

UPDATE ON THE PLAN FOR THE CLOSURE OF LANTERMAN DEVELOPMENTAL CENTER



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CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF DEVELOPMENTAL SERVICES



“BUILDING PARTNERSHIPS, SUPPORTING CHOICES”

Index

<u>Title</u>	<u>Page</u>
Executive Summary	3
Introduction	6
<i>Purpose of the Report</i>	
<i>Background</i>	
Progress Report on Resource Development	9
<i>Development of Housing and Community Resources</i>	
<i>Adult Residential Facilities for Persons with Special</i>	
<i>Health Care Needs</i>	
<i>Money Follows the Person Grant</i>	
<i>Quality Management System</i>	
<i>Access to Health and Medical Services</i>	
<i>Lanterman Outpatient Clinic</i>	
Residents of Lanterman	17
<i>Transition Planning Process</i>	
<i>Lanterman Residents</i>	
<i>Residents of Lanterman Transitioned to the Community</i>	
Employees of Lanterman	27
<i>Staff Support Advisory Group</i>	
<i>Career Center / Staff Options and Resource Center</i>	
<i>Employee Composition</i>	
<i>Employee Transfers, Separations and Retirements</i>	
<i>Management of Staffing Until Closure</i>	
<i>State Staff in the Community</i>	
The Lanterman Facility	33
<i>Lanterman Property</i>	
<i>Business Management Team</i>	
Fiscal Update	34
<i>Developmental Center Costs</i>	
<i>Regional Center/Community Costs</i>	
Major Implementation Steps and Timelines	39
Appendix A: State Staff in the Community Program	41

For a copy of this report or more information, please refer to www.dds.ca.gov/LantermanNews/

Executive Summary

This report provides an update on the progress toward implementing the Plan for the Closure of Lanterman Developmental Center (Plan).¹ This is the third statutorily required status report and covers progress from January 1, 2010 to December 1, 2011.

The Department of Developmental Services (Department or DDS) identified the need for closure of a large developmental center and recommended the closure of Lanterman Developmental Center (Lanterman or LDC) in January 2010. Following an extensive planning and communication process with stakeholders, the Department submitted the proposed Plan to the Legislature on April 1, 2010. The Plan was subsequently approved in October 2010 through enactment of the Budget Act of 2010 and trailer bill provisions necessary for the success of the Plan. This update reports on the status of closure activities as outlined in the Plan.

The core principle of the Plan is to achieve a safe and successful transition of individuals with developmental disabilities from LDC to other appropriate living arrangements as determined through the individualized planning process and formalized in the Individual Program Plan (IPP). Consistent with the Lanterman Developmental Disabilities Services Act (Lanterman Act) and to ensure the health and safety of each person, transition will only occur after the necessary services and supports identified in the IPP are available in another appropriate setting. Closure activities will focus on identifying or developing community resources to meet the specific needs of the LDC residents.

The closure process is informed by policies and initiatives that were successful during the closure of Agnews Developmental Center (Agnews), but tailored for Lanterman. Throughout closure, the Department will be continually communicating and working with stakeholders to achieve a smooth and successful closure. Closure will not occur until appropriate services are available and the last resident has moved to the living option appropriate for his or her needs.

The Plan is supplemented by important legislation that was included in the trailer bill to the Budget Act of 2010 (Senate Bill [SB] 853, Chapter 717, Statutes of 2010, Committee on Budget), as follows:

- Statutes authorizing the extension of Adult Residential Facilities for Persons with Special Health Care Needs (ARFPSHN) to persons who are transitioning from Lanterman. These facilities are designed to fill a gap in the continuum of licensed facilities, specifically to serve individuals with stable but enduring special health care needs.
- Statutes that provide for improved health care through managed care health plans for persons transitioning from Lanterman to the community.

¹ The Plan is available on the DDS website at www.dds.ca.gov/LantermanNews/.

- Statutes authorizing the implementation of an Outpatient Clinic to provide health and dental services to persons transitioning from Lanterman, ensuring the continuity of medical care and services as individuals transfer to new health care providers.
- Statutes authorizing the use of staff working at Lanterman to provide services in the community to former residents of Lanterman.

Additionally, in March 2011, the Health Omnibus trailer bill was enacted (Assembly Bill [AB] 97, Chapter 3, Statutes of 2011, Committee on Budget) which amended the statutes implementing managed care to clarify the participating health plans. All health plans operating in the various central and southern California counties affected by the closure are included, thereby increasing the choices available to consumers for health care.

Key to successful implementation of the Plan is development of housing and community resources. The Department is working with the Regional Centers (RC) representing residents of Lanterman to project resident needs and develop appropriate resources through existing funding in the Community Placement Plan (CPP). As more is known about each resident's service needs through the individual planning process, RCs will refine their plans for resource development accordingly. RCs are also active in all aspects of closure activities, which include such efforts as: participating in the individual planning processes; meeting with parents and families in a variety of venues, as organized by the Lanterman Parents Coordinating Council & Friends (PCC), the RC, or as requested by particular families; conducting tours of potential homes and programs for residents and their families; participating in advisory group efforts; coordinating resources and initiatives among RCs and with DDS; and customizing and expanding programs and services to meet the specialized needs of individuals residing at Lanterman. With the statutory authorization to utilize ARFPSHNs for persons transitioning from Lanterman, RCs have become familiar with this residential licensing category and are moving forward with development of 14 homes. Additionally, RCs have worked with the managed care health plans in their counties to supplement existing Memorandums of Understanding (MOU) to address special provisions for managed care for residents of Lanterman who will move to the community as part of closure.

Consistent with commitments in the Plan, the Department sought the recommendations of three advisory groups. The Resident Transition Advisory Group (RTAG) considered the processes and experience from Agnews and developed recommendations for improvements for residents transitioning from Lanterman. The RTAG produced three documents: *Transition Plan and Individual Health Transition Plan*; *Transition Activities*; and *Resident Transition Guidelines*. All documents define and support the individual planning process to ensure a successful transition of each resident. The new process was implemented for residents beginning transition planning in July 2011 and the Department is in the final stages of reviewing and completing the *Narrative Guidelines for Resident Transition*. The Quality Management Advisory Group (QMAG) identified

additional quality assurance strategies and enhancements associated with a resident's transition into the community. These recommendations were the basis for the development of the comprehensive quality management system. The QMAG will continue to meet periodically to inform regional centers and DDS on their findings that result from a review of the data. The Staff Support Advisory Group (SSAG) supports the Department's goals of ensuring adequate staffing to maintain operations throughout the closure process, and assisting staff in developing and pursuing personal plans for their future. The SSAG continues to meet regularly with the LDC Executive Team and make recommendations that support the LDC employees.

As of January 1, 2010, there were 401 residents who are covered by the Plan. Of the 401, 398 were being served at Lanterman, with another 3 individuals temporarily receiving services from nursing facilities in the community. As of December 1, 2011, 296 residents are being served at Lanterman, and 84 have transitioned from Lanterman to community living arrangements; specifically:

- 72 to an Adult Residential Facility, licensed by the Department of Social Services (DSS);
- 4 to a Residential Care Facility for the Elderly, licensed by DSS;
- 2 to a Congregate Living Health Facility, licensed by the California Department of Public Health (CDPH);
- 2 to their own homes and being served by RC-vendored Supported Living Services providers;
- 2 to an Intermediate Care Facility (ICF), licensed by CDPH;
- 1 to an ARFPSHN, licensed by DSS; and
- 1 to the individual's family home.

As of December 1, 2011, there were 1,026 employees at Lanterman. Fifty (50) percent are direct care nursing staff, 41 percent are non-level-of-care and administrative support staff, and 9 percent are level-of-care professional staff. For the period of January 1, 2010 to December 1, 2011, a total of 273 employees separated from Lanterman through transfer, retirement, resignation, dismissal or other cause. The Department is working directly with LDC management and staff to closely monitor staffing levels in all areas to ensure that staffing standards are met and that the quality of services at Lanterman is maintained. As of December 2011, level of care staffing meets certification standards throughout the facility.

The closure of Lanterman will occur after the last resident transitions to his or her new living situation. To ensure the health and safety of individuals, transition will only occur after services and supports are available as identified through the individual planning process. The Department continues to believe it can manage the closure of Lanterman within existing funding levels. The Budget Act of 2011 contains language that allows flexibility to move funding between items of appropriation within the Department's budget during the closure process. The chart on page 38 summarizes the Lanterman closure-related funding consistent with the Governor's Budget for 2012-2013.

Introduction

PURPOSE OF THE REPORT

The purpose of this report is to provide an update on the progress toward implementation of the Plan. The Plan was submitted to the Legislature for approval on April 1, 2010, and was considered by the Legislature during the FY 2010-2011 budget process, with significant testimony being received from stakeholders. In October 2010, with passage of the Budget Act of 2010, DDS moved beyond the planning stages and began activities associated with closure of Lanterman Developmental Center.

The core principle of the Plan is to achieve a safe and successful transition of individuals with developmental disabilities from LDC to other appropriate living arrangements as determined through the individualized planning process and formalized in the Individual Program Plan (IPP). Consistent with the Lanterman Act and to ensure the health and safety of each person, transition will only occur after the necessary services and supports identified in the IPP are available in another appropriate setting. Closure activities will focus on identifying or developing community resources to meet the specific needs of the LDC residents.

The Department is committed to the Lanterman Act and working with stakeholders to achieve a smooth and successful closure of Lanterman. Closure will not occur until appropriate services are available and the last resident has moved to the living option identified to meet his or her needs.

This report satisfies the statutory requirements in the Budget Act of 2011, Item 4300-001-0001, Provision 5, which states:

“The State Department of Developmental Services shall provide the fiscal and policy committees in each house of the Legislature with a comprehensive status update on the Lanterman Plan, by no later than January 10 and May 14 of each Fiscal Year, which will include, at a minimum, all of the following:

- (a) A description and progress report on all pertinent aspects of the community-based resources development, including the status of the Lanterman transition placement plan.
- (b) An aggregate update on the consumers living at Lanterman and consumers who have been transitioned to other living arrangements, including a description of the living arrangements (Developmental Center or community-based and model being used) and the range of services the consumers receive.
- (c) An update to the Major Implementation Steps and Timelines.
- (d) A comprehensive update to the fiscal analyses.

