & SENATE HUMAN SERVICES COMMITTEE

. Department of Developmental Services Seeks Public Comments on Draft Document Outlining Milestone Dates for the On-going Implementation of Lanterman Developmental Center Closure Process

. Other Info Hearings: October 25th on Medi-Cal Managed Care by Assembly Health Committee, and November 9th in LA by Assembly Budget Subcommittee on Medi-Cal Dental Services for Children

SACRAMENTO, CA (CDCAN) [Last updated 10/23/2012 07:55 AM] - The controversial issue of the state owned and operated health facilities known as "developmental centers" will be the focus of a joint informational hearing by the Senate Budget Subcommittee #3 on Health and Human Services, chaired by Sen. Mark DeSaulnier (Democrat - Concord), and the Senate Human Services Committee, chaired by Sen. Carol Liu (Democrat - Pasadena), at 10:00 AM, at the State Capitol in Room 4203.

No action will be taken at this hearing, which is informational only, and the proceedings is scheduled to be televised live and streamed live on the internet (see below for details).

The informational hearing, titled "Developmental Centers: A System In Transition", is scheduled to have four panels covering, with two segments scheduled for public comments:

. Overview of the developmental centers and their use in California

. Licensing citations and patient care at Sonoma Developmental Center in Eldridge in Sonoma County.

. Update on the closure process at Lanterman Developmental Center in Pomona

. Implementation of recent legislation regarding services for persons with developmental disabilities who have "complex needs"

Attached to this CDCAN Report is a 29 page pdf document titled "20121019 - Agenda and 2 Documents for Senate Human Services & Budget Sub3 Info Hearing on Developmental Centers October 23 2012.pdf" that contains:

. 1 page hearing agenda (also reproduced below)

. 12 page overview document on developmental centers prepared by committee staff

. 4 page overview document on developmental centers prepared by the Legislative Analyst Office (LAO).

All three documents were produced by committee staff as pdf document files, which should allow persons who are blind or persons with sight impairments to read it using a screen reading device (unlike pdf files saved as an image which cannot be read).

OTHER UP-COMING IMPORTANT LEGISLATIVE INFORMATIONAL HEARINGS

. October 25, 2012 (Thursday) at 1:30 to 4:30 PM at the State Capitol, Room 4202: Assembly Health oversight informational hearing on "Managed Care Program Initiatives at the Department of Health Care Services: Assessing the Promise of Coordinated Care"

. November 9, 2012 (Friday), 2:00 PM at the Culver City Hall, 9770

Culver Blvd, Culver City, Assembly Budget Subcommittee #1 on Health and Human Services oversight informational hearing on "An Examination of Dental Care for Children Enrolled in Medi-Cal and Healthy Families in Los Angeles County"

CDCAN will issue separate reports with more details about these two upcoming hearings.

AGENDA FOR OCTOBER 23rd HEARING

The following is the one page agenda for this morning's informational hearing by the Senate Human Services Committee and the Senate Budget Subcommittee #3 on Health and Human Services (this document is included in the 29 page attachment to this CDCAN Report):

A SYSTEM IN TRANSITION: CALIFORNIA'S DEVELOPMENTAL CENTERS

October 23, 2012 Oversight Hearing

Subcommittee #3 of the Senate Committee on Budget & Fiscal Review & Senate Human Services Committee

Introduction/Opening Remarks

Panel I. Overview of Developmental Centers & Their Utilization in California

A. Utilization of Developmental Centers

B. Developmental Center Funding

C. Oversight of Developmental Centers - Roles and Functions of Key Entities

Panelists:

- Terri Delgadillo, Director, Department of Developmental Services
- Lishaun Francis, Legislative Analyst's Office

Panel II. Licensing Citations and Patient Care at Sonoma Developmental Center

A. Overview of the Concerns Raised and Potential Federal Funding Implications

B. Responses to Those Concerns at Sonoma & Throughout the Developmental Center System

Panelists:

