

DEVELOPMENTAL CENTER
2012 May Revision

for

FISCAL YEARS
2011-12 *and* 2012-13



STATE OF CALIFORNIA
DEPARTMENT OF DEVELOPMENTAL SERVICES
May 14, 2012

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Executive Highlights

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EXECUTIVE HIGHLIGHTS

OVERVIEW:

The Department of Developmental Services (DDS) provides 24/7 residential services to its residents at four Developmental Centers and one State-operated Community Facility. Additionally, DDS continues to move towards the closure of Lanterman Developmental Center (Lanterman).

As a result of the on-going fiscal crisis in California over the last few years, the Department's budget has been reduced due to continuing and significant pressures on the General Fund (GF). The developmental center budget has continued to decline through closure of state-operated facilities, living unit consolidations, delays in infrastructure repairs, additional federal funding, an unallocated reduction, and through various cost saving personnel initiatives.

Assembly Bill 104 required the Department of Finance, Office of State Audits and Evaluations (OSAE), to conduct an audit of the Department of Developmental Services budget methodology for the developmental centers. OSAE was tasked to review and analyze the existing budget methodology and recommend adjustments to improve the annual state budget process for the developmental centers.

Based on the OSAE recommendation, updated Client Development Evaluation Report (CDER) data should be used when establishing Level-of-Care staffing needs. The CDER captures client diagnostic characteristics for placement into the DC's nine preferred programs. Due to recent changes in the CDER process, the DC Governor's Budget was established using data prior to the system modification, as the new CDER data did not properly align with budgeting assumptions (formulas). In accordance with the OSAE recommendation, DDS has prepared the 2012-13 Fiscal Year estimate using the updated CDER data and a new preferred program for individuals with both developmental and mental health diagnoses (dual diagnoses). The impact of using updated CDER information resulted in minor adjustments reflected in this estimate.

DDS projects an adjusted Current Year (CY) 2011-12 fund shift of \$10.8 million to GF from Reimbursement due to the recent denial for certification of the Porterville Developmental Center Secure Treatment Program (PDC STP). While the enacted Budget assumed DDS could achieve \$13.0 million in Federal Medical Assistance Participation (FMAP) from federal certification by the Center for Medicare and Medicaid Services (CMS) effective July 1, 2011, the Governor's Budget updated this estimate of savings to \$10.8 million. This update was based on a known two month delay in the initiation of the certification process. On January 31, 2012, DDS received notice from the California Department of Public Health that the request for certification was denied. The Department pursued an appeal of the decision but

was recently informed that the certification of Porterville for federal funding will not be approved by CMS. In view of this decision, DDS is requesting the \$10.8 million in costs be funded by the GF.

DDS proposes a decrease for Budget Year (BY) 2012-13 of \$9.0 million (\$2.6 million GF increase). The decrease is composed of the following:

- \$13.0 million GF fund shift from Reimbursement due to the recent denial of certification for PDC STP.
- \$9.1 million decrease (\$10.4 million GF) which represents the Developmental Center's portion of the \$200 million General Fund Savings Solutions previously displayed in the Regional Center's Budget.
- \$0.02 million Federal Fund transfer from the Federal Foster Grandparent/Senior Companion (FGP/SC) program in the developmental centers to the community services program.
- \$2.1 million increase (\$1.1 million GF) for the restoration of a portion of one-time OE&E reductions.
- \$0.9 million (\$0.5 million GF) decrease is composed of the following:
 - An increase of 11 residents due to an adjustment in Lanterman's placement due to fewer placements in the 2011-12 fiscal year.
 - A net reduction of 6.5 positions (-7.0 positions in Level of Care (LOC) and an increase of 0.5 positions in Non-Level of Care (NLOC)) reflects and update to CDER data, as recommended by OSAE, and a new preferred program for individuals with both developmental and mental health diagnoses (dual diagnoses). This update includes a -17.0 position reduction.
- \$1.1 million (-\$0.6 million GF) decrease compared to the Governor's Budget in Staff Support Costs/Resident Transition for the closure of the Lanterman Development Center. This reduction reflects updated expenditure needs.
- 90.0 PY decrease as directed by Budget Letter 12-03, entitled "Adjust Budget Display to Reflect Actual Expenditures and Eliminate Salary Savings." The adjustment reflects a reduction of positions to fund overtime costs.

REVISED MAJOR ASSUMPTIONS

Porterville Developmental Center (Porterville) Medicaid Certification (fund shift):

Enacted budget assumed the department could achieve \$13 million in Federal Medical Assistance Participation (FMAP) based on certification by the Center for Medicare and Medicaid Services (CMS) to expand Medi-Cal eligibility for a portion of the Porterville DC population within the Secure Treatment Program (PDC STP). The CMS initiated the certification process in late August 2011 and the Governor's Budget decreased the reimbursement authority by \$2.17 million based on the

assumption the facility would receive FMAP effective August 29, 2011 (a two month delay). On January 31, 2012, DDS received notice from the California Department of Public Health that the request for certification was denied. The Department pursued an appeal of the decision but was recently informed that the certification of PDC STP for federal funding will not be approved by CMS. In view of this decision, DDS is requesting the \$10.8 million in costs in CY 2011-12 and \$13.0 million in BY 2012-13 be funded by the GF.

CY: Shift of \$10.8 million Reimbursements to GF

BY: Shift of \$13.0 million Reimbursements to GF

PROGRAM UPDATES

Staffing Adjustment for Population:

This Estimate does not include updates to current year projected population.

For BY 2012-13, this Estimate reflects an increase of 11 average in-center population compared to the Governor's Budget (1,533 to 1,544 residents). The increase of 11 residents is a result of fewer placements from Lanterman Developmental Center in the 2011-12 fiscal year. This increase reflects a total of - 6.5 staffing change and -\$0.9 million (-7.0 positions and -\$0.5 million in LOC and 0.5 positions and -\$0.4 million in NLOC) compared to the Governor's Budget. The net reduction of 6.5 positions (-7.0 positions in Level of Care (LOC) and an increase of 0.5 positions in Non-Level of Care (NLOC)) reflects an update to CDER data, as recommended by OSAE, and a new preferred program for individuals who have a dual diagnosis (both developmental disability and a mental health diagnosis).

CY: no change

BY: -6.5 positions and -\$0.9 million (-\$0.5 million GF)

Lanterman Developmental Center Closure Update:

The Estimate reflects a net decrease of \$1.1 million compared to the Governor's Budget in Staff Support Costs/Resident Transition for the closure of the Lanterman Developmental Center. DDS previously estimated cost for staff transition, training, escorts for transportation for residents, staff buy out and unemployment insurance. This estimate reflects a reduction in the cost of staff leave buy out and unemployment insurance of \$1.3 million. The staff transition planning is increased by \$0.01 million and an increase for escorts to transport residents of \$0.01 million.

