

***FOR LEGISLATIVE REVIEW***

**DEVELOPMENTAL CENTERS  
2015 MAY REVISION  
*of the*  
2015-16 BUDGET**



**STATE OF CALIFORNIA  
DEPARTMENT OF DEVELOPMENTAL SERVICES  
MAY 14, 2015**

## Table of Contents

	<u>Page</u>
A. Executive Highlights.....	A-1 to A-3
B. Executive Summary Tables .....	B-1 to B-7
C. Population.....	C-1 to C-4
D. Statements of Change .....	D-1.1 to D-6.1
E. Fund Sources .....	E-1 to E-4
F. Developmental Center Closure .....	F-1 to F-6

## Executive Highlights

	<u>Page</u>
Overview .....	A-1
Fiscal Year 2014-15 .....	A-1 to A-2
Fiscal Year 2015-16 .....	A-2 to A-3

## EXECUTIVE HIGHLIGHTS

### OVERVIEW:

The Department of Developmental Services (DDS) provides 24/7 residential services at three Developmental Centers (DC) and one State-operated Community Facility (CF). The May Revision includes Budget Year (BY) funding and position adjustments which result in a net increase of \$0.4 million (\$15.3 million General Fund [GF] increase) and a net reduction of -21.2 positions; funding and position adjustments for Current Year (CY) which result in a net decrease of -\$5.2 million (\$0.5 million GF increase) and a reduction of -65.1 positions.

In addition, a reconciliation of the DC total population results in a May Revision increase of 25 residents when compared to Governor's Budget for BY 2015-16, and an increase of 4 residents when compared to Governor's Budget for CY 2014-15. The increases were driven by a reconciliation of the beginning population as of July 1, 2014 as well as the various factors which impact the estimated ending population; those factors being actual admissions, placements, and mortality during FY 2014-15. The reconciliation also affected average-in-center calculations. DDS is estimating 1,117 residents for CY 2014-15 average-in-center population, which is an increase of one resident from the Governor's Budget. DDS estimates an average-in-center population of 1,035 residents for BY 2015-16, an increase of 25 residents from the Governor's Budget.

### Fiscal Year 2014-15

DDS proposes a net overall decrease of -\$5.2 million (\$0.5 million GF increase) and a reduction of -65.1 positions; the changes are as follows:

#### Foster Grandparent and Senior Companion Program Transfer:

- A decrease of -\$103,000 (\$68,000 GF) from the Developmental Center appropriation, transferred via the technical Budget Revision process, to the Local Assistance appropriation.
- This action reflects the closure of the program at the Lanterman DC and subsequent transfer to the San Gabriel/Pomona Regional Center.

#### Update on Expansion of Secured Treatment Program at Porterville DC:

- A decrease of -\$2.0 million GF, and reduction of -19.0 positions, from the November Estimate request.
- The number of estimated admissions to the Secure Treatment

Program (STP) is reduced from 32 to 20, covering the period April through June, and reflects a change of -2 for average-in-center population.

Update on Sonoma DC (Four Intermediate Care Facilities [ICF] Units)  
Backfill:

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

Update on the Program Improvement Plans:

- A decrease of -\$3.1 million (-\$1.9 million GF) and reduction of -46.1 positions as recruitment and retention efforts have demonstrated a continuing pattern of difficulty in hiring key positions at both Fairview and Porterville DCs. The delay in the hiring of staff has reduced the amount of funding needed for the Program Improvement Plans (PIP) in the current year.

**Fiscal Year 2015-16**

DDS proposes an increase of \$0.4 million (\$15.3 million GF) and a reduction of -21.2 positions; the changes are as follows:

Staffing Adjustments:

- A net decrease of \$0.4 million (\$0.1 million GF increase) and a net reduction of -18.7 positions due to reassessing operational needs at DC locations, while managing a change of 25 average-in-center resident population compared to the November Estimate.
  - This adjustment is comprised of an increase of \$0.8 million (\$0.6 million GF) for an additional 9.3 Level of Care positions and a decrease of -\$1.2 million (-\$0.5 million GF) and a reduction of -28 Non-Level of Care positions.

Update on Lanterman DC Community State Staff Program:

- A net reduction of -\$42,000 (\$22,000 GF increase) to correct a formula error within the salary and wages calculation, and realignment of the funding for the program as the positions do not meet the CMS guidelines for Medi-Cal Reimbursement.

Update on Expansion of Secured Treatment Program at Porterville DC:

- A net increase of \$0.8 million GF and a net reduction of -2.5 positions from the November Estimate request; an increase of 22 Level of Care staff coupled with a reduction of -24.5 Non-Level of Care.
- DDS is proposing to further expand the capacity at Porterville DC STP by 41 beds, and achieve greater efficiencies, by utilizing the currently empty adolescent unit and converting for adult admissions.
- DDS is proposing Trailer Bill Language to amend the current cap of 170 STP admissions to that of 211 and to designate the STP as adult beds only.

Update on Sonoma DC (Four Intermediate Care Facilities [ICF] Units)  
Backfill:

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

Update on the Program Improvement Plans:

- The November Estimate contained a formula error in the Budget Year calculation for the portion of the Porterville DC PIP funding requested; the correction results in an increase of \$1.2 million in GF and a reduction of -\$1.2 million in Reimbursement authority to align the funding.

## Executive Summary Tables

	<u>Page</u>
Current Year 2014-15 and Budget Year 2015-16 Tables .....	B-1
Current Year 2014-15 Detailed Funding Summary .....	B-2 to B-3
Budget Year 2015-16 Detailed Funding Summary .....	B-4 to B-5
Current Year to Budget Year Comparison.....	B-6
Position Summary .....	B-7

**EXECUTIVE SUMMARY**

**CURRENT YEAR 2014-15 and BUDGET YEAR 2015-16**

	CURRENT YEAR 2014-15			BUDGET YEAR 2015-16		
	Governor's Budget CY	2015 Proposed May Revision Authority for CY	2015 Proposed May Revision Request for CY 2014-15	Governor's Budget BY	2015 Proposed May Revision Authority for BY	2015 Proposed May Revision Request for BY 2015-16
<b>TOTAL FUNDING</b>	<b>\$562,893,855</b>	<b>\$557,693,061</b>	<b>-\$5,200,794</b>	<b>\$515,213,000</b>	<b>\$515,579,000</b>	<b>\$366,000</b>
Positions	4,681.1	4,616.0	-65.1	4,270.2	4,249.0	-21.2
Average In-Center Population	1,116	1,117	1	1,010	1,035	25
<b>General Fund (0001)</b>	<b>\$309,647,947</b>	<b>\$310,130,708</b>	<b>\$482,761</b>	<b>\$279,839,000</b>	<b>\$295,127,000</b>	<b>\$15,288,000</b>
Item 002	9,888,000	9,888,000	0	10,191,000	10,191,000	0
Item 003	294,148,373	294,631,134	482,761	264,341,000	279,510,668	15,169,668
Item 004	5,360,574	5,360,574	0	5,056,000	5,174,332	118,332
Item 017	251,000	251,000	0	251,000	251,000	0
<b>Reimbursements (0995)</b>	<b>\$252,494,908</b>	<b>\$246,846,694</b>	<b>-\$5,648,214</b>	<b>\$234,722,000</b>	<b>\$219,800,000</b>	<b>-\$14,922,000</b>
Item 002	1,000	1,000	0	1,000	1,000	0
Item 003	251,125,171	245,476,957	-5,648,214	233,592,000	218,669,000	-14,923,000
Item 004	1,205,737	1,205,737	0	966,000	967,000	1,000
Item 017	163,000	163,000	0	163,000	163,000	0
<b>Federal Funds (0890)</b>	<b>\$384,000</b>	<b>\$348,659</b>	<b>-\$35,341</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$0</b>
Item 003	384,000	348,659	-35,341	285,000	285,000	0
<b>Lottery Education Fund (0817)</b>	<b>\$367,000</b>	<b>\$367,000</b>	<b>\$0</b>	<b>\$367,000</b>	<b>\$367,000</b>	<b>\$0</b>
Item 503	367,000	367,000	0	367,000	367,000	0
<b>Total DC Program Budget</b>	<b>\$562,893,855</b>	<b>\$557,693,061</b>	<b>-\$5,200,794</b>	<b>\$515,213,000</b>	<b>\$515,579,000</b>	<b>\$366,000</b>
002	9,889,000	9,889,000	0	10,192,000	10,192,000	0
003	545,657,544	540,456,750	-5,200,794	498,218,000	498,464,668	246,668
004	6,566,311	6,566,311	0	6,022,000	6,141,332	119,332
017	414,000	414,000	0	414,000	414,000	0
503	367,000	367,000	0	367,000	367,000	0



**DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY  
CURRENT YEAR 2014-15**

	Governor's Budget CY 2014-15	Population Adjustment	Major Assumptions	
			FGP Transfer to Local Assistance	PDC STP Expansion Update
<b>Program 20 Total</b>	<b>\$562,893,855</b>	<b>\$0</b>	<b>-\$103,352</b>	<b>-\$1,997,000</b>
Positions	4,681.1	0.0	0.0	-19.0
Average In-Center Population	1,116	3	0	-2
<b>Funding Sources</b>				
<b>General Fund Total</b>	<b>\$309,647,947</b>	<b>\$0</b>	<b>-\$68,011</b>	<b>-\$1,997,000</b>
General Fund Match	237,174,908	0	0	0
General Fund Other	72,473,039	0	-68,011	-1,997,000
<b>Reimbursement Total</b>	<b>\$252,494,908</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Medi-Cal Reimbursements	237,174,908	0	0	0
Other Reimbursements	15,320,000	0	0	0
<b>Federal Funds</b>	<b>\$384,000</b>	<b>\$0</b>	<b>-\$35,341</b>	<b>\$0</b>
<b>Lottery Education Fund</b>	<b>\$367,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>        Total Funding</b>	<b>\$562,893,855</b>	<b>\$0</b>	<b>-\$103,352</b>	<b>-\$1,997,000</b>

**DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY  
CURRENT YEAR 2014-15**

	Major Assumptions		2015 Proposed Governor's Budget Request for CY 2014-15	<b>Proposed Authority CY 2014-15</b>
	SDC Backfill 4 Units	PIP May Revision from Governor's Budget		
<b>Program 20 Total</b>	<b>\$0</b>	<b>-\$3,100,442</b>	<b>-\$5,200,794</b>	<b>\$557,693,061</b>
Positions	0.0	-46.1	-65.1	4,616.0
Average In-Center Population	0	0	1	1,117
<b>Funding Sources</b>				
<b>General Fund Total</b>	<b>\$4,400,000</b>	<b>-\$1,852,228</b>	<b>\$482,761</b>	<b>\$310,130,708</b>
General Fund Match	-4,400,000	-1,248,214	-5,648,214	231,526,694
General Fund Other	8,800,000	-604,014	6,130,975	78,604,014
<b>Reimbursement Total</b>	<b>-\$4,400,000</b>	<b>-\$1,248,214</b>	<b>-\$5,648,214</b>	<b>\$246,846,694</b>
Medi-Cal Reimbursements	-4,400,000	-1,248,214	-5,648,214	231,526,694
Other Reimbursements	0	0	0	15,320,000
<b>Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$35,341</b>	<b>\$348,659</b>
<b>Lottery Education Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$367,000</b>
<b>Total Funding</b>	<b>\$0</b>	<b>-\$3,100,442</b>	<b>-\$5,200,794</b>	<b>\$557,693,061</b>

**DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY  
BUDGET YEAR 2015-16**

	Governor's Budget BY 2015-16	Staffing Adjustments		
		Level of Care	Non-Level of Care	Population Staffing Adjustments TOTAL
<b>Program 20 Total</b>	<b>\$515,213,000</b>	<b>\$827,000</b>	<b>-\$1,202,000</b>	<b>-\$375,000</b>
Positions	4,270.2	9.3	-28.0	-18.7
Average In-Center Population	1,010	26	0	26
<b>Funding Sources</b>				
<b>General Fund Total</b>	<b>\$279,839,000</b>	<b>\$625,000</b>	<b>-\$550,000</b>	<b>\$75,000</b>
General Fund Match	223,331,000	202,000	-652,000	-450,000
General Fund Other	56,508,000	423,000	102,000	525,000
<b>Reimbursement Total</b>	<b>\$234,722,000</b>	<b>\$202,000</b>	<b>-\$652,000</b>	<b>-\$450,000</b>
Medi-Cal Reimbursements	223,331,000	202,000	-652,000	-450,000
Other Reimbursements	11,391,000	0	0	0
<b>Federal Funds</b>	<b>\$285,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Lottery Education Fund</b>	<b>\$367,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Funding</b>	<b>\$515,213,000</b>	<b>\$827,000</b>	<b>-\$1,202,000</b>	<b>-\$375,000</b>

**DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY  
BUDGET YEAR 2015-16**

	Major Assumptions				2015 Proposed Governor's Budget Request for BY 2015-16	Proposed Authority BY 2015-16
	LDC Closure Funding Correction	PDC STP Expansion Update	SDC Backfill 4 Units	PIP May Revision from Governor's Budget		
<b>Program 20 Total</b>	<b>-\$42,000</b>	<b>\$783,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$366,000</b>	<b>\$515,579,000</b>
Positions	0.0	-2.5	0.0	0.0	-21.2	4,249.0
Average In-Center Population	0	-1	0	0	25	1,035
<b>Funding Sources</b>						
<b>General Fund Total</b>	<b>\$22,000</b>	<b>\$783,000</b>	<b>\$13,200,000</b>	<b>\$1,208,000</b>	<b>\$15,288,000</b>	<b>\$295,127,000</b>
General Fund Match	-64,000	0	-13,200,000	-1,208,000	-14,922,000	208,409,000
General Fund Other	86,000	783,000	26,400,000	2,416,000	30,210,000	86,718,000
<b>Reimbursement Total</b>	<b>-\$64,000</b>	<b>\$0</b>	<b>-\$13,200,000</b>	<b>-\$1,208,000</b>	<b>-\$14,922,000</b>	<b>\$219,800,000</b>
Medi-Cal Reimbursements	-64,000	0	-13,200,000	-1,208,000	-14,922,000	208,409,000
Other Reimbursements	0	0	0	0	0	11,391,000
<b>Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$285,000</b>
<b>Lottery Education Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$367,000</b>
<b>Total Funding</b>	<b>-\$42,000</b>	<b>\$783,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$366,000</b>	<b>\$515,579,000</b>

**EXECUTIVE SUMMARY**

**CURRENT YEAR 2014-15 TO BUDGET YEAR 2015-16 COMPARISON**

	<b>Governor's Budget CY 2014-15</b>	<b>2015 Proposed May Revision CY 2014-15</b>	<b>2014-15 Request</b>	<b>2015 Proposed May Revision BY 2015-16</b>	<b>Incremental Change from CY to BY in the 2015 May Revision</b>
<b>Program 20 Total</b>	<b>\$562,893,855</b>	<b>\$557,693,061</b>	<b>-\$5,200,794</b>	<b>\$515,579,000</b>	<b>-\$42,114,061</b>
Positions	4,681.1	4,616.0	-65.1	4,249.0	-367.0
Average In-Center Population (Lanterman Excluded)	1,116	1,117	1	1,035	-82
<b>Funding Sources</b>					
<b>General Fund Total</b>	<b>\$309,647,947</b>	<b>\$310,130,708</b>	<b>\$482,761</b>	<b>\$295,127,000</b>	<b>-\$15,003,708</b>
General Fund Match	237,174,908	231,526,694	-5,648,214	208,409,000	-23,117,694
General Fund Other	72,473,039	78,604,014	6,130,975	86,718,000	8,113,986
<b>Reimbursement Total</b>	<b>\$252,494,908</b>	<b>\$246,846,694</b>	<b>-\$5,648,214</b>	<b>\$219,800,000</b>	<b>-\$27,046,694</b>
Medi-Cal Reimbursements	237,174,908	231,526,694	-5,648,214	208,409,000	-23,117,694
Other Reimbursements	15,320,000	15,320,000	0	11,391,000	-3,929,000
<b>Federal Funds</b>	<b>\$384,000</b>	<b>\$348,659</b>	<b>-\$35,341</b>	<b>\$285,000</b>	<b>-\$63,659</b>
<b>Lottery Education Fund</b>	<b>\$367,000</b>	<b>\$367,000</b>	<b>\$0</b>	<b>\$367,000</b>	<b>\$0</b>
<b>Total Funding</b>	<b>\$562,893,855</b>	<b>\$557,693,061</b>	<b>-\$5,200,794</b>	<b>\$515,579,000</b>	<b>-\$42,114,061</b>

