

FOR LEGISLATIVE REVIEW

**REGIONAL CENTER
LOCAL ASSISTANCE ESTIMATE
2017 MAY REVISION**



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

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Comparison of May Revision to Governor's Budget
2016-17

	A Governor's Budget	B May Revision	C Request (B - A)
I. BUDGET ITEMS:			
A. Operations (OPS)			
Caseload Growth			
1. Staffing	\$560,852	\$561,612	\$760
2. Federal Compliance	49,592	49,503	-89
3. Projects	24,698	24,698	0
4. Agnews Ongoing Workload	2,946	2,946	0
5. Lanterman Developmental Center (DC) Closure	2,576	2,576	0
6. Intermediate Care Facility-Developmentally Disabled (ICF-DD) State Plan Amendment (SPA) Administration Fee	1,727	1,829	102
7. Total OPS Caseload Growth (Items 1 thru 6)	\$642,391	\$643,164	\$773
Policy			
8. DC Closure	\$5,434	\$5,434	\$0
a. Sonoma DC	3,616	3,616	0
b. Fairview DC	1,212	1,212	0
c. Porterville DC	606	606	0
9. Improve Service Coordinator Caseload Ratios	17,000	17,000	0
10. Compliance with HCBS Regulations	1,600	1,600	0
11. Regional Center Operations Increase	56,600	56,600	0
12. Resources to Implement Assembly Bill (AB)X2 1	7,504	7,504	0
13. Total Policy (Items 8 thru 12)	\$88,138	\$88,138	\$0
14. Total Operations (Items 7 and 13)	\$730,529	\$731,302	\$773
B. Purchase of Services (POS)			
Caseload Growth			
1. Community Care Facilities	\$1,193,781	\$1,178,287	-\$15,494
2. Medical Facilities	20,937	15,362	-5,575
3. Day Programs	997,648	997,275	-373
4. Habilitation Services	151,744	151,406	-338
a. Work Activity Program	51,829	50,173	-1,656
b. Supported Employment Program (Group Placement)	81,236	81,899	663
c. Supported Employment Program (Individual Placement)	18,679	19,334	655
5. Transportation	303,293	303,200	-93
6. Support Services	1,116,468	1,110,361	-6,107
7. In-Home Respite	315,036	323,623	8,587
8. Out-of-Home Respite	40,615	43,105	2,490
9. Health Care	110,596	109,468	-1,128
10. Miscellaneous	498,320	499,373	1,053
11. Quality Assurance Fees Transfer from Department of Health Care Services (DHCS)	9,324	9,874	550
12. Total POS Caseload Growth (Items 1 thru 11)	\$4,757,762	\$4,741,334	-\$16,428

**Comparison of May Revision to Governor's Budget
2016-17**

	A Governor's Budget	B May Revision	C Request (B - A)
Policy			
13. AB 10 Minimum Wage Increase, Effective January 1, 2016	\$124,714	\$92,983	-\$31,731
14. Impacts from Other Departments, DHCS - Behavioral Health Treatment (BHT) - Transition	-128,107	-98,297	29,810
15. DC Closure	73,358	73,358	0
a. Sonoma DC	20,884	20,884	0
b. Fairview DC	28,461	28,461	0
c. Porterville DC	24,013	24,013	0
16. Alternative Residential Model (ARM) 4-Bed Rate Model	46,000	40,754	-5,246
17. Compliance with HCBS Regulations	15,000	15,000	0
18. Community Based Services Increase	402,300	412,841	10,541
19. SB 3 Minimum Wage Increase: Effective January 1, 2017	21,245	21,245	0
20. Best Buddies	1,000	1,000	0
21. Total Policy (Items 13 thru 20)	\$555,510	\$558,884	\$3,374
22. Total POS (Items 12 and 21)	\$5,313,272	\$5,300,218	-\$13,054
C. Early Start/ Part C: Other Agency Cost	\$19,109	\$19,109	\$0
D. Early Start Family Resource Services	\$2,003	\$2,003	\$0
E. GRAND TOTAL	\$6,064,913	\$6,052,632	-\$12,281

Comparison of May Revision to Governor's Budget
2016-17

	A Governor's Budget	B May Revision	C Request (B - A)
II. FUND SOURCES:			
A. General Fund Total	\$3,558,448	\$3,580,955	\$22,507
1. General Fund Match	2,193,091	2,189,400	-3,691
2. General Fund - Other	1,365,357	1,391,555	26,198
B. Reimbursements	\$2,433,943	\$2,415,269	-\$18,674
1. Home and Community-Based Services (HCBS) Waiver	1,679,270	1,638,098	-41,172
2. HCBS Waiver Administration	13,988	14,000	12
3. Medicaid Administration	15,926	15,952	26
4. Target Case Management (TCM)	186,888	190,303	3,415
5. TCM Administration	5,354	5,893	539
6. Title XX Block Grant	213,421	213,421	0
a. Social Services	136,264	136,264	0
b. Temporary Assistance for Needy Families	77,157	77,157	0
7. ICF-DD SPA	57,567	60,964	3,397
8. Quality Assurance Fees (QAF)	10,187	10,788	601
9. 1915(i) SPA	213,498	231,394	17,896
10. Money Follows the Person	9,638	8,337	-1,301
11. Early Periodic Screening Diagnosis and Treatment	28,206	26,119	-2,087
C. Program Development Fund / Parental Fees	\$2,537	\$2,537	\$0
D. Developmental Disabilities Services Account	\$150	\$150	\$0
E. Mental Health Services Fund	\$740	\$740	\$0
F. Federal Funds	\$53,707	\$52,981	-\$726
1. Early Start/Part C Grant	52,895	52,169	-726
2. Foster Grandparent Program	812	812	0
G. BHT: Fee - for - Service	\$15,388	\$0	-\$15,388
Reimbursement from DHCS	15,388	0	-15,388
H. GRAND TOTAL	\$6,064,913	\$6,052,632	-\$12,281

Comparison of May Revision to Governor's Budget
2017-18

	A Governor's Budget	B May Revision	C Request (B - A)
I. BUDGET ITEMS:			
A. Operations (OPS)			
Caseload Growth			
1. Staffing	\$587,407	\$589,751	\$2,344
2. Federal Compliance	47,686	47,672	-14
3. Projects	27,058	27,064	6
4. Agnews Ongoing Workload	2,894	2,894	0
5. Lanterman DC Closure	2,392	2,392	0
6. ICF-DD SPA Administration Fee	1,727	1,829	102
7. Total OPS Caseload Growth (Items 1 thru 6)	\$669,164	\$671,602	\$2,438
Policy			
8. DC Closure	\$5,434	\$5,434	\$0
a. Sonoma DC	3,616	3,616	0
b. Fairview DC	1,212	1,212	0
c. Porterville DC	606	606	0
9. BHT Psychological Evaluations for Fee-for-Service Consumers	0	1,266	1,266
10. Improve Service Coordinator Caseload Ratios	17,000	17,000	\$0
11. Compliance with HCBS Regulations	1,422	1,422	0
12. Regional Center Operations Increases	56,600	56,600	0
13. Resources to Implement ABX2 1	4,164	4,164	0
14. Total Policy (Items 8 thru 13)	\$84,620	\$85,886	\$1,266
15. Total Operations (Items 7 and 14)	\$753,784	\$757,488	\$3,704
B. Purchase of Services (POS)			
Caseload Growth			
1. Community Care Facilities	\$1,259,012	\$1,218,826	-\$40,186
2. Medical Facilities	22,164	15,158	-7,006
3. Day Programs	1,047,134	1,045,468	-1,666
4. Habilitation Services	155,009	153,385	-1,624
a. Work Activity Program	51,818	48,138	-3,680
b. Supported Employment Program (Group Placement)	84,183	85,293	1,110
c. Supported Employment Program (Individual Placement)	19,008	19,954	946
5. Transportation	323,108	322,868	-240
6. Support Services	1,209,519	1,205,113	-4,406
7. In-Home Respite	347,602	362,819	15,217
8. Out-of-Home Respite	40,941	42,638	1,697
9. Health Care	120,414	117,920	-2,494
10. Miscellaneous	514,194	514,648	454
11. QAF (Transfer from DHCS)	9,324	9,874	550
12. POS Subtotal (Items 1 thru 11)	\$5,048,421	\$5,008,717	-\$39,704