CY: no change

BY: -\$1.1 million (-\$0.6 million GF)

Foster Grandparent Program Funding Shift:

This estimate requests a reduction of \$20,000 federal funds from the Developmental Centers. A corresponding increase for the same amount is in the Regional Center estimate as a portion of the DDS contract with Corporation for National and Community Services volunteer hours for the Foster Grandparent/Senior Companion (FGP/SC) programs is being transferred from the developmental centers to the regional centers. As the population in the developmental centers continues to decline, the demand for the services of the FGP/SC program reduces as well. The number of allocated volunteer hours for each of the developmental centers that is declining needs to be shifted to the regional centers where the volunteer hours for increased community placements can be used.

CY: no change

BY: -\$0.02 million (all federal funding)

OTHER BUDGET ADJUSTMENTS

\$200 Million General Fund Savings Solutions:

\$9.1 million decrease (\$10.4 million GF) which represents the Developmental Center's (DC) portion of the \$200 million General Fund Savings Solutions previously displayed in the Regional Center's Budget. This adjustment includes redesign of services for individuals with challenging service needs and thereby reduces utilization and long-term reliance on DC's and expanded use of technology to achieve efficiencies. The primary components of the redesign (including those attributed to Community Services) include:

- A moratorium on new admissions to DC's, with limited exceptions for individuals who are committed by the criminal or juvenile justice system to restore competency; individuals involved in the criminal or juvenile justice system who are a danger to themselves or others whose competency cannot be restored; or individuals in acute crisis needing short-term stabilization.
- Operation of a short-term crisis program at Fairview Developmental Center to meet the needs of individuals in acute crisis that otherwise would likely result in placement in a locked mental health facility ineligible for federal funding. Crisis admissions will require a time-limited court order; a comprehensive assessment completed within 30 days of admission; and development of a plan by the Individual Program Plan (IPP) team for transition back to the community.

- A restriction on admissions to a DC as a result of criminal conviction or where the person is competent to stand trial for a criminal offense and admission is ordered in lieu of trial.
- A restriction on admissions to a DC when the Department determines it cannot safely serve the consumer without placing the safety of other residents at risk.
- Comprehensive assessments of the service and support needs and available resources for current DC residents.
- Expanding the Transition services at Porterville DC – Secure Treatment Program from 30 to 60 residents.
- Reducing reliance on service and supports ineligible for federal funding.
- Maximizing the use of available Community Placement Plan program resources to meet statewide specialized service needs to reduce the reliance on the DC's, locked mental health facilities and out-of-State placements.
- Expanding the development of SB 962 homes (Adult Residential Facilities for Individuals with Special Health Care Needs) statewide to increase community options for DC residents.

A complete list of proposals can be found on the DDS website at www.dds.ca.gov .

Governor's Budget Letter Adjustment Budget Display to Reflect Annual Expenditures and Eliminate Salary Savings:

The Budget Letters instructs departments to make adjustments necessary to accurately reflect budgeted expenditures and positions for a more transparent budget. The adjustment eliminates budgeted salary savings and allocates that amount to accurately reflect how state operations funds are being expended. Because the Developmental Centers do not have salary savings, actual position authority and expenditures were reviewed. The Department identified 90 positions for elimination that funds overtime costs.

Restore Operating Expense and Equipment:

In FY 2011-12, a Legislative Action required DDS to take a \$15 million GF reduction. Included was a one-time reduction in Operating Expense and Equipment (OE&E) of \$4.2 million. The permanent reduction associated with this amount will be achieved in the BY through the annualized savings from the reduced cap for the Porterville Secure Treatment Program. The restoration of these funds

should have occurred in the Governor's Budget but through oversight it was not included. BY 2012-13 requests restoration of \$2.1 million of the original reduction to fund major equipment and general expenses. This \$2.1 million request is funded from staffing reductions and the reduction in LDC Closure Update costs.

FUTURE FISCAL ISSUES

Replacement of Boilers for Sonoma, Porterville and Fairview Developmental Centers:

In July of 2008, the Bay Area Air Quality Management District amended Regulation 9 Rule 7 which regulates emissions from industrial boilers such as those owned and operated by Sonoma. Under these regulations, the replacement of the boilers should have been completed by January 1, 2012. In October of 2008, the San Joaquin Valley Unified Air Pollution Control District adopted Rule 4320 to regulate emissions from industrial boilers such as those owned and operated by Porterville. To comply with these regulations the boilers must be replaced by January 1, 2014.

In September of 2008, the South Coast Air Quality Management District amended Rule 1146 which regulates emissions for industrial boilers including those owned and operated by Fairview. The rule also states that if emission reductions are not met by the 2012 deadline, an enhanced reduction to 5 ppm will be required by January 1, 2014. The projected cost to replace the boilers at Sonoma, Porterville and Fairview is \$10.7 million. While the department has not received direct correspondence from the respective Air Quality Management Districts, we estimate failure to comply with these requirements could result in penalties from \$1,000 to \$25,000 per day.

United States Department of Justice (USDOJ) Civil Rights for Institutionalized Persons Act (CRIPA) Remedial Agreement

Over a period of more than six years, the United States Department of Justice (USDOJ) has conducted investigations of Sonoma and Lanterman Developmental Centers and has issued findings pursuant to Civil Rights for Institutionalized Persons Act (CRIPA). Settlement negotiations with the USDOJ are still pending to resolve the investigations.

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EXECUTIVE SUMMARY
CURRENT YEAR 2011-12 and BUDGET YEAR 2012-13