- (e) An update to the plan regarding Lanterman's employees, including employees who are providing medical services to consumers on an outpatient basis, as well as employees who are providing services to consumers in residential settings.
- (f) Specific measures the state, including the State Department of Developmental Services, the State Department of Health Care Services (DHCS), and the State Department of Mental Health, is taking in meeting the health, mental health, medical, dental, and overall well-being of consumers living in the community and those residing at Lanterman until appropriately transitioned in accordance with the Lanterman Act.
- (g) Any other pertinent information that facilitates the understanding of issues, concerns, or potential policy changes that is applicable to the transition of Lanterman Developmental Center."

This report is the third update to the Plan and tracks progress from January 2010 until December 2011. The report is divided into six major sections:

- Progress Report on Resource Development
- Residents of Lanterman
- Employees of Lanterman
- The Lanterman Facility
- Fiscal Update
- Major Implementation Steps and Timelines

The next report will be issued with the May Revision to the Governor's Budget for FY 2012-2013.

BACKGROUND

In January 2010 the Department announced the difficult decision to recommend to the Legislature the closure of Lanterman. The announcement was immediately followed by an outreach and planning process to obtain and consider stakeholder recommendations for development of a closure plan pursuant to Welfare and Institutions Code section 4474.1, governing the developmental center closure process. The Plan incorporated stakeholder input as well as best practices and policy initiatives from the closure of Agnews in March 2009. The Plan was submitted to the Legislature on April 1, 2010, and with the enactment of the Budget Act of 2010 and various implementing trailer bill provisions, the closure activities were initiated.

The Department is now proceeding with closure activities. This report captures the primary areas of focus and progress between January 2010 and December 2011. Key to making progress is having the necessary dialogue and training, including sharing information from the Agnews experience and adapting and incorporating policies and procedures appropriate for Lanterman. The Department's goal is to make progress thoughtfully and strategically for the benefit of the residents.

The Department continues to meet regularly with parents and family members through the PCC. Regular meetings are being held at Lanterman with the employees so that Department management can share information, hear employee issues and respond to questions. Regular meetings are also occurring between DDS and the involved RCs, and between DDS and DHCS to implement the provisions of trailer bill language that provide for health services through managed care health plans for eligible persons who will move from Lanterman into the community.

During the planning phase and continuing throughout closure, the Department has encouraged open dialogue and communication. As the process evolves, the ability to anticipate and proactively address issues will be based on the valuable input of the individuals and groups involved with the closure process.

Progress Report on Resource Development

DEVELOPMENT OF HOUSING AND COMMUNITY RESOURCES

The CPP is designed to assist RCs with funding to enhance the capacity of the community service delivery system to enable individuals with developmental disabilities the opportunity to live in the least restrictive living arrangement appropriate for their needs. Developing community capacity through the CPP process provides the necessary resources to prevent individuals from admission to a developmental center, as well as the necessary services and supports for individuals transitioning from a developmental center to the community, when appropriate. The CPP encompasses the full breadth of resource needs including the development of both residential and day services.

By law, the Department is responsible for reviewing and approving CPP proposals for each RC. Based on the needs of each RC's developmental center residents, RCs propose development of housing and other projects using guidelines issued by the Department. Funds for the CPP are appropriated in the annual budget process based on departmentally approved projects and then allocated to the RCs.

CPP efforts for regional centers affected by the closure of Lanterman have focused on developing resources needed to achieve a safe and successful transition of individuals from Lanterman to other appropriate living arrangements. The CPP process associated with closure involves careful planning and collaborative efforts of the Department, Lanterman, the RCs, and the Regional Resource Development Project (RRDP). The services and supports needed by each individual, including, but not limited to, living options, day services, health services and other supports, are being identified through in-depth assessment and the planning team's development of the IPP. The Department meets regularly with the Southern California Conference of RC Directors (SCCRCD) and CPP liaisons to focus on the specific needs of the residents for planning and resource development. With statutory authorization of ARFPSHN, discussed below, and as more is known about the residents' needs through the individual planning process, the CPP proposals for the affected RCs continue to be refined.

The Southern California Integrated Health and Living Project (SCIHLP) is providing additional support in accessing available resources and developing additional housing. SCIHLP was established in FY 2005-2006 when nine RCs in Southern California joined together to form this collaborative partnership. The intent of the partnership is to create permanent living options and individualized supports for persons who currently live in a developmental center or other large congregate care facility. The project does not intend to substitute or duplicate efforts of the individual RCs, but to assist RCs in regional resource development and identifying best practices for replication. Once the Lanterman closure was approved, SCIHLP's resource development and staffing resources were focused to assist RCs in developing regional resources to meet the specialized needs of LDC residents. Currently, the project assists RCs and LDC staff

with assessments, identifying barriers, and developing smaller community-based settings for individuals.

Additionally, the Department has secured the services of a licensing liaison to provide expert assistance with licensing, permitting, obtaining fire clearances, and supporting residential development involved with opening a licensed community living arrangement. In particular, the liaison coordinates licensing applications for new homes with DSS's licensing offices, ensures appropriate trainings and communications are occurring, and provides support and education to all concerned with the development and licensing of ARFPSHNs. The liaison tracks the progress of all new community living arrangements to ensure they are licensed in a timely manner. The liaison has established monthly meetings with each RC involved with Lanterman closure to identify any licensing issues or other impediments to completion of the licensing process. In addition, the liaison holds regular meetings with DSS and CDPH staff involved in licensing living arrangements for consumers transitioning from Lanterman, as well as regular meetings with the local fire jurisdiction to ensure timely and successful fire clearances of homes in the licensing process.

RCs are engaged in a variety of efforts and strategies to communicate and collaborate about Lanterman closure. These activities include outreach with families and advisory groups, and involvement with various aspects of the closure process. As part of the transition planning process, RC staffs are meeting with individuals and their family members to facilitate the development of an individualized, tailored plan that addresses person-specific questions and concerns. RCs are also regularly participating in meetings with parents and advocacy groups in order to share information, enhance collaboration, coordinate transition planning, and provide notification of processes such as when Requests for Proposals (RFPs) are distributed. Specifically, this networking has involved groups such as the PCC, the SCCRCD, RC Community Services Directors' meetings, RTAG meetings, QMAG meetings, and Lanterman liaison meetings. Several RCs are conducting quarterly parent meetings designed to provide residents and family members a forum to address specific issues directly with both RC staff and prospective vendors. Tours of potential homes, day programs, and other support services are continuing to provide informational opportunities for individuals transitioning to the community, their family and friends, and other interested parties. In June 2011, RCs and providers participated in a provider fair organized by the PCC. A second fair for providers organized by LDC employees was held in November 2011. Regional Centers, as part of the quality assurance system, are completing Provider Profiles for each service provider identified to serve individuals transitioning from LDC. These profiles give consumers and families information about potential service providers.

The actual development of resources has incorporated various innovative strategies and approaches. Beyond the implementation of permanent housing initiatives through the purchase of properties, RCs are working to share resources and match needs with one another, when appropriate. In some cases, efforts have been undertaken to access generic resources such as Section 8 housing vouchers or enhance the development of

health care services in the community. The development of specialized residential services is well underway, including ARFPSHNs, enhanced behavioral support homes, and wraparound services. To provide support for the needs of consumers transitioning to the community, day programs and employment opportunities are being designed to consider the needs of consumers who may have PICA, medical or behavioral issues, and/or physical challenges. Customizing programs for in-home implementation, obtaining consultation from experts in the field during the program design development stage, and specializing existing services in the community are a few ways in which RCs are enhancing resource development.

ADULT RESIDENTIAL FACILITIES FOR PERSONS WITH SPECIAL HEALTH CARE NEEDS

As part of the Plan for the Closure of Agnews Development Center, legislation (SB 962, Chapter 558, Statutes of 2005, Chesbro), authorized DDS and DSS to jointly establish and administer a pilot project for certifying and licensing a new residential model to support those with unique needs within a homelike community setting. This model of care, sometimes referred to as “962 homes,” requires 24-hour-per-day licensed nursing staff (Registered Nurse, Licensed Vocational Nurse, and Psychiatric Technician); DDS program certification; and mandatory safety features (fire sprinkler system and an alternative back-up power source). The use of this design was necessary to fill a critical gap in the existing residential licensure categories; specifically, residences for people with developmental disabilities who have a combination of specialized health care and intensive support needs. Under the ARFPSHN, the consumer’s health conditions must be predictable and stable at the time of admission, as determined by the individual health care planning team and stated in writing by a physician. In addition to 24-hour-per-day nursing supervision, the law requires:

- Development of a written individual health care plan that lists the intensive health care and service supports for each resident and is updated at least every six months;
- Examination by the resident’s primary care physician at least once every 60 days;
- At least monthly face-to-face visits with the resident by a RC nurse;
- DDS approval of the program plan and on-site visits to the homes at least every six months; and
- DSS licensure of the homes, which includes criminal background clearance, Administrator orientation, annual facility monitoring visits, and complaint resolution.

To address the health care needs of Lanterman residents, the trailer bill to the Budget Act of 2010 (SB 853, Chapter 717, Statutes of 2010, Committee on Budget), enacted October 19, 2010, expanded use of the ARFPSHN licensure category for persons who

require this level of care and are transitioning from Lanterman into the community. With DDS approval, resources within the existing budget for the CPP have been made available to fund the start-up and development of these homes.

Regional Center representatives, parents and families of Lanterman residents have toured Bay Area ARFPSHN homes. Regional Centers have received comprehensive training on how these homes operate, who they are designed to serve, the statutory requirements, and resource development considerations involved in developing ARFPSHN homes for LDC residents. Regional Centers continue to conduct assessments to determine the unique needs of each LDC resident and whether their needs could be met in an ARFPSHN. Through the CPP process, RCs have proposed, and the Department has approved, the development of 14 ARFPSHNs for the closure of Lanterman.

MONEY FOLLOWS THE PERSON GRANT

The Department is participating in the Money Follows the Person (MFP) grant operated by DHCS. All consumers transitioning from a developmental center or a state-operated community facility to a four-bed or less community living arrangement will be enrolled by the RC in California Community Transitions, a federal MFP grant administered through an interagency agreement with DHCS. This grant will provide greater opportunity for assisting consumers in transitioning from LDC services to Waiver services and maximizing Federal Financial Participation (FFP). Through the MFP grant, the RCs receive 100 percent federal funding in FY 2011-2012 for 34 additional staff at a cost of \$3.5 million to support the development of specialized resources and the transition of LDC residents into the community.