**Comparison of May Revision to Governor's Budget
2017-18**

	A Governor's Budget	B May Revision	C Request (B - A)
Policy			
13. AB 10 Minimum Wage Increase, Effective January 1, 2016	\$132,248	\$98,645	-\$33,603
14. Impacts from Other Departments, DHCS - Behavioral Health Treatment (BHT)	-128,107	-98,297	29,810
15. BHT Consumers with no Autism Spectrum Disorder Diagnosis	0	-3,300	-3,300
16. DC Closure	20,244	20,244	0
a. Sonoma DC	13,322	13,322	0
b. Fairview DC	4,570	4,570	0
c. Porterville DC	2,352	2,352	0
17. Alternative Residential Model (ARM) 4-Bed Rate Model	46,000	46,000	0
18. Compliance with HCBS Regulations	15,000	15,000	0
19. Community Based Services Increase	416,600	418,418	1,818
20. SB 3 Minimum Wage Increase: Effective January 1, 2017	98,439	98,439	0
21. Best Buddies	0	0	0
22. Safety Net Resources	0	5,622	5,622
23. Total Policy (Items 13 thru 22)	\$600,424	\$600,771	\$347
24. Total POS (Items 12 and 23)	\$5,648,845	\$5,609,488	-\$39,357
C. Early Start/Part C: Other Agency Costs	\$19,109	\$19,109	\$0
D. Early Start Family Resource Services	\$2,003	\$2,003	\$0
E. GRAND TOTAL	\$6,423,741	\$6,388,088	-\$35,653

Comparison of May Revision to Governor's Budget
2017-18

	A Governor's Budget	B May Revision	C Request (B - A)
II. FUND SOURCES:			
A. General Fund Total	\$3,838,894	\$3,796,228	-\$42,666
1. General Fund Match	2,274,753	2,287,123	12,370
2. General Fund - Other	1,564,141	1,509,105	-55,036
B. Reimbursements	\$2,511,945	\$2,535,175	\$23,230
1. HCBS Waiver	1,750,968	1,717,644	-33,324
2. HCBS Waiver Administration	14,104	14,105	1
3. Medicaid Administration	15,952	15,952	0
4. TCM	192,737	195,934	3,197
5. TCM Administration	5,354	5,893	539
6. Title XX Block Grant	213,421	230,974	17,553
a. Social Services	136,264	153,817	17,553
b. Temporary Assistance for Needy Families	77,157	77,157	0
7. ICF-DD SPA	57,567	60,964	3,397
8. QAF	10,187	10,788	601
9. 1915(i) SPA	219,479	237,727	18,248
10. Money Follows the Person	4,330	11,396	7,066
11. Early Periodic Screening Diagnosis and Treatment	27,846	26,368	-1,478
12. Behavioral Health Treatment Fee - for - Service	0	7,430	7,430
C. Program Development Fund / Parental Fees	\$2,537	\$2,537	\$0
D. Developmental Disabilities Services Account	\$150	\$150	\$0
E. Mental Health Services Fund	\$740	\$740	\$0
F. Federal Funds	\$54,087	\$53,258	-\$829
1. Early Start/Part C Grant	52,895	52,161	-734
2. Foster Grandparent Program	1,192	1,097	-95
G. BHT: Fee - for - Service	\$15,388	\$0	-\$15,388
Reimbursement from DHCS- (GF request)	15,388	0	-15,388
H. GRAND TOTAL	\$6,423,741	\$6,388,088	-\$35,653

Comparison 2016-17 to 2017-18

	A	B	C
	Fiscal Year 2016-17	Fiscal Year 2017-18	Incremental Increase (B - A)
I. BUDGET ITEMS:			
A. Operations (OPS)			
Caseload Growth			
1. Staffing	\$561,612	\$589,751	\$28,139
2. Federal Compliance	\$49,503	47,672	-1,831
3. Projects	\$24,698	27,064	2,366
4. Agnews Ongoing Workload	\$2,946	2,894	-52
5. Lanterman DC Closure	\$2,576	2,392	-184
6. ICF-DD SPA Administration Fee	\$1,829	1,829	0
7. Total OPS Caseload Growth (Items 1 thru 6)	\$643,164	\$671,602	\$28,438
Policy			
8. DC Closure	\$5,434	\$5,434	\$0
a. Sonoma DC	3,616	3,616	0
b. Fairview DC	1,212	1,212	0
c. Porterville DC	606	606	0
9. BHT Psychological Evaluations for Fee-for Services Consumers	0	1,266	1,266
10. Improve Service Coordinator Caseload Ratios	17,000	17,000	0
11. Compliance with HCBS Regulations	1,600	1,422	-178
12. Regional Center Operations Increases AB X2 1	56,600	56,600	0
13. Resources to Implement ABX2 1	7,504	4,164	-3,340
14. Total Policy (Items 8 thru 13)	\$88,138	\$85,886	-\$2,252
15. Total OPS (Items 7 and 14)	\$731,302	\$757,488	\$26,186
B. Purchase of Services (POS)			
Caseload Growth			
1. Community Care Facilities	\$1,178,287	\$1,218,826	\$40,539
2. Medical Facilities	15,362	15,158	-204
3. Day Programs	997,275	1,045,468	48,193
4. Habilitation Services	151,406	153,385	1,979
a. Work Activity Program	50,173	48,138	-2,035
b. Supported Employment (Group Placement)	81,899	85,293	3,394
c. Supported Employment (Individual Placement)	19,334	19,954	620
5. Transportation	303,200	322,868	19,668
6. Support Services	1,110,361	1,205,113	94,752
7. In-Home Respite	323,623	362,819	39,196
8. Out-of-Home Respite	43,105	42,638	-467
9. Health Care	109,468	117,920	8,452
10. Miscellaneous	499,373	514,648	15,275
11. QAF (Transfer from DHCS)	9,874	9,874	0
12. Total POS Caseload (Items 1 thru 11)	\$4,741,334	\$5,008,717	\$267,383

Comparison 2016-17 to 2017-18

	A Fiscal Year 2016-17	B Fiscal Year 2017-18	C Incremental Increase (B - A)
Policy			
13. AB 10 Minimum Wage Increase, Effective January 1, 2016	\$92,983	\$98,645	\$5,662
14. Impacts from Other Departments, DHCS - BHT Transition	-98,297	-98,297	0
15. BHT Consumers - Fee For Services	0	-3,300	-3,300
16. DC Closure	73,358	20,244	-53,114
a. Sonoma DC	20,884	13,322	-7,562
b. Fairview DC	28,461	4,570	-23,891
c. Porterville DC	24,013	2,352	-21,661
17. ARM 4-Bed Rate Model	40,754	46,000	5,246
18. Compliance with HCBS Regulations	15,000	15,000	0
19. Community Based Services Increase	412,841	418,418	5,577
20. SB 3 Minimum Wage increase: Effective January 1, 2017	21,245	98,439	77,194
21. Best Buddies	1,000	0	-1,000
22. Safety Net Resources	\$0	\$5,622	\$5,622
23. Total Policy (Item 13 thru 22)	\$558,884	\$600,771	\$41,887
24. Total POS (Items 12 and 23)	\$5,300,218	\$5,609,488	\$309,270
C. Early Start/Part C: Other Agency Costs	\$19,109	\$19,109	\$0
D. Early Start Family Resource Services	\$2,003	\$2,003	\$0
F. GRAND TOTAL	\$6,052,632	\$6,388,088	\$335,456

Comparison 2016-17 to 2017-18

	A	B	C
	Fiscal Year 2016-17	Fiscal Year 2017-18	Incremental Increase (B - A)
II. FUND SOURCES:			
A. General Fund Total	\$3,580,955	\$3,796,228	\$215,273
1. General Fund Match	2,189,400	2,287,123	97,723
2. General Fund - Other	1,391,555	1,509,105	117,550
B. Reimbursements	2,415,269	\$2,535,175	\$119,906
1. HCBS Waiver	1,638,098	1,717,644	79,546
2. HCBS Waiver Administration	14,000	14,105	105
3. Medicaid Administration	15,952	15,952	0
4. TCM	190,303	195,934	5,631
5. TCM Administration	5,893	5,893	0
6. Title XX Block Grant	213,421	230,974	17,553
a. Social Services	136,264	153,817	17,553
b. Temporary Assistance for Needy Families	77,157	77,157	0
7. ICF-DD SPA	60,964	60,964	0
8. QAF	10,788	10,788	0
9. 1915(i) SPA	231,394	237,727	6,333
10. Money Follows the Person	8,337	11,396	3,059
11. Early Periodic Screening Diagnosis and Treatment	26,119	26,368	249
12. BHT Fee for Service	0	7,430	7,430
C. Program Development Fund / Parental Fees	\$2,537	\$2,537	\$0
D. Developmental Disabilities Services Account	\$150	\$150	\$0
E. Mental Health Services Fund	\$740	\$740	\$0
F. Federal Funds	\$52,981	\$53,258	\$277
1. Early Start/Part C Grant	52,169	52,161	-8
2. Foster Grandparent Program	812	1,097	285
G. Behavioral Health Treatment Fee - for - Services	\$0	\$0	\$0
Reimbursement from DHCS	0	0	0
H. GRAND TOTAL	\$6,052,632	\$6,388,088	\$335,456