	CURRENT YEAR 2011-12				BUDGET YEAR 2012-13			
	Enacted Budget CY 2011-12	Governor's Budget Adjusted Authority for CY 2011-12	May Revision Proposed Authority for CY 2011-12	May Revision Update for CY 2011-12	Enacted Budget CY 2011-12	Governor's Budget Adjusted Authority for BY 2012-13	May Revision Proposed Authority for BY 2012-13	May Revision Update for BY 2012-13
TOTAL FUNDING	\$577,150,000	\$569,040,515	\$569,040,515	\$0	\$577,150,000	\$559,196,000	\$550,202,000	-\$8,994,000
Positions	5,570.5	5,570.5	5,570.5	0.0	5,570.5	5,253.0	5,156.5	-96.5
Average In-Center Population	1,763	1,759	1,759	0	1,763	1,533	1,544	11
General Fund (0001)	\$296,464,000	\$293,440,670	\$304,270,670	\$10,830,000	\$296,464,000	\$283,642,000	\$286,242,000	\$2,600,000
Item 002	7,089,000	7,085,000	7,085,000	0	7,089,000	7,089,000	7,089,000	0
Item 003	281,887,000	278,946,670	289,776,670	10,830,000	281,887,000	270,003,000	272,603,000	2,600,000
Item 004	7,102,000	7,026,000	7,026,000	0	7,102,000	6,302,000	6,302,000	0
Item 005	135,000	135,000	135,000	0	135,000	0	0	0
Item 017	251,000	248,000	248,000	0	251,000	248,000	248,000	0
Reimbursements (0995)	\$279,784,000	\$274,622,845	\$263,792,845	-\$10,830,000	\$279,784,000	\$274,577,000	\$263,003,000	-\$11,574,000
Item 002	1,000	1,000	1,000	0	1,000	1,000	1,000	0
Item 003	277,114,000	271,981,845	261,151,845	-10,830,000	277,114,000	272,482,000	260,908,000	-11,574,000
Item 004	2,506,000	2,479,000	2,479,000	0	2,506,000	1,933,000	1,933,000	0
Item 017	163,000	161,000	161,000	0	163,000	161,000	161,000	0
Federal Funds (0890)	\$530,000	\$524,000	\$524,000	\$0	\$530,000	\$524,000	\$504,000	-\$20,000
Item 003	530,000	524,000	524,000	0	530,000	524,000	504,000	-20,000
Lottery Education Fund (0817)	\$372,000	\$453,000	\$453,000	\$0	\$372,000	\$453,000	\$453,000	\$0
Item 503	372,000	453,000	453,000	0	372,000	453,000	453,000	0
Total DC Program Budget	\$577,150,000	\$569,040,515	\$569,040,515	\$0	\$577,150,000	\$559,196,000	\$550,202,000	-\$8,994,000
002	7,090,000	7,086,000	7,086,000	0	7,090,000	7,090,000	7,090,000	0
003	559,531,000	551,452,515	551,452,515	0	559,531,000	543,009,000	534,015,000	-8,994,000
004	9,608,000	9,505,000	9,505,000	0	9,608,000	8,235,000	8,235,000	0
005	135,000	135,000	135,000	0	135,000	0	0	0
017	414,000	409,000	409,000	0	414,000	409,000	409,000	0
503	372,000	453,000	453,000	0	372,000	453,000	453,000	0

**EXECUTIVE SUMMARY
DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY
CURRENT YEAR 2011-12**

	Enacted Budget CY 2011-12	Governor's Budget CY 2011-12	Porterville Certification	May Revision Update for CY 2011-12	Proposed Authority CY 2011-12
Program 20 Total	\$577,150,000	\$569,040,515	\$0	\$0	\$569,040,515
Positions	5,570.5	5,570.5	0.0	0.0	5,570.5
Average In-Center Population	1,763	1,759	0	0	1,759
Funding Sources					
General Fund Total	\$296,464,000	\$293,440,670	\$10,830,000	\$10,830,000	\$304,270,670
General Fund Match	269,236,000	268,414,447	10,830,000	10,830,000	279,244,447
General Fund Other	27,228,000	25,026,223	0	0	25,026,223
Reimbursement Total	\$279,784,000	\$274,622,845	-\$10,830,000	-\$10,830,000	\$263,792,845
Medi-Cal Reimbursements	266,873,000	261,711,845	-10,830,000	-10,830,000	250,881,845
Other Reimbursements	12,911,000	12,911,000	0	0	12,911,000
Federal Funds	\$530,000	\$524,000	\$0	\$0	\$524,000
Lottery Education Fund	\$372,000	\$453,000	\$0	\$0	\$453,000
Total Funding	\$577,150,000	\$569,040,515	\$0	\$0	\$569,040,515

SCHEDULING DETAIL

TOTAL FUNDING	\$577,150,000	\$569,040,515	\$0	\$0	\$569,040,515
General Fund (0001)	\$296,464,000	\$293,440,670	\$10,830,000	\$10,830,000	\$304,270,670
Item 002	7,089,000	7,085,000	0	0	7,085,000
Item 003	281,887,000	278,946,670	10,830,000	10,830,000	289,776,670
Item 004	7,102,000	7,026,000	0	0	7,026,000
Item 005	135,000	135,000	0	0	135,000
Item 017	251,000	248,000	0	0	248,000
Reimbursements (0995)	\$279,784,000	\$274,622,845	-\$10,830,000	-\$10,830,000	\$263,792,845
Item 002	1,000	1,000	0	0	1,000
Item 003	277,114,000	271,981,845	-10,830,000	-10,830,000	261,151,845
Item 004	2,506,000	2,479,000	0	0	2,479,000
Item 017	163,000	161,000	0	0	161,000
Federal Funds (0890)	\$530,000	\$524,000	\$0	\$0	\$524,000
Item 003	530,000	524,000	0	0	524,000
Lottery Education Fund (0817)	\$372,000	\$453,000	\$0	\$0	\$453,000
Item 503	372,000	453,000	0	0	453,000

**EXECUTIVE SUMMARY
DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY
BUDGET YEAR 2012-13**

	Enacted Budget CY 2011-12	Governor's Budget BY 2012-13	Staffing Adjustments			Restore OE&E Reductions (one-time)*	Porterville Certification	Foster Grandparent Program Shift	Lanterman Staff Support Costs/ Resident Transitions	GF Savings Solutions	BL 12-03	May Revision Update for BY 2012-13	Proposed Authority BY 2012-13
			Level of Care	Non-Level of Care	Population Staffing Adjustments TOTAL								
Program 20 Total	\$577,150,000	\$559,196,000	-\$483,000	-\$397,000	-\$880,000	\$2,097,000	\$0	-\$20,000	-\$1,091,000	-\$9,100,000	\$0	-\$8,994,000	\$550,202,000
Positions	5,570.5	5,253.0	-7.0	0.5	-6.5	0.0	0.0	0.0	0.0	0.0	-90.0	-96.5	5,156.5
Average In-Center Population	1,763	1,533	11		11	0	0	0	0	0	0	11	1,544
Funding Sources													
General Fund Total	\$296,464,000	\$283,642,000	-\$259,000	-\$260,000	-\$519,000	\$1,116,000	\$13,000,000	\$0	-\$597,000	-\$10,400,000	\$0	\$2,600,000	\$286,242,000
General Fund Match	269,236,000	262,008,000	-224,000	-137,000	-361,000	855,000	13,000,000	0	-494,000	1,300,000	0	14,300,000	276,308,000
General Fund Other	27,228,000	21,634,000	-35,000	-123,000	-158,000	261,000	0	0	-103,000	-11,700,000	0	-11,700,000	9,934,000
Reimbursement Total	\$279,784,000	\$274,577,000	-\$224,000	-\$137,000	-\$361,000	\$981,000	-\$13,000,000	\$0	-\$494,000	\$1,300,000	\$0	-\$11,574,000	\$263,003,000
Medi-Cal Reimbursements	266,873,000	259,257,000	-224,000	-137,000	-361,000	981,000	-13,000,000	0	-494,000	1,300,000	0	-11,574,000	247,683,000
Other Reimbursements	12,911,000	15,320,000	0	0	0	0	0	0	0	0	0	0	15,320,000
Federal Funds	\$530,000	\$524,000	\$0	\$0	0	\$0	\$0	-\$20,000	\$0	\$0	\$0	-\$20,000	\$504,000
Lottery Education Fund	\$372,000	\$453,000	\$0	\$0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$453,000
Total Funding	\$577,150,000	\$559,196,000	-\$483,000	-\$397,000	-\$880,000	\$2,097,000	\$0	-\$20,000	-\$1,091,000	-\$9,100,000	\$0	-\$8,994,000	\$550,202,000