### Position Summary

CURRENT YEAR 2014-15					
TOTALS	LEVEL-OF-CARE			NON LOC	
	PROF	NURSING	TOTAL		
<b>2014-15 Authorized Positions</b>	<b>4,461.1</b>	<b>212.4</b>	<b>1,463.8</b>	<b>1,676.2</b>	<b>2,784.9</b>
<b>November Estimate</b>					
Staffing Adjustment	8.0	1.0	2.5	3.5	4.5
PDC 32 Bed DDX Expansion	92.3	8.5	34.5	43.0	49.3
FDC/PDC Program Improvement Plan	119.7	0.0	69.1	69.1	50.6
<b>November Estimate Totals</b>	<b>220.0</b>	<b>9.5</b>	<b>106.1</b>	<b>115.6</b>	<b>104.3</b>
<b>May Revision</b>					
PDC STP Expansion Update	-19.0	-2.0	-12.5	-14.5	-4.5
FDC/PDC Program Improvement Plan	-46.1	-27.0	0.0	-27.0	-19.1
<b>May Revision Totals</b>	<b>-65.1</b>	<b>-29.0</b>	<b>-12.5</b>	<b>-41.5</b>	<b>-23.6</b>
<b>Total Positions</b>	<b>4,616.0</b>	<b>192.9</b>	<b>1,557.4</b>	<b>1,750.3</b>	<b>2,865.6</b>
<b>Total Adjustments</b>	<b>154.9</b>	<b>-19.5</b>	<b>93.6</b>	<b>74.2</b>	<b>80.7</b>

BUDGET YEAR 2015-16					
TOTALS	LEVEL-OF-CARE			NON LOC	
	PROF	NURSING	TOTAL		
<b>2015-16 Authorized Positions</b>	<b>4,461.1</b>	<b>212.4</b>	<b>1,463.8</b>	<b>1,676.2</b>	<b>2,784.9</b>
<b>November Estimate</b>					
Staffing Adjustment (Excluding LDC)	-149.4	-14.0	-124.5	-138.5	-10.9
PDC 32 Bed DDX Expansion	184.5	17.0	69.0	86.0	98.5
FDC/PDC Program Improvement Plan	179.5	0.0	103.7	103.7	75.8
LDC Staffing Adjustment	-418.5	-9.5	-75.0	-84.5	-334.0
Lanterman Closure	13.0	0.0	0.0	0.0	13.0
<b>November Estimate Totals</b>	<b>-190.9</b>	<b>-6.5</b>	<b>-26.8</b>	<b>-33.3</b>	<b>-157.6</b>
<b>May Revision</b>					
Staffing Adjustment	-18.7	1.0	8.3	9.3	-28.0
PDC STP Expansion Update	-2.5	3.0	19.0	22.0	-24.5
<b>May Revision Totals</b>	<b>-21.2</b>	<b>4.0</b>	<b>27.3</b>	<b>31.3</b>	<b>-52.5</b>
<b>Total Positions</b>	<b>4,249.0</b>	<b>209.9</b>	<b>1,464.3</b>	<b>1,674.2</b>	<b>2,574.8</b>
<b>Total Adjustments</b>	<b>-212.1</b>	<b>-2.5</b>	<b>0.5</b>	<b>-2.0</b>	<b>-210.1</b>

## Population

	<u>Page</u>
Systemwide Population Charts:	
Current Year 2014-15.....	C-1
Budget Year 2015-16 .....	C-2
Current Year to Budget Year .....	C-3
Client Evaluation Report (CDER) Mix Percentages .....	C-4

**SYSTEMWIDE POPULATION**

<b>Current Year 2014-15</b>						
	<b>November Estimate</b>		<b>May Revision</b>		<b>Population Change</b>	
	<b>2014-15 Enacted Budget</b>	<b>2015 Proposed Governor's Budget for CY</b>	<b>May Revision CY 2014-15</b>	<b>Change from Governor's Budget to May Revision</b>	<b>Population Change CY 2014-15</b>	<b>Percentage Annual Change</b>
<b>Beginning Population, July 1, 2014</b>	1,165	1,187	1,203	16	38	3%
Admissions*	52	88	85	-3	33	64%
Placements	-124	-150	-173	-23	-49	40%
Deaths	-41	-41	-27	14	14	-34%
<b>Ending Population, June 30, 2015</b>	<b>1,052</b>	<b>1,084</b>	<b>1,088</b>	<b>4</b>	<b>36</b>	<b>3%</b>
<i>DC Average Population Detail:</i>						
Canyon Springs	58	58	58	0	0	0%
Fairview	283	282	282	0	-1	0%
Porterville	381	385	385	0	4	1%
Sonoma	405	406	407	1	2	1%
<b>Total Average Population</b>	<b>1,127</b>	<b>1,131</b>	<b>1,132</b>	<b>1</b>	<b>5</b>	<b>0%</b>
<b>Average Population</b>	<b>1,127</b>	<b>1,131</b>	<b>1,132</b>	<b>1</b>	<b>5</b>	<b>0%</b>
On Leave	-15	-15	-15	0	0	0%
<b>Total Average In-Center Population</b>	<b>1,112</b>	<b>1,116</b>	<b>1,117</b>	<b>1</b>	<b>5</b>	<b>0%</b>
<i>DC Average In-Center Population Detail:</i>						
Canyon Springs	58	58	58	0	0	0%
Fairview	278	277	277	0	-1	0%
Porterville	376	380	380	0	4	1%
Sonoma	400	401	402	1	2	1%
<b>Total Average In-Center Population</b>	<b>1,112</b>	<b>1,116</b>	<b>1,117</b>	<b>1</b>	<b>5</b>	<b>0%</b>

\*Admissions include transfers to Canyon Springs, and the 20 Bed DDX Expansion at Porterville DC

**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.



<b>Budget Year 2015-16</b>						
	<b>November Estimate</b>		<b>May Revision</b>		<b>Population Change</b>	
	<b>2014-15 Enacted Budget</b>	<b>2015 Proposed Governor's Budget for BY</b>	<b>May Revision BY 2015-16</b>	<b>Change from Governor's Budget to May Revision</b>	<b>Population Change BY 2015-16</b>	<b>Percentage Annual Change</b>
<b>Beginning Population, July 1, 2015</b>	1,165	1,084	1,088	4	-77	-7%
Admissions**	52	49	104	55	52	100%
Placements	-124	-144	-168	-24	-44	36%
Deaths	-41	-38	-28	10	13	-32%
<b>Ending Population, June 30, 2016</b>	<b>1,052</b>	<b>951</b>	<b>996</b>	<b>45</b>	<b>-56</b>	<b>-5%</b>
<i>DC Average Population Detail:</i>						
Canyon Springs	58	58	57	-1	-1	-2%
Fairview	283	238	252	14	-31	-11%
Porterville	381	372	372	0	-9	-2%
Sonoma	405	357	369	12	-36	-9%
<b>Total Average Population</b>	<b>1,127</b>	<b>1,025</b>	<b>1,050</b>	<b>25</b>	<b>-77</b>	<b>-7%</b>
<b>Average Population</b>	<b>1,127</b>	<b>1,025</b>	<b>1,050</b>	<b>25</b>	<b>-77</b>	<b>-7%</b>
On Leave	-15	-15	-15	0	0	0%
<b>Total Average In-Center Population</b>	<b>1,112</b>	<b>1,010</b>	<b>1,035</b>	<b>25</b>	<b>-77</b>	<b>-7%</b>
<i>DC Average In-Center Population Detail:</i>						
Canyon Springs	58	58	57	-1	-1	-2%
Fairview	278	233	247	14	-31	-11%
Porterville	376	367	367	0	-9	-2%
Sonoma	400	352	364	12	-36	-9%
<b>Total Average In-Center Population</b>	<b>1,112</b>	<b>1,010</b>	<b>1,035</b>	<b>25</b>	<b>-77</b>	<b>-7%</b>