- Kathleen Billingsley, RN, Chief Deputy Director, Policy & Programs, Department of Public Health
- Lishaun Francis, Legislative Analyst's Office
- Terri Delgadillo, Director, Department of Developmental Services
- Santi Rogers, Executive Director, San Andreas Regional Center
- Leslie Morrison, Director of the Investigations Unit, Disability Rights California
- Kathleen Miller, President, Parent Hospital Association

Public Testimony, Part I

Panel III. Update on the Closure Process at Lanterman Developmental Center

A. Overview of Closure Process to Date & Challenges Encountered

B. Anticipated Timeframes & Key Milestones Ahead

Panelists:

- Terri Delgadillo, Director, Department of Developmental Services
- Keith Penman, Executive Director, San Gabriel/Pomona Regional Center
- Anna Agopian, Co-President, Lanterman Parents Coordinating Council
- Catherine Blakemore, Executive Director, Disability Rights California
- Jimmy White, Consumer

Panel IV. Implementation of Recent Legislation Regarding Services for Individuals with Complex Needs

A. Overview of Key Changes in Developmental Center Admissions Standards and Community Services

B. Initial Implementation of Key Changes

Panelists:

- Terri Delgadillo, Director, Department of Developmental Services
- Carlos Flores, Executive Director, San Diego Regional Center

- Terry DeBell, President, CASH-PCR
- Catherine Blakemore, Executive Director, Disability Rights California

Public Testimony, Part II

Closing Remarks

MEMBERS OF THE SENATE BUDGET SUBCOMMITTEE #3 ON HEALTH AND HUMAN SERVICES

Total Members: 3 (2 Democrats and 1 Republican)

Chair: Sen. Marl DeSaulnier (Democrat - Concord)

Members: Sen. Elaine Alquist (Democrat - Santa Clara) and Sen. Bill Emmerson (Republican - Riverside)

MEMBERS OF THE SENATE HUMAN SERVICVES COMMITTEE

Total Members: 7 (4 Democrats, 3 Republicans)

CHAIR: Sen. Carol Liu (Democrat - Pasadena)

VICE CHAIR: Sen. Bill Emmerson (Republican - Riverside)

MEMBERS: Sen. Tom Berryhill (Republican - Modesto), Sen. Loni Hancock (Democrat - Berkeley), Sen. Tony Strickland (Republican - Simi Valley), Sen. Roderick Wright (Democrat - Los Angeles) and Sen. Leland Yee (Democrat - San Francisco).

STAFF:

Chief Consultant: Mareva Brown

Consultant: Sara Rogers

Assistant: Mark Teemer Jr.

Committee Office Phone: (916) 651-1524

Committee Office Location (not a hearing room): 1020 N Street, Room 521, Sacramento, CA 95814 (across the street from the State Capitol)

HOW CAN I MONITOR THIS LEGISLATIVE HEARING IF I CANNOT ATTEND IT IN PERSON?

CDCAN Note: There are several ways a person might be able to monitor a legislative policy (or budget) committee hearing if they cannot attend it in person - though it depends on whether one has access to the internet capable of viewing streaming videos or have access to a television that is hooked up with a cable company that provides CalChannel.

Not every hearing is televised live or streamed live - though most are.

In addition, any hearing that was broadcast or streamed live can be viewed later in on the CalChannel website (see the "archive" section).

. CALCHANNEL LIVE VIDEO STREAM - INTERNET - Most of the scheduled hearings can be viewed live on the CalChannel website at <http://www.calchannel.com/channel/live/> http://www.calchannel.com/channel/live/ (look for the scheduled time of the committee hearing and at that time, click on it (it should say "in progress") - a box should open up with the live stream.)

