

Department of Developmental Services

May Revision Highlights



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DEPARTMENT OF DEVELOPMENTAL SERVICES MAY REVISION HIGHLIGHTS

PROGRAM HIGHLIGHTS

The Department of Developmental Services (the Department) is currently responsible under the Lanterman Developmental Disabilities Services Act (Lanterman Act) for ensuring that 257,793 persons with developmental disabilities receive the services and support they require to lead more independent and productive lives and to make choices and decisions about their lives.

California provides services and supports to individuals with developmental disabilities in two ways: the vast majority of people live in their families' homes or other community settings and receive state-funded services that are coordinated by one of 21 non-profit corporations known as regional centers. A small number of individuals live in four state-operated developmental centers and one state-operated community facility. The number of consumers with developmental disabilities in the community served by regional centers is expected to increase from 256,224 in the current year to 265,097 in Fiscal Year (FY) 2013-14. The number of individuals living in state-operated residential facilities will be 1,209 by the end of FY 2013-14.

The 2013 May Revise includes \$5.0 billion total funds (\$2.8 billion General Fund) for the Department in 2013-14; a net increase of \$35.7 million above the 2013 Governor's Budget.

COMMUNITY SERVICES PROGRAM

2012-13

To provide services and support to 256,224 persons with developmental disabilities in the community, the May Revision updates FY 2012-13 funding to \$4.2 billion total funds (\$2.3 billion GF). The May Revision includes an increase of \$41.4 million total funds (\$48.6 million GF) for regional center operations (OPS) and purchase of services (POS). This is primarily composed of:

Caseload and Utilization

\$41.2 million (\$12.6 million GF) increase in regional center OPS and POS costs due to updated caseload and expenditure data including Home and Community Based Services (HCBS) waiver enrollment above budgeted levels.

Fund Shifts:

- California Children and Families Commission (POS) – \$25.0 million from reimbursements to GF to reflect a reduction in funding from the Commission.

- Title XX Social Services Block Grant (POS) – \$5.7 million from reimbursements to GF to reflect a Federal Sequester reduction.
- Annual Family Program Fee (AFPF) (POS) – \$3.4 million from the Program Development Fund (PDF) to GF to reflect an update of revenues based on actual assessments, exemptions and collections in administering the program.
- 1915(k) State Plan Amendment (SPA) (POS) – \$1.9 million from reimbursements to GF due to the deferred inclusion of developmental services in the SPA.

2013-14

The May Revision projects an average community caseload of 265,097 individuals in the budget year, a decrease of -1,003 consumers from the 2013 Governor's Budget. The estimate proposes 2013-14 funding for services and support to persons with developmental disabilities in the community at \$4.4 billion total funds (\$2.5 billion GF), an increase of \$31.7 million (\$23.8 million GF) over the 2013 Governor's Budget. The significant regional center budget changes include:

Caseload and Utilization

\$33.6 million (\$0.7 million GF) increase in regional center OPS and POS costs due to updated caseload and expenditure data including HCBS waiver enrollment above budgeted levels.

Fund Shift

- Title XX Social Services Block Grant (POS) – \$11.9 million from reimbursements to GF to reflect a Federal Sequester reduction.
- AFPF (POS) – \$3.3 million from the PDF to GF to reflect an update of revenues based upon information regarding actual assessments, exemptions and collections in administering the program.
- 1915(k) SPA (POS) – \$7.0 million from reimbursements to GF due to the deferred inclusion of developmental services in the SPA.

Early Start

- Early Start (POS and Other Agency Costs) - \$3.4 million decrease in the Federal grant due to a Sequester reduction and reallocation of Part C funds among states, of which \$0.6 million is being backfilled for POS for a net reduction of \$2.8 million.