\*\*Admissions include transfers to Canyon Springs, and the 41 Bed DDX Expansion at Porterville DC

**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**

<b>Current Year 2014-15 to Budget Year 2015-16</b>				
	<b>May Revision CY 2014-15</b>	<b>May Revision BY 2015-16</b>	<b>Change from CY to BY</b>	<b>Percentage Change</b>
<b>Beginning Population, July 1</b>	1,203	1,088	-115	-10%
Admissions	85	104	19	22%
Placements	-173	-168	5	-3%
Deaths	-27	-28	-1	4%
<b>Ending Population, June 30th</b>	<b>1,088</b>	<b>996</b>	<b>-92</b>	<b>-9%</b>
<b>Average Population</b>	<b>1,132</b>	<b>1,050</b>	<b>-82</b>	<b>-7%</b>
On Leave	-15	-15	0	0%
<b>Total Average In-Center Population</b>	<b>1,117</b>	<b>1,035</b>	<b>-82</b>	<b>-7%</b>
<i>DC Average In-Center Population Detail:</i>				
Canyon Springs	58	57	-1	-2%
Fairview	277	247	-30	-11%
Porterville	380	367	-13	-3%
Sonoma	402	364	-38	-10%
<b>Total Average In-Center Population</b>	<b>1,117</b>	<b>1,035</b>	<b>-82</b>	<b>-7%</b>

**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
2015 May Revision (CY 2014-15)	45.9%	8.7%	10.5%	2.5%	7.8%	21.2%	2.1%	0.4%	1.0%
2015 May Revision (BY 2015-16)	44.9%	7.4%	10.2%	1.9%	11.4%	22.6%	0.8%	0.0%	0.9%

*Program Type:*

CMC: Continuing Medical Care  
 PD: Physical Development  
 AUT: Autism  
 SENS: Sensory Development  
 DDX: Dual Diagnosed

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

## Statements of Change

### Index

	<u>Page</u>
Program Updates:	
Staffing Population Adjustments Detail:	
Budget Year.....	D-1.1 to D-1.3
Lanterman Adjustments Detail:	
Lanterman DC Post Closure: Community State Staff .....	D-2.1
Revised Major Assumption – Porterville DC Secure Treatment Program Expansion Update.....	D-3.1 to D- 3.3
Revised Major Assumption – Sonoma DC Backfill.....	D-4.1
Revised Major Assumption – Program Improvement Plan May Revision from the 2015 Governor’s Budget .....	D-5.1 to D- 5.3
Future Fiscal Issues .....	D-6.1

**Program Update**  
**Staffing Population Adjustments**  
**Level-of-Care Staffing**  
**BUDGET YEAR 2015-16**

	Governor's Budget 1,010	May Revision 1,035	Net Change 25	Fiscal Impact		
					003	004
<b>PROFESSIONAL:</b>						
Medical	23.0	23.0	0.0	\$0	\$0	\$0
Psychology	44.0	45.0	1.0	90,753	90,753	0
Social Work	37.0	36.0	-1.0	-51,020	-51,020	0
Rehab Therapy	40.0	41.0	1.0	59,985	59,985	0
Phys./Occ. Therapy	0.0	0.0	0.0	0	0	0
Education	60.0	60.0	0.0	0	0	0
Speech	0.0	0.0	0.0	0	0	0
<b>Subtotal, Professional</b>	<b>204.0</b>	<b>205.0</b>	<b>1.0</b>	<b>\$99,718</b>	<b>\$99,718</b>	<b>\$0</b>
<b>NURSING:</b>						
	1,335.7	1,344.0	8.3	385,930	385,930	0
<b>Subtotal : LOC Permanent</b>	<b>1,539.7</b>	<b>1,549.0</b>	<b>9.3</b>	<b>\$485,648</b>	<b>\$485,648</b>	<b>\$0</b>
<b>TEMPORARY HELP</b>						
Physical Therapy (PT)/Occupational Therapy (OT)				\$186,410	\$186,410	\$0
Speech Therapy (ST)				58,128	0	58,128
<b>Subtotal, Temporary Help</b>				<b>\$244,538</b>	<b>\$186,410</b>	<b>\$58,128</b>
<b>Subtotal, Salaries and Wages</b>				<b>\$730,186</b>	<b>\$672,058</b>	<b>\$58,128</b>
<b>STAFF BENEFITS</b>						
OASDI/Medicare				\$36,453	\$33,057	\$3,396
Health				130,686	120,077	10,609
Retirement				141,755	129,659	12,096
<b>Subtotal, Staff Benefits</b>				<b>\$308,894</b>	<b>\$282,793</b>	<b>\$26,101</b>
<b>TOTAL, PERSONAL SERVICES</b>				<b>\$1,039,080</b>	<b>\$954,851</b>	<b>\$84,229</b>
<b>OPERATING EXPENSE &amp; EQUIPMENT</b>						
OT/PT Contract Services				-\$204,690	-\$204,690	\$0
ST Contract Services				-45,490	0	-45,490
Foodstuffs	\$1,829			18,290	18,290	0
Drugs, Lab & Supply	\$1,371			13,710	13,710	0
Clothing	\$586			5,860	5,860	0
<b>TOTAL, OPERATING EXPENSE &amp; EQUIPMENT</b>				<b>-\$212,320</b>	<b>-\$166,830</b>	<b>-\$45,490</b>
<b>Subtotal Request</b>				<b>\$826,760</b>	<b>\$788,021</b>	<b>\$38,739</b>
<b>TOTAL REQUEST</b>			<b>9.3</b>	<b>\$826,760</b>	<b>\$788,021</b>	<b>\$38,739</b>
<b>ROUNDING</b>				<b>\$827,000</b>	<b>\$788,000</b>	<b>\$39,000</b>
<b>TOTAL FUNDING</b>				<b>\$827,000</b>	<b>\$787,668</b>	<b>\$39,332</b>
<b>General Fund</b>				<b>\$625,000</b>	<b>\$586,668</b>	<b>\$38,332</b>
General Fund Match				202,000	201,000	1,000
General Fund Other				423,000	385,668	37,332
<b>Reimbursements</b>				<b>\$202,000</b>	<b>\$201,000</b>	<b>\$1,000</b>
Medi-Cal Reimbursements				202,000	201,000	1,000