**Comparison of May Revision to Governor's Budget
2016-17
OPERATIONS**

	A	B	C
	Governor's Budget	Updated 2016-17	2016-17 Request (B - A)
I. BUDGET ITEMS:			
Caseload Growth			
1. Staffing	\$560,852	\$561,612	\$760
2. Federal Compliance	49,592	49,503	-89
3. Projects	24,698	24,698	0
4. Agnews Ongoing Workload	2,946	2,946	0
5. Lanterman DC Closure	2,576	2,576	0
6. ICF-DD SPA Administration Fee	1,727	1,829	102
7. Total OPS Caseload Growth (Items 1 thru 6)	\$642,391	\$643,164	\$773
Policy			
8. DC Closure	\$5,434	\$5,434	\$0
a. Sonoma DC	3,616	3,616	0
b. Fairview DC	1,212	1,212	0
c. Porterville DC	606	606	0
9. Improve Service Coordinator Caseload	17,000	17,000	0
10. Compliance with HCBS Regulations	1,600	1,600	0
11. Regional Center Operations Increase ABX2 1	56,600	56,600	0
12. Resources to Implement ABX2 1	7,504	7,504	0
13. Total Policy (Items 8 thru 12)	\$88,138	\$88,138	\$0
14. Total OPS (Items 7 and 13)	\$730,529	\$731,302	\$773
II. FUND SOURCES:			
A. General Fund Total	\$498,302	\$496,839	-\$1,463
1. General Fund Match	214,553	217,993	3,440
2. General Fund Other	283,749	278,846	-4,903
B. Reimbursements	\$230,525	\$232,761	\$2,236
1. HCBS Waiver Administration	13,988	14,000	12
2. Medicaid Administration	15,926	15,952	26
3. TCM	186,888	190,303	3,415
4. TCM Administration	5,354	5,893	539
5. QAF	863	914	51
6. Money Follows the Person	7,506	5,699	-1,807
C. Developmental Disabilities Services Account	\$150	\$150	\$0
D. Mental Health Services Fund	\$740	\$740	\$0
E. Federal Funds	\$812	\$812	\$0
Foster Grandparent Program	812	812	0
F. Grand Total	\$730,529	\$731,302	\$773

**Comparison of May Revision to Governor's Budget
2017-18
OPERATIONS**

A	B	C
Governor's Budget	Updated 2017-18	2017-18 Request (B - A)

I. BUDGET ITEMS:**Caseload Growth**

1. Staffing	\$587,407	\$589,751	\$2,344
2. Federal Compliance	47,686	47,672	-14
3. Projects	27,058	27,064	6
4. Agnews Ongoing Workload	2,894	2,894	0
5. Lanterman DC Closure	2,392	2,392	0
6. ICF-DD SPA Administration Fee	1,727	1,829	102
7. Total OPS Caseload Growth (Items 1 thru 6)	\$669,164	\$671,602	\$2,438

Policy

8. DC Closure	\$5,434	\$5,434	\$0
a. Sonoma DC	3,616	3,616	0
b. Fairview DC	1,212	1,212	0
c. Porterville DC	606	606	0
9. BHT Psychological Evaluations for Fee-for-Services Consumers	\$0	\$1,266	1,266
10. Improve Service Coordinator Caseload Ratios	17,000	17,000	0
11. Compliance with HCBS Regulations	1,422	1,422	0
12. Regional Center Operations Increases AB X2 1	56,600	56,600	0
13. Resources to Implement ABX2 1	4,164	4,164	0
14. Total Policy (Items 8 thru 12)	84,620	85,886	1,266
15. Total OPS (Items 7 and 14)	\$753,784	\$757,488	\$3,704

II. FUND SOURCES:**A. General Fund Total**

	\$520,173	\$514,275	-\$5,898
1. General Fund Match	218,891	224,651	5,760
2. General Fund Other	301,282	289,624	-11,658

B. Reimbursements

	\$231,529	\$241,226	\$9,697
1. HCBS Waiver Administration	14,104	14,105	1
2. Medicaid Administration	15,952	15,952	0
3. TCM	192,737	195,934	3,197
4. TCM Administration	5,354	5,893	539
5. QAF	863	914	51
6. Money Follows the Person	2,519	8,428	5,909

C. Developmental Disabilities Services Account

	\$150	\$150	\$0
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D. Mental Health Services Fund

	\$740	\$740	\$0
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E. Federal Funds

	\$1,192	\$1,097	-\$95
Foster Grandparent Program	1,192	1,097	-95

F. Grand Total

\$753,784	\$757,488	\$3,704
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**Comparison of May Revision to Governor's Budget
2016-17
PURCHASE OF SERVICES**

	A	B	C
	Governor's Budget	Updated 2016-17	2016-17 Request (B - A)
I. BUDGET ITEMS:			
Caseload Growth			
A. Purchase of Services (POS)			
1. Community Care Facilities	\$1,193,781	\$1,178,287	-\$15,494
2. Medical Facilities	20,937	15,362	-5,575
3. Day Programs	997,648	997,275	-373
4. Habilitation Services	151,744	151,406	-338
a. <i>Work Activity Program</i>	51,829	50,173	-1,656
b. <i>Supported Employment Program (Group Placement)</i>	81,236	81,899	663
c. <i>Supported Employment Program (Individual Placement)</i>	18,679	19,334	655
5. Transportation	303,293	303,200	-93
6. Support Services	1,116,468	1,110,361	-6,107
7. In-Home Respite	315,036	323,623	8,587
8. Out-of-Home Respite	40,615	43,105	2,490
9. Health Care	110,596	109,468	-1,128
10. Miscellaneous	498,320	499,373	1,053
11. QAF (Transfer from DHCS)	9,324	9,874	550
12. Total POS Caseload Growth (Items 1 thru 11)	\$4,757,762	\$4,741,334	-\$16,428
Policy			
13. AB 10 Minimum Wage Increase, Effective 1/1/2016	\$124,714	\$92,983	-\$31,731
14. Impacts from Other Departments, DHCS - BHT	-128,107	-98,297	29,810
15. DC Closure	73,358	73,358	0
a. Sonoma DC	20,884	20,884	0
b. Fairview DC	28,461	28,461	0
c. Porterville DC	24,013	24,013	0
16. Alternate Residential Model (ARM) 4-Bed Rate	46,000	40,754	-5,246
17. Compliance with HCBS Regulations	15,000	15,000	0
18. Community Based Services Rate Increase	402,300	412,841	10,541
19. SB 3 Minimum Wage Increase Effective January 01, 2017	21,245	21,245	0
20. Best Buddies	1,000	1,000	0
21. Total Policy (Items 13 thru 20)	\$555,510	\$558,884	\$3,374
22. Total POS (Items 12 and 21)	\$5,313,272	\$5,300,218	-\$13,054
II. FUND SOURCES:			
A. General Fund Total	\$3,058,143	\$3,082,113	\$23,970
1. General Fund Match	1,978,538	1,971,407	-7,131
2. General Fund Other	1,079,605	1,110,706	31,101
B. Reimbursements	\$2,203,418	\$2,182,508	-\$20,910
1. HCBS Waiver	1,679,270	1,638,098	-41,172
2. Title XX Block Grant	213,421	213,421	0
a. <i>Social Services</i>	136,264	136,264	0
b. <i>Temporary Assistance for Needy Families</i>	77,157	77,157	0
3. ICF-DD SPA	57,567	60,964	3,397
4. QAF	9,324	9,874	550
5. 1915(i) SPA	213,498	231,394	17,896
6. Money Follows the Person	2,132	2,638	506
7. Early Periodic Screening Diagnosis and Treatment	28,206	26,119	-2,087
C. Program Development Fund / Parental Fees	\$2,537	\$2,537	\$0
D. Federal Funds	\$33,786	\$33,060	-\$726
Early Start/Part C Grant	33,786	33,060	-726
E. Behavioral Health Treatment Fee - For - Service	\$15,388	\$0	-\$15,388
Reimbursement from DHCS	15,388	0	-15,388
F. Grand Total	\$5,313,272	\$5,300,218	-\$13,054

Values in thousands (000's)

