

FOR LEGISLATIVE REVIEW

**DEVELOPMENTAL CENTERS
2017 MAY REVISION**



**STATE OF CALIFORNIA
DEPARTMENT OF DEVELOPMENTAL SERVICES
MAY 2017**

Table of Contents

	<u>Page</u>
Executive Highlights	1
2016-17 Executive Summary Table	3
2017-18 Executive Summary Table	4
2017-18 Comparison to Updated 2016-17 Executive Summary Table	5
DC System Population	6
Operations Program Update	7
Canyon Springs Resident Population and Staffing Detail.....	13
Canyon Springs Expenditure and Funding Detail.....	14
Fairview Resident Population and Staffing Detail.....	15
Fairview Expenditure and Funding Detail.....	16
Porterville GTA Resident Population and Staffing Detail.....	17
Porterville GTA Expenditure and Funding Detail.....	18
Porterville STP Resident Population and Staffing Detail	19
Porterville STP Expenditure and Funding Detail	20
Sonoma Resident Population and Staffing Detail.....	21
Sonoma Expenditure and Funding Detail.....	22
Control Section Adjustments	23
New Major Assumption – Safety Net.....	24
New Major Assumption – Community State Staff Program	25
Future Fiscal Issues	26
Funding	27
SB 82 Reporting.....	31
Safety Net Plan Summary	34

EXECUTIVE HIGHLIGHTS

OVERVIEW

The Department of Developmental Services (Department) provides residential services to individuals who have a developmental disability at three developmental centers (DCs) and one State-operated Community Facility. Chapter 25, Statutes of 2012 (AB 1472) placed a moratorium on general admissions to DCs that resulted in a continuing decline in the resident population. In addition, Chapter 23, Statutes of 2015 (SAB 82) requires the Department to close the remaining DCs. In response, the Department submitted to the Legislature on October 1, 2015, a plan to close the Sonoma DC (Sonoma) by December 31, 2018. Subsequently on April 1, 2016, the Department released closure plans for the Fairview DC (Fairview) and the General Treatment Area at the Porterville DC (Porterville GTA) by December 31, 2021. The Secure Treatment Program at Porterville (Porterville STP) and the Canyon Springs Community Facility will remain open.

On July 1, 2016, the Department entered into settlement agreements with the federal Centers for Medicare & Medicaid Services (CMS) to continue federal funding for individuals residing in the intermediate care facility units (ICFs) at Fairview and Porterville GTA. The Department's ongoing compliance with the provisions of the settlement agreements will allow the continued receipt of federal reimbursements for those ICF units. With the planned closures, the Department has increased resident transitions to community living arrangements, and is preparing to cease DC facility operations as outlined in the closure plans.

This estimate reflects an ending DC population on June 30, 2017 of 793 residents, an increase of 33 residents over the ending population reported in the 2016 November Estimate. The additional residents are a result of fewer placements due to delays in resident transitions to the community and the availability of Community Placement Plan (CPP) residential resources. The Department expects to correct these placement delays in 2017-18.

FISCAL YEAR 2016-17

The Department proposes an increase of \$10.1 million (\$7.6 million General Fund (GF) due to the State's new Memoranda of Understanding with 16 of the 21 collective bargaining units. The additional 2016-17 employee compensation adjustments reflect incremental changes approved through the collective bargaining process and are included in Item 9800, Employee Compensation Adjustments. Consequently, there is no increase in current year spending.

FISCAL YEAR 2017-18

The Department proposes a net increase of \$16.2 million (\$18.2 million GF) for 2017-18. The net increase results from the following adjustments:

Employee Compensation

\$10.5 million increase (\$7.8 million GF) for the State's new Memoranda of

Understanding with 16 of the 21 collective bargaining units. The additional employee compensation adjustments reflect incremental changes approved through the collective bargaining process and included in Item 9800, Employee Compensation Adjustments.

DC Operations Expenditure Increase

\$12.1 million net increase (\$8.5 million GF) to retain 136.3 positions due to technical corrections to the staffing calculations and adjusted resident population. The adjustment in resident population results in the need to operate one Intermediate Care Facility (ICF) unit at Fairview longer than estimated in November, which also limits the reduction of staffing and associated Operating Expenses and Equipment (OE&E) costs. As a result, savings will be \$12.1 million (\$8.5 million GF) less than projected in November.

Transfer of Community State Staff Program (CSSP) Reimbursement Authority

\$8.3 million decrease in reimbursements to transfer authority for the CSSP to Headquarters.

Safety Net Mobile Acute Crisis

\$1.9 million GF and 14.5 positions to operate two statewide Mobile Acute Crisis Unit teams. These teams will be an additional service provided by the Northern and Southern Stabilization, Training, Assistance, and Reintegration (STAR) homes at Sonoma and Fairview, and is part of the Department's overall Safety Net Plan to provide access to crisis services after the closure of the DCs.

**2016 - 17 DEVELOPMENTAL CENTER PROGRAM BUDGET
EXECUTIVE SUMMARY TABLE**
(Dollars in thousands)

DC OPERATIONS	May Revision Proposed						Governor's Budget	Request
	Canyon Springs	Fairview	Porterville GTA	Porterville STP	Sonoma	May Revision		
A. Units*	3.00	12.25	9.00	12.00	17.50	53.75	53.75	
1. ICF	3.00	6.75	5.00	12.00	9.25	36.00	36.00	
2. SNF	0.00	4.50	3.00	0.00	7.25	14.75	14.75	
3. Acute	0.00	1.00	1.00	0.00	1.00	3.00	3.00	
B. Population								
1. Actual Beginning 7/1/2016	46	220	150	200	347	963	963	0
2. Population Adjustments	7	-64	-32	11	-92	-170	-203	33
3. Ending 6/30/2017	53	156	118	211	255	793	760	33
C. Positions	150.5	1,033.6	678.6	904.9	1,357.6	4,125.2	4,125.2	0.0
D. Operations Expenditures								
1. Personal Services	\$16,611	\$119,836	\$71,471	\$95,295	\$159,580	\$462,793	\$462,793	\$0
2. OE&E	2,448	16,601	10,517	3,848	15,940	49,354	49,354	0
3. Community State Staff	0	738	0	0	7,552	8,290	8,290	0
4. Lease Revenue Bond	0	0	0	9,432	0	9,432	9,432	0
Total Operations Expenditures	\$19,059	\$137,175	\$81,988	\$108,575	\$183,072	\$529,869	\$529,869	\$0
E. Control Section Adjustments								
1. Employee Compensation	\$427	\$2,672	\$1,538	\$2,052	\$3,390	\$10,079	\$0	\$10,079
GRAND TOTAL	\$19,486	\$139,847	\$83,526	\$110,627	\$186,462	\$539,948	\$529,869	\$10,079

FUND SOURCES:

A. General Funds

- 1. General Fund Match
- 2. General Fund Other

B. Reimbursements

- 1. Medi-Cal
- 2. Other

C. Federal Funds

D. Lottery Education Fund

GRAND TOTAL

	May Revision	Governor's Budget	Request
A. General Funds	\$376,132	\$368,523	\$7,609
1. General Fund Match	154,947	152,477	2,470
2. General Fund Other	221,185	216,046	5,139
B. Reimbursements	\$163,237	\$160,767	\$2,470
1. Medi-Cal	154,947	152,477	2,470
2. Other	8,290	8,290	0
C. Federal Funds	\$285	\$285	\$0
D. Lottery Education Fund	\$294	\$294	\$0
GRAND TOTAL	\$539,948	\$529,869	\$10,079

*The total number of units reflect planned partial year unit consolidations as populations decline due to community placements.