. CALCHANNEL LIVE CABLE TV BROADCAST - People can also view the hearing via cable TV through CalChannel. To find what channel it may be on (if you cable company carries CalChannel) check this listing for your city or area and local cable company: <http://www.calchannel.com/local-listing/> http://www.calchannel.com/local-listing/

. LIVE AUDIO ONLY INTERNET BROADCAST - Look for the hearing you want to listen to below, find the room number, and then click on the Assembly website link: <http://assembly.ca.gov/listentorooms> http://assembly.ca.gov/listentorooms and then look for the room number (in the case of the October 23, 2012, Senate Human Services and Senate Budget Subcommittee #3 on Health and Human Services informational hearing) where the hearing is being held and then click on the "listen to this room" link. A real player screen should pop up with the audio of the hearing. The audio quality varies depending on the room and who is speaking. There is almost always a live audio of a hearing available providing the hearing is being held in one of the rooms listed.

. LIVE VIDEO FEED INTERNET BROADCAST - For some, but not all hearings, that may not be covered by CalChannel, the Assembly (and sometimes Senate) will provide a live video feed, via the internet of the hearing. Look for the hearing you want to listen to below, find the room number, and then click on the Assembly website link: <http://assembly.ca.gov/listentorooms> http://assembly.ca.gov/listentorooms and find the room number where the hearing is being held, and then, if there is a "watch this room" link next to it, click on that. A real player screen should pop up on your computer. (in the case of the October 23, 2012, Senate Human Services and Senate Budget Subcommittee #3 on Health and Human Services informational hearing, click on Room 4203) The video quality varies depending on the room and who is speaking and the overall quality and reliability of this video stream is not as good as the CalChannel feed.

PUBLIC COMMENTS REQUESTED FOR LANTERMAN DEVELOPMENTAL CENTER MILESTONES DRAFT - DUE BY NOVEMBER 5th

Also a focus in the coming two weeks is the release last Thursday of a draft document that outlines the milestones the State should achieve in the on-going closure process of Lanterman Developmental Center in Pomona. A word document file titled "20121018 - DRAFT Milestones for Lanterman Developmental Center Closure Process (Oct 18 2012).doc" is attached to this CDCAN Report.

The Department of Developmental Services, which oversees the operation of the four remaining developmental centers plus one smaller community facility, is asking interested parties to review the attached draft document and provide any further comments or suggestions you have for the Department's consideration prior to submission of the final milestones document to the Legislature.

The document was produced using comments and suggestions that came from two statewide public conference calls organized by the Department of Developmental Services that were held on August 21 and 29, 2012, and written comments that were submitted to the department by September 14, 2012.

In addition, the Department of Developmental Services also held a conference call on September 7, 2012, with some of the Lanterman Developmental Center families and representatives from the Parents Coordinating Council, an association that represents many of those families who have loved ones residing at the facility.

The Department of Developmental Services says that the input received for the development of the draft milestones - through the conference calls and meetings and written comments - came from many perspectives, including Lanterman Developmental Center families and employees, regional centers, service providers, advocates, legislative staff and the general public.

While milestones have been used by the State for the previous closure of Agnews Developmental Center in San Jose and the current process for Lanterman Developmental Center to note progress in implementation, there has not been an official document to the Legislature that specifically outlines general completion dates.

As part of the budget process earlier this year, both the Assembly Budget Subcommittee #1 on Health and Human Services and the Senate Budget Subcommittee #3 on Health and Human Services requested that, in addition to reporting on progress in implementing the Lanterman Developmental Center closure plan, the Department of Developmental Services also develop completion dates for significant milestones related to implementation of the plan.

Eric Gelber, Assistant Director, Office of Legislation & Regulations in the Department of Developmental Services, said the department is ".extremely grateful" to those who ".provided much valuable written or verbal input during the months of August and September for the development of draft milestones."

Some advocates for those persons residing in the four developmental centers have raised some serious concerns on the closure process and implementation steps.

Some of those concerns mirror those raised by other advocates in different systems that are going through elimination of an existing program and transition to a new one, including Adult Day Health Care and Healthy Families and the transition of hundreds of thousands of people in Medi-Cal "fee for service" to Medi-Cal managed care type plans.