**Program Update**  
**Staffing Population Adjustments**  
**Non-Level of Care Staffing**

**BUDGET YEAR 2015-16**

	<b>Net Position Change from Governor's Budget</b>	<b>Net Change in Costs from Governor's Budget</b>
<b>ADMINISTRATION</b>		
HEALTH RECD TECH II/I-OT	1.0	36,971
PERS SERVICES SUPV II	1.0	53,251
<i>TOTAL ADMINISTRATION</i>	<u>2.0</u>	<u>\$90,222</u>
<b>CLINICAL SERVICES</b>		
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	4.0	260,156
OT/OA	2.0	62,974
SPT SERV ASST-INTRPRET/HOSPITAL WORKER	-1.0	-49,356
PSYCHIATRIC TECH (Escorts)	2.0	80,254
PSYCH. TECH. (Active Treatment)	-4.0	-160,508
PHARMACIST I/PHARM ASST	1.0	71,627
IPC	2.0	96,816
MIN DATA SET COORD. (RN)	1.0	61,572
NURSE PRACTITIONER	1.0	82,767
<i>TOTAL CLINICAL SERVICES</i>	<u>6.0</u>	<u>\$440,645</u>
<b>SUPPORT SERVICES</b>		
FSW I/II-PRODUCTION	-1.0	-28,312
FSW I/II-PRESENTATION	-5.0	-141,560
SUPERVISING HOUSEKEEPER I	-1.0	-29,820
CUSTODIAN	-7.0	-194,299
<i>TOTAL SUPPORT SERVICES</i>	<u>-14.0</u>	<u>-\$393,991</u>
<b>PLANT OPERATIONS</b>		
PLUMBER III/APPR	-2.0	-86,722
PAINTER II/APPR	-7.0	-295,008
CARPENTER II/APPR	-5.0	-210,720
BLDG MAINT WORKER	-3.0	-126,453
CHIEF ENGR I/STAT ENG/APPR	-2.0	-114,188
ELECTRICIAN III/APPR	-3.0	-130,083
<i>TOTAL PLANT OPERATIONS</i>	<u>-22.0</u>	<u>-\$963,174</u>
		<b>-\$826,298</b>

**Program Update**  
**Staffing Population Adjustments**  
**Non-Level of Care Staffing**

**BUDGET YEAR 2015-16**

<b>Net Position Change from Governor's Budget</b>	<b>Net Change in Costs from Governor's Budget</b>
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**BENEFITS**

	-\$77,618
	-133,498
	-164,301
	<u>-375,417</u>
<b>-28.0</b>	<b>-\$1,201,715</b>
	<u><b>-\$1,202,000</b></u>
	 <b>-\$550,000</b>
	-652,000
	102,000
	<b>-\$652,000</b>

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	2,507.0
	<u>2,479.0</u>
	-28.0

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**Program Update  
Lanterman Developmental Center  
Post Closure: Community State Staff  
Budget Year 2015-16**

**STATE STAFF IN THE COMMUNITY**

In the November Estimate (page D-2.5 for reference), DDS previously requested authority for the following positions to administer the CSS program which maintains future services for consumers. The May Revision seeks to address a formula error and to clarify a change in funding methodology. The Personnel Specialist I salary and benefits were incorrectly calculated; furthermore, the CSS positions are administrative and do not meet the Centers for Medicaid and Medicare guidelines for Federal Fund Participation, as a result the funding request has been revised to reflect 100% General Fund.

<b>CSS ADMINISTRATION</b>	ANNUAL SALARY	Governor's Budget	May Revision	Net Change
8268 PROGRAM DIRECTOR 1.0	93,780	93,780	93,780	-
1303 PERSONNEL SPECIALIST I 1.0	66,096	93,780	66,096	(27,684)
<b>Sub-Total, Administration for State Staff</b>		<b>\$ 187,560</b>	<b>\$ 159,876</b>	<b>\$ (27,684)</b>
<b>Staff Benefits</b>				
OASDI/Medicare	7.65%	\$14,348	\$12,231	-\$2,117
Health	19.07%	35,768	30,488	-5,280
Retirement	24.28%	45,540	38,818	-6,722
<b>Total Benefits</b>		<b>\$95,656</b>	<b>\$81,537</b>	<b>-\$14,119</b>
<b>TOTAL, ADMINISTRATION FOR STATE STAFF</b>		<b>\$283,216</b>	<b>\$241,413</b>	<b>-\$41,803</b>
<b>TOTAL , STATE STAFF IN THE COMMUNITY</b>		<b>\$283,216</b>	<b>\$241,413</b>	<b>-\$41,803</b>
Rounding:		\$283,000	\$241,000	-\$42,000
General Fund 003:		\$219,000	\$241,000	\$22,000
Medi-Cal Reimbursements 003:		\$64,000	\$0	-\$64,000



## **REVISED MAJOR ASSUMPTION**

### **Porterville Incompetent to Stand Trial Expansion**

#### **DESCRIPTION:**

The Department is requesting -\$2.0 Million GF and -19.0 positions in Current Year 2014-15 to reflect a reduction of estimated admissions to Porterville Developmental Center's (DC) Secure Treatment Program (STP), and \$0.8 Million GF and -2.5 positions in BY 2015-16, to increase projected capacity to 41 beds, including staffing category adjustments in BY. This expansion is needed to accommodate the increasing number of Developmentally Disabled individuals found Incompetent to Stand Trial (IST) and will require trailer bill language to permit increased admissions.

Porterville DC's STP currently has a cap of 170 residents who have been judicially committed because of their behavior in the community and involvement with the criminal justice system. Many of these individuals are court ordered to the STP to receive training to determine if they can gain the competency needed to stand trial for their alleged crimes. Although some of these individuals are Medi-Cal eligible, DDS does not receive federal matching funds from Centers for Medicaid and Medicare (CMS) for the STP due to lack of federal certification for this population. As a result, the sole source of funding is the GF. The Porterville DC STP was originally certified at the time it was opened; however, it was subsequently decertified due to the "restricted access" of setting with fences, security posts and sallyport.

As of May 2015, there are approximately 50 (this number changes frequently) individuals who have been issued court orders to receive competency training, and due to the statutorily limited bed availability, these individuals continue to be in jail or juvenile hall, pending availability of services at Porterville DC's STP. Due to the statutory limitation on the number of beds available at Porterville DC, Superior Courts have begun issuing "orders to show cause" to the Department requiring legal counsel to appear in court to justify the lengthy wait for admission of these individuals, some of whom have been waiting up to a year.

To address this situation, DDS has begun evaluating the need to increase community-based programs that offer competency services that meet the needs of the court for secure settings, increase the number of beds within the STP, or both. Until recently, only two residences existing in the older section of the STP could be activated for use, however a newer residence that has been used for adolescents has been vacated.

Given the infrastructure constraints of the older buildings—along with the changes in the nature and level of violence of the population over the last few years—simply providing for an allowance of a higher population cap in the STP alone could pose a significant safety risk without additional adjustments. To address this concern, the

2015-16 Governors' Budget recommended an option that proposes to open and activate the two suspended use residences in the older area and increase capacity by 32 beds. That proposal would allow for the two reactivated residences to admit 16 individuals each and internally transfer 4 individuals each, to achieve a population of 20 on each of those residences. This would have revised the cap to 202, reducing some overcrowding on the three older residences (but still leave an overage of seven individuals), and reducing the referral list.

The May Revision of this proposal would allow for both increased safety and additional capacity by utilizing the currently empty adolescent unit in the newer area for adult beds. By eliminating adolescent beds, 16 of the more vulnerable individuals in the older area could be transferred to fill the remaining residence in the new area. In addition to providing greater protection to some of the more vulnerable individuals in the secure treatment area STP, this would eliminate the overage on the three older residences and provide space for an additional nine admissions. This revised proposal would allow for all 96 beds in the newer area to be used for adults, provide for five 20-bed units in the older area, maintain one older unit as a 15-bed Intensive Behavioral Treatment Residence (IBTR), and revise the total cap for the secure treatment area to 211. This would change the secure treatment program STP area expansion from 32 beds to 41 beds—utilizing all the current available residential space. Any additional increase in the STP area at this point could propagate additional issues such as the need to establish an additional IBTR unit.