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.
The amounts listed in the May Revision and Governor's Budget columns reflect an additional \$32.4 million GF, per Provision 8 of the 2016 Budget Act.

**2017 - 18 DEVELOPMENTAL CENTER PROGRAM BUDGET
EXECUTIVE SUMMARY TABLE**
(Dollars in thousands)

DC OPERATIONS	May Revision Proposed					Governor's Budget	2017-18 Request
	Canyon Springs	Fairview	Porterville GTA	Porterville STP	Sonoma		
A. Units*	3.00	10.00	6.00	14.00	10.75	43.75	0.75
1. ICF	3.00	5.75	3.50	13.00	5.75	31.00	0.75
2. SNF	0.00	3.25	2.50	0.00	4.00	9.75	0.00
3. Acute	0.00	1.00	0.00	1.00	1.00	3.00	0.00
B. Population							
1. Actual Beginning 7/1/2017	53	156	118	211	255	793	33
2. Population Adjustment	3	-88	-34	0	-179	-298	-28
3. Ending 6/30/2018	56	68	84	211	76	495	5
C. Positions**	229.0	847.0	517.3	1,224.9	968.6	3,786.8	150.8
D. Operations Expenditures							
1. Personal Services	\$21,320	\$95,936	\$50,736	\$119,339	\$98,353	\$385,684	\$11,762
2. OE&E	5,036	13,600	8,095	16,575	15,491	58,797	354
3. Community State Staff	0	738	0	0	7,552	8,290	0
4. Lease Revenue Bond	0	0	0	9,141	0	9,141	0
Total Operations Expenditures	\$26,356	\$110,274	\$58,831	\$145,054	\$121,396	\$461,912	\$12,116
E. Control Section Adjustments							
1. Employee Compensation	\$389	\$2,777	\$1,117	\$2,646	\$3,554	\$10,483	\$10,483
F. Major Assumptions							
1. Safety Net	\$0	\$939	\$0	\$0	\$939	\$1,878	\$1,878
2. CSSP Transfer To HQ	0	-738	0	0	-7,552	-8,290	-8,290
Total Major Assumptions	\$0	\$201	\$0	\$0	-\$6,613	-\$6,412	-\$6,412
GRAND TOTAL	\$26,745	\$113,252	\$59,948	\$147,700	\$118,337	\$465,983	\$16,187

FUND SOURCES:	Canyon Springs	Fairview	Porterville GTA	Porterville STP	Sonoma	May Revision	Governor's Budget	2017-18 Request
A. General Funds	\$13,800	\$60,742	\$31,256	\$146,552	\$95,830	\$348,179	\$329,985	\$18,194
1. General Fund Match	12,902	52,410	28,643	1,099	22,456	117,510	111,227	6,283
2. General Fund Other	897	8,333	2,613	145,453	73,373	230,669	218,758	11,911
B. Reimbursements	\$12,902	\$52,410	\$28,643	\$1,099	\$22,456	\$117,510	\$119,517	-\$2,007
1. Medi-Cal	12,902	52,410	28,643	1,099	22,456	117,510	111,227	6,283
2. Other	0	0	0	0	0	0	8,290	-8,290
C. Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
D. Lottery Education Fund	\$43	\$100	\$50	\$50	\$51	\$294	\$294	\$0
GRAND TOTAL	\$26,745	\$113,252	\$59,948	\$147,700	\$118,337	\$465,983	\$449,796	\$16,187

*The total number of units reflect planned partial year unit consolidations as populations decline due to community placements.

**The total number of positions include proposed Safety Net Mobile Acute Crisis Team positions.

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

2017-18 Comparison to 2016-17 Executive Summary Table
(Dollars in thousands)

	May Revision Proposed					May Revision 2017-18	May Revision 2016-17	2017-18 Request
	Canyon Springs	Fairview	Porterville GTA	Porterville STP	Sonoma			
DC OPERATIONS								
A. Units*	3.00	10.00	6.00	14.00	10.75	43.75	53.75	-10.00
1. ICF	3.00	5.75	3.50	13.00	5.75	31.00	36.00	-5.00
2. SNF	0.00	3.25	2.50	0.00	4.00	9.75	14.75	-5.00
3. Acute	0.00	1.00	0.00	1.00	1.00	3.00	3.00	0.00
B. Population								
1. Actual Beginning 7/1/2017	53	156	118	211	255	793	963	-170
2. Population Adjustment	3	-88	-34	0	-179	-298	-170	-128
3. Ending 6/30/2018	56	68	84	211	76	495	793	-298
C. Positions**	229.0	847.0	517.3	1,224.9	968.6	3,786.8	4,125.2	-338.4
D. Operations Expenditures								
1. Personal Services	\$21,320	\$95,936	\$50,736	\$119,339	\$98,353	\$385,684	\$462,793	-\$77,109
2. OE&E	5,036	13,600	8,095	16,575	15,491	58,797	49,354	9,443
3. Community State Staff	0	738	0	0	7,552	8,290	8,290	0
4. Lease Revenue Bond	0	0	0	9,141	0	9,141	9,432	-291
Total Operations Expenditures	\$26,356	\$110,274	\$58,831	\$145,054	\$121,396	\$461,912	\$529,869	-\$67,957
E. Control Section Adjustments								
1. Employee Compensation	\$389	\$2,777	\$1,117	\$2,646	\$3,554	\$10,483	\$10,079	\$404
F. Major Assumptions								
1. Safety Net	\$0	\$939	\$0	\$0	\$939	\$1,878	\$0	\$1,878
2. CSSP Transfer To HQ	0	-738	0	0	-7,552	-8,290	0	-8,290
Total Major Assumptions	\$0	\$201	\$0	\$0	-\$6,613	-\$6,412	\$0	-\$6,412
GRAND TOTAL	\$26,745	\$113,252	\$59,948	\$147,700	\$118,337	\$465,983	\$539,948	-\$73,965

	May Revision Proposed					May Revision 2017-18	May Revision 2016-17	2017-18 Request
	Canyon Springs	Fairview	Porterville GTA	Porterville STP	Sonoma			
FUND SOURCES:								
A. General Funds	\$13,800	\$60,742	\$31,256	\$146,552	\$95,830	\$348,179	\$376,132	-\$27,953
1. General Fund Match	12,902	52,410	28,643	1,099	22,456	117,510	154,947	-37,437
2. General Fund Other	897	8,333	2,613	145,453	73,373	230,669	221,185	9,484
B. Reimbursements	\$12,902	\$52,410	\$28,643	\$1,099	\$22,456	\$117,510	\$163,237	-\$45,727
1. Medi-Cal	12,902	52,410	28,643	1,099	22,456	117,510	154,947	-37,437
2. Other	0	0	0	0	0	0	8,290	0
C. Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$285	-\$285
D. Lottery Education Fund	\$43	\$100	\$50	\$50	\$51	\$294	\$294	\$0
GRAND TOTAL	\$26,745	\$113,252	\$59,948	\$147,700	\$118,337	\$465,983	\$539,948	-\$73,965

*The total number of units reflect planned partial year unit consolidations as populations decline due to community placements.
**The total number of positions include proposed Safety Net Mobile Acute Crisis Team positions.