Regional Center staff filling these positions are dedicated to supporting consumers to transition from Lanterman through provision of services including: service brokering and overall coordination to ensure individually-based, comprehensive and interactive transition planning and services for each consumer; professional and/or medical assessments for development and subsequent implementation of treatment plans regarding behavioral services and supports needed in the community; conducting activities necessary to develop potential providers of day, residential, transportation, and employment services; monitoring and training of community service providers based upon statutory/regulatory requirements and best practices to ensure quality services; coordination of community health services and provision of in-depth consultation and assistance with the enrollment and transfer of health care coverage to local area health insurance plans; and development of community capacity for medical and dental care in the community. For further detail on the positions funded through the MFP grant, please refer to the *January 2011 Update on the Plan for the Closure of Lanterman Developmental Center*.

QUALITY MANAGEMENT SYSTEM

The California Quality Management System (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. The consumer and family are at the core of the system.

To implement the existing QMS, RCs have active quality assurance departments whose staffs work to recruit, train, and monitor providers, and work to improve service quality. Case managers meet with consumers in out-of-home living options at least quarterly; in licensed homes two of these visits are unannounced. Each RC regularly reviews Special Incident Report information and implements actions to decrease risks to health and safety while honoring consumer choice, community integration and independence. As necessary, RCs develop vendor corrective actions plans and provide follow-up monitoring and supports to ensure improvements. Each RC has a 24-hour response system wherein a duty officer can be reached after hours to handle emergencies. All of these activities are ongoing to RC operations.

The Lanterman QMAG was formed specifically to assure quality services and supports to each individual transitioning from Lanterman. The QMAG consists of representatives from the PCC, the State Council on Developmental Disabilities (SCDD), Area Boards, Disability Rights California, People First of California, a Lanterman resident, and 12 RC representatives.

The group first convened on August 12, 2010, to discuss the role of the group, to identify additional strategies and enhancements needed for the Lanterman closure, and to review quality assurance tools utilized in the Bay Area Quality Management System (BAQMS) in order to guide DDS and RCs during the Lanterman closure process.

The members last convened on March 7, 2011, to provide final input on recommended enhancements to the quality assurance system for individual's who transition from Lanterman. The QMAG reviewed the existing QMS requirements and recommended enhancements for both RCs and residential vendors serving individual's transitioning from Lanterman. On July 8, 2011, implementation materials proposed by the QMAG were distributed to the RCs involved in the closure. A phased-in implementation of the quality assurance enhancements began in July of 2011. These systems include:

- Provider Profiles that include information regarding the qualifications and experience of service providers and specify models for service delivery. Regional centers will share the Provider Profiles with the PCC, parents, and family members to enhance participation and informed decision-making during the transition planning process;
- Collection and aggregation of data on key consumer quality of life indicators from multiple sources including the Client Development Evaluation Report (CDER), service coordinators and quality assurance staff during regular monitoring visits,

and Visitor Snapshots. Visitor Snapshots will be a key component of the quality management system as a means to collect information on service quality from families and friends; and

- Recommended enhancements to Title 17 vendor requirements that include administrator and staff experience, staff continuing education, staffing patterns, monitoring, and transition planning.

The QMAG will reconvene in FY 2011-2012 to review data from the quality management system. One source of data will be the National Core Indicator (NCI) Consumer Survey collected on individuals who have moved from developmental centers, which includes those who have moved from Lanterman. The NCI is a nationally validated tool that measures consumer and family satisfaction and personal outcomes such as health, safety, well-being, relationships, interactions with people who do not have a disability, employment, quality of life, integration, and choice. The QMAG will inform DDS and RCs on findings from their review of data.

ACCESS TO HEALTH AND MEDICAL SERVICES

Assuring that the health needs of all Lanterman residents are accurately and comprehensively addressed, while at the facility, throughout transition, and then ongoing, is essential to support the quality of life for each person affected by the closure. Several of the services and tools that were put into place during the closure of Agnews are being reviewed and adapted for Lanterman closure. Included in essential health services components are:

- A comprehensive nursing and risk assessment tool that is completed for each individual prior to leaving Lanterman. The tool includes over 60 health-related items including risk conditions, special health care needs and dietary needs.
- An Individual Health Transition Plan (IHTP) that comprehensively assesses, records and plans for all consumer health needs before, during and after transition to a community living arrangement. Incorporated within the IHTP are community behavior assessments for consumers with behavioral or transition challenges.

The work of the RTAG, discussed in the next section of this report, will play a key role in ensuring the health and well being of Lanterman residents, and providing transition guidelines for comprehensive planning purposes. Further supplemented by the work of the QMAG, recommendations have been made to the Department for improving quality management systems not only for transition, but for ongoing quality assurance and positive consumer outcomes.

Managed Care

DDS and DHCS continue to collaborate to identify, clarify and resolve issues and implement requirements related to the provision of health care for Lanterman residents

who will move into the community. A critical component for transition is to ensure immediate access to appropriate health care. The trailer bill to the Budget Act of 2010 (SB 853, Chapter 717, Statutes of 2010, Committee on Budget), enacted October 19, 2010, extended the same provisions that were put in place for Agnews closure to also cover Lanterman closure. The language, found in Welfare and Institutions Code sections 4474.4 and 4474.5, authorizes health care through managed care health plans for persons meeting specified requirements. In March 2011, the provisions were amended (AB 97, Chapter 3, Statutes of 2011, Section 90, Committee on Budget) to clarify that all health plans operating in the various central and southern California counties affected by the closure of Lanterman are included, thereby increasing the choices available to consumers for health care. It is anticipated that through managed care consumers will receive improved access to health services and enhanced case management.

As with Agnews closure, the RC and the health plan will have case managers that coordinate and understand the person's special health care needs. For RCs, the Health Care Community Specialist will be funded through the MFP grant.

Following are key areas of work:

- RCs and health plans generally have well established partnerships in the counties impacted by the closure of Lanterman. DDS and DHCS have provided essential information to the RCs and health plans so they can anticipate and plan for the expanded opportunities for people transitioning from Lanterman into the community. Additionally, technical assistance is being provided to RCs and health plans, as needed. As a priority, RCs and health plans developed MOUs that specifically define the protocols that will implement statutory direction to ensure the health and welfare of each consumer, that all involved in the process are clear as to their roles and responsibilities, and that all are appropriately accountable for optimizing the health and welfare of each individual.
- DDS and DHCS have finalized the MOU between the two departments for Lanterman closure. It defines the respective responsibilities and commitments of the two departments, accounting for all aspects of Lanterman closure that require DHCS action or involvement, including those for implementing managed care.
- DDS and DHCS worked cooperatively to develop the technical changes to Welfare and Institutions Code section 4474.5 needed to clarify the participating health plans and the method to be used by DHCS to reimburse health plans. These important changes were enacted through AB 97 (Chapter 3, Statutes of 2011, Committee on Budget).
- Processes have been put into place to expedite health plan eligibility and enrollment prior to consumers leaving Lanterman so that they have timely access to health care in the community. These procedures define the role and responsibilities of Lanterman, RCs, DHCS, and the health plans.

- In April 2011, DDS and DHCS entered into a Data Use Agreement and began sharing data, following appropriate security measures as defined in the agreement. DHCS used the data to develop rates for reimbursing the health plans pursuant to statute. Additionally, the data is critical for expediting the health care eligibility and enrollment processes as consumers transition to the community.
- DHCS is working with the health plans to ensure that provider networks are in place to meet the unique medical needs of individuals transitioning to the community.
- DDS and DHCS will address any policy or procedural issues that are identified throughout this process, and will seek approval from CMS or other approvals, as determined appropriate.

LANTERMAN OUTPATIENT CLINIC

The trailer bill to the Budget Act of 2010 (SB 853, Chapter 717, Statutes of 2010, Committee on Budget), enacted October 19, 2010, authorized the operation of an Outpatient Clinic at Lanterman. Like the Outpatient Clinic at Agnews, available health and dental services will be provided to individuals who move from Lanterman into the community, ensuring the continuity of medical care and services as individuals transfer to new health care providers. The statute requires the Department to operate the Outpatient Clinic until the Department is no longer responsible for the property.

Lanterman applied for and received approval from the CDPH to augment its current license to provide outpatient services on July 26, 2011. The grand opening for the Outpatient Clinic was held at Lanterman on August 23, 2011 and was attended by various stakeholders such as the local RCs, service providers, relatives of Lanterman residents, and employees of Lanterman. Since the opening, the Outpatient Clinic has been accepting referrals for clinic services. Lanterman staff worked directly with staff from Agnews, prior to its closure, to develop the current policies and procedures for use in the clinic. At present, only former residents of LDC are being served by the clinic. As of December 1, 2011, the Outpatient Clinic had provided services to 3 former LDC residents for dental care and was proceeding with additional requests for services.

Residents of Lanterman

TRANSITION PLANNING PROCESS

As described in greater detail in the Plan, transition planning is based on an intensive, person-centered IPP process, consistent with the requirements in the Lanterman Act. Planning team members meet to identify each person's goals and objectives, and the appropriate services and supports based upon the assessed needs, preferences and choices. The transition planning process enables careful assessment and evaluation of the community living options that appear to meet the resident's needs. Additionally, before a resident moves from Lanterman, an IHTP will be developed by the planning team so that special attention is given to assure all of the necessary health supports are in place prior to the resident transitioning to a new living arrangement.

The importance of the transition planning process cannot be overstated. It is the mechanism by which critical decisions are made about a person's future, and life-supporting services are identified and made available at the right time. Only through careful planning and oversight can a safe transition for each person be assured. Because of its importance, the Plan identified the need for the RTAG to consider the practices that were utilized during Agnews' closure and the lessons learned and make recommendations to the Department for enhancements and improvements.

Resident Transition Advisory Group

The RTAG was established to make recommendations to the Department to enhance the transition planning process in place for residents at Lanterman. Membership includes representatives from the Lanterman Resident Council, parents and family members of Lanterman residents, the involved RCs, advocacy groups, and employees of Lanterman and DDS. These members have provided different and valuable perspectives to the transition planning process.

The RTAG was charged with the development of transition guidelines to ensure the residents of LDC experience a safe and successful transition from LDC. Consistent with the Department's vision statement of *Building Partnerships, Supporting Choices*, these guidelines are based on the values of collaboration and person-centered planning. The guidelines are intended to include, but not be limited to, important elements of a process that will support individuals transitioning from the developmental center. Transition practices that worked well during the closure of Agnews were shared, and members were invited to share other transition plan formats in use as reference material for the group.