DEADLINE TO SUBMIT COMMENTS: November 5, 2012

WHERE TO SEND COMMENTS - EMAIL:

Send to John Schmidt with the Department of Developmental Services at John.Schmidt@dds.ca.gov

WHERE TO SEND COMMENTS - US MAIL:

John Schmidt

Special Assistant to the Director

Department of Developmental Services

P.O. Box 944202

Sacramento, California 94244-2020

URGENT!!!!!!

October 23, 2012 - Tuesday

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 60,000 people and organizations, policy makers and media across the State, and to continue and resume CDCAN Townhall Telemeetings, trainings and other events, please send your contribution/donation (please make check payable to "CDCAN" or "California Disability Community Action Network" and mail to:

CDCAN - NEW MAILING ADDRESS:

1500 West El Camino Avenue Suite 499

Sacramento, CA 95833

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

NEW Phone: 916-757-9549 (replaces 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.

Note: As of January 13, 2012 - some friends donated a new laptop computer which will soon be up and running. Thanks so much - using a lap top with several keys missing or not working makes typing reports very difficult!
Many thanks to Anna and Albert Wang.

The Way Forward for California Regional Centers: Current Status

A Report for the Project Committee

10/5/12

As you recall, your regional center and 13 others came together in 2011 to develop a plan for *The Way Forward*. This project was conceived as an attempt to respond proactively to pressures – primarily economic – that we agreed threaten the ability of regional centers to achieve the mission of the Lanterman Act. We agreed on an ambitious activity that was to include strategies to solicit input from stakeholders within California and knowledgeable individuals from other states aimed at developing a consensus on the way to maintain an effective and sustainable community-based service system into the future.

This document is intended to bring you up to date on the project activities.

Project Guidance and Participation

The Way Forward is being guided by a Project Committee consisting of the executive director and board president from each of the 14 participating regional centers. There is a smaller Steering Group consisting of six regional center executive directors (George Stevens, Chair; Diane Anand; Pat Del Monico; Omar Noorzad; Jim Shorter; and Phil Bonnet) who oversee the project activities on behalf of the larger committee. The Group is assisted by Sharon Shueman who services as the Project Coordinator.

Our achievements to data are as follows:

1. Survey of Stakeholders

On May 21, 2012, English and Spanish versions of a stakeholder survey were uploaded to Survey Monkey, and the participating regional centers were asked to invite knowledgeable stakeholders to respond to it. Stakeholder groups included service providers, clients, parents/caregivers, regional center staff and governance members and advocates. Nearly 2,000 invitations were sent out and more than 700 surveys (a remarkable 37% response rate) were completed by the close of survey on June 12. A report on the survey was distributed to all participating regional centers and discussed at the July 23 meeting of the Project Committee.

2. Focus Groups with Clients

Not unexpectedly, client participation in the Internet survey was quite low. Only 20 respondents identified themselves as clients. To gain more of a true sense of what clients thought about the critical issues, 11 of the 14 participating centers completed a focus group or similar activity to solicit qualitative input from clients. The issues addressed included, for example, how the regional center works for them now; whether and how they would change it if they could; and how issues such as staff turnover in service providers have affected them. Approximately 150 clients participated in these activities. The results from the eleven centers are being analyzed and a report will be distributed to all participating centers in a few weeks.

3. Interviews with Experts Nationwide

The Steering Group has identified ten national experts in the delivery and financing of developmental services and knowledgeable about the changes that have been occurring in the field across the country. The Group met, talked about these interviews, and selected Judy Poindexter and David Riester to conduct phone interviews with these ten individuals. Judy and David, both of whom have a wide range of experience in human services, including serving as regional center directors, will be guided in their interviews by a protocol developed by the Steering Group with input from Judy, David, and the Project Coordinator. Interviews will begin imminently and are scheduled to be completed by November 1.

Judy and David will summarize their interviews individually and as a group and submit their reports to the Steering Group. The Project Coordinator will draft a report summarizing the results of all activities, after which a meeting of the Project Committee will be called. Ultimately, we hope that the materials we gather will help us develop recommendations for changes to the community-based system that will make it more sustainable into the foreseeable future.

If you have any questions about this Project, please feel free to call Diane Anand at Lanterman Regional Center.