SCHEDULING DETAIL

	\$577,150,000	\$559,196,000	-\$483,000	-\$397,000	-\$880,000	\$2,097,000	\$0	-\$20,000	-\$1,091,000	-\$9,100,000	\$0	-\$8,994,000	\$550,202,000
TOTAL FUNDING	\$577,150,000	\$559,196,000	-\$483,000	-\$397,000	-\$880,000	\$2,097,000	\$0	-\$20,000	-\$1,091,000	-\$9,100,000	\$0	-\$8,994,000	\$550,202,000
General Fund (0001)	\$296,464,000	\$283,642,000	-\$259,000	-\$260,000	-\$519,000	\$1,116,000	\$13,000,000	\$0	-\$597,000	-\$10,400,000	\$0	\$2,600,000	\$286,242,000
Item 002	7,089,000	7,089,000	0	0	0	0	0	0	0	0	0	0	7,089,000
Item 003	281,887,000	270,003,000	-205,000	-260,000	-465,000	1,062,000	13,000,000	0	-597,000	-10,400,000	0	2,600,000	272,603,000
Item 004	7,102,000	6,302,000	-54,000	0	-54,000	54,000	0	0	0	0	0	0	6,302,000
Item 005	135,000	0	0	0	0	0	0	0	0	0	0	0	0
Item 017	251,000	248,000	0	0	0	0	0	0	0	0	0	0	248,000
Reimbursements (0995)	\$279,784,000	\$274,577,000	-\$224,000	-\$137,000	-\$361,000	\$981,000	-\$13,000,000	\$0	-\$494,000	\$1,300,000	\$0	-\$11,574,000	\$263,003,000
Item 002	1,000	1,000	0	0	0	0	0	0	0	0	0	0	1,000
Item 003	277,114,000	272,482,000	-140,000	-137,000	-277,000	897,000	-13,000,000	0	-494,000	1,300,000	0	-11,574,000	260,908,000
Item 004	2,506,000	1,933,000	-84,000	0	-84,000	84,000	0	0	0	0	0	0	1,933,000
Item 017	163,000	161,000	0	0	0	0	0	0	0	0	0	0	161,000
Federal Funds (0890)	\$530,000	\$524,000	\$0	\$0	\$0	\$0	\$0	-\$20,000	\$0	\$0	\$0	-\$20,000	\$504,000
Item 003	530,000	524,000	0	0	0	0	0	-20,000	0	0	0	-20,000	504,000
Lottery Education Fund (0817)	\$372,000	\$453,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$453,000
Item 503	372,000	453,000	0	0	0	0	0	0	0	0	0	0	453,000

*Restoring a portion of the one-time reductions that were taken as a part of the 2011-12 May Revision to achieve the \$15 million reduction proposed by the Legislature.

EXECUTIVE SUMMARY

CURRENT YEAR 2011-12 TO BUDGET YEAR 2012-13 COMPARISON

	Enacted Budget CY 2011-12	Governor's Budget CY 2011-12	May Revision Proposed Authority CY 2011-12	May Revision Update CY 2011-12	Governor's Budget BY 2012-13	May Revision Proposed Authority BY 2012-13	May Revision Update BY 2012-13	2012-13 Incremental from CY to BY
Program 20 Total	\$577,150,000	\$569,040,515	\$569,040,515	\$0	\$559,196,000	\$550,202,000	-\$8,994,000	-\$18,838,515
Positions	5,570.5	5,570.5	5,570.5	0.0	5,253.0	5,156.5	-96.5	-414.0
Average In-Center Population	1,763	1,759	1,759	0	1,533	1,544	11	-215
Funding Sources								
General Fund Total	\$296,464,000	\$293,440,670	\$304,270,670	-\$10,830,000	\$283,642,000	\$286,242,000	\$2,600,000	-\$18,028,670
General Fund Match	269,236,000	268,414,447	279,244,447	-10,830,000	262,008,000	276,308,000	14,300,000	-2,936,447
General Fund Other	27,228,000	25,026,223	25,026,223	0	21,634,000	9,934,000	-11,700,000	-15,092,223
Reimbursement Total	\$279,784,000	\$274,622,845	\$263,792,845	\$10,830,000	\$274,577,000	\$263,003,000	-\$11,574,000	-\$789,845
Medi-Cal Reimbursements	266,873,000	261,711,845	250,881,845	10,830,000	259,257,000	247,683,000	-11,574,000	-3,198,845
Other Reimbursements	12,911,000	12,911,000	12,911,000	0	15,320,000	15,320,000	0	2,409,000
Federal Funds	\$530,000	\$524,000	\$524,000	\$0	\$524,000	\$504,000	-\$20,000	-\$20,000
Lottery Education Fund	\$372,000	\$453,000	\$453,000	\$0	\$453,000	\$453,000	\$0	\$0
Total Funding	\$577,150,000	\$569,040,515	\$569,040,515	\$0	\$559,196,000	\$550,202,000	-\$8,994,000	-\$18,838,515

Position Summary

CURRENT YEAR 2011-12					
	TOTALS	LEVEL-OF-CARE			NON LOC
		PROF	NURSING	TOTAL	
2011-12 Authorized Positions	5,570.5	319.0	1,962.0	2,281.0	3,289.5
Governor's Budget Totals	0.0	0.0	0.0	0.0	0.0
May Revision Totals	0.0	0.0	0.0	0.0	0.0
Total Positions	5,570.5	319.0	1,962.0	2,281.0	3,289.5
Total Adjustments	5,570.5	0.0	0.0	0.0	0.0

BUDGET YEAR 2012-13					
	TOTALS	LEVEL-OF-CARE			NON LOC
		PROF	NURSING	TOTAL	
2012-13 Authorized Positions	5,570.5	319.0	1,962.0	2,281.0	3,289.5
Governor's Budget					
Staffing Adjustment	-345.5	-24.0	-165.0	-189.0	-156.5
Lanterman Closure Enhance Staffing Update	28.0	0.0	10.0	10.0	18.0
November Estimate Totals	-317.5	-24.0	-155.0	-179.0	-138.5
May Revision					
Staffing Adjustment**	-6.5	1.0	-8.0	-7.0	0.5
BL 12-03	-90.0	-14.0	-5.0	-19.0	-71.0
May Revision Totals	-96.5	-13.0	-13.0	-26.0	-70.5
Total Positions	5,156.5	282.0	1,794.0	2,076.0	3,080.5
Total Adjustments	-414.0	-37.0	-168.0	-205.0	-209.0

**Reflects staffing adjustments of update to population staffing (+10.5) and Client Development Evaluation Report (-17.0).