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

POPULATION

Current Year 2016-17						
	Canyon Springs	Fairview	Porterville GTA	Porterville STP	Sonoma	Total
2016-17 Enacted Budget						
Population, July 1, 2016	58	210	178	211	298	955
Admissions*	12	5	0	36	5	58
Placements	-3	-60	-6	-36	-135	-240
Deaths	0	-4	-10	0	-12	-26
Ending Population, June 30, 2017	67	151	162	211	156	747
Governor's Budget for CY 2016-17						
Population, July 1, 2016	46	220	150	200	347	963
Admissions	19	6	0	28	5	58
Placements	-12	-86	-34	-17	-89	-238
Deaths	0	-5	-4	0	-14	-23
Ending Population, June 30, 2017	53	135	112	211	249	760
May Revision for CY 2016-17						
Population, July 1, 2016	46	220	150	200	347	963
Admissions	19	6	0	28	5	58
Placements	-12	-65	-29	-17	-87	-210
Deaths	0	-5	-3	0	-10	-18
Ending Population, June 30, 2017	53	156	118	211	255	793
Population Change CY 2016-17						
Population, July 1, 2016	0	0	0	0	0	0
Admissions	0	0	0	0	0	0
Placements	0	21	5	0	2	28
Deaths	0	0	1	0	4	5
Ending Population, June 30, 2017	0	21	6	0	6	33

Budget Year 2017-18						
	Canyon Springs	Fairview	Porterville GTA	Porterville STP	Sonoma	Total
2016-17 Enacted Budget						
Beginning Population, July 1, 2016	58	210	178	211	298	955
Admissions*	12	5	0	36	5	58
Placements	-3	-60	-6	-36	-135	-240
Deaths	0	-4	-10	0	-12	-26
Ending Population, June 30, 2017	67	151	162	211	156	747
Proposed Governor's Budget for BY 2017-18						
Beginning Population, July 1, 2017	53	135	112	211	249	760
Admissions	10	5	0	2	5	22
Placements	-7	-67	-25	-2	-176	-277
Deaths	0	-5	-4	0	-6	-15
Ending Population, June 30, 2018	56	68	83	211	72	490
May Revision for BY 2017-18						
Beginning Population, July 1, 2017	53	156	118	211	255	793
Admissions	10	5	0	2	5	22
Placements	-7	-88	-30	-2	-178	-305
Deaths	0	-5	-4	0	-6	-15
Ending Population, June 30, 2018	56	68	84	211	76	495
Population Change BY 2017-18						
Beginning Population, July 1, 2017	0	21	6	0	6	33
Admissions	0	0	0	0	0	0
Placements	0	-21	-5	0	-2	-28
Deaths	0	0	0	0	0	0
Ending Population, June 30, 2018	0	0	1	0	4	5

*Admissions include transfers to Canyon Springs and Porterville STP.

2017-18 Operations Program Update

The 2017 May Revision includes a net increase of \$12.1 million (\$8.5 million General Fund) and 136.3 positions for 2017-18 over the Governor's Budget resulting from changes in resident populations and technical corrections for staffing, Operating Expenses and Equipment (OE&E), and facility costs.

Population-Driven Changes

The May Revision updates the beginning DC population on July 1, 2017, to 793, an increase of 33 residents. The change in population results in the need for one additional ICF unit and 50.5 positions at Fairview for nine months, as well as additional resident, staff, and facility OE&E funds. In total, the Department proposes an additional \$5.7 million (\$3.0 million GF) over the November Estimate due to population-driven adjustments.

Technical Corrections - Staffing

The November Estimate presented for the first time, DC-specific budgets using a zero-based approach to operating the facilities with a declining resident population. As the Department analyzed the budgets during the May Revision process, it identified 85.8 program support positions that are currently filled and inadvertently left out of the proposed 2017-18 budget. More specifically, the Governor's Budget did not include 16.5 positions in the 2016-17 DC budget that provide statewide support to all the DCs from within Headquarters. Additionally, the Department mistakenly left out 8.0 positions that operate a second kitchen at Canyon Springs, 12.0 positions that transport staff at the Porterville facility, 35.3 positions required to meet bargaining unit staff-to-supervisor ratios, and 14 various other positions required to support DC operations. In total, the Department estimates \$7.4 million (\$5.7 million GF) for these technical corrections, as more fully described by facility below.

Technical Corrections – Other Costs

In addition to staffing adjustments, the Department proposes a net reduction of -\$1.0 million (net decrease of -\$0.2 million GF), comprised of an adjustment for Workers' Compensation costs at Canyon Springs (\$0.4 million increase), resident OE&E at Porterville STP (\$0.9 million increase), and facility expenses at Sonoma (\$2.4 million decrease). Further, the Department proposes to re-distribute on a proportional basis, \$3.4 million from the General Treatment Area (GTA) at Porterville to the Secure Treatment Program (STP) based on the number of staff working at each.

Canyon Springs

The May Revision proposes to increase funding by \$0.9 million (\$0.5 million GF) for 8.0 positions and Workers' Compensation costs. The additional 8.0 positions are a result of correcting staffing numbers to account for Food Service Workers inadvertently left out of the 2017-18 Governor's Budget. More specifically, the Canyon Springs facility operates a food preparation area separate from the main kitchen, and the 2016 November Estimate did not account for the staff who work in the food preparation area. In addition, the 2017-18 Governor's Budget did not include Workers' Compensation costs in the Staff Benefits calculation. Details of these adjustments are as follows:

- Technical Corrections, Staffing: \$504,000
 - 5.0 Food Service Worker I/II Presentation
 - 1.0 Food Service Worker I/II Production
 - 1.0 Cook I/II
 - 1.0 Supervising Cook II
 - 8.0

- Technical Corrections, Workers' Compensation: \$433,000

Fairview Developmental Center

The May Revision proposes to increase funding by \$6.8 million (\$3.4 million GF) and 65.1 positions, which is largely driven by an increased population of 21 residents over the 2017 Governor's Budget (50.5 positions). In addition, Program Support increased by 14.6 positions due to technical corrections. This includes 2.0 positions in the DC budget that provide statewide oversight and work at Headquarters, 9.6 additional Supervising Housekeepers to comply with bargaining unit staff-to-supervisor ratios, and 3.0 positions required for operational needs. Details of these adjustments are as follows:

- Population-driven Increases: \$5,677,000
 - A. Unit Staffing
 - 0.4 Psychologist
 - 0.4 Social Worker
 - 0.8 Rehab Therapist
 - 0.4 Physical Therapist
 - 0.4 Education
 - 0.2 Speech
 - 19.0 Psychiatric Technician
 - 1.4 Registered Nurse
 - 4.1 Psychiatric Technician Assistant

4.1 Registered Nurse/Senior Psych Tech
1.4 Health Services Specialist/Registered Nurse
2.6 Psychiatric Technician (Active Treatment)
2.6 Psychiatric Technician (Escorts)
0.8 Individual Program Coordinator
0.8 Unit Supervisor/Supervising Registered Nurse
0.8 Physician
0.2 Assistive Technology Specialist
0.8 Unit Clerk/Office Tech (Typing)
5.3 Food Service Technician
2.6 Custodian
48.6 (Rounding difference due to 0.4 positions' actual percentage of 0.3750)

B. Program Support

0.6 Supervising Housekeeper I
1.3 Custodian
1.9

- Technical Corrections, Program Support Staffing: \$1,133,000

1.0 Associate Construction Analyst
1.0 Associate Governmental Program Analyst
2.0 Office Technician (Typing)
1.0 Supervising Special Investigator I
9.6 Supervising Housekeeper I
14.6

Porterville Developmental Center – General Treatment Area (GTA)

The May Revision identifies an additional six residents over the estimated beginning population per the 2017 Governor's Budget. However, the Department expects these placements to occur early in 2017-18 and therefore does not request additional resources due to this population adjustment.