## New Major Assumption

### Porterville Incompetent to Stand Trial Expansion Population Adjustment

Staffing Level of Care	CY 2014-15		BY 2015-16	
	Positions	Salaries	Positions	Salaries
Psychology	-1.0	-275,100	1.0	275,100
Rehab Therapy	-1.0	-66,390	1.0	66,390
Education	0.0	0	1.0	53,922
Nursing	-12.5	-791,625	19.0	1,203,270
<b>Subtotal, Level of Care</b>	<b>-14.5</b>	<b>-1,133,115</b>	<b>22.0</b>	<b>1,598,682</b>
<b>Non Level of Care</b>				
Health Recd Tech II/OT	-1.1	-40,501	-2.4	-88,366
Prog Tech/OT/OA/Acct Clerk	-1.0	-31,170	-3.0	-93,510
Peace Officer I/Security Guard	0.0	0	5.0	206,790
Residence Managers (RNIII/Unit Sup)	0.0	0	-2.8	-271,496
Shift Sup (RNII/SPT)	0.0	0	-2.5	-174,744
Program Assistant	0.0	0	-1.0	-67,857
Psych Tech (Escorts)	0.0	0	1.6	96,653
Psych Tech (Active Treatment)	0.0	0	1.6	94,762
Pharmacist I/Pharm Asst	-1.2	-87,239	-0.4	-29,080
Community Prog Spec II	0.0	0	-1.0	-59,376
Stds Compliance Coordinator	0.0	0	-1.0	-68,373
IPC	-1.2	-58,090	-0.8	-38,726
AGPA/SSA	0.0	0	-1.0	-59,376
Nurse Practitioner	0.0	0	-1.0	-90,374
Fac Env Audit Tech	0.0	0	-2.4	-81,094
Food Servie Super I	0.0	0	-0.4	-13,336
Food Service Worker I/II-Production	0.0	0	-0.4	-11,550
Food Service Worker I/II-Presentation	0.0	0	-5.4	-155,368
Supervising Housekeeper I	0.0	0	-0.4	-12,166
Custodian	0.0	0	-0.7	-20,041
Automotive Equipment Operator I	0.0	0	-6.1	-247,752
<b>Subtotal, Non Level of Care</b>	<b>-4.5</b>	<b>-217,000</b>	<b>-24.5</b>	<b>-1,184,380</b>
<b>Total, Salaries</b>	<b>-19.0</b>	<b>-1,350,115</b>	<b>-2.5</b>	<b>414,302</b>
<b>Benefits</b>				
OASDI/Medicare	7.65%	-103,283		31,694
Health	20.19%	-218,314		52,220
Retirement	24.28%	-325,695		97,532
<b>Total, Benefits</b>	<b>52.12%</b>	<b>-647,292</b>		<b>181,446</b>
<b>Total, Personal Services</b>	<b>-19.0</b>	<b>-\$1,997,407</b>	<b>-2.5</b>	<b>\$595,748</b>
<b>Operating Expense and Equipment (OE&amp;E)</b>				
Consultant and Professional Services		0		153,561
Clothing & Personal Supplies		0		5,274
Foodstuff		0		16,461
Drugs, Lab & Central Supply		0		12,339
<b>Total, OE&amp;E</b>		<b>\$0</b>		<b>\$187,635</b>
<b>Total Request</b>	<b>-19.0</b>	<b>-\$1,997,407</b>	<b>-2.5</b>	<b>\$783,383</b>
<b>Total Request, Rounded</b>	<b>-19.0</b>	<b>-\$1,997,000</b>	<b>-2.5</b>	<b>\$783,000</b>
Funding				
General Fund		-1,997,000		783,000
Reimbursement		0		0

## **Revised Major Assumption**

### **Sonoma Developmental Center Medi-Cal Reimbursement Backfill**

The November Estimate anticipated seven Intermediate Care Facilities (ICFs) units would be recertified by February 2015, and the four withdrawn ICF Units shortly after that. The state is in the process of negotiating a settlement with the federal government to continue federal funding for the seven ICF Units. However, it is not anticipated that the settlement will include funding for the four withdrawn ICF Units. DDS estimates that additional General Fund backfill is needed to replace \$1.1 million of FFP per month, for the remaining 4 months (March-June) of the current year.

	<b>4 Month Backfill for Current Year 2014-15</b>	<b>12 Month Backfill for Budget Year 2015-16</b>
<b>Total Request</b>	<b>\$0</b>	<b>\$0</b>
<b>Funding</b>		
<b>General Fund</b>	<b>\$4,400,000</b>	<b>\$13,200,000</b>
<b>Medi-Cal Reimbursements</b>	<b>-\$4,400,000</b>	<b>-\$13,200,000</b>

## Revised Major Assumption

### Program Improvement Plan May Revision from the 2015 Governor's Budget

DDS is reducing the Current Year funding request, as recruitment and retention efforts have demonstrated a continuing pattern of difficulty in hiring key positions at both Fairview and Porterville DCs. The resulting delays in hiring of staff has reduced the amount of funding needed in the Current Year. Additionally, the November Estimate contained a formula error in the Budget Year calculation for Porterville Development Center, therefore the May Revise seeks to correct the funding request for the Porterville DC Program Improvement Plan and bring the funding ratios into proper alignment.

	Governor's Budget	May Revision	Net Change from Governor's Budget to May Revision
<b>Current Year 2014-15</b>			
<b>Positions</b> <i>(For both Fairview and Porterville DCs)</i>	119.7	73.6	-46.1
<b>Total Request</b>	\$11,875,656	\$8,775,214	-\$3,100,442
<b>Funding</b>			
<b>General Fund</b>	\$7,532,570	\$5,680,343	-\$1,852,227
<b>Medi-Cal Reimbursements</b>	\$4,343,086	\$3,094,871	-\$1,248,215
<b>Budget Year 2015-16</b>			
<b>Total Request</b> <i>(Porterville DC only)</i>	\$5,678,000	\$5,678,000	\$0
<b>Funding</b>			
<b>General Fund</b>	\$3,027,000	\$4,235,000	\$1,208,000
<b>Medi-Cal Reimbursements</b>	\$2,651,000	\$1,443,000	-\$1,208,000

**Program Improvement Plan May Revision from the 2015 Governor's Budget  
Fairview Certification**

**FDC PIP**

		<b>CY 2014-15</b>	
		<b>Pos.*</b>	<b>COST</b>
<b>Personal Services</b>			
Level of Care - Nursing			
VAR	LOC-Nursing	-19.4	-\$906,339
Program Residence Administration			
	8230 Unit Supervisor	-0.3	-20,836
	8231 Sr Psych Tech	-1.2	-66,093
	1139 OT/OA (Unit Clerks)	-3.0	-94,461
Central Program Services/Off Residence Training			
	8312 Rehab Therapist	-1.3	-54,579
	8231 Sr Psych Tech	-0.7	-31,196
	7587 Vocational Instructor	-2.0	-104,858
	8232 PT (Act Treat)	-1.8	-72,229
Support Services			
	2198 Food Svc Tech	-1.7	-49,074
	2011 Custodian	-0.9	-24,056
<b>FDC Total Slaries and Wages</b>		<b>-32.3</b>	<b>-1,423,719</b>
Benefits			
	OASDI/Medicare	7.65%	-\$108,914
	Health	20.00%	-284,744
	Retirement	24.28%	-345,679
<b>FDC Total Benefits</b>			<b>-\$739,337</b>
<b>FDC Total Personal Services</b>		<b>-32.3</b>	<b>-\$2,163,056</b>
<b>FDC TOTAL</b>		<b>-32.3</b>	<b>-\$2,163,056</b>
<b>Rounding</b>			<b>-\$2,163,056</b>
<b>General Fund</b>			<b>-\$1,153,125</b>
<b>Medi-Cal Reimbursements</b>			<b>-\$1,009,931</b>

\*Positions are Full Time Equivalents and are not partial positions for the full year in CY 2014-15