**Comparison of May Revision to Governor's Budget
2017-18
PURCHASE OF SERVICES**

	A	B	C
	Governor's Budget	Updated 2017-18	2017-18 Request (B - A)
I. BUDGET ITEMS:			
Caseload Growth			
A. Purchase of Services (POS)			
1. Community Care Facilities	\$1,259,012	\$1,218,826	-\$40,186
2. Medical Facilities	22,164	15,158	-7,006
3. Day Programs	1,047,134	1,045,468	-1,666
4. Habilitation Services	155,009	153,385	-1,624
a. <i>Work Activity Program</i>	51,818	48,138	-3,680
b. <i>Supported Employment Program (Group Placement)</i>	84,183	85,293	1,110
c. <i>Supported Employment Program (Individual Placement)</i>	19,008	19,954	946
5. Transportation	323,108	322,868	-240
6. Support Services	1,209,519	1,205,113	-4,406
7. In-Home Respite	347,602	362,819	15,217
8. Out-of-Home Respite	40,941	42,638	1,697
9. Health Care	120,414	117,920	-2,494
10. Miscellaneous	514,194	514,648	454
11. QAF (Transfer from DHCS)	9,324	9,874	550
12. Total POS Caseload Growth (Items 1 thru 11)	\$5,048,421	\$5,008,717	-\$39,704
Policy			
13. AB 10 Minimum Wage Increase, Effective 1/1/2016	\$132,248	\$98,645	-\$33,603
14. Impacts from Other Departments, DHCS - BHT	-128,107	-98,297	29,810
15. BHT Consumers - Fee-for-Service	0	-3,300	-3,300
16. DC Closure	20,244	20,244	0
a. Sonoma DC	13,322	13,322	0
b. Fairview DC	4,570	4,570	0
c. Porterville DC	2,352	2,352	0
17. Alternative Residential Model (ARM) 4-Bed Rate	46,000	46,000	0
18. Compliance with HCBS Regulations	15,000	15,000	0
19. Community Based Services Rate Increase	416,600	418,418	1,818
20. SB 3 Minimum Wage Increase Effective January 01, 2017	98,439	98,439	0
21. Best Buddies	0	0	0
22. Safety Net Resources	0	\$5,622	\$5,622
23. Total Policy (Items 13 thru 22)	\$600,424	\$600,771	\$347
24. Total POS (Items 12 and 23)	\$5,648,845	\$5,609,488	-\$39,357
II. FUND SOURCES:			
A. General Fund Total			
1. General Fund Match	2,055,862	2,062,472	6,610
2. General Fund Other	1,260,856	1,217,478	-43,378
B. Reimbursements			
1. HCBS Waiver	\$2,280,416	\$2,293,948	\$13,532
2. Title XX Block Grant	1,750,968	1,717,643	-33,325
a. <i>Social Services</i>	213,421	230,974	17,553
b. <i>Temporary Assistance for Needy Families</i>	136,264	153,817	17,553
c. <i>Temporary Assistance for Needy Families</i>	77,157	77,157	0
3. ICF-DD SPA	57,567	60,964	3,397
4. QAF	9,324	9,874	550
5. 1915(i) SPA	219,479	237,727	18,248
6. Money Follows the Person	1,811	2,968	1,157
7. Early Periodic Screening Diagnosis and Treatment	27,846	26,368	-1,478
8. Behavioral Health Treatment- Fee for Services	0	7,430	7,430
C. Program Development Fund / Parental Fees			
	\$2,537	\$2,537	\$0
D. Federal Funds			
<i>Early Start/Part C Grant</i>	\$33,786	\$33,052	-\$734
	33,786	33,052	-734
E. Behavioral Health Treatment Fee - For - Service			
Reimbursement from DHCS	\$15,388	\$0	-\$15,388
	15,388	0	-15,388
F. Grand Total	\$5,648,845	\$5,609,487	(\$39,358)

Values in thousands (000's)

**Comparison of May Revision to Governor's Budget
2016-17
EARLY START/OTHER AGENCY COSTS**

	A	B	C
	Governor's Budget	Updated 2016-17	2016-17 Request (B - A)
I. BUDGET ITEMS:			
Other Agency Costs			
1. California Department of Education	\$14,600	\$14,600	\$0
a. Local Education Agencies	14,245	14,245	0
b. Support	355	355	0
2. System Requirements	1,850	1,850	0
3. Family Resource Centers	2,659	2,659	0
4. Other Agency Costs (Items 1 thru 3)	\$19,109	\$19,109	\$0
II. FUND SOURCES:			
A. Federal Funds			
1. Early Start/Part C Grant	\$19,109	\$19,109	\$0
B. Grand Total	\$19,109	\$19,109	\$0

**Comparison of May Revision to Governor's Budget
2017-18
EARLY START/OTHER AGENCY COSTS**

	A	B	C
	Governor's Budget	Updated 2017-18	2017-18 Request (B - A)
I. BUDGET ITEMS:			
Other Agency Costs			
1. California Department of Education	\$14,600	\$14,600	\$0
a. Local Education Agencies	14,245	14,245	0
b. Support	355	355	0
2. System Requirements	1,850	1,850	0
3. Family Resource Centers	2,659	2,659	0
4. Other Agency Costs (Items 1 thru 3)	\$19,109	\$19,109	\$0
II. FUND SOURCES:			
A. Federal Funds			
1. Early Start/Part C Grant	\$19,109	\$19,109	\$0
B. Grand Total	\$19,109	\$19,109	\$0

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SECTION B: EXECUTIVE HIGHLIGHTS

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EXECUTIVE HIGHLIGHTS

Overview

This document provides a brief, high-level summary of notable changes in the Department's 2017 May Revision Regional Center Estimate.

GENERAL BUDGET OVERVIEW

2016-17

Costs and Fund Sources

The 2016-17 updated regional center budget totals \$6.1 billion (\$3.6 billion General Fund [GF]), which is a net decrease of \$12.3 million (\$22.5 million GF increase) from the Governor's Budget. As compared to the 2016-17 Enacted Budget, the May Revision projects savings of \$49.4 million (\$52.2 million GF). The May Revision decrease reflects a projected \$16.4 million reduction (\$21 million GF increase) in Purchase of Service (POS) expenditures, and an increase of \$0.7 million (\$1.5 million GF decrease) in Operations costs. The incremental fund source adjustments reflect an estimated decrease in expenditures eligible for reimbursements and the loss of Behavioral Health Treatment (BHT) – Fee-for-Service (FFS) Reimbursement from the Department of Health Care Services (DHCS), which caused an increase in GF expenditures. The following tables reflect the updated current and budget year projected costs by fund sources and caseload changes.

Costs and Fund Sources <i>(Values in thousands)</i>			
	Governor's Budget	Updated 2016-17	Request
Total Costs	\$6,064,913	\$6,052,632	-\$12,281
Operations	730,529	731,302	773
Purchase of Services	5,313,272	5,300,218	-13,054
Early Start - Other Agency Costs	19,109	19,109	0
Early Start Family Resource Services	2,003	2,003	0
Fund Sources	\$6,064,913	\$6,052,632	-\$12,281
General Fund (GF)	3,558,448	3,580,955	22,507
<i>GF Match</i>	2,193,091	2,189,400	(3,691)
<i>GF Other</i>	1,365,357	1,391,555	26,198
Reimbursements	2,433,943	2,415,269	-18,674
Program Development Fund	2,537	2,537	0
Developmental Disabilities Services Account	150	150	0
Mental Health Services Fund	740	740	0
Federal Funds	53,707	52,981	-726
BHT - FFS Reimbursement from DHCS	15,388	0	-15,388

Population

There is a net increase of 152 consumers in the updated 2016-17 caseload, comprised of 72 Early Start consumers and 80 Active consumers.

	Governor's Budget	Updated 2016-17	Difference
<u>CASELOAD</u>			
Active (Age 3 & Older)	264,469	264,549	80
Total Early Start (Birth through 35 Months)	38,978	39,050	72
Total Community Caseload	303,447	303,599	152

Regional Center Operations

The Operations budget reflects a net increase of \$0.7 million (\$1.5 million GF decrease) over the Governor's Budget due to an increase in regional center caseload and a slight increase in Intermediate Care Facility – Developmentally Disabled (ICF/DD) Administration Fees. This increase is slightly offset by a decrease in Federal Compliance resulting from a decrease in eligible Home and Community Based-Services (HCBS) consumers.

	Governor's Budget	Updated 2016-17	Difference
<u>Operations Total</u>	<i>(Values in thousands)</i>		
Core Staffing	\$560,852	\$561,612	\$760
Federal Compliance	49,592	49,503	-89
Projects	24,698	24,698	0
Agnews Ongoing Workload	2,946	2,946	0
Lanterman Developmental Center Closure	2,576	2,576	0
Intermediate Care Facility-Developmentally Disabled (ICF-DD) Administration Fee	1,727	1,829	102
Total Operations	\$642,391	\$643,164	\$773

POS Expenditures

Updated POS expenditures reflect a net decrease of \$16.4 million (\$21.0 million GF increase) as compared to the Governor's Budget. The most significant decreases are in the Community Care Facilities and Support Services budget categories, which reflect expenditures coming in lower than previously estimated. In contrast, the In-Home Respite and Out-of-Home Respite budget categories both had increases due to expenditures coming in higher than previously estimated. While there is a net decrease in projected POS expenditures from the Governor's Budget, overall expenditures increased \$826 million from the prior fiscal year.