Small and large group discussions were facilitated to elicit input from the members to be incorporated into the guidelines. These discussions included the identification of core elements of a transition, the roles and responsibilities of those involved, and a review of the different stages of the process.

The RTAG began meeting in September 2010 and members held their final meeting in February 2011. Three documents were developed by the group and presented to the Department for implementation. In addition to the *Resident Transition Guidelines*, as described above, *Transition Plan and Individual Health Transition Plan* and *Transition Activities*² were also produced. *Transition Plan and Individual Health Transition Plan* provides the template for capturing critical information about the resident's preferences, needs and effective strategies. It serves as a reference document during the transition planning process, by the service provider upon the individual's placement, and for post-placement monitoring. The *Transition Activities* is a supplemental document that is used by the RRDP to track and coordinate resident activities as part of the planning team process.

The Department is in the final stages of reviewing *Narrative Guidelines for Resident Transition*. *Transition Plan and Individual Health Transition Plan* and *Transition Activities* have been finalized and were introduced at the PCC meeting in April 2011. The new process was implemented at Lanterman in July 2011.

LANTERMAN RESIDENTS

In January 2010, the Department first announced its recommendation to close Lanterman. The beginning date of the Plan for data reporting purposes is January 1, 2010. As of January 1, 2010, there were 398 residents being served at Lanterman and 3 additional individuals from Lanterman temporarily receiving services from nursing facilities in the community. Therefore, a total of 401 individuals are covered by the Plan.

Level-of-Care and Services Provided at Lanterman

Lanterman currently provides services to residents under three levels-of-care. The facility is licensed as a General Acute Care Hospital with distinct licenses for an ICF and Nursing Facility (NF). As of December 1, 2011, the Lanterman population included 302 people, compared to 340 on April 1, 2011, 363 on December 1, 2010, and 401 on January 1, 2010. Of the 302 people, 296 are served at Lanterman with 86 individuals (approximately 29 percent) living on one of the facility's NF residences and 210 individuals (approximately 71 percent) residing on one of the facility's ICF residences. The remaining 6 individuals are temporarily receiving services in NFs in the community. The third level-of-care is provided on the Acute Care unit where residents are transferred to receive short-term medical and nursing care when they experience an acute health care condition. The census on each of the NF or ICF units ranges from 15 to 27 residents. The Acute Care unit averages one resident per day with an average length of stay of approximately twelve days.

² *Transition Plan and Individual Health Transition Plan* and *Transition Activities* documents are available on the DDS website at www.dds.ca.gov/LantermanNews/.

Following is information on the 296 residents at Lanterman, the level-of-care they are receiving, and their RC:

Lanterman Developmental Center NF and ICF Populations by Regional Center (Listed Alphabetically) As of April 1, 2011			
Regional Center	LDC POP*		TOTAL
	NF	ICF	
	86	210	296
ELARC	15	18	33
FDLRC	11	36	47
IRC	5	18	23
KRC	0	1	1
NLACRC	19	39	58
RCOC	0	7	7
SARC	0	1	1
SCLARC	8	21	29
SDRC	2	13	15
SGPRC	22	48	70
TCRC	0	4	4
WRC	4	4	8

*LDC POP includes people on leave, but not on provisional placement.

Regional Center Communities

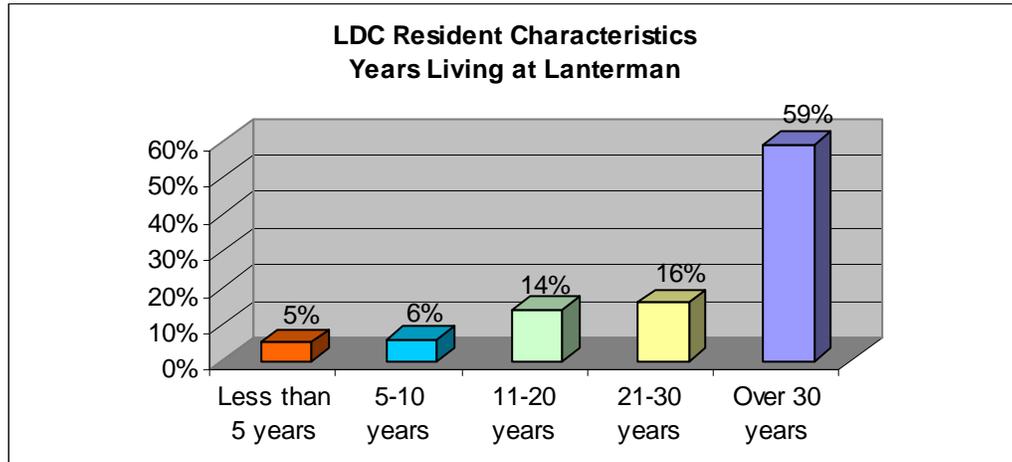
Lanterman is primarily a resource to the Southern California area with over 99 percent of the individuals who reside at Lanterman being served by a Southern California RC. The following 12 RCs³ are actively involved with Lanterman, with data reflected as of December 1, 2011:

Regional Center	Residents Served	Percent
San Gabriel/Pomona RC	70	24%
North Los Angeles County RC	58	20%
Frank D Lanterman RC	47	16%
Eastern Los Angeles RC	33	11%
South Central Los Angeles RC	29	10%
Inland RC	23	8%
San Diego RC	15	5%
Westside RC	8	3%
RC of Orange County	7	2%
Tri-Counties RC	4	1%
San Andreas RC	1	<1%
Kern RC	1	<1%

³ The Harbor Regional Center is also actively involved in developing community resources to assist with the closure of Lanterman.

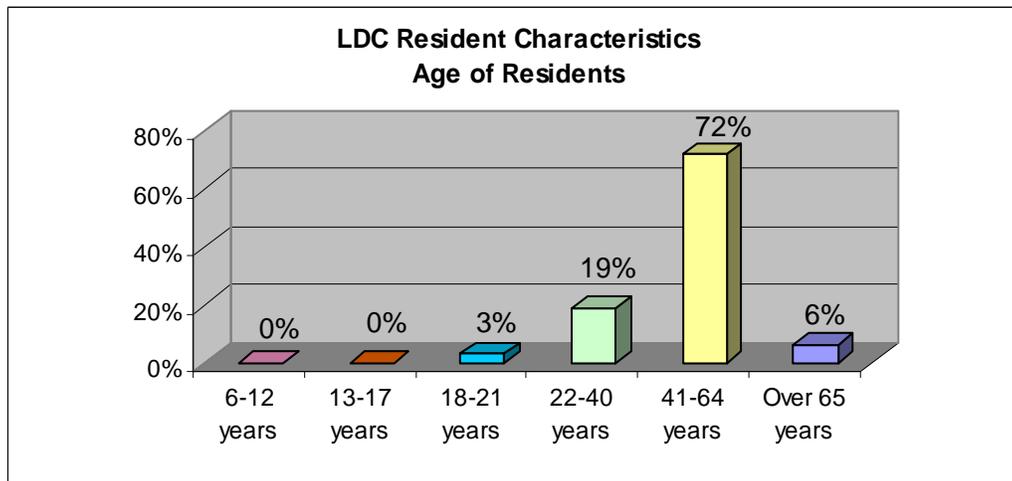
Length of Residence

The majority of current residents have lived at Lanterman for many years with 59 percent residing there for more than 30 years. The breakdown on the length of stay for the remaining residents shows 16 percent have made Lanterman their home for 21 to 30 years, 14 percent for 11 to 20 years, 6 percent for five to 10 years, and 5 percent for fewer than five years.



Age of Residents

Seventy-eight (78) percent of Lanterman's current population is over age 40. Of this group, residents who are 65 years of age or older make up 6 percent of the population with the oldest resident being 87 years of age. In contrast, there are no children under 18 years of age at Lanterman, and only 9 residents (3 percent) are between 18 and 21 years of age.



Gender and Ethnicity

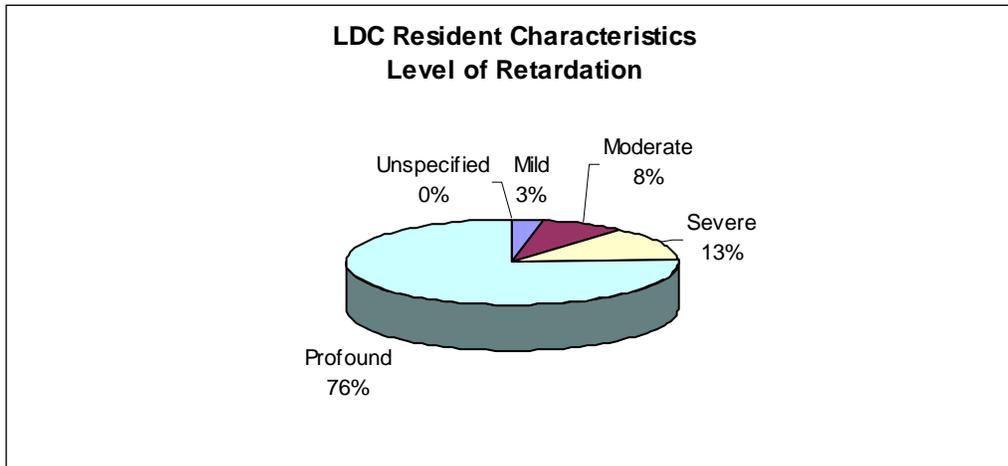
The current resident population at Lanterman is diverse in both gender and ethnicity with 56 percent of the population male and 44 percent female. Sixty-eight (68) percent of the population is Caucasian, 18 percent Hispanic, 9 percent African American, 4 percent Asian and Pacific Islander, and the remaining 1 percent is identified as “Filipino” and “Other.”

Developmental Disability

Section 4512(a) of the Lanterman Act defines developmental disability as a:

“... [d]isability that originates before an individual attains age 18, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. . . [T]his term shall include mental retardation, cerebral palsy, epilepsy, and autism. . . [and other] conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.”

Seventy-six (76) percent of the current residents at Lanterman have profound mental retardation and 13 percent have severe mental retardation. The remaining 11 percent are persons who have been assessed with a mild or moderate level of mental retardation.