Population

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SYSTEMWIDE POPULATION

Current Year 2011-12								
	November Estimate			May Revision		Annual Change		
	2011-12 Enacted Budget	Governor's Budget CY 2011-12	Change from Enacted to Governor's Budget	May Revision CY 2011-12	Change from Governor's Budget to May Revision	Annual Population Change CY 2011-12	Percentage Annual Change	
Beginning Population, July 1, 2011	1,886	1,886	0	1,886	0	0	0%	
Admissions	113	28	-85	28	0	-85	-75%	
Placements	-315	-230	85	-230 *	0	85	-27%	
Deaths	-58	-58	0	-58	0	0	0%	
Ending Population, June 30, 2012	1,626	1,626	0	1,626	0	0	0%	
Average Population	1,778	1,774	-4	1,774	0	-4	0%	
On Leave	-15	-15	0	-15	0	0	0%	
Total Average In-Center Population	1,763	1,759	-4	1,759	0	-4	0%	
<i>DC Average In-Center Population Detail:</i>								
Canyon Springs	50	50	0	50	0	0	0%	
Fairview	377	377	0	377	0	0	0%	
Lanterman	271	271	0	271	0	0	0%	
Porterville	510	506	-4	506	0	-4	-1%	
Sonoma	555	555	0	555	0	0	0%	
Total Average In-Center Population	1,763	1,759	-4	1,759	0	-4	0%	

* Assumes 197 as designated by the Community Placement Plan (CPP) and 3 Non-CPP miscellaneous placements

Budget Year 2012-13								
	November Estimate			May Revision		Annual Change		
	2011-12 Enacted Budget	Governor's Budget BY 2012-13	Change from Enacted to Governor's Budget	May Revision BY 2012-13	Change from November Estimate to May Revision	Annual Population Change BY 2012-13	Percentage Annual Change	
Beginning Population, July 1, 2012	1,886	1,626	-260	1,657	31	-229	-12%	
Admissions	113	58	-55	59	1	-54	-48%	
Placements	-315	-194	121	-224 *	-30	91	-29%	
Deaths	-58	-52	6	-52	0	6	-10%	
Ending Population, June 30, 2013	1,626	1,438	-188	1,440	2	-186	-11%	
Average Population	1,778	1,548	-230	1,559	11	-219	-12%	
On Leave	-15	-15	0	-15	0	0	0%	
Total Average In-Center Population	1,763	1,533	-230	1,544	11	-219	-12%	
<i>DC Average In-Center Population Detail:</i>								
Canyon Springs	50	51	1	52	1	2	4%	
Fairview	377	344	-33	344	0	-33	-9%	
Lanterman	271	174	-97	184	10	-87	-32%	
Porterville	510	451	-59	451	0	-59	-12%	
Sonoma	555	513	-42	513	0	-42	-8%	
Total Average In-Center Population	1,763	1,533	-230	1,544	11	-219	-12%	

* Assumes 177 as designated by the Community Placement Plan (CPP) and 47 Non-CPP miscellaneous placements.

Assumptions/Methodology:

Historical data indicates that more placements occur in the second half of the fiscal year due to resource development (new providers/beds) in the community. The average in-center population estimate is weighted to account for this factor.

SYSTEMWIDE POPULATION

Current Year 2010-11 to Budget Year 2011-12				
	May Revision CY 2011-12	May Revision BY 2012-13	Change from CY to BY	Percentage Change
Beginning Population, July 1	1,886	1,657	-229	-12%
Admissions	28	59	31	111%
Placements	-230	-224	6	-3%
Deaths	-58	-52	6	-10%
Ending Population, June 30th	1,626	1,440	-186	-11%
Average Population	1,774	1,559	-215	-12%
On Leave	-15	-15	0	0%
Total Average In-Center Population	1,759	1,544	-215	-12%
<i>DC Average In-Center Population Detail:</i>				
Canyon Springs	50	52	2	4%
Fairview	377	344	-33	-9%
Lanterman	271	184	-87	-32%
Porterville	506	451	-55	-11%
Sonoma	555	513	-42	-8%
Total Average In-Center Population	1,759	1,544	-215	-12%

**CLIENT DEVELOPMENT EVALUATION REPORT (CDER) MIX PERCENTAGE
(SYSTEMWIDE)**

Preferred Programs:	CMC 1	PD 2	AUT 3	SENS 4	DDX* 5	BEH 6	HAB 7	SOC 8	P&S 9
2012 May Revision (CY 2011-12)	40.8%	5.7%	10.4%	0.6%	0.0%	40.1%	0.4%	1.2%	0.8%
2012 May Revision (BY 2012-13)	43.9%	11.9%	10.6%	2.4%	6.8%	18.1%	3.5%	1.5%	1.4%

CMC: Continuing Medical Care
 Program Type PD: Physical Development
 AUT: Autism
 SENS: Sensory Development
 CD: Child Development

BEH: Behavior Development
 HAB: Habilitation
 SOC: Social Development
 P&S: Physical and Social Development
 DDX: Dual Diagnosed

*CDER Mix was updated and now reflect clients with DDX. Therefore, program 5 (originally CD), has been changed to DDX to represent the percent of clients with DDX.

Statements of Change

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Revised Major Assumption
Porterville Developmental Center (Porterville)
Medicaid Certification

DESCRIPTION:

Porterville Developmental Center (PDC) houses a secure treatment program (STP) as well as a transition treatment program for 230 residents (30 clients in transition treatment) with developmental disabilities who have been judicially committed to a developmental center because of their behavior in the community and involvement with the criminal justice system. Although many are Medi-Cal eligible, the Department does not receive federal matching funds from the CMS for this STP due to lack of certification for this population and as a result the sole source of funding is the General Fund.

Enacted budget assumed the department could achieve \$13 million in Federal Medical Assistance Participation (FMAP) based on certification by the Center for Medicare and Medicaid Services (CMS) to expand Medi-Cal eligibility for a portion of the Porterville DC population within the Secure Treatment Program (PDC STP). The CMS initiated the certification process in late August 2011 and the Governor's Budget decreased the reimbursement authority by \$2.17 million based on the assumption the facility would receive FMAP effective August 29, 2011 (a two month delay). On January 31, 2012, DDS received notice from the California Department of Public Health that the request for certification was denied. The Department pursued an appeal of the decision but was recently informed that the certification of PDC STP for federal funding will not be approved by CMS. In view of this decision, DDS is requesting the \$10.8 million in costs in CY 2011-12 and \$13.0 million in BY 2012-13 be funded by the GF.