The May Revision proposes a net decrease of -\$2.9 million (-\$1.6 million GF), and a net increase of 5.9 program support positions due to technical corrections. More specifically, the adjustment includes 0.9 positions (portion allocated to the GTA) that are currently in the DC budget and provide statewide oversight from Headquarters. The adjustment also includes 4.7 positions required to comply with supervisor-to-staff ratios per bargaining unit contracts, 3.8 positions that provide staff transportation at the facility, and 2.4 positions required for operational needs. Further, the Department shifted 5.9 Program Support positions from the GTA to the STP. Finally, the May Revision proposes to decrease the Porterville GTA budget

by -\$3,370,000 to redistribute fixed facility expenses from the GTA to the STP based on population. Details of these adjustments are as follows:

- Technical Corrections, Program Support Staffing: \$443,000
 - 0.3 Residence Manager (RN III/Unit Supervisor)
 - 2.1 Shift Supervisor (Unit Supervisor/RN II/SPT)
 - 0.3 Staff Services Analyst (M.D. Assistant)
 - 0.3 Staff Services Analyst (Contract Analyst)
 - 4.7 Supervising Housekeeper I
 - 3.8 Automotive Equipment Operator I
 - 0.6 Public Works Coordinator (Associate Governmental Program Analyst)
 - 0.3 Nurse Consultant I
 - 0.3 Associate Construction Analyst
 - 0.3 Staff Services Manager I
 - 5.9 Various positions shifted to STP
 - 5.9
- Redistribution of Fixed Facility OE&E to STP: -\$3,370,000

Porterville Developmental Center – Secure Treatment Program (STP)

The May Revision proposes a net increase of \$7.2 million (\$7.3 million GF) and 32.1 program support positions. This includes 2.1 positions that provide statewide oversight and work at Headquarters, 10.3 positions required to comply with supervisor-to-staff ratios per bargaining unit contracts, 8.2 positions that provide staff transport at the facility, 5.9 positions realigned from the GTA, and 5.6 positions required for operational needs. Resident OE&E increased by \$932,000 GF due to per resident OE&E calculated at \$20,000 instead of the correct amount of \$25,000. Further, the May Revision proposes to increase Porterville STP budget by \$3,370,000 to redistribute fixed facility expenses from the GTA to the STP based on population. Details of these adjustments are as follows:

- Technical Corrections, Program Support Staffing: \$2,887,000
 - 0.7 Residence Managers (Registered Nurse III/Unit Supervisor)
 - 4.9 Shift Supervisor (Unit Supervisor/Registered Nurse II/Senior Psych Tech)
 - 0.7 Staff Services Analyst (M.D. Assistant)
 - 0.7 Staff Services Analyst (Contract Analyst)
 - 10.3 Supervising Housekeeper I

8.2 Automotive Equipment Operator I
-1.4 Public Works Coordinator (Associate Governmental Program Analyst)
0.7 Nurse Consultant I
0.7 Associate Construction Analyst
0.7 Staff Services Manager I
5.9 Various positions shifted from GTA
32.1

- Technical Correction, Other Costs: \$4,302,000

Resident OE&E: \$932,000

Redistribution of Fixed Facility OE&E from GTA: \$3,370,000

Sonoma Developmental Center

The May Revision identifies an additional six residents over the estimated beginning population per the 2017 Governor's Budget. However, the Department expects these placements to occur early in 2017-18 and therefore does not request additional resources due to this population adjustment.

The May Revision proposes a net increase of \$0.1 million (-\$1.1 million GF) and 25.2 positions. This includes 11.5 positions that provide statewide oversight and work at Headquarters, 10.7 positions required to comply with supervisor-to-staff ratios per bargaining unit contracts, and 3.0 positions required for operational needs. Additionally, the Northern STAR Unit personal services expenditures decreased by -\$0.2 due to a formula error, and the Department reduced its estimate of fixed facility OE&E expenditures by -\$2.2 million based on further analysis of costs. Details of these adjustments are as follows:

- Technical Corrections, Program Support Staffing: \$2,476,000

1.0 Office Technician (Typing)
1.0 Supervising Special Investigator I
1.0 Staff Services Analyst (Contract Analyst)
10.7 Supervising Housekeeper I
0.5 Office Occupation Clerk
1.0 Office Tech (Typing)
3.0 Investigator
2.0 Supervising Special Investigator I
1.0 Supervising Special Investigator II
1.0 Research Analyst II

1.0 Nurse Consultant III

2.0 Community Program Specialist II

25.2

- Technical Corrections, Other Costs: -\$2,366,000

Northern STAR Unit personal services: -\$210,000 GF

Technical Correction, Fixed Facility OE&E Adjustment: -\$2,156,000

Canyon Springs Community Facility
Resident Population and Staffing Incremental Changes
Budget Year 2017 - 18

Resident Population			
ICF	SNF	Acute	Total Change
0	0	0	0

Units			
ICF	SNF	Acute	Total Change
0.00	0.00	0.00	0.00

Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	0.0	0.0	0.0	0.0
Medical	0.0	0.0	0.0	0.0
Admin	8.0	0.0	0.0	8.0
Total	8.0	0.0	0.0	8.0

Total Staffing Change	8.0	0.0	0.0	8.0
------------------------------	------------	------------	------------	------------

Incremental Position Change from 2016 November Estimate			
Staffing	2016 November Estimate	2017 May Revision	Change
Level of Care	124.0	124.0	0.0
Non-Level of Care	97.0	105.0	8.0
Total Positions	221.0	229.0	8.0

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Canyon Springs Community Facility
Expenditure and Funding Incremental Changes
Budget Year 2017 - 18
(Dollars in thousands)

Unit Staffing Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$876	\$0	\$0	\$0	\$876
Staff OE&E	60	0	0	0	60
Resident OE&E	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$936	\$0	\$0	\$0	\$936

Control Section Adjustments					
	ICF	SNF	Acute	Facility-Wide	Total Change
Employee Comp	\$0	\$0	\$0	\$389	\$389

Total Facility Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$876	\$0	\$0	\$0	\$876
OE&E	\$60	\$0	\$0	\$0	\$60
Staff OE&E	60	0	0	0	60
Resident OE&E	0	0	0	0	0
Fixed OE&E	0	0	0	0	0
Control Section Adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>389</u>	<u>389</u>
Grand Total	\$936	\$0	\$0	\$389	\$1,325

Fund Sources					
	ICF	SNF	Acute	Facility-Wide	Total Change
General Fund	\$294	\$0	\$0	\$389	\$683
Reimbursements	642	0	0	0	642
Lottery Education Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Grand Total	\$936	\$0	\$0	\$389	\$1,325

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Fairview Developmental Center
Resident Population and Staffing Incremental Changes
Budget Year 2017 - 18

Resident Population			
ICF	SNF	Acute	Total Change
25	-4	0	21

Units			
ICF	SNF	Acute	Total Change
0.75	0.00	0.00	0.75

Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	39.1	0.0	0.0	39.1
Medical	0.9	0.0	0.0	0.9
Admin	<u>8.6</u>	<u>0.0</u>	<u>0.0</u>	<u>8.6</u>
Total	48.6	0.0	0.0	48.6

Program Support Staffing				
	ICF	SNF	Acute	Total Change
Clinical	1.4	-0.4	-0.1	0.9
Medical	0.9	-1.6	-0.4	-1.2
Admin	<u>20.2</u>	<u>-2.1</u>	<u>-1.3</u>	<u>16.8</u>
Total	22.4	-4.1	-1.8	16.5

STAR Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	0.0	0.0	0.0	0.0
Medical	0.0	0.0	0.0	0.0
Admin	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	0.0	0.0	0.0	0.0

Safety Net Mobile Acute Crisis Team Staffing				
	ICF	SNF	Acute	Total Change
Clinical	7.3	0.0	0.0	7.3
Medical	0.0	0.0	0.0	0.0
Admin	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	7.3	0.0	0.0	7.3

Total Staffing Change	78.3	-4.1	-1.8	72.4
------------------------------	-------------	-------------	-------------	-------------