A majority of residents have additional disabilities, including 51 percent of the population with epilepsy, 16 percent with autism, and 12 percent with cerebral palsy. Sixty-two (62) percent of the residents have a dual diagnosis, meaning they have both a diagnosis of a developmental disability and a mental illness. In addition, 81 percent of the residents have challenges with ambulation, 49 percent have vision difficulties, and 19 percent have a hearing impairment.

Primary Service Needs

Residents at Lanterman require a variety of services and supports. The following information defines five broad areas of service and identifies the number of current residents for whom that service is their primary need:

Protection and Safety: This area refers to those individuals who need a highly structured setting because of a lack of safety awareness, a pattern of self-abuse or other behavior requiring constant supervision and ongoing intervention to prevent self-injury. Ninety-six (96) of the residents (33 percent) require highly structured services as their primary service need.

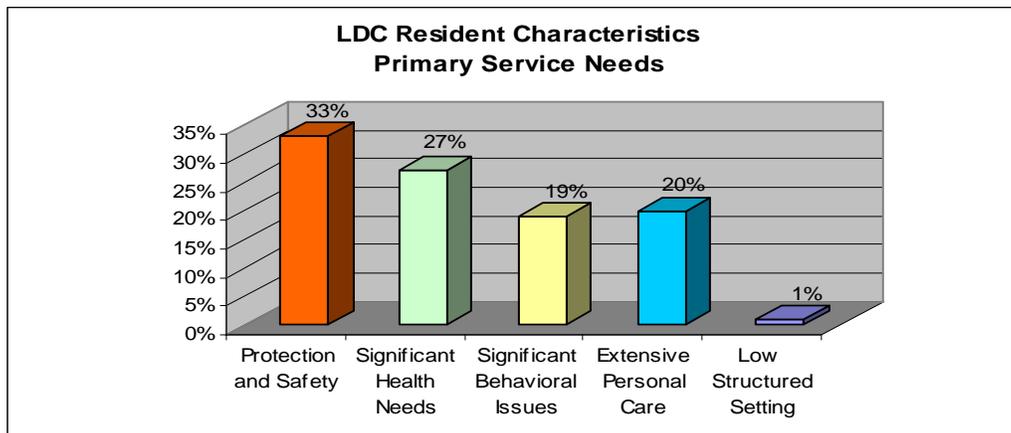
Significant Health Care Services: This area includes the need for intermittent pressure breathing, inhalation assistive devices, tracheotomy care, or treatment for recurrent pneumonias or apnea. Significant nursing intervention and monitoring are required to effectively treat these individuals. Eighty (80) of Lanterman's residents (27 percent) have significant health care needs as their primary service need.

Significant Behavioral Support: This need addresses individuals who have challenging behaviors that may require intervention for the safety of themselves or others. Fifty-seven (57) residents (19 percent) have been identified as requiring significant behavioral support as their primary service need.

Extensive Personal Care: This need refers to people who do not ambulate, require total assistance and care, and/or receive enteral (tube) feeding. Sixty (60) residents of Lanterman (20 percent) require extensive personal care as their primary service need.

Low Structured Setting: This service need addresses those residents who do not require significant behavioral support or intervention but do require careful supervision. Only three Lanterman residents (1 percent) are in this category.

Following is a graphical display of the residents' primary service needs:



RESIDENTS OF LANTERMAN TRANSITIONED TO THE COMMUNITY

From January 1, 2010, to December 1, 2011, there were 84 residents who transitioned from Lanterman into community settings; 4 were from one of the facility's NF residences, and the remaining 80 individuals were from the facility's ICF residences. Of these 84 residents, 33 individuals transitioned during the reporting period of April 1, 2011 to December 1, 2011.

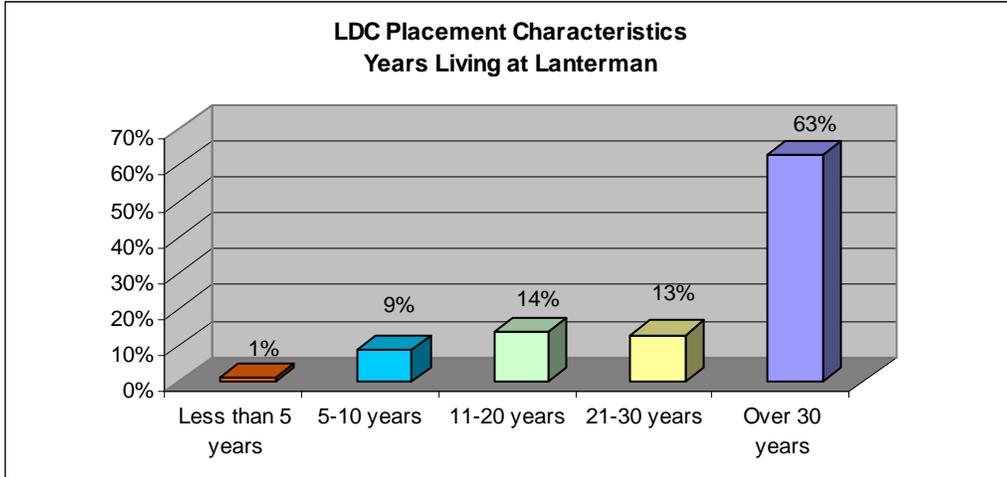
Regional Centers

Following are the RCs providing services to the 84 former Lanterman residents who transitioned into the various communities from January 1, 2010, to December 1, 2011:

Regional Center	Individuals Receiving Services
Inland RC	14
Frank D Lanterman RC	14
North Los Angeles County RC	11
San Diego RC	10
Eastern Los Angles RC	10
San Gabriel/Pomona RC	6
RC of Orange County	5
South Central Los Angeles RC	5
Westside RC	4
Tri-Counties RC	4
San Andreas RC	1
Kern RC	0

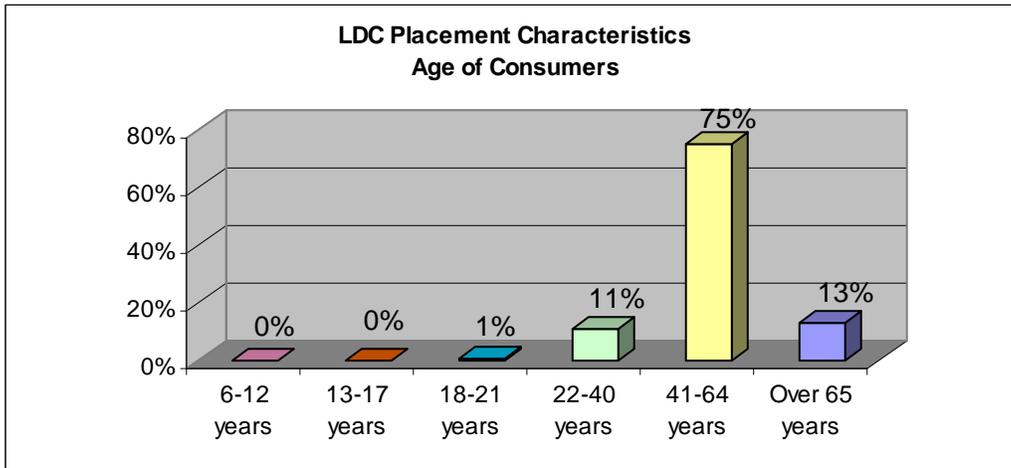
Length of Residence

Similar to the overall population at Lanterman, the majority of the 84 consumers living in the community were at Lanterman for many years. Sixty-three (63) percent lived at Lanterman for more than 30 years. The breakdown on the length of residency for the remaining individuals shows 13 percent lived at Lanterman for 21 to 30 years, another 14 percent for 11 to 20 years, and 9 percent for 5 to 10 years.



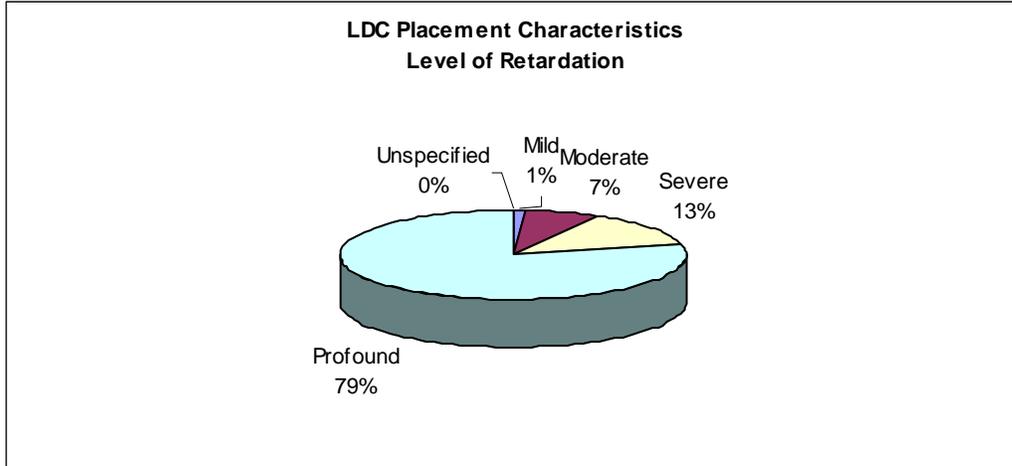
Age of Consumers

Eighty-eight (88) percent of the individuals who transitioned into the community are over age 40. Thirteen (13) percent of this group is 65 years of age or older and 75 percent is 41 to 64 years of age. Eleven (11) percent is 22 to 40 years of age, and there was one resident (1 percent) under age 22.



Developmental Disability

Seventy-nine (79) percent of the consumers who were placed in the community have profound mental retardation and 13 percent have severe mental retardation. Seven (7) percent of the individuals have moderate levels of mental retardation and the remaining 1 percent has been assessed with mild mental retardation.