FUNDING:

Funding shift between General Fund and Title XIX Reimbursements.

REASON FOR CHANGE:

Certification from CMS was denied.

TOTAL EXPENDITURES:

	<u>CY 2011-12</u>	<u>BY 2012-13</u>
TOTAL FUNDING	\$0	\$0
General Fund	\$10,830,000	\$13,000,000
Reimbursements	-\$10,830,000	-\$13,000,000
TOTAL POSITIONS	0.0	0.0

IMPLEMENTATION DATE

Immediately

Program Update
Staffing Population Adjustments
Level-of-Care Staffing
CURRENT YEAR 2011-12

	Governor's Budget 1,759	May Revision 1,759	Net Change 0	Fiscal Impact		
					003	004
PROFESSIONAL:						
Medical	31.0	31.0	0.0	\$0	\$0	\$0
Psychology	69.0	69.0	0.0	0	0	0
Social Work	54.0	54.0	0.0	0	0	0
Rehab Therapy	70.0	70.0	0.0	0	0	0
Phys./Occ. Therapy	0.0	0.0	0.0	0	0	0
Education	92.0	92.0	0.0	0	0	0
Speech	0.0	0.0	0.0	0	0	0
Subtotal, Professional	316.0	316.0	0.0	\$0	\$0	\$0
NURSING:						
	1,926.0	1,926.0	0.0	0	0	0
Subtotal : LOC Permanent	2,242.0	2,242.0	0.0	\$0	\$0	\$0
TEMPORARY HELP						
Physical Therapy (PT)/Occupational Therapy (OT)				\$0	\$0	\$0
Speech Therapy (ST)				0	0	0
Subtotal, Temporary Help				\$0	\$0	\$0
Subtotal, Salaries and Wages				\$0	\$0	\$0
STAFF BENEFITS						
OASDI/Medicare				\$0	\$0	\$0
Health				0	0	0
Retirement				0	0	0
Subtotal, Staff Benefits				\$0	\$0	\$0
TOTAL, PERSONAL SERVICES						
				\$0	\$0	\$0
OPERATING EXPENSE & EQUIPMENT						
OT/PT Contract Services				\$0	\$0	\$0
ST Contract Services				0	0	0
Foodstuffs	\$1,829			0	0	0
Drugs, Lab & Supply	\$1,371			0	0	0
Clothing	\$586			0	0	0
TOTAL, OPERATING EXPENSE & EQUIPMENT				\$0	\$0	\$0
Subtotal Request				\$0	\$0	\$0
TOTAL REQUEST			0.0	\$0	\$0	\$0
ROUNDING				\$0	\$0	\$0
TOTAL FUNDING				\$0	\$0	\$0
General Fund				\$0	\$0	\$0
General Fund Match				0	0	0
General Fund Other				0	0	0
Reimbursements				\$0	\$0	\$0
Medi-Cal Reimbursements				0	0	0

**Program Update
Staffing Population Adjustments
Non-Level of Care Staffing
CURRENT YEAR 2011-12**

	Net Position Change	Net Change in Costs
ADMINISTRATION		
<i>TOTAL ADMINISTRATION</i>	<i>0.0</i>	<i>\$0</i>
CLINICAL SERVICES		
<i>TOTAL CLINICAL SERVICES</i>	<i>0.0</i>	<i>\$0</i>
SUPPORT SERVICES		
<i>TOTAL SUPPORT SERVICES</i>	<i>0.0</i>	<i>\$0</i>
PLANT OPERATIONS		
<i>TOTAL PLANT OPERATIONS</i>	<i>0.0</i>	<i>\$0</i>
Sub-Total, Salaries and Wages		\$0
STAFF BENEFITS		
OASDI/Medicare		\$0
Health		0
Retirement		0
Sub-Total, Staff Benefits		\$0
TOTAL, PERSONAL SERVICES	0.0	\$0
ROUNDED		\$0
General Fund		\$0
<i>General Fund Match</i>		<i>0</i>
<i>General Fund Other</i>		<i>0</i>
Medi-Cal Reimbursements		\$0

**Program Update
Staffing Population Adjustments
Level-of-Care Staffing
BUDGET YEAR 2012-13**

	Governor's Budget 1,533	May Revision 1,544	Net Change 11	Fiscal Impact		
					003	004
PROFESSIONAL:						
Medical	31.0	31.0	0.0	\$0	\$0	\$0
Psychology	62.0	62.0	0.0	0	0	0
Social Work	52.0	52.0	0.0	0	0	0
Rehab Therapy	61.0	63.0	2.0	119,970	119,970	0
Phys./Occ. Therapy	0.0	0.0	0.0	0	0	0
Education	86.0	85.0	-1.0	-22,273	0	-22,273
Speech	0.0	0.0	0.0	0	0	0
Subtotal, Professional	292.0	293.0	1.0	\$97,697	\$119,970	-\$22,273
NURSING:						
	1,761.0	1,753.0	-8.0	-372,373	-372,373	0
Subtotal : LOC Permanent	2,053.0	2,046.0	-7.0	-\$274,676	-\$252,403	-\$22,273
TEMPORARY HELP						
Physical Therapy (PT)/Occupational Therapy (OT)				\$133,170	\$133,170	\$0
Speech Therapy (ST)				205,956	0	205,956
Subtotal, Temporary Help				\$339,126	\$133,170	\$205,956
Subtotal, Salaries and Wages				\$64,450	-\$119,233	\$183,683
STAFF BENEFITS						
OASDI/Medicare				\$3,014	-\$5,414	\$8,428
Health				14,681	-16,851	31,532
Retirement				9,926	-21,991	31,917
Subtotal, Staff Benefits				\$27,621	-\$44,256	\$71,877
TOTAL, PERSONAL SERVICES				\$92,071	-\$163,489	\$255,560
OPERATING EXPENSE & EQUIPMENT						
OT/PT Contract Services				-\$223,501	-\$223,501	\$0
ST Contract Services				-393,678	0	-393,678
Foodstuffs	\$1,829			20,119	20,119	0
Drugs, Lab & Supply	\$1,371			15,081	15,081	0
Clothing	\$586			6,446	6,446	0
TOTAL, OPERATING EXPENSE & EQUIPMENT				-\$575,533	-\$181,855	-\$393,678
Subtotal Request				-\$483,462	-\$345,344	-\$138,118
TOTAL REQUEST				-7.0	-\$483,462	-\$138,118
ROUNDING				-\$483,000	-\$345,000	-\$138,000
TOTAL FUNDING				-\$483,000	-\$345,000	-\$138,000
General Fund				-\$259,000	-\$205,000	-\$54,000
General Fund Match				-224,000	-140,000	-84,000
General Fund Other				-35,000	-65,000	30,000
Reimbursements				-\$224,000	-\$140,000	-\$84,000
Medi-Cal Reimbursements				-224,000	-140,000	-84,000