Purchase of Services Caseload (Utilization and Growth) <i>(Values in thousands)</i>				
	Governor's Budget	Updated 2016-17	Difference	Percent Change
Community Care Facilities	\$1,193,781	\$1,178,287	-\$15,494	-1.30%
Medical Facilities	20,937	15,362	-5,575	-26.63%
Day Programs	997,648	997,275	-373	-0.04%
Habilitation	151,744	151,406	-338	-0.22%
<i>Work Activity Program</i>	51,829	50,173	-1,656	-3.20%
<i>Supported Employment Program - Group</i>	81,236	81,899	663	0.82%
<i>Supported Employment Program - Individual</i>	18,679	19,334	655	3.51%
Transportation	303,293	303,200	-93	-0.03%
Support Services	1,116,468	1,110,361	-6,107	-0.55%
In-Home Respite	315,036	323,623	8,587	2.73%
Out of Home Respite	40,615	43,105	2,490	6.13%
Health Care	110,596	109,468	-1,128	-1.02%
Miscellaneous	498,320	499,373	1,053	0.21%
Quality Assurance Fees	9,324	9,874	550	5.90%
TOTAL	\$4,757,762	\$4,741,334	-\$16,428	-0.35%

Policy

Current year reflects a net increase of \$3.4 million (\$3.0 million GF decrease) from the Governor's Budget for the following policy items:

- Assembly Bill (AB) 10 Minimum Wage Increase, Effective January 1, 2016 – Reflects a \$31.7 million decrease (\$19.3 million GF decrease) due to updated actual expenditures multiplied by the growth rate of each POS budget category.
- Impacts from Other Departments, DHCS –BHT Transition – Reflects a decrease in savings of \$29.8 million (\$14.2 million GF increase) based on updated actual expenditures for transitioned consumers.

- Alternative Residential Model (ARM) 4-Bed Rate – Decreased by \$5.2 million (\$3.0 million GF decrease) due to actual expenditures coming in lower than previously projected.
- Community-Based Services Increase – The \$10.5 million net increase (\$6.2 million GF) compared to the Governor's Budget reflects updated expenditure estimates for Direct Care Staff Wages and Benefits, increases for POS Administrative Costs, as well as the other targeted increases for Respite, Transportation, Supported Living, and Independent Living.
- DC Closure - Net zero \$0 difference (\$4.9 million GF increase). Total expenditures remain unchanged, but GF increased due to a shift in funding from reimbursements to GF resulting from less expenditures eligible for reimbursement.

Policy (Values in thousands)			
	Governor's Budget	Updated 2016-17	Difference
Operations			
Improve Service Coordinator Caseload Ratios	\$17,000	\$17,000	\$0
Compliance with HCBS Regulations - Operations	\$1,600	\$1,600	\$0
Regional Center Operations Increase	\$56,600	\$56,600	\$0
Resources to Implement ABX2 1	\$7,504	\$7,504	\$0
DC Closure	\$5,434	\$5,434	\$0
Sonoma DC	\$3,616	\$3,616	\$0
Fairview DC	\$1,212	\$1,212	\$0
Porterville DC	\$606	\$606	\$0
Total Operations Policy	\$88,138	\$88,138	\$0
Purchase of Services (POS)			
AB 10 Minimum Wage Increase, Effective 1/1/2016	\$124,714	\$92,983	-\$31,731
Impacts from Other Departments, DHCS - BHT Transition	-128,107	-98,297	29,810
DC Closure	73,358	73,358	0
Sonoma DC	20,884	20,884	0
Fairview DC	28,461	28,461	0
Porterville DC	24,013	24,013	0
Alternative Residential Model 4-Bed Rate	46,000	40,754	-5,246
Compliance with HCBS Regulations - POS	15,000	15,000	0
Community Based Services Increase	402,300	412,841	10,541
SB 3 Minimum Wage Increase, Effective 1/1/2017	21,245	21,245	0
Best Buddies	1,000	1,000	0
Total POS Policy	\$555,510	\$558,884	\$3,374
TOTAL	\$643,648	\$647,022	\$3,374

Please refer to Section J - Impacts from Other Departments and Section K - Policy for more detailed information.

Reimbursements

Updated 2016-17 reimbursements reflect a decrease of \$34.1 million from the Governor's Budget due to a decrease in HCBS Waiver eligible expenditures and the reduction of anticipated reimbursements from DHCS for BHT – FFS, offset by an increase in 1915(i) SPA eligible expenditures.

Reimbursements <i>(Values in thousands)</i>			
	Governor's Budget	Updated 2016-17	Request
Home and Community-Based Services (HCBS) Waiver	\$1,679,270	\$1,638,098	-\$41,172
HCBS Waiver Administration	13,988	14,000	12
Medicaid Administration	15,926	15,952	26
Targeted Case Management (TCM)	186,888	190,303	3,415
TCM Administration	5,354	5,893	539
Title XX Block Grant	213,421	213,421	0
(1) Social Services	136,264	136,264	0
(2) Temporary Assistance for Needy Families	77,157	77,157	0
ICF-DD	57,567	60,964	3,397
QAF	10,187	10,788	601
1915(i) State Plan Amendment (SPA)	213,498	231,394	17,896
Money Follows the Person	9,638	8,337	-1,301
Early Periodic Screening Diagnostic and Treatment (EPSDT)	28,206	26,119	-2,087
BHT - FFS - Reimbursement from DHCS	15,388	0	-15,388
TOTAL	\$2,449,331	\$2,415,269	-\$34,062

2017-18**Costs and Fund Sources**

The 2017 May Revision proposes \$6.4 billion (\$3.8 billion GF); a net decrease of \$35.7 million (\$42.7 million GF decrease) from the Governor's Budget. The net decrease reflects a \$39.7 million decrease (\$36.8 million GF decrease) in POS and a \$3.7 million increase (\$5.9 million GF decrease) in Operations. The 2017-18 budget reflects a \$335.5 million increase (\$215.3 million GF) over updated 2016-17 expenditures.

Costs and Fund Sources (Values in thousands)			
	Governor's Budget	2017-18	Request
Total Costs	\$6,423,741	\$6,388,088	-\$35,653
Operations	753,784	757,488	3,704
Purchase of Services	5,648,845	5,609,488	-39,357
Early Start - Other Agency Costs	19,109	19,109	0
Early Start Family Resource Services	2,003	2,003	0
Fund Sources	\$6,423,741	\$6,388,088	-\$35,653
General Fund (GF)	3,838,894	3,796,228	-42,666
<i>GF Match</i>	2,274,753	2,287,123	12,370
<i>GF Other</i>	1,564,141	1,509,105	-55,036
Reimbursements	2,511,945	2,535,175	23,230
Program Development Fund	2,537	2,537	0
Developmental Disabilities Services Account	150	150	0
Mental Health Services Fund	740	740	0
Federal Funds	54,087	53,258	-829
BHT - FFS Reimbursement from DHCS	15,388	0	-15,388

Population

There is a net increase of 554 consumers over the Governor's Budget, comprised of 481 Early Start consumers and 73 Active consumers.

	Governor's Budget	2017-18	Difference
<u>CASELOAD</u>			
Active (Age 3 & Older)	275,104	275,177	73
Total Early Start (Birth through 35 Months)	42,179	42,660	481
Total Community Caseload	317,283	317,837	554

Regional Center Operations

There is an overall increase of \$2.4 million (\$6.9 million GF decrease) as compared to the Governor's Budget, primarily resulting from caseload increases.

	Governor's Budget	2017-18	Difference
	<i>(Values in thousands)</i>		
<u>Operations Total</u>			
Core Staffing	\$587,407	\$589,751	\$2,344
Federal Compliance	47,686	47,672	-14
Projects	27,058	27,064	6
Agnews Ongoing Workload	2,894	2,894	0
Lanternman Developmental Center Closure	2,392	2,392	0
ICF-DD - Administration Fee	1,727	1,829	102
Total Operations	\$669,164	\$671,602	\$2,438

POS Expenditures

The 2017-18 POS caseload expenditures reflect a net decrease of \$39.7 million (\$40.3 million GF decrease), or -0.79 percent, compared to the Governor's Budget. Community Care Facilities and Medical Facilities had the largest expenditure decreases, while In-Home Respite had the largest increase. Revised POS expenditures reflect updated estimates based on analysis of past year expenditure trends.

Purchase of Services Caseload (Utilization and Growth) <i>(Values in thousands)</i>				
	Governor's Budget	2017-18	Difference	Percent Change
Community Care Facilities	\$1,259,012	\$1,218,826	-\$40,186	-3.19%
Medical Facilities	22,164	15,158	-7,006	-31.61%
Day Programs	1,047,134	1,045,468	-1,666	-0.16%
Habilitation	155,009	153,385	-1,624	-1.05%
<i>Work Activity Program</i>	51,818	48,138	-3,680	-7.10%
<i>Supported Employment Program - Group</i>	84,183	85,293	1,110	1.32%
<i>Supported Employment Program - Individual</i>	19,008	19,954	946	4.98%
Transportation	323,108	322,868	-240	-0.07%
Support Services	1,209,519	1,205,113	-4,406	-0.36%
In-Home Respite	347,602	362,819	15,217	4.38%
Out of Home Respite	40,941	42,638	1,697	4.14%
Health Care	120,414	117,920	-2,494	-2.07%
Miscellaneous	514,194	514,648	454	0.09%
Quality Assurance Fees	9,324	9,874	550	5.90%
TOTAL	\$5,048,421	\$5,008,717	-\$39,704	-0.79%

Policy

Operations

The Department requests \$1.3 million (\$1.0 million GF) in 2017-18 to fund 0.5 psychologists per regional center to assess children with an Autism Spectrum Disorder (ASD) diagnosis and provide medical referrals for BHT services. These funds will enable the regional centers to hire or contract with psychologists to evaluate children and provide required medical referrals for BHT expenditures to be eligible for federal financial participation under Medi-Cal, thus enabling DHCS to reimburse the Department for expenditures.