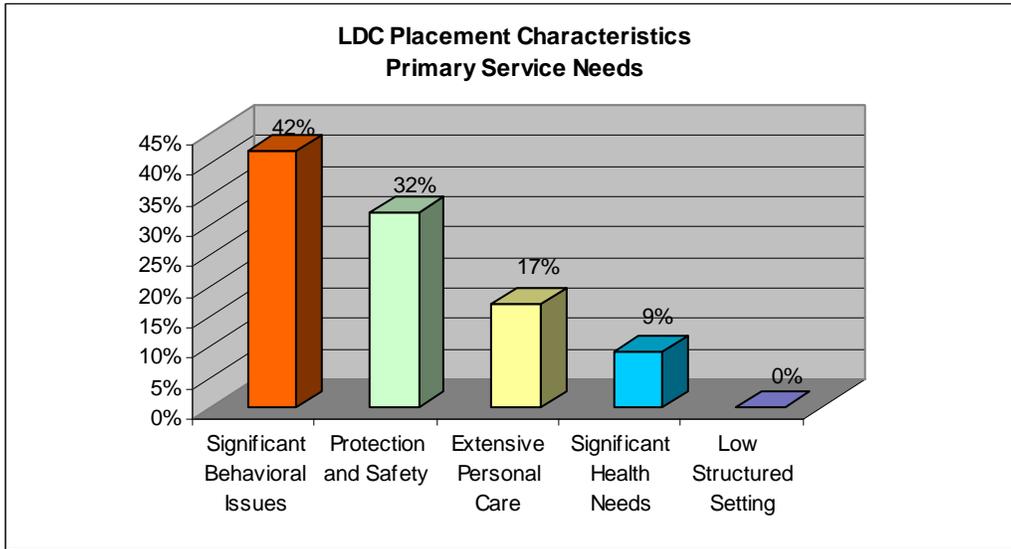


A majority of consumers have additional disabilities including 57 percent of the population with epilepsy, 6 percent with autism, and 2 percent with cerebral palsy. In addition, 55 percent have a dual diagnosis of both a developmental disability and a mental illness, 79 percent of the consumers have challenges with ambulation, 35 percent have vision difficulties, and 13 percent have a hearing impairment.

Primary Service Needs

Former residents of Lanterman require a variety of services and supports. Of the 84 individuals placed in the community, 42 percent need Significant Behavioral Support, 32 percent need Protection and Safety, 17 percent require Extensive Personal Care, and 9 percent have Significant Health Needs. None of the individuals were identified to be in need of a Low Structured Setting.

Following is a graphical display of the 84 consumers' primary service needs:



Community Living Arrangements

Of the 84 consumers who transitioned to the community for the period January 1, 2010, to December 1, 2011, 72 moved to Adult Residential Facilities, licensed by DSS; 4 moved into a Residential Care Facility for the Elderly, licensed by DSS; 2 individuals are being served in a Congregate Living Health Facility, licensed by CDPH; 2 individuals are being served in an ICF, licensed by CDPH; 1 individual moved into an ARFPSHN, licensed by DSS; 2 individuals are living in their own homes and being served by RC-vendored Supported Living Services providers; and 1 moved to his/her family's home.

Identification of and decisions about all community living arrangements and services are individually based and reflected in each consumer's IPP. The individualized assessment and planning process is used to identify the individual's needs, preferences and choices, and the resulting services and providers. In addition to the community living arrangements listed above, core services that are considered for each individual include day programs and related transportation services. The transition assessment and planning process assures that individuals transitioning to the community receive the full range of services that they need to live successfully in the community and to assure their health and welfare, and may include specialized or supplemental services as determined appropriate by the planning team.

Employees of Lanterman

The Department is committed to the establishment and implementation of employee supports that promote workforce stability and provide opportunities for employees to determine their future. The Department has already conducted several employee forums for staff to provide input for consideration in the planning process. Department management continues to meet regularly with employees at Lanterman to share information, hear employee issues and respond to questions. Special meetings are also held between management and union representatives, specifically the American Federation of State, County, and Municipal Employees (AFSCME) Local 2620, AFL-CIO; the California Association of Psychiatric Technicians (CAPT); the Service Employees International Union (SEIU) Local 1000; the International Union of Operating Engineers (IUOE); the California Statewide Law Enforcement Association (CSLEA); and the Union of American Physicians and Dentists (UAPD) Local 206, AFL-CIO. The most recent meeting occurred on November 7, 2011. These meetings provide the opportunity for the unions and the Department to communicate on closure status and issues, and the needs of employees to be considered during the closure process. Additionally, the SSAG has been convened to address employee needs and related staffing issues, as discussed further, below.

It is the intent of the Department to help mitigate the impact on employees of the closure of Lanterman. In support of this commitment, employees will be:

- Kept up-to-date with accurate information to assist them in understanding their choices and rights before making decisions that could impact their futures.
- Encouraged to seek new opportunities to serve individuals with developmental disabilities within the developmental center or community service system.
- Offered assistance to help develop personal plans that support their objectives and maximize their expertise.
- Provided with opportunities to enhance their job skills.

STAFF SUPPORT ADVISORY GROUP

The Department recognizes the importance of retaining experienced staff at Lanterman throughout the closure process. To support the Department's goals of ensuring adequate staffing to maintain normal operations and to assist Lanterman employees in developing personal plans for their future, the SSAG was convened. The membership includes a large cross section of LDC employees representing all labor bargaining units and management, one family member of a Lanterman resident, and representatives from DDS.

The SSAG makes recommendations to the LDC Executive Team and DDS to help ensure continuity of the staffing, meet the needs of transitioning employees, and assist in identifying morale-boosting activities that encourage camaraderie among the staff.

A key objective of the SSAG is the establishment of employee supports that promote workforce stability as well as opportunities for employees to determine future options. An employee career center has been developed to provide personal assistance for each employee to identify future interests, and become equipped with the knowledge they need to successfully achieve their goals.

Accurate and timely communication throughout the closure process is essential to achieve stability in the workforce. Communications within all levels of the LDC organization will occur to keep employees informed about the progress of the closure, morale-boosting activities, and available career opportunities.

The SSAG will continue to meet regularly until the LDC Executive Team is satisfied that the supports for LDC employees have been sufficiently identified and the recommendations from the group considered and, if approved, implemented.

CAREER CENTER / STAFF OPTIONS AND RESOURCE CENTER

The Staff Options and Resource Center (SOARC or Center), formerly referred to as the Career Center, had its grand opening in May 2011. The Center provides personal support for each employee, assists employees in identifying their future interests, and equips employees with the knowledge they need to successfully achieve their goals.

As part of the SSAG function, the Lanterman employees were surveyed to obtain information on their future employment interests, including relocation to another developmental center and also to solicit from them the resources and assistance they believe are needed during the closure. The survey results were analyzed and used to prioritize the services SOARC provides to the staff.

Services of the SOARC include computer work stations to promote access to various internet sites to assist in searching for employment and professional development, reference materials related to self-help and career development, postings for State and local employment opportunities, on-line courses for resume writing and job-seeking enhancement tools. Additionally, the SOARC is a venue for mock interviews, guest speakers and career workshops.

On behalf of Lanterman's employees, contact has already been made with the California Employment Development Department's Los Angeles County Rapid Response Coordinator and the Los Angeles Urban League Pomona WorkSource Center. These entities stand ready to provide the comprehensive services as specified in the Workforce Investment Act (WIA) and assist Lanterman in providing Career Center services that include education and information related to interview skills, resume

preparation, unemployment benefits, the California Training Benefits program, credit counseling and Employee Assistance Program services.

EMPLOYEE COMPOSITION

Time Base and Years of Service

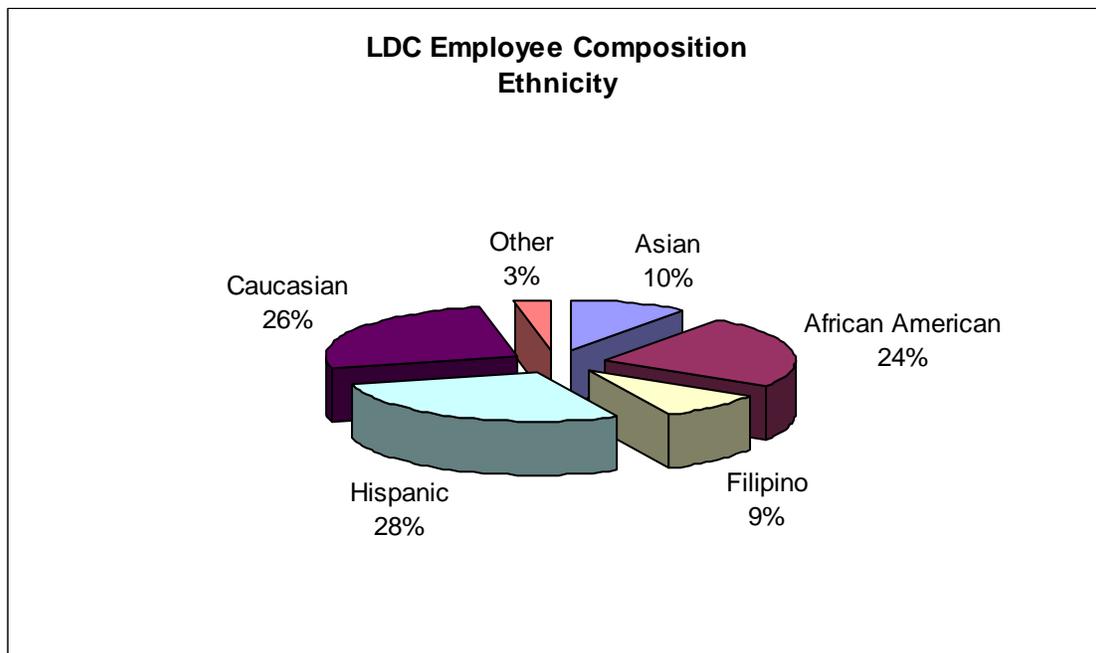
As of December 1, 2011, there were 1,026 employees at Lanterman. Of these employees, 92 percent are full-time, 3 percent are part-time, and the remaining 5 percent are intermittent, temporary, or limited-term.

Thirty-five (35) percent of the employees have worked at Lanterman for 10 years or less. Thirty-eight (38) percent of the employees have worked at the facility between 11 and 20 years. The remaining 27 percent have worked at Lanterman for 20 years or more.

Demographics

Sixty-five (65) percent of the Lanterman workforce is female. Of the total workforce, 50 percent of employees are 50 years of age or older and 23 percent of employees are between 43 and 50 years of age.

Employees at Lanterman are from diverse ethnic backgrounds. The employees who identify themselves as Hispanic comprise 28 percent of the workforce, and those who identify themselves as Caucasian are 26 percent of the Lanterman workforce. Twenty-four (24) percent of the workforce are employees who identify themselves as African American, followed in decreasing numbers by Asian employees who represent 10 percent of the workforce, Filipino employees who represent 9 percent, and the remaining 3 percent of staff identifying themselves as "Other."