Program Update
Staffing Population Adjustments
Non-Level of Care Staffing
BUDGET YEAR 2012-13

	Net Position Change from Gov Bud to May Rev	Net Change in Costs from Gov Bud to May Rev
ADMINISTRATION		
HEALTH RECD TECH II/I-OT	1.0	36,971
PERS SERV SPEC I (Transactions)	-1.0	-34,424
PSYC NURSING EDUC DIR	-1.0	-71,285
<i>TOTAL ADMINISTRATION</i>	<u>-1.0</u>	<u>-\$68,738</u>
CLINICAL SERVICES		
PROGRAM/RESIDENCE ADMINISTRATION		
PROGRAM DIRECTOR DS	-1.0	-80,478
PROG ASST DS	-1.0	-66,520
NURSING COORDINATOR	-1.0	-70,159
RESIDENCE MANAGERS (RNIII/Unit Sup)	1.0	62,506
SHIFT SUP (RNII/SPT)	4.0	220,308
HEALTH SERVICES SPECIALIST	-6.0	-390,234
OT/OA (Unit Clerks)	-2.0	-62,974
PSYCHIATRIC TECH (Escorts)	1.0	40,127
PSYCH. TECH. (Active Treatment)	0.5	20,064
NURSE PRACTITIONER	-1.0	-82,767
<i>TOTAL CLINICAL SERVICES</i>	<u>-5.5</u>	<u>-\$410,128</u>
SUPPORT SERVICES		
FSW I/II-PRESENTATION	5.0	141,560
CUSTODIAN	2.0	55,514
<i>TOTAL SUPPORT SERVICES</i>	<u>7.0</u>	<u>\$197,074</u>
PLANT OPERATIONS		
<i>TOTAL PLANT OPERATIONS</i>	<u>0.0</u>	<u>\$0</u>
Sub-Total, Salaries and Wages		-\$281,792
STAFF BENEFITS		
OASDI/Medicare		-\$17,103
Health		-48,903
Retirement		-48,853
Sub-Total, Staff Benefits		<u>-\$114,859</u>
TOTAL, PERSONAL SERVICES	0.5	-\$396,651
ROUNDED		<u>-\$397,000</u>
General Fund		-\$260,000
<i>General Fund Match</i>		-137,000
<i>General Fund Other</i>		-123,000
Medi-Cal Reimbursements		-\$137,000

Program Update
Lanterman Developmental Center Closure
STAFF SUPPORT COSTS/RESIDENT TRANSITIONS
BUDGET YEAR 2012-13

To provide reasonable staffing and associated funding at Lanterman Developmental Center (Lanterman) to support administrative and operational requirements as the population declines under the Lanterman Closure Plan, adjustment to costs associated with staff are required. If we do not retain staff, the ability to close Lanterman in a safe and timely manner that will retain certification and maintain health and safety throughout the closure process would be jeopardized.

The continuance of Closure-Related Staffing request for Level of Care and Non-Level of Care positions are considered essential for the safe and smooth transition of each resident along with the numerous activities associated with the closure of the facility.

Staff Support Costs/Resident Transitions	Governor's Budget BY 2012-13	May Revision BY 2012-13	May Revision Request BY 2012-13
1. Costs for staff transition, staff training, staffing escorts for transportation of residents:			
¹ Overtime for resident transfers:	\$175,000	\$192,500	\$17,500
² Resident relocation costs:	985,000	1,083,500	98,500
2. Staff leave balance cashout (based on actual balances of LDC Staff over age 50 with 20 years of state service)	\$1,941,600	\$1,698,980	-\$242,620
3. Unemployment Insurance	\$1,631,700	\$666,900	-\$964,800
Total, Staff Support Costs/Resident Transitions	<u>\$4,733,300</u>	<u>\$3,641,880</u>	<u>-\$1,091,420</u>
ROUNDING	\$4,733,000	\$3,642,000	-\$1,091,000
TOTAL FUNDING:			
General Fund	\$2,591,000	\$1,994,000	-\$597,000
<i>General Fund Match</i>	\$2,142,000	\$1,648,000	-\$494,000
<i>General Fund Other</i>	\$449,000	\$346,000	-\$103,000
Reimbursements	\$2,142,000	\$1,648,000	-\$494,000
<i>Medi-Cal Reimbursements</i>	\$2,142,000	\$1,648,000	-\$494,000

¹ Overtime is based on 110 community placements at \$1,750 per placement.

² Resident relocation costs is based on 110 community placements at \$9,850 per placement.

Note:

The decrease in funding will be used to offset the request to restore OE&E one-time reduction taken in 2011-12 May Revision.

Program Update Foster Grandparent Program Federal Funding

DESCRIPTION:

The Department of Developmental Services (DDS) manages a grant awarded by the Corporation for National and Community Services (CNCS). The Foster Grandparent Program (FGP) is funded in part with federal funds and the Senior Companion Program (SCP) is funded 100% by the General Fund. The Federally Funded FGP must meet the requirements under the Federal Register 45 CFR Parts 1208 and 2252, and must be maintained according to the guidelines set forth in Policy 850 "Management of Volunteer Service Years in FGP and SCP Grants". Policy 850 defines what happens when a grant program does not use at least 97% of the Volunteer Service Years (VSYs) provided by the grant. If not used, VSYs and associated funds may be reduced. To prevent the reduction of Federal Funds, VSYs and accompanying funds from FGP are being transferred from Development Center (DC) programs to Regional Center (RC) programs to ensure adherence to Policy 850.

This estimate request a portion of the allocated volunteer hours and \$20,000 of associated Federal funds for the Foster Grandparent/Senior Companion programs at the developmental centers is being transferred from the developmental center budget to the regional centers' budget. As the population in the developmental centers continues to decline, the demand for the services of the FGP/SC program reduces as well. The number of allocated volunteer hours for each of the developmental centers is not annually adjusted for the declining population and as a result there is a portion of unused hours and associated Federal funding that can not be redirected toward any other program costs.

ASSUMPTIONS/METHODOLOGY:

An adjustment in the FGP federal funding will affect all Developmental Centers.

• DC Systemwide BY Federal Funding Base	\$524,000	
BY Shift	-20,000	
DC Systemwide BY Federal Fund Total	\$504,000	

	<u>CY 2011-12</u>	<u>BY 2012-13</u>
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	\$0	-\$20,000
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TOTAL EXPENDITURES

	\$0	-\$20,000
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FUNDING:

Shift from Developmental Center Program's Federal Funds to Regional Center's Program Federal Funding.

REASON FOR CHANGE:

Allow Federal Funds to be used in the Regional Centers to utilize FGP volunteer hours more effectively.