**Program Improvement Plan May Revision from the 2015 Governor's Budget  
Porterville Certification**

**PDC PIP**

		<b>CY 2014-15</b>	
		<b>Pos.*</b>	<b>COST</b>
<b>Personal Services</b>			
Level of Care - Nursing			
VAR	LOC-Nursing	-7.6	-\$354,282
Program Residence Administration			
	1139 OT/OA (Unit Clerks)	-1.2	-36,735
Central Program Services/Off Residence Training			
	8230 Unit Supervisor	-0.2	-10,418
	8231 Sr Psych Tech	-0.2	-9,180
	8154 Nurse/PT Instructor	-0.2	-11,698
	9890 IPC	-0.5	-24,204
	8232 PT (Act Treat)	-2.2	-86,942
Medical and Allied Services			
VAR	RN/LVN/PT	-0.7	-32,043
Support Services			
	2198 Food Svc Tech	-1.2	-33,031
<b>PDC Total Slaries and Wages</b>		<b>-13.8</b>	<b>-\$598,531</b>
Benefits			
	OASDI/Medicare	7.65%	-\$45,788
	Health	20.19%	-120,843
	Retirement	24.28%	-145,323
<b>PDC Total Benefits</b>			<b>-\$311,955</b>
<b>PDC Total Personal Services</b>		<b>-13.8</b>	<b>-\$910,486</b>
<b>OE&amp;E</b>			
C&PS External: Clinical Dietitian and Psychologist		-0.3	-26,900
<b>PDC Total OE&amp;E</b>			<b>-26,900</b>
<b>PDC TOTAL</b>		<b>-13.8</b>	<b>-\$937,386</b>
<b>Rounding</b>			<b>-\$937,386</b>
<b>General Fund</b>			<b>-\$699,102</b>
<b>Medi-Cal Reimbursements</b>			<b>-\$238,284</b>

\*Positions are Full Time Equivalentents and are not partial positions for the full year in CY 14-15

## **FUTURE FISCAL ISSUES**

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

Over a period of more than eight years, the USDOJ has conducted investigations of Sonoma DC and has issued findings pursuant to CRIPA. USDOJ may pursue resolution of these findings in the future, potentially resulting in General Fund costs.

### **USDOJ Civil Investigative Demand (CID)**

DDS received notification from the USDOJ in March 2014 of a CID to determine whether a violation had occurred at the Sonoma DC relative to the Medicare and Medicaid programs. DDS is reviewing the CID, and has contracted with outside counsel to determine an appropriate response.



## Fund Sources

### Index

	<u>Page</u>
General Fund .....	E-1
Title XIX Medi-Cal/Other Reimbursements .....	E-2
Federal Funds .....	E-3
Lottery Education Fund .....	E-4

## 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 2014-15

BY 2015-16

#### 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:

<b>• General Fund Match:</b>			<b>\$231,526,694</b>	<b>\$208,409,000</b>
General Fund Match to FMAP	<u>CY 2014-15</u>	<u>BY 2015-16</u>		
Non-Proposition 98	50.00%	50.00%	225,915,120	202,983,668
Proposition 98	50.00%	50.00%	5,360,574	5,174,332
HIPAA	50.00%	50.00%	251,000	251,000

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.

<b>• General Fund Other</b>			<b>\$78,604,014</b>	<b>\$86,718,000</b>
This funding is for services provided to the DC/CF residents who are not eligible for federal or other reimbursement funding. Funding also includes \$9,888,000 (CY) and \$10,191,000 (BY) for Lease-Revenue Bonds.			78,604,014	86,718,000

- Lottery Education Fund**  
See Lottery Education Fund's page for detail.

<b>TOTAL GENERAL FUND</b>			<b>\$310,130,708</b>	<b>\$295,127,000</b>
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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 2014-15

BY 2015-16

**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:

<b>• Title XIX/Medi-Cal</b>	<b>\$231,526,694</b>	<b>\$208,409,000</b>
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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.

	<u>CY 2014-15</u>	<u>BY 2015-16</u>		
FMAP				
Non-Proposition 98	50.00%	50.00%	230,157,957	207,279,000
Proposition 98	50.00%	50.00%	1,205,737	967,000
HIPAA	50.00%	50.00%	163,000	163,000

<b>• Reimbursements - Other</b>	<b>\$15,320,000</b>	<b>\$11,391,000</b>
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This funding is for services provided to the DC/CF residents who are not eligible for federal reimbursement funding. These costs consist of miscellaneous reimbursements for such services as the Rental Income Contracts, and State Employees in the Community Program.	15,320,000	11,391,000
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<b>TOTAL REIMBURSEMENTS</b>	<b>\$246,846,694</b>	<b>\$219,800,000</b>
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## 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 2014-15

BY 2015-16

• **Foster Grandparent Program Grant**

\$348,659

\$285,000

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

### TOTAL FEDERAL FUNDS

**\$348,659**

**\$285,000**

## 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 2014-15

BY 2015-16

#### Lottery Education Fund:

\$367,000

\$367,000

- 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 the state-operated community facility (DC/CF). Funds received are based on the DC/CF resident average daily attendance.

#### TOTAL LOTTERY EDUCATION FUND

\$367,000

\$367,000

# THE FUTURE OF STATE DEVELOPMENTAL CENTERS 2015 MAY REVISION

## Overview

Since the passage of the Lanterman Developmental Disabilities Services Act (Lanterman Act) in 1969, the role of the State-operated Developmental Centers (DC) has been changing. No longer are DCs the only alternative available to families of children with intellectual and developmental disabilities who are unable to be cared for at home. A system of community alternatives has developed and now serves approximately 290,000 consumers. Today, providing services in the least restrictive environment appropriate for the person is strongly supported by state and federal laws, and court decisions. Additionally, the trailer bill to the Budget Act of 2012 (Assembly Bill [AB] 1472, Chapter 25, Statutes of 2012) imposed a moratorium on admissions to DCs except for individuals involved in the criminal justice system and consumers in an acute crisis needing short-term stabilization. The DC resident population has dropped from a high of 13,400 in 1968, to a projected total of 1,035 in 2015-16.

Given these changes in the system, efforts have been underway to reconsider how services should be provided to the populations currently served in the DCs, and what role the State should have in providing those services. In 2013, the Secretary of the California Health and Human Services Agency established the “Task Force on the Future of the Developmental Centers” (DC Task Force) to develop a master plan for the future of DCs that addresses the service needs of all DC residents and ensures the delivery of cost-effective, integrated, quality services for this population.

In the “*Plan for the Future of Developmental Centers in California*,” issued January 13, 2014, the DC Task Force recommended that the future role of the State should be to operate a limited number of smaller, safety-net crisis and residential services. Additionally, it was recommended that the State should continue serving individuals judicially committed to the State for competency training (the Porterville DC—Secure Treatment Program [STP]) and providing transition services (the Canyon Springs Community Facility). The DC Task Force also recommended developing new and additional service components, including development of enhanced behavioral supports homes (EBSHs) and exploring utilization of DC assets to provide health resource centers and community housing through public/private partnerships.

The process of transforming the DCs and developing specialized community resources, while supporting the transition of each DC resident into integrated community settings, will take time. As the population in the DCs has declined, the average acuity level has increased considerably. Each person has his or her own unique set of significant and complex needs, often requiring specialized medical and/or behavioral services. The Lanterman Act ensures those needs are properly addressed using a person-centered approach, and personal quality of life is supported. Key components of effective planning for an individual’s future and successful transition to another service model, as recognized by the Task Force, include:

## **THE FUTURE OF STATE DEVELOPMENTAL CENTERS 2015 MAY REVISION**

- A comprehensive person-centered Individual Program Plan (IPP), developed through a robust Interdisciplinary Team process;
- The development of quality services and supports delivered in the least restrictive environment possible, taking into consideration the comprehensive assessment and consistent with the IPP;
- Priority for the health and safety of each person;
- Access to health and mental health services, including coordination of health care, access to health records, and medication management; and
- Recognizing that, for the residents of the DCs, the DC is their home and community, where their relationships are, and where they have lived for many years. Changes in their living arrangements must be done very carefully, with thorough planning and by investing the necessary time.

While the focus of the DC Task Force was on the future of the DCs and how to best serve the DC residents going forward, continued implementation of the various recommendations will provide long term improvements in community services that will benefit the service system generally.