Incremental Position Change from 2016 November Estimate			
Staffing	2016 November Estimate	2017 May Revision	Change
Level of Care	239.5	290.0	50.5
Non-Level of Care	535.1	557.0	21.9
Total Positions	774.6	847.0	72.4

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Fairview Developmental Center
Expenditure and Funding Incremental Changes
Budget Year 2017 - 18
(Dollars in thousands)

Unit Staffing Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$4,715	\$0	\$0	\$0	\$4,715
Staff OE&E	292	0	1	0	294
Resident OE&E	650	-104	0	0	546
Total	\$5,657	-\$104	\$1	\$0	\$5,555

Program Support Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$2,353	-\$904	-\$306	\$0	\$1,144
Staff OE&E	143	-21	-11	0	111
Fixed Facility OE&E	0	0	0	0	0
Total	\$2,496	-\$924	-\$317	\$0	\$1,254

STAR Unit Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$0	\$0	\$0	\$0	\$0
Staff OE&E	0	0	0	0	0
Resident OE&E	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

Control Section Adjustments					
	ICF	SNF	Acute	Facility-Wide	Total Change
Employee Comp	\$0	\$0	\$0	\$2,777	\$2,777

Major Assumptions					
	ICF	SNF	Acute	Facility-Wide	Total Change
Safety Net	\$939	\$0	\$0	\$0	\$939
CSSP Transfer To HQ	0	0	0	-738	-738
Total	\$939	\$0	\$0	-\$738	\$201

Total Facility Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$7,068	-\$904	-\$306	\$0	\$5,858
OE&E	\$1,085	-\$125	-\$10	\$	\$951
Staff OE&E	435	-21	-10	0	404
Resident OE&E	650	-104	0	0	546
Fixed OE&E	0	0	0	0	0
Control Section Adjustments	0	0	0	2,777	2,777
Major Assumptions	939	0	0	-738	201
Grand Total	\$9,092	-\$1,028	-\$316	\$2,039	\$9,787

Fund Sources					
	ICF	SNF	Acute	Facility-Wide	Total Change
General Fund	\$5,128	-\$519	-\$193	\$1,480	\$5,895
Reimbursements*	3,964	-509	-123	560	3,892
Lottery Education Fund	0	0	0	0	0
Grand Total	\$9,092	-\$1,028	-\$316	\$2,040	\$9,787

*Includes Reimbursements from the Community State Staff Program.

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Porterville Developmental Center- General Treatment Area
Resident Population and Staffing Incremental Changes
Budget Year 2017 - 18

Resident Population			
ICF	SNF	Acute	Total Change
8	-2	0	6

Units			
ICF	SNF	Acute	Total Change
0.00	0.00	0.00	0.00

Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	0.0	0.0	0.0	0.0
Medical	0.0	0.0	0.0	0.0
Admin	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0

Program Support Staffing				
	ICF	SNF	Acute	Total Change
Clinical	1.9	0.2	0.0	2.1
Medical	0.8	-1.1	0.0	-0.3
Admin	8.7	-4.7	0.0	4.1
Total	11.4	-5.5	0.0	5.9

Total Staffing Change	11.4	-5.5	0.0	5.9
------------------------------	-------------	-------------	------------	------------

Incremental Position Change from 2016 November Estimate			
Staffing	2016 November Estimate	2017 May Revision	Change
Level of Care	236.3	239.0	2.7
Non-Level of Care	275.0	278.2	3.2
Total Positions	511.3	517.2	5.9

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Porterville Developmental Center - General Treatment Area

Expenditure and Funding Incremental Changes

Budget Year 2017 - 18

(Dollars in thousands)

Unit Staffing Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$0	\$0	\$0	\$0	\$0
Staff OE&E	0	0	0	0	0
Resident OE&E	102	-102	0	0	0
Total	\$102	-\$102	\$0	\$0	\$0

Program Support Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$983	-\$577	\$0	\$0	\$406
Staff OE&E	68	-33	0	0	35
Fixed Facility OE&E	0	0	0	-3,370	-3,370
Total	\$1,051	-\$609	\$0	-\$3,370	-\$2,928

Control Section Adjustments					
	ICF	SNF	Acute	Facility-Wide	Total Change
Employee Comp	\$0	\$0	\$0	\$1,117	\$1,117

Total General Treatment Area Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$983	-\$577	\$0	\$0	\$406
OE&E	\$170	-\$134	\$0	-\$3,370	-\$3,335
Staff OE&E	68	-33	0	0	35
Resident OE&E	102	-102	0	0	0
Fixed Facility OE&E	0	0	0	-3,370	-3,370
Control Section Adjustments	0	0	0	1,117	1,117
Grand Total	\$1,153	-\$711	\$0	-\$2,253	-\$1,811

Fund Sources					
	ICF	SNF	Acute	Facility-Wide	Total Change
General Fund	\$603	-\$360	\$0	\$581	-\$1,034
Reimbursements	550	-351	0	-2,834	-777
Lottery Education Fund	0	0	0	0	0
Grand Total	\$1,153	-\$711	\$0	-\$2,253	-\$1,811

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Porterville Developmental Center - Secure Treatment Program
Resident Population and Staffing Incremental Change
Budget Year 2017 - 18

Resident Population			
ICF	SNF	Acute	Total Change
0	0	0	0

Units			
ICF	SNF	Acute	Total Change
0.00	0.00	0.00	0.00

Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	0.0	0.0	0.0	0.0
Medical	0.0	0.0	0	0.0
Admin	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	0.0	0.0	0.0	0.0

Program Support Staffing				
	ICF	SNF	Acute	Total Change
Clinical	5.8	0.0	0.1	5.9
Medical	1.9	0.0	0.0	1.9
Admin	<u>24.2</u>	<u>0.0</u>	<u>0.1</u>	<u>24.3</u>
Total	31.9	0.0	0.2	32.1

Intensive Behavioral Treatment Residence Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	0.0	0.0	0.0	0.0
Medical	0.0	0.0	0.0	0.0
Admin	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	0.0	0.0	0.0	0.0

Total Staffing Change	31.9	0.0	0.2	32.1
------------------------------	-------------	------------	------------	-------------

Incremental Position Change from 2016 November Estimate			
Staffing	2016 November Estimate	2017 May Revision	Change
Level of Care	411.5	417.7	6.2
Non-Level of Care	781.5	807.4	25.9
Total Positions	1,193.0	1,225.1	32.1

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Porterville Developmental Center - Secure Treatment Program

Expenditure and Funding Incremental Changes

Budget Year 2017 - 18

(Dollars in thousands)

Unit Staffing Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$0	\$0	\$0	\$0	\$0
Staff OE&E	0	0	0	0	0
Resident OE&E	932	0	0	0	932
Total	\$932	\$0	\$0	\$0	\$932

Program Support Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$2,682	\$0	\$14	\$0	\$2,696
Staff OE&E	191	0	1	0	192
Fixed Facility OE&E	0	0	0	3,370	3,370
Total	\$2,873	\$0	\$15	\$3,370	\$6,258

Intensive Behavioral Treatment Residence Unit Staffing Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$0	\$0	\$0	\$0	\$0
Staff OE&E	0	0	0	0	0
Total	\$	\$0	\$0	\$0	\$0

Control Section Adjustments					
	ICF	SNF	Acute	Facility-Wide	Total Change
Employee Comp	\$0	\$0	\$0	\$2,646	\$2,646

Total Secure Treatment Program Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$2,682	\$0	\$14	\$0	\$2,696
OE&E	\$1,122	\$0	\$1	\$3,370	\$4,493
Staff OE&E	191	0	1	0	192
Resident OE&E	932	0	0	0	932
Fixed Facility OE&E	0	0	0	3,370	3,370
Control Section Adjustments	0	0	0	2,646	2,646
Grand Total	\$3,805	\$0	\$15	\$6,016	\$9,835