TOTAL EXPENDITURES:

	<u>CY 2011-12</u>	<u>BY 2012-13</u>
TOTAL FUNDING	\$0	\$0
General Fund	\$0	\$0
Federal Fund	\$0	-\$20,000
TOTAL POSITIONS	0.0	0.0

FUTURE FISCAL ISSUES

Replacement of Boilers for Sonoma, Porterville and Fairview:

Sonoma, Porterville and Fairview boilers are subject to regulation by a variety of governmental entities. The federal government, primarily through the Environmental Protection Agency (EPA) sets standards, oversees state and local actions, and implements programs for toxic air pollutants, including those from some types of industrial equipments. The Bay Area Air Quality Management District (BAAQMD) develops plans and implements control measures in the district that includes Sonoma. Porterville is within the district of San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD). The South Coast Air Quality Management District (SCAQMD) regulates emission within the district that includes Fairview.

In July of 2008, the BAAQMD amended Regulation 9 Rule 7 which regulates emissions from industrial boilers such as those owned and operated by the Sonoma.

In October of 2008, the SJVUAPCD adopted Rule 4320 to regulate emissions from industrial boilers such as those owned and operated by Porterville.

In September of 2008, the SCAQMD amended Rule 1146 which regulates emissions for industrial boilers including those owned and operated by Fairview. The rule also states that if emission reductions are not met by the 2012 deadline, an enhanced reduction to 5 ppm will be required by January 1, 2014.

DDS may be subject to fines and penalties after January 2012 for Sonoma and Fairview and January 2014 for Porterville until construction is completed.

Proposed Expenditures: The projected cost to replace boilers at Sonoma, Porterville and Fairview is estimated at \$10.7 million. While the department has not received any direct correspondence from any of the respective Air Quality Management District, we have estimated that failure to comply with these requirements could result in penalties from \$1,000 to \$25,000 per day.

United States Department of Justice (USDOJ) Civil Rights for Institutionalized Persons Act (CRIPA) Remedial Agreement

Over a period of more than six years, the United States Department of Justice (USDOJ) has conducted investigations of Sonoma and Lanterman Developmental Centers and has issued findings pursuant to Civil Rights for Institutionalized Persons Act (CRIPA). DDS is engaged in settlement negotiations with the USDOJ to resolve the investigations.

Fund Sources

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General Fund

DESCRIPTION:

The General Fund is used for two purposes: 1) as a match to Title XIX Reimbursement funds received for payment of resources/services for Medi-Cal eligible residents (these funds are referred to as "General Fund Match") and 2) to pay for non-Medi-Cal eligible resources/services for residents in the developmental centers and the state-operated community facility (DC/CF). These funds are referred to as "General Fund Other."

ASSUMPTIONS/METHODOLOGY:

CY 2011-12

BY 2012-13

General Fund:

The DCs'/CF's General Fund appropriation consists of two components: (1) General Fund Match and (2) General Fund Other. Details of these components are as follows:

• General Fund Match:			\$279,244,447	\$276,308,000
General Fund Match to FMAP	<u>CY 2011-12</u>	<u>BY 2012-13</u>		
Non-Proposition 98	50.00%	50.00%	271,970,447	269,758,000
Proposition 98	50.00%	50.00%	7,026,000	6,302,000
HIPAA	50.00%	50.00%	248,000	248,000

This portion of General Fund is required as a match to Medi-Cal Reimbursements received from the Department of Health Care Services (DHCS). These Reimbursements are originally funded by the federal government and passed through DHCS (the federally recognized single state agency for Medicaid). The federal financial participation costs are established by utilizing the federal medical assistance percentages (FMAP) provided by DHCS.

• General Fund Other			\$25,026,223	\$9,934,000
This funding is for services provided to the DC/CF residents who are not eligible for federal or other reimbursement funding. Funding also includes \$7,085,000 (CY) and \$7,089,000 (BY) for Lease-Revenue Bonds.			25,026,223	9,934,000

• Lottery Education Fund
See Lottery Education Fund's page for detail.

TOTAL GENERAL FUND			\$304,270,670	\$286,242,000
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Reimbursements Title XIX Medi-Cal and Other

DESCRIPTION:

Title XIX Medi-Cal Reimbursements are funds received for services provided to eligible residents in the developmental centers and the state-operated community facility (DC/CF). These funds require a General Fund match at the FMAP rate. Other Reimbursements are funds received for services provided to the DCs/CF residents who have no General Fund match requirements.

ASSUMPTIONS/METHODOLOGY:

CY 2011-12

BY 2012-13

Reimbursements:

The DCs'/CF's appropriation for reimbursements consists of two components: (1) Title XIX Medi-Cal and (2) Other Reimbursements. The detail of these two components follows:

• **Title XIX/Medi-Cal**

\$250,881,845

\$247,683,000

Title XIX Medi-Cal Reimbursements fund eligible services provided to residents in the DCs/CF system via the Department of Health Care Services (DHCS) (the federally recognized single state agency for Medicaid). The federal financial participation costs are established by utilizing the federal medical assistance percentages (FMAP) as provided by DHCS.

FMAP

CY 2011-12

BY 2012-13

Non-Proposition 98

50.00%

50.00%

248,241,845

245,589,000

Proposition 98

50.00%

50.00%

2,479,000

1,933,000

HIPAA

50.00%

50.00%

161,000

161,000

• **Reimbursements - Other**

\$12,911,000

\$15,320,000

This funding is for services provided to the DC/CF residents who are not eligible for federal or other reimbursement funding. These costs consist of miscellaneous reimbursements for such services as the Community Industries Contract, Rental Income Contracts, and State Employees in the Community.

12,911,000

15,320,000

TOTAL REIMBURSEMENTS

\$263,792,845

\$263,003,000

Federal Funds

DESCRIPTION:

The Federal Foster Grandparent Program Grant provides funds to establish person-to-person relationships between low income seniors, 60 years of age and older, and children with developmental disabilities and/or mental health issues.

ASSUMPTIONS/METHODOLOGY:

CY 2011-12

BY 2012-13

• **Foster Grandparent Program Grant**

\$524,000

\$504,000

The Foster Grandparent Program grant is used for specified operational costs, such as stipends and educational supplies in the developmental centers.

TOTAL FEDERAL FUNDS

\$524,000

\$504,000

Lottery Education Fund

DESCRIPTION:

Lottery Education Fund uses state General Fund revenues guaranteed for the support of school districts, community colleges districts, and state agencies that provide direct elementary and secondary level instructional services.

ASSUMPTIONS/METHODOLOGY:

CY 2011-12

BY 2012-13

Lottery Education Fund:

\$453,000

\$453,000

- The Lottery Education Fund is used for specified educational costs, such as training programs to establish curriculum as well as to support special needs and equipment costs in the developmental centers and state-operated community facilities (DC/CF). Funds received are based on the DC/CF resident average daily attendance.

TOTAL LOTTERY EDUCATION FUND

\$453,000

\$453,000