DEVELOPMENTAL CENTERS PROGRAM

2012-13

To provide services and support for 1,569 residents in developmental centers (average in-center population) the May Revision updates FY 2012-13 funding to \$547.0 million (\$292.4 million GF), an increase of \$1.8 million (\$8.5 million GF) over the 2013 Governor's Budget. Authorized positions remain at 5,154. The significant developmental center budget changes include:

- \$0.3 million (\$0.2 million GF) to fund the Independent Consultative Review Expert (ICRE) contract as required by the Sonoma Developmental Center (Sonoma) Program Improvement Plan (PIP).
- \$7.4 million fund shift from Reimbursements to General Fund to backfill loss of Federal Funding from the four Sonoma Intermediate Care Facility (ICF) units withdrawn from Medi-Cal.
- \$1.5 million (\$0.9 million GF) funding increase due to higher than anticipated resident population on April 1, 2013, primarily based on fewer individuals transitioning from Lanterman Developmental Center to community settings. The increase includes \$1.0 million (\$0.6 million GF) in Level of Care (LOC) and \$0.5 million (\$0.3 million GF) in Non-Level of Care (NLOC). The staffing needed to support the increased residential population is formula driven based on approved standards. However, positions are not being requested at this time, due to the current DDS vacancy rate.

2013-14

For FY 2013-14, the May Revision provides services and support for 1,333 residents (average in-center population) in developmental centers, an increase of 29 residents from the 2013 Governor's Budget. This increases funding to \$542.9 million (\$297.6 million GF); an increase of \$3.9 million (\$18.4 million GF). Authorized positions remain at 4,768. By the end of the budget year there is expected to be 1,209 individuals residing in the state operated facilities. Adjustments to the 2013 Governor's Budget for the developmental centers include:

- \$1.5 million (\$0.9 million GF) funding increase change due to the anticipated increase of 29 residents primarily from lower than projected transition of individuals into the community from the 2013 Governor's Budget. The increase includes \$2.3 million (\$1.4 million GF) in LOC and -\$0.8 million (-\$0.5 million GF) in NLOC. The staffing needed to support the increased residential population is formula driven based on approved standards. However, positions are not being requested at this time, due to the current DDS vacancy rate.
- \$2.5 million (\$1.7 million GF) to fund the on-going ICRE contract as required by the Sonoma PIP.

- \$15.7 million Fund shift from Reimbursements to General Fund to backfill loss of Federal Funding from the four Sonoma ICF units withdrawn from Medi-Cal.
- May Revision requests provisional language to authorize up to \$10 million General Fund to address costs necessary to implement the Action Plan developed in accordance with the Program Improvement Plan for the Sonoma Developmental Center.

LANTERMAN DEVELOPMENTAL CENTER CLOSURE UPDATE

The May Revision continues to support Developmental Center and Community efforts towards closure of the Lanterman facility. The Department, working with regional centers, anticipates the transition of approximately 100 Lanterman Developmental Center (Lanterman) residents in FY 2012-13, 10 less than projected from the 2013 Governor's Budget. The May Revision anticipates the transition of another 120 residents to community living arrangements in FY 2013-14, an additional 10 above the 2013 Governor's Budget.

- The May Revision includes a \$0.4 million (\$0.2 million GF) increase with no position adjustment in 2012-13:
 - \$0.4 million (\$0.2 million GF) funding increase (\$0.3 million LOC and \$0.1 million NLOC) resulting from higher than anticipated residential population at Lanterman over the course of the year based on fewer individual placements in the community for 2012-13. The staffing needed to support the increased residential population is formula driven based on approved standards. However, positions are not being requested at this time, due to the current DDS vacancy rate.
- The May Revision reflects a net decrease in 2013-14 of -\$0.4 million (-\$0.2 million GF) and no positions:
 - -\$0.4 million (-\$0.2 million GF) reduction which is the result of an anticipated increase in the average in-center population from 85 to 91 residents, as compared to the 2013 Governor's Budget, as well as an ICF unit closure. The change includes an increase of \$0.5 million in LOC and a reduction of -\$0.9 million in NLOC.

The Lanterman Closure Update Report and closure milestones will be released separately.

CAPITAL OUTLAY

The May Revision does not include any new Capital Outlay requests.

HEADQUARTERS

The May Revision does not include any new Headquarters requests.