Fund Sources					
	ICF	SNF	Acute	Facility-Wide	Total Change
General Fund	\$3,804	\$0	\$14	\$6,081	\$9,899
Reimbursements	0	0	1	-65	-64
Lottery Education Fund	0	0	0	0	0
Grand Total	\$3,804	\$0	\$15	\$6,016	\$9,835

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Sonoma Developmental Center
Resident Population and Staffing Incremental Changes
Budget Year 2017 - 18

Resident Population			
ICF	SNF	Acute	Total Change
6	0	0	6

Units			
ICF	SNF	Acute	Total Change
0.00	0.00	0.00	0.00

Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	0.0	0.0	0.0	0.0
Medical	0.0	0.0	0	0.0
Admin	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	0.0	0.0	0.0	0.0

Program Support Staffing				
	ICF	SNF	Acute	Total Change
Clinical	1.5	1.4	0.0	2.8
Medical	1.6	1.7	-0.1	3.3
Admin	<u>9.4</u>	<u>10.4</u>	<u>-0.8</u>	<u>19.1</u>
Total	12.5	13.5	-0.9	25.2

STAR Unit Staffing				
	ICF	SNF	Acute	Total Change
Clinical	0.0	0.0	0.0	0.0
Medical	0.0	0.0	0.0	0.0
Admin	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	0.0	0.0	0.0	0.0

Safety Net Mobile Acute Crisis Team Staffing				
	ICF	SNF	Acute	Total Change
Clinical	7.3	0.0	0.0	7.3
Medical	0.0	0.0	0.0	0.0
Admin	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	7.3	0.0	0.0	7.3

Total Staffing Change	19.8	13.5	-0.9	32.4
------------------------------	-------------	-------------	-------------	-------------

Incremental Position Change from 2016 November Estimate			
Staffing	2016 November Estimate	2017 May Revision	Change
Level of Care	280.5	293.9	13.4
Non-Level of Care	655.6	674.7	19.1
Total Positions	936.1	968.6	32.5

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

Sonoma Developmental Center
Expenditure and Funding Incremental Changes
Budget Year 2017 - 18
(Dollars in thousands)

Unit Staffing Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$0	\$0	\$0	\$0	\$0
Staff OE&E	0	0	0	0	0
Resident OE&E	156	0	0	0	156
Total	\$156	\$0	\$0	\$0	\$156

Program Support Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$1,019	\$1,229	-\$112	\$0	\$2,136
Staff OE&E	97	89	-1	0	185
Fixed Facility OE&E	0	0	0	-2,156	-2,156
Total	\$1,116	\$1,318	-\$113	-\$2,156	\$165

STAR Unit Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	-\$210	\$0	\$0	\$0	-\$210
Staff OE&E	0	0	0	0	0
Resident OE&E	0	0	0	0	0
Total	-\$210	\$0	\$0	\$0	-\$210

Control Section Adjustments					
	ICF	SNF	Acute	Facility-Wide	Total Change
Employee Comp	\$0	\$0	\$0	\$3,554	\$3,554

Major Assumptions					
	ICF	SNF	Acute	Facility-Wide	Total Change
Safety Net	\$939	\$0	\$0	\$0	\$939
CSSP Transfer To HQ	0	0	0	-7,552	-7,552
Total	\$939	\$0	\$0	-\$7,552	-\$6,613

Total Facility Expenditures					
	ICF	SNF	Acute	Facility-Wide	Total Change
Personal Services	\$809	\$1,229	-\$112	\$0	\$1,926
OE&E	\$253	\$89	-\$1	-\$2,156	-\$1,816
Staff OE&E	97	89	-1	0	185
Resident OE&E	156	0	0	0	156
Fixed OE&E	0	0	0	-2,156	-2,156
Control Section Adjustments	0	0	0	3,554	3,554
Major Assumptions	939	0	0	-7,552	-6,613
Grand Total	\$2,000	\$1,318	-\$113	-\$6,154	-\$2,949

Fund Sources					
	ICF	SNF	Acute	Facility-Wide	Total Change
General Fund	\$2,000	\$65	-\$76	\$761	\$2,750
Reimbursements*	\$0	1,253	-37	-6,915	-5,699
Lottery Education Fund	0	0	0	0	0
Grand Total	\$2,000	\$1,318	-\$113	-\$6,154	-\$2,949

*Includes Reimbursements from the Community State Staff Program.

Note: Slight rounding differences may occur between the Executive Summary Table and DC Detail Sheets.

CONTROL SECTION ADJUSTMENTS

Employee Compensation Adjustments

The Department requests \$10.1 million (\$7.6 million GF) in 2016-17, and \$10.5 million (\$7.8 million GF) in 2017-18 for Employee Compensation adjustments. More specifically, adjustments approved through the collective bargaining process and as approved by the California Department of Human Resources are referred to as Item 9800 adjustments. Item 9800 contains general salary increases, shift differentials, retention incentives, and various changes to the employers' share of staff benefits.

Major Assumption

Safety Net Mobile Acute Crisis Teams

The Department proposes 14.5 positions and \$1.9 million General Fund to staff and operate two, 24-7 Mobile Acute Crisis Teams. The mobile teams are part of the Department's proposed Safety Net plan to provide access to crisis services after the closure of the developmental centers, as summarized on pages 34 to 35 of this Estimate, and are in addition to Safety Net Resources proposed in the Regional Center Estimate. The Department will staff the mobile acute crisis teams with developmental center staff from Fairview and Sonoma who currently work with individuals in the Stabilization, Training, Assistance, and Reintegration (STAR) residences, and who have experience responding to acute crisis needs. The specific classifications proposed for each team are as follows:

Mobile Acute Crisis Team Staffing	
0.5	Psychologist
1.0	Registered Nurse
0.75	Social Worker
<u>5.0</u>	Psychiatric Technician
7.25	Total staffing per team

Major Assumption

Community State Staff Program

The Department proposes to transfer \$8.3 million in reimbursement authority from the DC budget to the Headquarters budget, and administratively transfer employees participating in the Community State Staff Program (CSSP) from Temporary Help at the Developmental Centers to Headquarters.

W&I Code Section 4474.2 authorizes the CSSP, which is a program that enables qualified DC staff who are familiar with the needs of DC residents, to continue supporting them in the community by working for regional center-contracted vendors. The program began during the Agnews closure, and continued throughout the Lanterman closure. Trailer bill language subsequently revised the program to be a standalone service throughout the State.

The CSSP provides continuity of care benefits to transitioned residents, providing reassurance to families that their loved ones will continue to receive quality care from familiar caregivers. The CSSP also provides employment options to DC employees who face layoff following DC closures, and offers service providers and regional centers access to qualified well-trained staff. While working in the community, the DC employees retain their civil service status, and continue to receive State salaries and benefits. The Department pays the salaries and benefits of CSSP staff, and in turn, receives reimbursement from vendors and regional centers for these costs. Because CSSP participants were formerly DC staff, the Department aligned the program in the DC budget. As of April 30, 2017, the Department has contracts with two vendors and four regional centers to hire 72 DC staff as part of the CSSP. The Department is currently processing two additional contracts and two amendments, which will increase the total number of CSSP staff to 108.

The 2016 Enacted Budget approved the transfer of funding and 4.0 positions from the DC budget to the Headquarters budget, to centralize contract administration and oversight of the program and accounting functions of the CSSP. The transfer of the reimbursement authority will align the statewide CSSP within Headquarters where it is currently administered, streamline CSSP contract and billing actions, and distinctly organize the CSSP at Headquarters as an ongoing program beyond the closure of the Sonoma, Fairview, and Porterville GTA developmental centers.