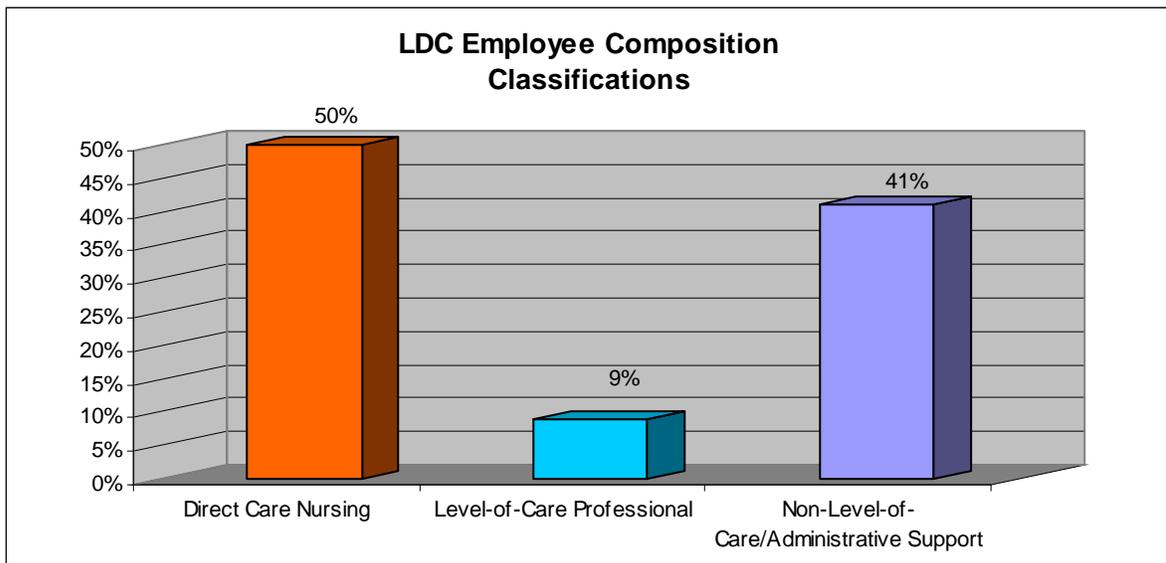
Classifications

A wide range of employees and classifications provide services to people residing at Lanterman. The classifications fall into one of the following three categories:

Direct Care Nursing: The direct care nursing classifications make up 50 percent of the employee population and include those employees who are assigned to shifts and fulfill required staffing minimums for providing direct care services to the men and women residing at Lanterman. These employees are primarily registered nurses, psychiatric technicians, psychiatric technician assistants, and trainees or students.

Level-of-Care Professional: The level-of-care professionals make up 9 percent of the total employee population and include physicians, rehabilitation therapists, social workers, teachers, physical and occupational therapists, respiratory therapists, vocational trainers, and others who also provide a direct and specialized service for the residents at Lanterman but are not in classifications included in the direct care nursing minimum staffing ratios.

Non-Level-of-Care and Administrative Support: The remaining 41 percent of the employee population includes those who are in non-level-of-care nursing positions but provide other direct services to residents, and also administrative support. This includes dietary employees such as cooks and food service workers, plant operations staff, clerical support, personnel and fiscal services employees, health and safety office staff, quality assurance reviewers, and all facility supervisors and managers.



Employee County of Residence

Lanterman employees primarily live in one of four counties near LDC. Thirty-nine (39) percent live in Los Angeles County, 47 percent reside in San Bernardino County, 7 percent reside in Riverside County, and 6 percent live in Orange County. Only 1 percent of employees reside in a county other than one of the four identified above.

EMPLOYEE TRANSFERS, SEPARATIONS AND RETIREMENTS

During the period of January 1, 2010, to December 1, 2011, 273 employees separated from employment at Lanterman, as follows:

TYPES OF SEPARATION						
Month	Transfer	Retirement	Resignation	Limited Term Expired	Other*	Total
January 2010	2	2	1			5
February	1	1				2
March	2	3	1			6
April	3	14	1		1	19
May	3	3	5			11
June	8	8	3			19
July	11	5	1			17
August	8		3			11
September	10	2	2			14
October	2		2		1	5
November	5	2	1		1	9
December	8	19	4		3	34
January 2011	5	5	3	2		15
February		1	2		1	4
March	6	4	3		1	14
April	8	5	3		1	17
May	1	2	2			5
June	3	4	5		1	13
July	2	4			1	7
August	11	4	3			18
September	5					5
October	8	3	1			12
November	9		2			11
YTD	121	91	48	2	11	273

* Dismissal or Other Causes

The following types of staff by classification group that left Lanterman since January 1, 2010, are:

- 24 Level of Care-Professional, or 9 percent;
- 111 Level of Care-Nursing, or 41 percent; and
- 138 Non-Level of Care, or 50 percent.

MANAGEMENT OF STAFFING UNTIL CLOSURE

The Department is working directly with the Lanterman Executive Team to assure that sufficient staffing levels are maintained to meet certification standards throughout the

closure, based on the number and acuity of the residents. Employee retention during the closure and transition process is, and will remain, a high priority to assure continuity of services and to protect our most valuable resource, the expertise and commitment of a dedicated workforce. As of December 2011, level of care staffing meets certification standards throughout the facility.

STATE STAFF IN THE COMMUNITY

The trailer bill to the Budget Act of 2010 (SB 853, Chapter 717, Statutes of 2010, Committee on Budget), enacted October 19, 2010, authorized Department employees working at Lanterman to work in the community with former residents while remaining state employees for up to two years following the transfer of the last resident from Lanterman, unless a later enacted statute deletes or extends this provision. This program is referred to as the State Staff in the Community Program. Much like the program for Agnews closure, Lanterman employees will, through contract, be able to directly support former residents of Lanterman in their new homes, and thereby enhance the quality and promote continuity of services in the community. The Department has worked with the Department of Personnel Administration to establish agreements with the appropriate bargaining units to support the program. A marketing plan is being developed to provide information, generate interest, and obtain feedback from employees at Lanterman, as well as RCs and service providers who may seek to contract with Lanterman to participate in the program. Lanterman is proceeding with implementation of the program and working with interested parties to develop contracts, job descriptions and advertisements to recruit and select Lanterman employees for the program.

As of December 1, 2011, no Lanterman employees are working in the community as part of the Community State Staff (CSS) program. The Department expects this to change as more community resources come on line.

The Lanterman Facility

LANTERMAN PROPERTY

DDS continues to work with the Department of General Services (DGS) in managing the closure process for the developmental center property. In accordance with Government Code sections 11011 and 11011.1 (Attachment 9 of the Plan) concerning surplus state property, the land will be declared excess by DDS when it is no longer needed. DGS will then report to the Legislature that the land is surplus. After the Legislature approves the property as surplus, DGS will take the lead in determining the future use of the property, and the disposition of the property will follow the established process.

BUSINESS MANAGEMENT TEAM

The Lanterman Business Management Team has convened to begin the development of a Business Management Plan. The team will coordinate the various aspects of operational functions, construction projects, fiscal management, and space utilization throughout the closure process.

Fiscal Update

With an emphasis on ensuring the health and safety of individuals, the closure of Lanterman will occur after the last resident transitions to his or her new living situation and only after services and supports are available as identified in the IPP. The Department continues to believe it can manage the closure of Lanterman within existing funding levels. The Budget Act of 2011 contains language that allows flexibility to move funding between items of appropriation within the Department's budget during the closure process.

The Department, working with the RCs, now anticipates the transition of approximately 180 residents to community living arrangements in FY 2011-2012 through 2012-2013.

The chart on page 38 summarizes the Lanterman closure-related funding in FYs 2011-2012 and 2012-2013, consistent with the Governor's Budget for 2012-13. The budget for the Developmental Center Program reflects staffing and costs on a system-wide basis which is then allocated to each facility. The information contained in the chart reflects Lanterman's share of system-wide costs. Below is a general description of closure-related costs in the Developmental Center and Regional Center Estimates.

DEVELOPMENTAL CENTER COSTS

The Governor's Budget for Developmental Centers includes funding of \$569 million (\$293.4 million GF) for FY 2011-12 and \$559.2 million (\$283.6 million GF) for FY 2012-13. This funding reflects the following adjustments from the enacted budget:

1. A reduction of \$8.1 million (\$3.0 million GF reduction) in FY 2011-12 and a reduction of \$18.0 million (\$12.8 million GF reduction) in FY 2012-13, as follows:
 - A net decrease of \$5.2 million (\$2.6 million GF) in FY 2011-12 and a net increase of \$4.5 million (\$2.7 million GF) in FY 2012-13 due to state wide Control Sections that drove adjustments in retirement and health rates, and personal service cost reductions achieved through collective bargaining or actions of the Administration in employee compensation;
 - A decrease of \$3.0 million (\$2.5 million GF) in FY 2011-12 and FY 2012-13 due to updated Quality Assurance Fees paid by developmental centers;
 - A Fund shift of \$2.2 million GF in FY 2011-12 due to a two month delay in conducting the CMS survey for certification of a portion of the Porterville Secure Treatment Program;
 - An increase of \$0.1 million (\$.1 million GF) in FY 2011-12 and a decrease of \$0.4 million (\$.2 million GF) for miscellaneous adjustments, including cell phone reductions as part of state wide efficiencies and funding changes.

- A decrease of \$24.5 million (\$14.4 million GF) for Level of Care and Non-Level of Care updated staffing. A portion of the staffing updates are counted towards the Administration's state wide operational efficiencies savings plan [Control Section 3.91(b) reductions];
- Retention of 28 positions for enhanced Lanterman Closure staffing for \$2.9 million (\$1.6 million GF) in FY 2012-13. These staff ensure the continued safe and successful transition of residents and continuation of all closure related activities in support of approximately 180 residents transitioning to community living arrangements between FY 2011-12 and FY 2012-13; and
- An increase of \$2.4 million in reimbursement authority for the State Staff in the Community program associated with the closure of Lanterman Developmental Center.

The overall changes to the Lanterman budget based on the Governor's Budget are the result of multiple budgetary actions as noted above. Specifically, Lanterman has a FY 2011-2012 reduction of \$2.5 million and a FY 2012-2013 reduction of \$5.9 million and decrease of 116 positions.