POS

There is a net increase of \$0.3 million (\$3.5 million GF increase) in Policy - POS expenditures as follows:

- AB 10 – Minimum Wage Increase, Effective January 1, 2016 - The \$33.6 million decrease (\$20.6 million GF decrease) in 2017-18 reflects updated actual expenditures multiplied by the growth rate of each POS budget category.
- Impacts from Other Departments, DHCS – BHT Transition reflects a decrease in savings of \$29.8 million (\$14.2 million GF increase). The Department updated the average monthly costs per consumer based on actual expenditure trends.
- BHT Transition - Consumers without an ASD Diagnosis – Starting January 1, 2018, the Department will coordinate with DHCS to transition to Medi-Cal Managed Care, approximately 2,000 children whose BHT services have been determined to be medically necessary. The 2017-18 estimate reflects a GF reduction of \$3.3 million based on the transition schedule.
- Community-Based Services – The \$1.8 million net increase (\$1.1 million GF) compared to the Governor's Budget reflects updated expenditure estimates for Direct Care Staff Wages and Benefits, increases for POS Administrative Costs, as well as the other targeted increases for Respite, Transportation, Supported Living, and Independent Living.
- Safety Net – The Department requests \$5.6 million in one-time GF to develop components of the safety net plan. This includes \$2.6 million to develop two Stabilization, Training, Assistance and Reintegration (STAR) acute crisis facilities in Northern California, and \$3.0 million to establish intensive transition services to promote successful community transitions for those leaving secured treatment settings.
- DC Closure - Net zero \$0 difference (\$6.5 million GF increase). Total expenditures remain unchanged, but GF increased due to a shift in funding from reimbursements to GF resulting from less expenditures eligible for reimbursement.

Please refer to Section J - Impacts from Other Departments and Section K - Policy for more detailed information.

Operations Policy Items			
Improve Service Coordinator Caseload Ratios	\$17,000	\$17,000	\$0
Compliance with HCBS Regulations - Operations	\$1,422	\$1,422	\$0
Regional Center Operations Increase	\$56,600	\$56,600	\$0
Resources to Implement ABX2 1	\$4,164	\$4,164	\$0
BHT Psychological Evaluations for FFS Consumers	0	1,266	1,266
DC Closure	\$5,434	\$5,434	\$0
<i>Sonoma DC</i>	\$3,616	\$3,616	\$0
<i>Fairview DC</i>	\$1,212	\$1,212	\$0
<i>Porterville DC</i>	\$606	\$606	\$0
Total Operations Policy	\$84,620	\$85,886	\$1,266
POS Policy Items			
AB 10 Minimum Wage Increase, Effective 1/1/2016	\$132,248	\$98,645	-\$33,603
Impacts from Other Departments, DHCS - BHT Transition	-128,107	-98,297	29,810
BHT Consumers with no Autism Spectrum Disorder Diagnosis	0	-3,300	-3,300
DC Closure	20,244	20,244	0
<i>Sonoma DC</i>	13,322	13,322	0
<i>Fairview DC</i>	4,570	4,570	0
<i>Porterville DC</i>	2,352	2,352	0
Alternative Residential Model 4-Bed Rate	46,000	46,000	0
Compliance with HCBS Regulations - POS	15,000	15,000	0
Community Based Services Increase	416,600	418,418	1,818
SB 3 Minimum Wage Increase, Effective 1/1/2017	98,439	98,439	0
Safety Net Resources	0	5,622	5,622
Total POS Policy	\$600,424	\$600,771	\$347
TOTAL	\$685,044	\$686,657	\$1,613

Reimbursements

Reimbursements in 2017-18 will increase by a net \$23.2 million. The largest increases are in reimbursements from the Title XX Block Grant due to additional funds availability from the Department of Social Services which manages the grant, and from the 1915(i) State Plan Amendment (SPA) resulting from more expenditures eligible for federal reimbursement. These amounts are offset by a decrease from the HCBS Waiver, as less expenditures are eligible for federal reimbursement.

Reimbursements (Values in thousands)			
	Governor's Budget	2017-18	Request
Home and Community-Based Services (HCBS) Waiver	\$1,750,968	\$1,717,644	-\$33,324
HCBS Waiver Administration	14,104	14,105	1
Medicaid Administration	15,952	15,952	0
Targeted Case Management (TCM)	192,737	195,934	3,197
TCM Administration	5,354	5,893	539
Title XX Block Grant	213,421	230,974	17,553
(1) Social Services	136,264	153,817	17,553
(2) Temporary Assistance for Needy Families	77,157	77,157	0
ICF-DD	57,567	60,964	3,397
QAF	10,187	10,788	601
1915(i) State Plan Amendment (SPA)	219,479	237,727	18,248
Money Follows the Person	4,330	11,396	7,066
Early Periodic Screening Diagnostic and Treatment (EPSDT)	27,846	26,368	-1,478
Behavioral Health Treatment Fee - for - Service	0	7,430	7,430
TOTAL	\$2,511,945	\$2,535,175	\$23,230

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SECTION C: NEW/REVISED POLICY

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NEW MAJOR POLICY

Safety Net Services

The Department proposes \$5.6 million General Fund (GF) in 2017-18 to develop safety net resources. This includes \$2.6 million to develop two Stabilization, Training, Assistance, and Reintegration (STAR) acute crisis facilities in Northern California, and \$3.0 million to establish intensive services to promote successful community transitions for those leaving secure treatment. These new community services resources 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 in the Supplemental Reporting section of this Estimate, and are in addition to Safety Net Resources proposed in the Developmental Centers Estimate.

Behavioral Health Treatment (BHT) Services for Children without a Diagnosis of Autism Spectrum Disorder

The Department proposes \$14.8 million GF in 2016-17 and \$16.5 million GF in 2017-18 to cover the loss of Federal Financial Participation (FFP) for BHT services provided to children without an autism diagnosis.

The Department of Health Care Services (DHCS) obtained approval from the Centers for Medicare & Medicaid Services (CMS) to include BHT as a Medi-Cal benefit for children with a diagnosis of Autism Spectrum Disorder (ASD). Between February and October 2016, children with an ASD diagnosis transitioned to DHCS for BHT services. Children without an ASD diagnosis did not transition, and it was expected their BHT services would remain eligible for FFP under the 1915(i) State Plan Amendment (SPA) or the Home and Community-Based Services (HCBS) Waiver. However, CMS determined Medi-Cal must cover medically necessary BHT services for all children, regardless of their diagnoses. Beginning October 1, 2016, FFP is not available under either the 1915(i) SPA or HCBS Waiver for BHT services provided to children without an ASD diagnosis.

As a result of this CMS determination, the Department will coordinate with DHCS to transition to Medi-Cal Managed Care in 2017-18, approximately 2,000 children whose BHT services will be determined as medically necessary by Medi-Cal Managed Care plans. In contrast, the GF will fund the costs of BHT services provided to an estimated 4,000 children whose Individual Program Plans indicate a need for these services but are estimated to not meet the Medi-Cal medical necessity criteria.

In addition to the children without an ASD diagnosis enrolled in Medi-Cal Managed Care plans, the Department estimates that 280 children are in fee-for-service Medi-Cal. These children will continue to receive services through the regional centers, and DCHS will fully reimburse the Department for the related expenditures.

Psychological Evaluations for BHT Fee-for-Service Consumers

The Department requests \$1.2 million (\$1.0 million GF) in 2017-18 to fund 0.5 psychologists per regional center to assess children with an ASD diagnosis and provide medical referrals for BHT services so these services will be eligible for FFP under Medi-Cal, thus enabling DHCS to reimburse the Department for expenditures.

In 2016, approximately 12,000 regional center consumers under the age of 21 with an ASD diagnosis transitioned to DHCS and Medi-Cal Managed Care for BHT services. An additional 1,683 fee-for-service consumers transitioned to DHCS, but continued to receive BHT services through the regional centers with the expectation that DHCS would reimburse the Department for the expenditures. However, DHCS has been unable to reimburse the Department for approximately \$7.1 million in BHT expenditures because a recommendation from a physician or psychologist is required for those services to be eligible for FFP under Medi-Cal. This provision was not previously required for the Department to claim FFP for BHT services under the 1915i SPA or HCS Waiver. Therefore, funding is required to support additional regional center workload.