FUTURE FISCAL ISSUES

Decertification of Fairview and Porterville GTA ICF Units

Both Fairview and Porterville GTA are currently operating under Settlement Agreements reached between the California Department of Public Health (CDPH), the Centers for Medicare and Medicaid Services (CMS), the California Health and Human Services Agency (CHHS), DDS, the Department of Social Services, and the Department of Health Care Services (DHCS). These agreements require the two facilities to comply with Conditions of Participation to receive federal reimbursements for the ICF/DD units. In November 2016, CDPH and CMS notified both Fairview and Porterville GTA that they are in compliance, and extended the agreement termination dates to December 31, 2017.

Although the two facilities are currently in compliance, CMS may terminate the agreements and withdraw federal reimbursements at its sole discretion. If this were to occur, the monthly financial impact in 2016-17 for the Fairview and Porterville GTA ICF/DD units is \$3.9 million and \$2.8 million, respectively. The 2017-18 estimated monthly Federal Financial Participation (FFP) required for the Fairview and Porterville GTA ICF/DD units is \$2.6 million and \$1.4 million, respectively. The Department estimates the 2017-18 monthly FFP amounts will likely decrease given resident placements and subsequent consolidations and reductions in ICF/DD units.

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 reviewed the CID and retained outside counsel to respond to the USDOJ CID. To date, DDS has produced over 400,000 pages of documents, including e-mails and electronic records to USDOJ. It is unclear whether USDOJ will take any action against the department after USDOJ reviews the documents, and no additional information has been requested or produced during calendar year 2016.

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 2016-17 BY 2017-18

General Fund:

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

• General Fund Match:			\$154,947,000	\$117,510,000
General Fund Match to FMAP	<u>CY 2016-17</u>	<u>BY 2017-18</u>		
Non-Proposition 98	50.00%	50.00%	152,183,000	114,746,000
Proposition 98	50.00%	50.00%	2,459,000	2,459,000
HIPAA	50.00%	50.00%	305,000	305,000

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

• General Fund Other			\$221,185,000	\$230,669,000
This funding is for services provided to the DC/CF residents who are not eligible for federal or other reimbursement funding. Funding also includes \$9,432,000 (CY) and \$9,141,000 (BY) for Lease-Revenue Bonds.			221,185,000	230,669,000

TOTAL GENERAL FUND

\$376,132,000 \$348,179,000

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 2016-17 BY 2017-18

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 are as follows:

• **Title XIX/Medi-Cal** **\$154,947,000** **\$117,510,000**

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

FMAP	<u>CY 2016-17</u>	<u>BY 2017-18</u>		
Non-Proposition 98	50.00%	50.00%	154,596,000	117,159,000
Proposition 98	50.00%	50.00%	242,000	242,000
HIPAA	50.00%	50.00%	109,000	109,000

• **Reimbursements - Other** **\$8,290,000** **\$0**

This amount represents reimbursements from providers, vendors, or Regional Centers, which are in a contractual agreement with DDS, for the implementation of the Community State Staff Program. 8,290,000 0

TOTAL REIMBURSEMENTS **\$163,237,000** **\$117,510,000**

Federal Funds

DESCRIPTION:

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

ASSUMPTIONS/METHODOLOGY:

CY 2016-17

BY 2017-18

• **Foster Grandparent Program Grant**

\$285,000

\$0

The Foster Grandparent Program grant is used for specified operational costs, such as stipends and educational supplies in the developmental centers. In 2017-18 the Foster Grandparent Program will be transferred to the Local Assistance/Regional Center Budget.

TOTAL FEDERAL FUNDS

\$285,000

\$0

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 2016-17

BY 2017-18

Lottery Education Fund:

\$294,000

\$294,000

- 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

\$294,000

\$294,000

SB 82 Reporting

Pursuant to Chapter 23, Statutes of 2015 (SB 82), the Department provides the following information regarding GF savings associated with the downsizing or closure of the DCs.

Table 1 below displays 2015-16 through 2017-18 funding impacts related to six programs or activities affected by the Sonoma, Fairview, and Porterville GTA closures. This report provides details and explanations for each of these areas, and updates amounts for 2016-17 and 2017-18 as compared to the SB 82 Report provided with the 2016 November Estimate. Negative amounts reflect savings; positive amounts reflect increased expenditures.

Cumulatively, activities and expenditures driven by closure-related activities total \$252.4 million (\$239.4 million GF). While expenditures for overall DC operations are beginning to decline given reduced resident populations, the GF share has increased due to the decertification of 11 ICF units at Sonoma, as well as changing cost ratios resulting from federal fund audit findings. Additionally, expenditures to develop community-based resources to support individuals transitioning out of the DCs substantially exceed savings.

Table 1
DC Closures – Funding Impacts
Dollars in Thousands

Program/Activity	FY 2015-16		FY 2016-17		FY 2017-18		Cumulative Total	
	TF	GF	TF	GF	TF	GF	TF	GF
1. DCs - Operations Adjustments	\$1,500	\$800	-\$8,800	\$22,300	-\$68,000	-\$30,100	-\$75,300	-\$7,000
2. DCs - Closure Activities	\$1,700	\$1,100	\$7,100	\$5,300	\$5,700	\$3,600	\$14,500	\$10,000
3. Community Services - Closure Placement	\$46,700	\$43,700	\$78,800	\$73,000	\$25,700	\$13,600	\$151,200	\$130,300
4. Community Services - Continuation Costs	\$48,100	\$30,500	\$45,000	\$28,400	\$57,200	\$36,100	\$150,300	\$95,000
5. HQ - Closure Coordination & Oversight	\$0	\$0	\$2,100	\$1,800	\$2,100	\$1,800	\$4,200	\$3,600
6. Safety Net Resources	\$0	\$0	\$0	\$0	\$7,500	\$7,500	\$7,500	\$7,500
Total	\$98,000	\$76,100	\$124,200	\$130,800	\$30,200	\$32,500	\$252,400	\$239,400

Note: The GF amount included on Line 1, DCs – Operations Adjustments, for 2016-17 includes \$32.4 million per Provision 8 of the 2016 Budget Act.

The amounts in Table 1 do not include other State costs, such as Medi-Cal and In-Home Supportive Services for individuals who moved out of the DCs into the community. Table 1 also does not include accelerated expenditures to resolve outstanding Workers' Compensation claims for DC employees.

1. DC – Operations Adjustments

DC Operations includes personnel expenditures to care for residents, and to operate and maintain the facilities. It also includes staff, resident, and facility OE&E expenses. The 2017 May Revision proposes decreased DC Operations expenditures in 2017-18 by \$68 million total funds (\$30.1 million GF decrease) as compared to 2016-17 operations expenditures updated in the May Revision. The decrease results from declining resident populations, which drive staffing and OE&E costs. There is no change to the total fund reduction reported for 2016-17 as compared to the 2016 November Estimate.

2. Developmental Centers – Closure Activities

Following the announced DC closures, the Department requested and received funds for closure-related activities such as inventorying and archiving clinical records, contracting for an independent monitor, moving residents and their belongings to new community homes, and assessing facilities and land.

Table 2 below details amounts appropriated and requested for closure activities. The May Revision proposes no changes to amounts previously reported in the 2016 November Estimate.