### **Developmental Center Closure Timeframes**

Since the *Plan for the Future of Developmental Centers* was released, portions of the Sonoma Developmental Center (SDC) were found to be in violation of federal requirements and the state was notified that the federal funds for those units would cease. At this time, the state is in the process of negotiating a settlement with the federal government to continue federal funding for SDC for a limited amount of time.

Consistent with the recommendations of the *Plan for the Future of Developmental Centers in California* and the call for the transformation of DC services, the May Revision proposes to initiate the closure planning process for the remaining developmental centers. This closure planning process includes the initiation of stakeholder meetings and a public comment period. The Department will submit a closure plan to the Legislature on October 1, 2015 with the goal of closing SDC by the end of 2018.

The May Revision also proposes the future closures of Fairview Developmental Center (FDC) and the non-secure treatment portion of Porterville Developmental Center (PDC), with the last closure ending in 2021.

### **Proposed Costs and Trailer Bill Language (TBL) for 2015-16**

The closure of each developmental center will require additional community resources to develop placement options and services for the developmental center residents who will transition into the community.

## **THE FUTURE OF STATE DEVELOPMENTAL CENTERS 2015 MAY REVISION**

Each fiscal year the Department budgets Community Placement Plan (CPP) funds for developing resources in the community as an alternative to institutional care, including the development of new and innovative service models. The primary purpose for the

funding is to reduce reliance on DCs, certain mental health facilities that are ineligible for federal funding, and out-of-state placements (AB 1472, Chapter 25, Statutes of 2012). The CPP is used to fund the development and start-up of residential resources, day programs and other ancillary services and supports, as well as costs to transition (or deflect) an individual from institutional care into the community. The funds also support the comprehensive assessments of DC residents from which regional centers estimate service needs.

Annually, based on the particular needs of their consumers compared to the services that already exist in their catchment areas, regional centers propose the development of new projects and resources using CPP funds. Two or more regional centers may also partner and propose regional projects for statewide use, usually addressing specialized services for individuals facing particularly complex challenges. After thoroughly considering each proposal, the unique circumstances of the regional center, and statewide priorities, the Department allocates the funds to regional centers for approved projects.

The Task Force recognized the CPP funds as the primary funding source needed to meet the future needs of DC residents, and that greater community capacity and specialized resources are needed. The Task Force specifically recommended the development of more Adult Residential Facilities for Persons with Special Health Care Needs (ARFPSHN, also referred to as Senate Bill [SB] 962 or SB 853 homes) in the community to serve individuals with enduring medical needs, estimating that approximately 315 DC residents would require this level of care in the future. The Task Force also recommended development of new EBSHs and new short term community crisis homes, as well as other supports, through the CPP process to meet the needs of individuals with challenging behaviors in the community.

### **A. Additional CPP for Start-Up and Placement**

1. Additional CPP funds are requested in the 2015-16 May Revision. The Department requests \$49.3 million (\$46.9 million General Fund) for 2015-16 to begin development of community resources to support the transition of residents from SDC to the community in anticipation of the SDC Closure plan. These resources would fund the initial development of homes to support consumers, provide additional training, and develop additional programs such as: supported living services, crisis services, and transportation support and services. This funding will also be used for placement expenditures and state and regional center coordination of the closure, including regional center operations. Specifically, DDS proposes \$46.7 million for start-up and placement, \$1.3 million for regional center coordination and \$1.3 million for state coordination.



**THE FUTURE OF STATE DEVELOPMENTAL CENTERS  
2015 MAY REVISION**

2. Within the regional center operations budget, the Department plans to work with the Northern California regional centers that have individuals residing at SDC, to determine utilization of regional center positions to assist with the development of community resources that will meet the unique and specialized needs of their consumers. To assist in the immediate development of the community resources, it is anticipated that the following types of regional center positions (estimated at 18 positions for 2015-16), as well as related indirect costs, will be funded in 2015-16:

- resource manager
- resource developers
- behavior specialists
- housing specialists
- nursing specialists
- health plan liaison
- dental coordinator
- quality/risk management specialist

It is anticipated that an average of nine months of annualized salary and related indirect (or administrative) costs would be projected for 2015-16 in CPP Operations at the cost of \$1.3 million.

**B. Staffing Support**

1. As proposed in the Governor's budget, reauthorization of the 5.0 HQ positions for Lanterman DC closure for statewide DC closure support activities.
2. A May Revision Budget Change Proposal to establish 7.0 positions in the Community Services Program at DDS to support increasing housing capacity for the SDC closure and funds to reimburse the Department of Social Services DSS) for 1.0 licensing position.

**C. Trailer Bill Language (TBL)**

1. The Department is proposing TBL to allow the Department to move forward with allocating funds and starting the development of community resources for SDC in advance of the more detailed, statutorily required Closure Plan that will follow the SDC closure announcement.
2. In keeping with the recommendations of the Plan for the Future of Developmental Centers, additional CPP funding has been prioritized for development of the EBSHs and the community crisis homes to meet the needs of individuals with challenging behaviors. The Department is requesting to remove the limit established in statute regarding the authorized number of EBSHs to be developed per CPP cycle for the purpose of DC closure. Currently, six homes annually can be approved for development through CPP. It is recommended

## **THE FUTURE OF STATE DEVELOPMENTAL CENTERS 2015 MAY REVISION**

statute be amended to eliminate the defined number of homes allowed for development through CPP, while maintaining the program's pilot status.

3. Additionally, it will be necessary to provide authority for the Department and DSS to develop and license all Delayed Egress Secured Perimeter (DESP) homes without requiring eligibility for federal Medicaid funding.

### **Future Fiscal Issues**

#### **A. Additional CPP**

DDS will continue to monitor the CPP budget to determine adjustments needed to implement the closure plan for SDC.

#### **B. Monitoring and Oversight**

1. On-site monitoring and oversight may be needed during the closures, as well as continued implementation of the plans of action and technical addendums, to ensure continued compliance with federal requirements throughout the closure process.
2. Additionally, the Department recognizes the need for a comprehensive Quality Management System (QMS) to track quality services and supports for each individual transitioning from a developmental center into the community. The California QMS is based upon the Centers for Medicare and Medicaid Services' (CMS) Quality Framework and is designed to achieve quality outcomes for each individual in the service system. To implement the existing QMS, regional centers have active quality assurance departments whose staff works to recruit, train, and monitor providers, and work to improve service quality.

Stakeholders will be engaged to review existing Quality Assurance systems and provide recommendations specific to each closure, as well as review outcomes data specific to individuals moving from developmental centers. One source of data will be the National Core Indicator (NCI) Consumer Surveys. The NCI measures consumer and family satisfaction and personal outcomes such as health, safety, well-being, relationships, and interactions with people who do not have a disability, employment, quality of life, integration, and choice.

#### **C. Support Staff**

1. DDS staff is proposed to provide technical assistance and oversight in the development of resources and will monitor transition activities. Additionally, due to the need to develop additional licensed settings, it is necessary to add 1.0 Licensing Program Analyst (LPA) for the first fiscal year and up to two

## **THE FUTURE OF STATE DEVELOPMENTAL CENTERS 2015 MAY REVISION**

additional LPAs in future years, through an interagency agreement with DSS, to meet the immediate workload.

### **D. Use of DC Land and Resources**

1. The Department will engage stakeholders consistent with the Task Force recommendations. In particular, the feasibility of using DC land to develop community housing through public/private partnerships will be evaluated.
2. Consistent with stakeholder and legislative requests to identify public/private housing partnerships on DC land, TBL is being proposed to continue work on the Shannon's Mountain integrated housing project at FDC.

### **Issues of Note**

Coordination between the Department, Department of Health Care Services and CMS's Medicaid office will be necessary to provide statewide, standardized and expedited enrollment, as well as the availability of appropriate managed care services from affected health plans for all individuals moving out of a developmental center.