

DEPARTMENT OF DEVELOPMENTAL SERVICES

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April 25, 2017

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: Home and Community-Based Services Regulations – Provider Funding Concepts

Background

As noted in an August 3, 2016, [letter](#) from the Department of Developmental Services (Department), the 2016 Budget Act (SB 826, Chapter 23, Statutes of 2016) contained \$15 million for service providers to make changes in order to meet the requirements of the federal Centers for Medicare & Medicaid Services (CMS) Home and Community-Based Services (HCBS) final regulations, or rules. In response to the August 3, 2016 letter, the Department received close to 900 requests for funding from service providers. The purpose of this letter is to inform regional centers of the results of the Department's review of these requests and necessary action to be taken by regional centers.

Initial Approval of Funding Concepts

The Department reviewed all requests, or funding concepts, submitted by providers. Enclosure One identifies the total number of funding concepts submitted, and the number of concepts approved for funding. Concepts that identified a clear connection between the requested funding and specific federal requirements were considered for initial approval of funding. Ultimately, the Department selected 108 concepts for initial approval of funding (see Enclosure Two for a list of providers selected within each regional center catchment area.) Many of the concepts selected by the Department requested funding for one or more of following:

- training regarding person centered service planning and the HCBS rules;
- additional staffing; and,
- transportation/vehicles.

Separate from this letter, each regional center will receive a list of the selected concepts for vendors within their catchment area with specific comments and/or recommendations for each concept. More details regarding the types of concepts selected, will be posted at <http://www.dds.ca.gov/HCBS/>.

“Building Partnerships, Supporting Choices”

Regional Center Executive Directors
April 25, 2017
Page two

Final Approval of Funding Concepts

Regional centers must work with the providers selected for initial approval to develop a contract agreement for implementation. The signed contract, which represents final approval for funding, must include at a minimum:

- Details regarding the project including specifics on how the funding will be used to increase compliance with the federal requirements;
- Details regarding how consumer input will be used in the development and implementation of the project;
- A detailed budget for the project;
- For projects involving the purchase of items or services, a justification (e.g. multiple quotes) of the cost-effectiveness of the purchase;
- A project timeline identifying key milestones;
- Objective indicators to measure progress toward compliance with the federal requirements; and,
- A requirement for semi-annual reporting to the regional center on project implementation, including progress related to key milestones and progress toward compliance with the federal requirements.

Contracts must be finalized by June 30, 2017, and funds may be expended by the end of fiscal year 2018-19. Details on regional center claiming for these funds are forthcoming.

If you have any questions regarding this letter, please contact Julie Souliere, Program Manager, at (916) 654-2273 or Julie.Souliere@dds.ca.gov.

Sincerely,

Original signed by

JIM KNIGHT
Assistant Deputy Director
Community Services Division

Enclosures

cc: Regional Center Chief Counselors
Regional Center Administrators
Regional Center Community Services Directors
Regional Center HCBS Program Evaluators
Amy Westling, Association of Regional Center Agencies