Table 2
Closure Activity Costs
Whole Dollars

	2015-16	2016-17	2017-18
Sonoma			
OT for Resident Transfers	\$144,000	\$236,000	\$236,000
Archive Records	0	500,000	500,000
Resident Relocations	808,000	1,300,000	1,300,000
Site Assessment	0	2,240,000	0
Independent Monitor	707,000	947,000	947,000
Dispose/Relocate Assets	<u>0</u>	<u>0</u>	<u>300,000</u>
Total Sonoma	\$1,659,000	\$5,223,000	\$3,283,000
Fairview			
Independent Monitor		\$950,000	\$950,000
Archive Records		<u>0</u>	<u>250,000</u>
Total Fairview	\$0	\$950,000	\$1,200,000
Porterville GTA			
Independent Monitor		\$950,000	\$950,000
Archive Records		<u>0</u>	<u>250,000</u>
Total Porterville GTA	<u>\$0</u>	<u>\$950,000</u>	<u>\$1,200,000</u>
Total Closure Activity Costs	<u>\$1,659,000</u>	<u>\$7,123,000</u>	<u>\$5,683,000</u>
GF	\$1,062,000	\$5,319,000	\$3,584,000

3. Community Services – Closure Community Placement Plan (CPP)

The DC closures require increased regional center positions and resources to develop community living arrangements, to transition individuals into the community, and to fund consumers' Purchase of Services (POS) expenditures during their first year in the community. Within the Regional Center Estimate, the

May Revision includes \$25.7 million (\$13.6 million GF) in 2017-18 to fund resource development and placement activities, as detailed in Table 3. This amount is in addition to \$68 million (\$43 million GF) in ongoing funds identified for regular community placement activities. DC closure-specific CPP funds provided for 2016-17 total \$78.8 million (\$73 million GF).

Table 3
Community Placement FY 2017-18
Dollars in Thousands

	Sonoma	Fairview	Porterville GTA	Total
Operations	\$3,600	\$1,200	\$600	\$5,400
Purchase of Services	<u>13,300</u>	<u>4,600</u>	<u>2,400</u>	<u>20,300</u>
Total	\$16,900	\$5,800	\$3,000	\$25,700
GF	\$12,700	\$4,300	\$2,200	\$19,200

4. Community Services – Continuation Costs

After individuals transition from DCs to the community, POS costs increase. Although CPP funds the first year of these costs, continuing expenditures are not included in the trends on which the Department estimates future expenses. To budget POS costs for the second year of community living, the Department separately estimates and includes Continuation Costs in its Regional Center Estimate for individuals who moved into the community in the prior year. The May Revision proposes \$57.2 million (\$36.1 million GF) in 2017-18; a decrease of \$11.5 million (\$4.6 million GF decrease) from the amounts proposed in the 2016 November Estimate. The May Revision proposes no changes to estimated costs for 2016-17 of \$45 million (\$28.4 million GF).

5. Headquarters – Closure Coordination and Oversight

The 2016 Enacted Budget includes \$2.1 million (\$1.8 million GF) in 2016-17 for new and redirected vacant headquarters positions for staffing and contract resources needed to support the continued efforts for multiple DC closures. The May Revision proposes no changes in either year for these continuing activities.

6. Safety Net Mobile Acute Crisis

The Department's 2017-18 proposed budget includes an additional one-time \$7.5 million GF to develop two community-based acute crisis facilities in Northern California, operate two, 24-7 mobile acute crisis teams, and to establish intensive transition services for residents leaving secured treatment settings. These new services and supports are components of the Department's overall Safety Net Plan to provide consumers with access to crisis services after the closure of the DCs, and are in addition to existing CPP resources the Department will also allocate for this purpose.

PLAN FOR CRISIS AND OTHER SAFETY NET SERVICES IN THE CALIFORNIA DEVELOPMENTAL SERVICES SYSTEM

In compliance with Welfare and Institutions (W&I) Code section 4474.15(a), the Department prepared its “Plan for Crisis and Other Safety Net Services in the California Developmental Services System” (Safety Net Plan). The Safety Net Plan provides background information on the developmental disabilities services system, details stakeholder input and guidance received on the need for a safety net of services, and identifies new service options to broaden the continuum of service options to support individuals with the most challenging service needs. In 2017-18, the Safety Net Plan proposes to accomplish the following:

- Establish two state-operated mobile acute crisis teams. These teams will be available 24-hours a day, seven days a week to provide in-home crisis services and mental health treatment for stabilization to help maintain an individual in their existing residence.
- Develop intensive wrap-around services for persons with co-occurring developmental disabilities and mental health needs. These services will allow individuals to successfully transition out of placement in highly restrictive settings such as Institutions for Mental Disease (IMDs) and acute crisis services, into appropriate community settings. Availability of these services will also help prevent admissions into these highly restrictive settings.
- Plan for the relocation and expansion of the current state-operated acute crisis services by:
 - Refurbishing two existing homes on Fairview Developmental Center’s (DC) Mark Lane, through an amendment of the existing ground lease. Once complete, one home will be used to relocate the current five-bed Southern STAR (Stabilization, Training, Assistance and Reintegration) services, and the other home will allow an expansion for up to five individuals.
 - Developing two, four or five-bed homes in 2017-18 and one, four or five-bed home in 2018-19 in Northern California to relocate and expand Sonoma DC’s STAR services and expand the capacity by 8-10 beds.
- Increase options to serve individuals with the highest needs:
 - Develop four vendor-operated four-bed homes in 2017-18 to provide step-down services for dual diagnosed individuals now served in IMDs or other restrictive facilities.
 - Develop two vendor-operated four-bed homes in 2017-18 and one, four-bed home in 2018-19 in the Porterville area to provide step-down services for the Porterville Secure Treatment Program (STP).
 - Develop intensive wrap-around services for individuals transitioning out of STP, through a contract with a private organization.

As detailed below, the May Revision requests \$7.5 million in new, one-time General Fund (GF), plus the allocation of \$13.7 million in existing funds in 2017-18 to implement the Safety Net Plan.

Safety Net Plan Concept	May Revise Request	Existing Funds	Funding	2017-18 Estimated Cost
1. Establish two state-operated mobile acute crisis teams.	\$1.9 million		GF	\$1.9 million
2. Develop intensive wrap-around services for persons with co-occurring developmental disabilities and mental health needs.		\$3.0 million	RC POS	\$3.0 million
3. Plan for the relocation and expansion of the current state-operated acute crisis services, known as STAR homes.				
<ul style="list-style-type: none"> Renovate two existing homes on Fairview DC's Mark Lane. 		\$1.3 million	Harbor Village Account	\$1.3 million
<ul style="list-style-type: none"> Develop two, four or five-bed homes in 2017-18 and one, four or five-bed home in 2018-19 in Northern California to relocate Sonoma STAR services and expand capacity in Northern California. 	\$2.6 million	\$0.4 million	GF and CPP Start-Up	\$3.0 million
4. Increase options to serve individuals with the most challenging service needs.				
<ul style="list-style-type: none"> Develop four vendor-operated four-bed homes in FY 2017-18 to provide step-down services for dual diagnosed individuals transitioning from IMDs or other restrictive settings. 		\$6.0 million	CPP Start-Up	\$6.0 million
<ul style="list-style-type: none"> Develop two vendor-operated four-bed homes in 2017-18, and one, four-bed home in 2018-19 to provide step-down services for the Porterville STP. 		\$3.0 million	CPP Start-Up	\$3.0 million
<ul style="list-style-type: none"> Develop intensive wrap-around services for transitioning out of STP. 	\$3.0 million		GF	\$3.0 million
Total	\$7.5 million	\$13.7 million		\$21.2 million

The Department remains committed to strengthening the safety net of services that provides a range of services to safely meet the needs of individuals transitioning from a Developmental Center into a community setting and consumers in the community. The Department will monitor the safety net plan throughout implementation and service delivery to evaluate its effectiveness.