DEPARTMENT OF DEVELOPMENTAL SERVICES
2013 May Revision

FUNDING SUMMARY
(Dollars in Thousands)

	2012-13	2013-14	Difference
BUDGET SUMMARY			
COMMUNITY SERVICES	\$4,207,775	\$4,381,422	\$173,647
DEVELOPMENTAL CENTERS	546,956	542,928	-4,028
HEADQUARTERS SUPPORT	37,796	39,280	1,484
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TOTALS, ALL PROGRAMS	\$4,792,527	\$4,963,630	\$171,103
FUND SOURCES			
General Fund	\$2,661,324	\$2,801,540	\$140,216
Reimbursements: Totals All	2,068,250	2,102,438	34,188
<i>Medicaid (aka HCBS) Waiver</i>	1,153,168	1,193,805	40,637
<i>Medicaid (HCBS) Waiver Administration</i>	8,889	9,435	546
<i>Medicaid Administration (NHR)</i>	11,359	11,685	326
<i>Targeted Case Management</i>	140,399	148,952	8,553
<i>Targeted Case Management Admin.</i>	3,977	4,016	39
<i>Medi-Cal</i>	244,847	235,857	-8,990
<i>Title XX Block Grant</i>	219,400	213,191	-6,209
<i>Self-Directed HCBS Waiver</i>	348	390	42
<i>ICF-DD/State Plan Amendment</i>	55,478	58,193	2,715
<i>Quality Assurance Fees (DHCS)</i>	9,818	10,297	479
<i>California First Five Commission</i>	15,000	0	-15,000
<i>1915(i) State Plan Amendment</i>	161,556	167,842	6,286
<i>Money Follows the Person</i>	14,867	14,867	0
<i>Homeland Security Grant</i>	57	391	334
<i>Race to the Top</i>	286	286	0
<i>Early Periodic Screening Diagnostic & Treatment</i>	13,190	17,587	4,397
<i>Other</i>	15,611	15,644	33
Federal Trust Fund	55,083	51,653	-3,430
Lottery Education Fund	465	465	0
Program Development Fund (PDF)	6,125	6,256	131
Mental Health Services Fund	1,129	1,128	-1
Developmental Disabilities Svs Acct	150	150	0
AVERAGE CASELOAD			
Developmental Centers	1,569	1,333	-236
Regional Centers	256,224	265,097	8,873
AUTHORIZED POSITIONS			
Developmental Centers	5,154.0	4,768.0	-386.0
Headquarters	374.5	374.5	0.0

DEPARTMENT OF DEVELOPMENTAL SERVICES
2013 May Revision

(Dollars in Thousands)

	2012-13	2013-14	Difference
Community Services Program			
Regional Centers	\$4,207,775	\$4,381,422	\$173,647
Totals, Community Services	\$4,207,775	\$4,381,422	\$173,647
General Fund	\$2,344,720	\$2,478,898	\$134,178
Dev Disabilities PDF	5,839	5,970	131
Developmental Disabilities Svs Acct	150	150	0
Federal Trust Fund	52,006	48,618	-3,388
Reimbursements	1,804,320	1,847,046	42,726
Mental Health Services Fund	740	740	0
Developmental Centers Program			
Personal Services	\$441,322	\$438,666	-\$2,656
Operating Expense & Equipment	105,634	104,262	-1,372
Total, Developmental Centers	\$546,956	\$542,928	-\$4,028
General Fund	\$292,404	\$297,635	\$5,231
Federal Trust Fund	510	510	0
Lottery Education Fund	465	465	0
Reimbursements	253,576	244,318	-9,258
Headquarters Support			
Personal Services	\$33,353	\$34,880	\$1,527
Operating Expense & Equipment	4,443	\$4,400	-43
Total, Headquarters Support	\$37,796	\$39,280	\$1,484
General Fund	\$24,200	\$25,007	\$807
Federal Trust Fund	2,567	2,525	-42
PDF	286	286	0
Reimbursements	10,354	11,074	720
Mental Health Services Fund	389	388	-1
Totals, All Programs	\$4,792,527	\$4,963,630	\$171,103
Total Funding			
General Fund	\$2,661,324	\$2,801,540	\$140,216
Federal Trust Fund	55,083	51,653	-3,430
Lottery Education Fund	465	465	0
Dev Disabilities PDF	6,125	6,256	131
Developmental Disabilities Svs Acct	150	150	0
Reimbursements	2,068,250	2,102,438	34,188
Mental Health Services Fund	1,129	1,128	-1
Caseloads			
Developmental Centers	1,569	1,333	-236
Regional Centers	256,224	265,097	8,873
Authorized Positions			
Developmental Centers	5,154.0	4,768.0	-386.0
Headquarters	374.5	374.5	0.0