REVISED MAJOR ASSUMPTIONS**General Fund to Cover BHT Services for Fee-for-Service Consumers**

The Department requests \$7.1 million GF in 2016-17 to backfill unrealized reimbursements for children who transitioned to DHCS and receive BHT services on a fee-for-service basis.

In 2016, approximately 12,000 regional center consumers under the age of 21 with an ASD diagnosis transitioned to DHCS and Medi-Cal Managed Care for BHT services. An additional 1,683 fee-for-service consumers transitioned to DHCS on paper, but continued to receive BHT services through the regional centers with the expectation that DHCS would reimburse the Department for the expenditures. However, DHCS has been unable to reimburse the Department for approximately \$7.1 million in BHT expenditures because a recommendation from a physician or psychologist is required for those services to be eligible for FFP under Medi-Cal. This provision was not previously required for the Department to claim FFP under the 1915i SPA or HCS Waiver. For 2017-18, this issue will be addressed by the "Psychological Evaluations for BHT Fee-for-Service Consumers" issue described above.

Reimbursements for BHT Services Provided to Fee-for-Service Consumers

In 2017-18, the Department proposes \$7.4 million in reimbursement authority from DHCS to cover the costs of BHT services provided to children on a fee-for-service basis. This includes expenditures for approximately 1,700 children with an ASD diagnosis, as well as 280 children who do not have an ASD diagnosis but for which BHT services are medically necessary.

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SECTION D: FUTURE FISCAL ISSUES

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FUTURE FISCAL ISSUES

Self-Determination

Senate Bill (SB) 468, Chapter 683, Statutes of 2013, requires the Department to implement a statewide Self-Determination Program (SDP), subject to approval of federal funding. The Department submitted an application for federal funding to the Centers for Medicare & Medicaid Services (CMS) on December 31, 2014. The SDP will allow regional center consumers and their families more freedom, control, and responsibility in choosing services and supports to help meet the objectives in their individual program plans. Participation is limited to 2,500 individuals in the first 3 years of the SDP, including approximately 100 participants in the current State-only funded self-determination pilot project. To ensure the cost neutrality of the SDP, which is required in statute, SB 468 requires the additional federal reimbursements generated by former self-determination pilot participant's savings be used to offset administrative costs to the Department, including the required criminal background checks. Any remaining funds can be used to offset regional center costs to implement the SDP.

In response to changes requested by CMS, the Department formally resubmitted the Home and Community-Based Services (HCBS) Waiver application on September 29, 2015. As is typical when submitting an application for federal funding, CMS responded, requesting additional information regarding the Waiver application. The Department has responded to this and all subsequent requests for information, and has resolved the majority of CMS' questions/issues. The Budget Act of 2016 also includes provisional language to administer the SDP once federal approval has been received.

CMS Final Regulations for Home and Community-Based Services

The Department administers both a 1915(c) Waiver (the HCBS Waiver for Persons with Developmental Disabilities) and a 1915(i) State Plan program. These programs enable the State to receive federal funding for services provided to approximately 130,000 consumers.

In early 2014, CMS published final regulations affecting 1915(c) Waiver programs, 1915(i) State Plan programs, and 1915(k) Community First Choice State Plans for HCBS provided through Medicaid. The purpose of the regulations is to ensure individuals receive HCBS in settings that are integrated in and support full access to the community. Originally, CMS required states to comply with the new federal regulations by March 17, 2019, to maintain HCBS funding (estimated at \$1.7 billion for the Department in 2017-18). However, on May 9, 2017, CMS notified states that given the difficult and complex nature of achieving compliance, it extended compliance by three years to March 17, 2022.

On November 23, 2016, DHCS submitted the revised Statewide Transition Plan (STP) for CMS approval. The STP describes at a high level, California's overall commitment to, and plan for achieving compliance including the potential need for changes in statute and/or regulation to comply with federal regulations. Concurrent with the development

of the STP, the Department is engaged in the multi-year process of implementing the federal regulations with the guidance of a comprehensive stakeholder group. To enable the Department to complete some of the required activities, the 2016 enacted budget included funding for regional center staffing to assist with conducting individual provider assessments as well as funding to enable service providers to make modifications to comply with federal regulations. Additionally, the Administration proposed trailer bill language with the 2017 Governor's Budget to provide the Department temporary administrative flexibility and other specific authority to comply with the federal regulations.

Developmental Services Task Force

On July 24, 2014, the California Health and Human Services Secretary convened a task force to strengthen developmental services in the community. The task force includes consumers, consumer advocates, regional centers, community service providers, labor organizations, families of developmental center residents, legislative staff, and staff from the Department. Subsequent meetings were convened to focus on service rates, the rate-setting structure and sustainability, and how regional center operations are funded. The task force will develop recommendations in the context of a growing and aging population, resource constraints, and availability of community housing and employment resources to meet the specialized needs of consumers.

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Population*2016-17*

<i>Estimated Population as of 1/31/17</i>				
	<i>GOVERNOR'S BUDGET</i>	<i>MAY REVISION</i>	<i>Change</i>	<i>Percent Change</i>
A. Active Status (Age 3 & Older)	264,469	264,549	80	0.03%
B. Total Early Start (Birth through 35 Months)	38,978	39,050	72	0.18%
C. Total Community Population	303,447	303,599	152	0.05%

2017-18

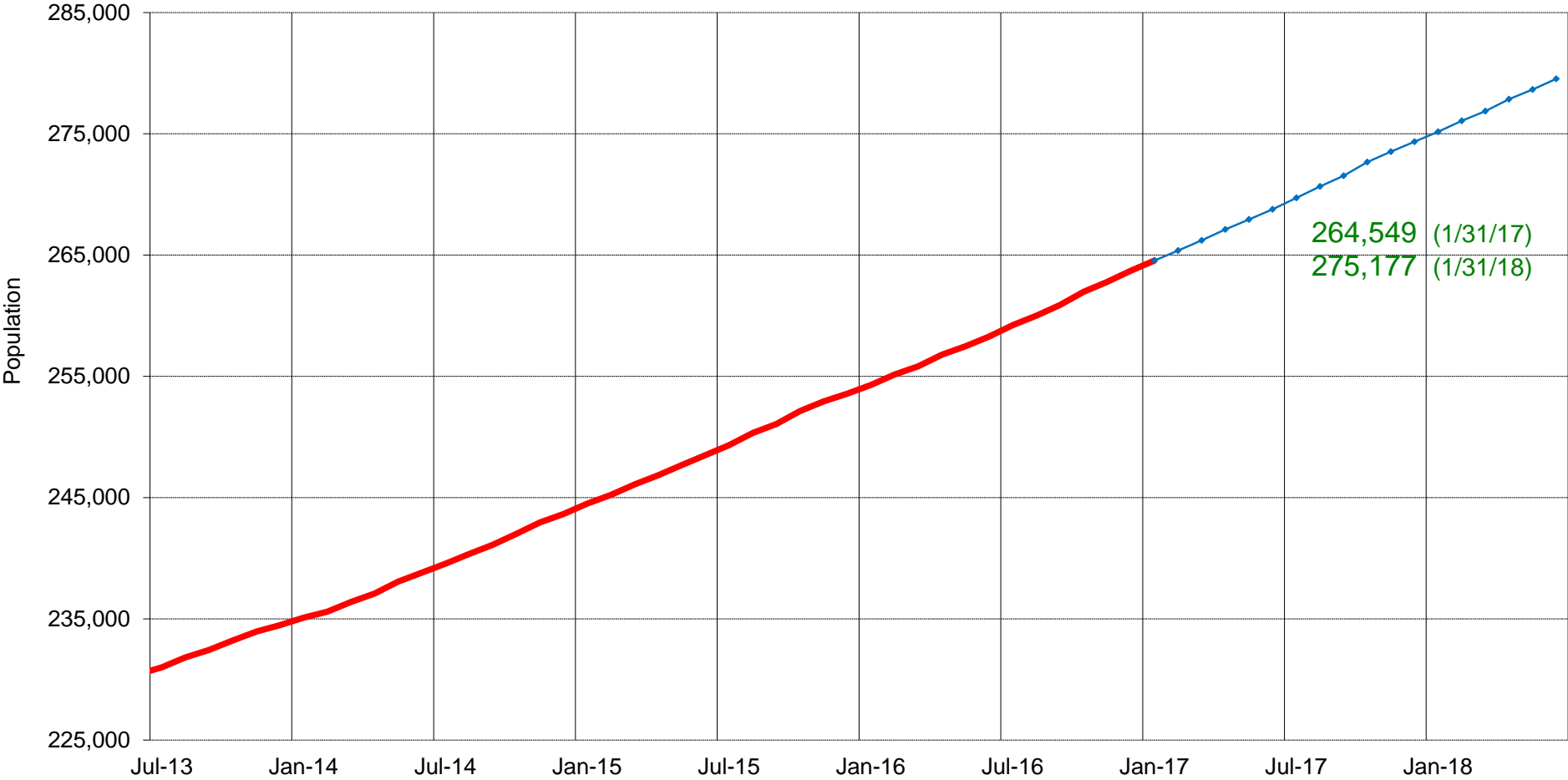
<i>Estimated Population as of 1/31/18</i>				
	<i>GOVERNOR'S BUDGET</i>	<i>MAY REVISION</i>	<i>Change</i>	<i>Percent Change</i>
A. Active Status (Age 3 & Older)	275,104	275,177	73	0.03%
B. Total Early Start (Birth through 35 Months)	42,179	42,660	481	1.14%
C. Total Community Population	317,283	317,837	554	0.17%