The standard staffing guidelines are designed for day-to-day operations but do not provide adequate resources for a developmental center during closure. Therefore, for the ongoing delivery of services to residents during the closure process support is needed for the transition of residents out of Lanterman including preparations for closure; and the ongoing maintenance required to operate the facility as follows:

- Closure Related Staff:
 - Level of Care/Nursing: The Department has committed to residents and families of LDC that a strategic planning effort will be implemented to reduce the overall number of moves any one resident may experience prior to leaving LDC. To meet this commitment and continue to ensure the health and safety of Lanterman residents, staff will be retained beyond staffing standards to provide direct nursing care. The Governor's Budget for FY 2012-2013 retains an additional 10 nursing positions for these closure activities.
 - Administration Transition and Closure Activities provide overall coordination with RCs, community providers and developmental center staff; confidential records management; equipment inventory and disposition; resident property transfer; property maintenance and upkeep; and employee separations, including activities associated with retirements, layoffs or transfers of employees, during a closure. The Governor's Budget for FY 2012-13 retains an additional 9 positions for these activities.

- Resident Transition and Placement Support activities ensure a safe and smooth transition for each resident as they transition to the community. The Governor's Budget retains an additional 8 positions to provide necessary supports to residents transitioning from the developmental center to the community.
- State Staff in the Community The Department, in developing the Governor's Budget for FY 2012-2013, assumed an additional 33 positions working in the community and retention of one staff to support the planning and administrative aspects of this program. This includes coordination with RCs and providers; negotiating and processing contracts for services; negotiations with employee unions; and appropriate communication and coordination with staff participating, or desiring to participate, in the program.
- Staff Support Costs / Resident Transition includes:
 - Costs related directly to the transfer of residents to new living arrangements, including staff overtime, resident transportation and other relocation costs.
 - Costs for "cash out" of accrued vacation, annual leave, personal leave, holiday credit, certified time off (CTO), and excess time for employees separating from state service due to retirement or layoff. It is anticipated that incremental employee separations will occur throughout the closure process which will result in costs for cash-outs and unemployment insurance. The Department is monitoring the resident population changes and the associated staffing by classification to manage the need for layoff.

The following costs are not budgeted in FY 2012-2013, but are listed here as future fiscal issues to be identified in subsequent fiscal years:

- Administrative staff temporarily needed after closure to ensure records are properly retained and stored, confidentiality is preserved, and essential historical documents are chronicled and maintained.
- Staff needed after closure to maintain the physical plant until the property is transferred through the state surplus property process. This period is often referred to as "warm shut-down."

It should be noted that the fiscal analysis does not include any assumptions associated with the disposition of the Lanterman property, which is handled separately by the Department of General Services.

REGIONAL CENTER/COMMUNITY COSTS

The Department is committed to ensuring the availability of necessary services and supports for Lanterman residents transitioning into the community. The Community

Program costs will be funded from CPP and Purchase-of-Service (POS) resources contained annually in the Department's budget. The RC costs associated with the closure of Lanterman include:

- Community resource development through the CPP for residential and day services, among others, and related RC Operations, as follows:
 - For the closure of Lanterman, POS funding is provided through the CPP for start-up costs associated with new residential and day program providers; assessments by non-regional center clinicians; and placement and ongoing services and supports needed by Lanterman residents transitioning to the community during the Fiscal Year.
 - For those RCs that have residents at Lanterman, Operations funding is provided for staffing to conduct needs assessments; work with Lanterman residents, families, and staff to ensure a safe transition to the community; plan, develop, and implement needed community resources; and provide case management services to consumers and their families.
- Staff resources through the MFP grant, as described in detail earlier in this report, for identification of and arrangements for services and supports for residents transitioning to the community, and case management and quality assurance functions; and
- Ongoing service and support costs in subsequent years funded from the non-CPP POS budget. These ongoing RC costs are associated with former residents of LDC who have transitioned to the community and are no longer funded by CPP. Their costs are reflected in the caseload/utilization trends in the Regional Center Estimate, since the Estimate is developed from data that includes the closure activities of the past several years for Agnews and the Sierra Vista Community Facility.

Fiscal Update Summary

LANTERMAN DEVELOPMENTAL CENTER:

FY 2011-12 LDC Share of Budgeted DC Costs - Enacted	\$95,632,596
Positions	1,057.0

FY 2011-12 Update

FY 2011-12 Adjustments to Enacted Budget- Governor's Budget 2012	
Quality Assurance Fee	-\$1,533,546
Budget Adjustments (Control Sections/Budget Letters)	-\$989,421
Net Funding Change	-\$2,522,967
Net Position Change	0
FY 2011-12 LDC Share of Budgeted DC Costs - Governor's Budget 2012	\$93,109,629
Positions	1,057.0

FY 2012-13 Update

FY 2012-13 Adjustments to Enacted Budget - Governor's Budget 2012	
LDC Population Driven Cost Change ^{1/}	
Average In-Center Population	-97
Population Staffing	-\$10,503,000
Positions	-144.0
Quality Assurance Fee	-\$1,533,546
Positions	0.0
Budget Adjustments (Control Sections/Budget Letters)	\$834,768
Positions	0.0
Additional Closure Related Staff	\$2,913,079
Nursing	748,736
Administration Transition and Closure Activities	688,727
Resident Transition and Placement Support Activities	664,808
OT/PT/ST OE&E	746,153
Administration for State Staff	64,655
Positions	28.0
State Staff in the Community (Other Reimbursements) ^{2/}	\$2,408,994
Direct Support Services / Clinical Team (33.0 Non-Add Positions)	2,408,994
Net Funding Change	-\$5,879,705
Net Position Change	-116
General Fund (Match)	-\$3,321,043
General Fund Other	-\$1,369,315
Medi-Cal Reimbursements	-\$3,597,202
Reimbursements (Other)	\$2,408,994
All Other Funds (Federal/Lottery)	-\$1,138
FY 2012-13 LDC Share of Budgeted DC Costs - Governor's Budget 2012	\$89,752,891
Positions	941.0

REGIONAL CENTERS:

2011-12 Regional Centers Budgeted - Governor's Budget		\$46,605,000
Community Placement Plan: LDC Closure Share of Funds ^{3/}		\$43,068,000
Operations		\$11,192,000
Purchase of Service (POS)		\$31,876,000
Start-up		\$15,196,000
Assessment		\$576,000
Placement		\$14,168,000
Deflection		\$1,936,000
Closure Related Staff: (Money Follows the Person)		\$3,537,000
Positions		34.0

^{1/} Includes Control Section 3.91(b) adjustment.

^{2/} 33 non-add provider placed positions in the community in which the department receives reimbursement.

^{3/} The costs reflect CPP funding that has been allocated to the 10 Southern California regional centers involved in developing resources for LDC residents.

Major Implementation Steps and Timelines

The major implementation steps and timelines for the closure of Lanterman are identified in the table below. The steps and timelines have been updated from the table that was provided in the May 2011 Update on the Plan for the Closure of Lanterman Developmental Center. New activities or changes are indicated in bold.

ACTIVITY	DATE(S)	STATUS
The Department announces its proposal to close LDC.	January 29, 2010	Completed
Initial meetings with: <ul style="list-style-type: none"> ▪ LDC residents ▪ Family members of LDC residents ▪ Employees and their bargaining unit representatives ▪ Local officials/legislators ▪ RCs ▪ Community service providers ▪ Local businesses ▪ Managed care health plans 	February/March 2010	Completed
Work with RCs regarding CPP development and community capacity in RC catchment areas	February 2010 – Closure	Ongoing
Coordinate with DHCS, CDPH, DSS & the California Health and Human Services Agency	February 2010 – Closure	Ongoing
Public Hearing on the proposed closure of LDC	February 24, 2010	Completed
Implement a process to ensure timely notification to stakeholders and appropriate entities regarding closure activities, including development of website	March 2010	Ongoing. Formal updates are provided with the Governor's Budget and May Revision, through special communications, and on the website.
Work with local Managed Care Health Plans ensuring availability of health services	March 2010 - Closure	Ongoing. MOUs and protocols between DDS and DHCS, and RCs and health plans have been finalized.
Submission of the LDC Closure Plan to the Legislature	April 1, 2010	Completed
Legislative Budget Hearings/Testimony on the Plan	April – June 2010	Completed

ACTIVITY	DATE(S)	STATUS
Submit legislation associated with ARFPSHN and State Staff in the Community	April 2010	Completed
Establish and convene Advisory Groups for: <ul style="list-style-type: none"> ▪ Resident Transition ▪ Quality Management ▪ Staff Support 	April 2010	Completed
Budget Act of 2010 and Trailer Bill enacted, authorizing closure	October 8 &19, 2010, respectively	Completed
Initiate individualized transition planning process	October 2010 and ongoing	Ongoing
Develop and open an outpatient clinic to provide transition services as residents leave LDC	October 2010	Completed. Licensure granted July 2011.
Plan for the deployment of state employees to community services and work with RCs and providers to determine numbers and types of state employees who may be interested and for what functions	October 2010 – Two years after closure	Ongoing. Bargaining agreements have been reached with all affected unions.
Develop and implement individual health transition plans for residents	October 2010 and ongoing	Ongoing
Establish dental coordinator and health care consultant positions at identified RCs	November 2010	Completed. Positions have been allocated to RCs as approved through the MFP grant.
Transition of residents from LDC	2010 – Closure	Ongoing
Establish an LDC Business Management Team to develop a plan for the administrative and physical plant activities of closure	April 2011	Ongoing
Trailer Bill enacted to clarify the health plans participating in managed care for LDC residents	March 2011	Completed
Implementation of RTAG recommendations for improvements to the transition planning process	April - July 2011	In process
Implementation of the QMAG recommendations for enhancements to the QMS	April - Sept 2011	In process
Official closure of LDC	After all residents have moved	To be determined
Post-closure clean-up activities at LDC	Initial months following closure	To be determined
Warm shutdown begins (if transfer of property does not immediately occur)	Upon closure and until property is transferred	To be determined

Appendix A: State Staff in the Community Program

On an annual basis, the Department reports to the fiscal committees of both houses of the Legislature on the use of state employees to provide services in the community (Welf. and Inst. Code section 4472.2(b)).

The FY 2011-2012 Enacted Budget reflected 39 state staff in the community for Lanterman with an additional 33 staff and one administrative staff budgeted for FY 2011-12. As of December 1, 2011, there are no Lanterman employees working in the community as part of the Community State Staff (CSS) program. The Department expects this to change as more community resources come on line.