Population

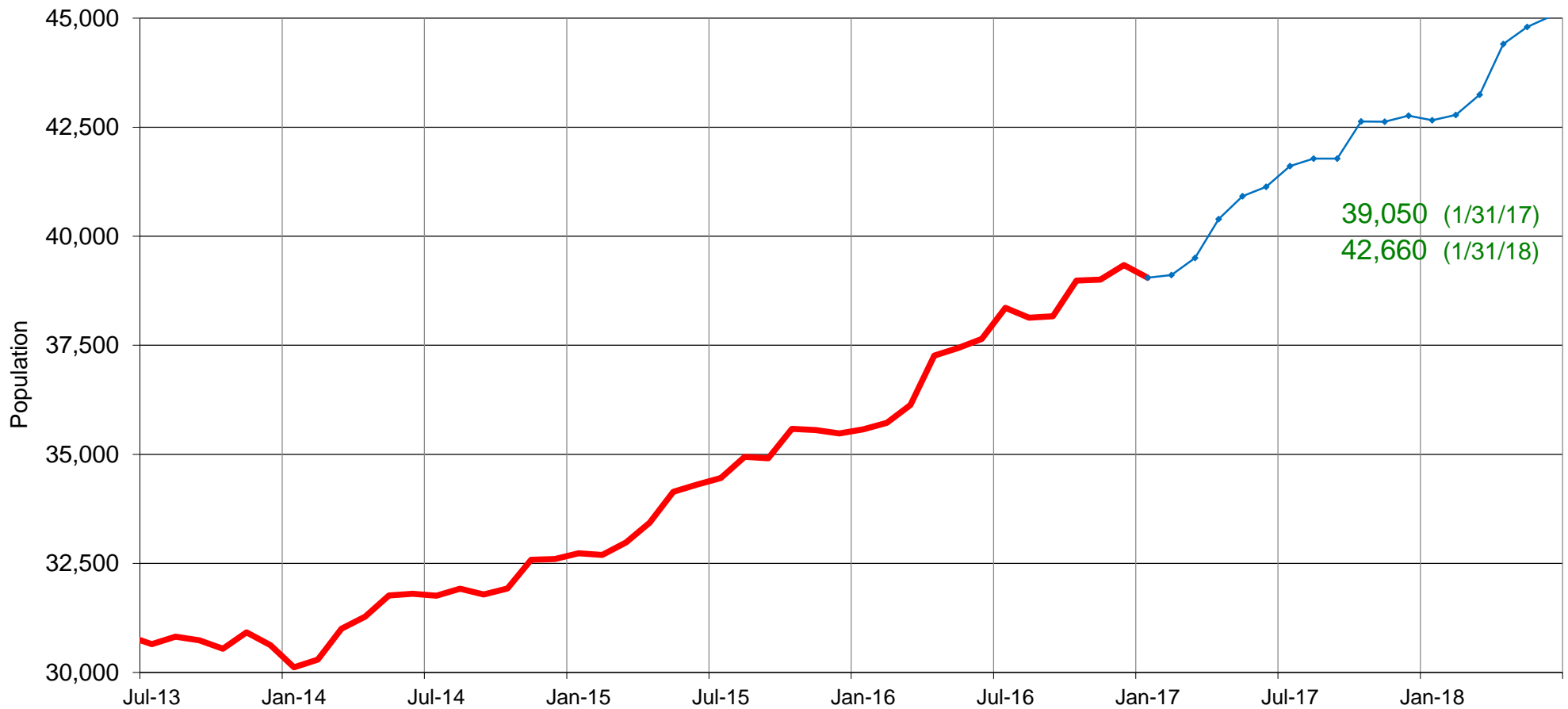
2016-17 vs. 2017-18

	2016-17	2017-18		
	<i>Population as of 1/31/17</i>	<i>Estimated Population as of 1/31/18</i>	<i>Annual Change</i>	<i>Percent Annual Change</i>
A. Active Status (Age 3 & Older)	264,549	275,177	10,628	4.02%
B. Total Early Start (Birth through 35 Months)	39,050	42,660	3,610	9.24%
C. Total Community Population	303,599	317,837	14,238	4.69%

Active Status Population
(Age 3 & Older)
Client Master File Trend Analysis

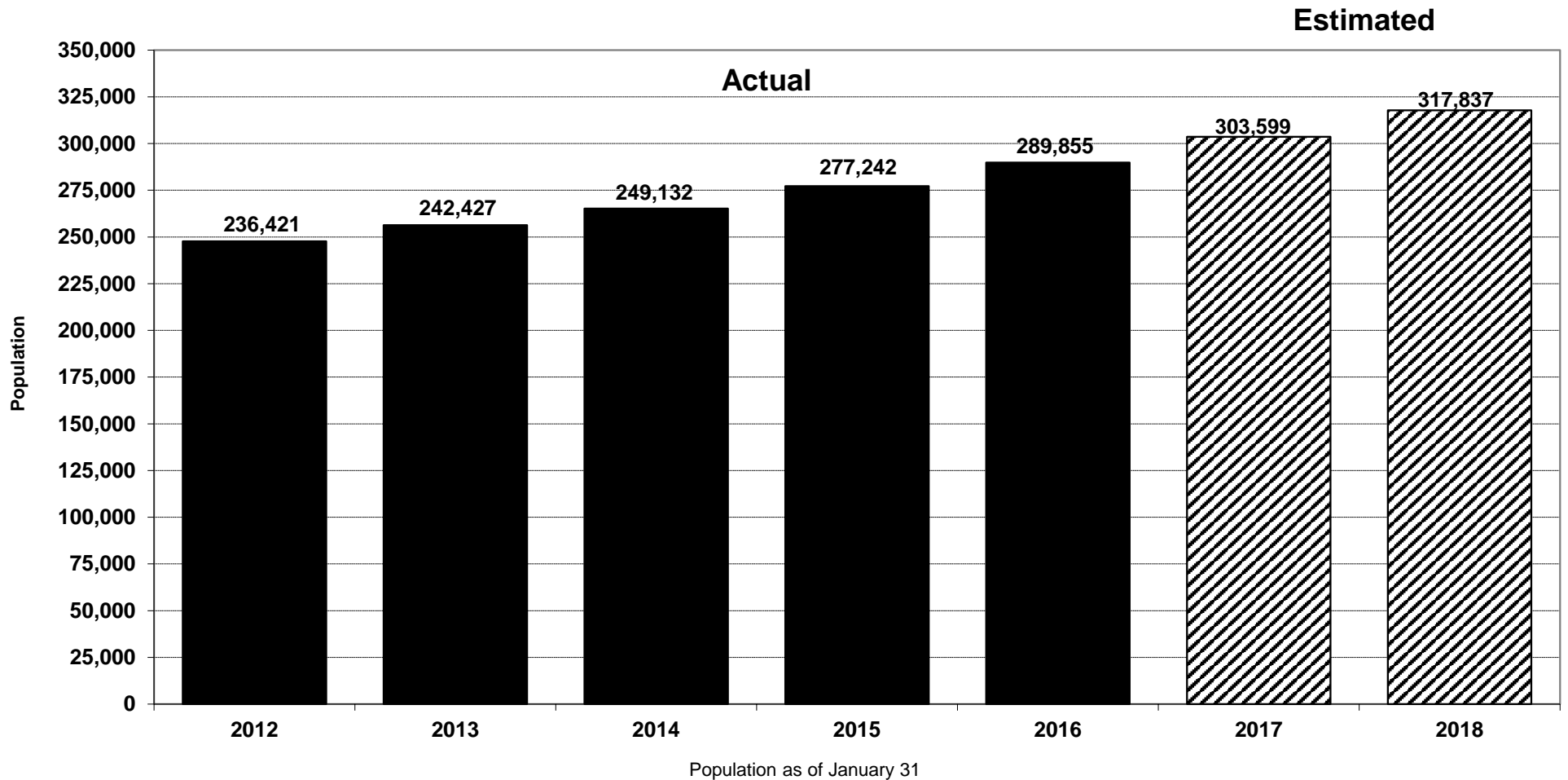


Early Start (Birth through 35 Months) **Client Master File Trend Analysis**



Community Population

(Active Status, Early Start, and Prevention)



*The Prevention Program ended on June 30, 2012

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Operations**POPULATION AND OPERATIONS SUMMARY**
Comparison of the Governor's Budget to the 2017 May Revision
2016-17

	Governor's Budget	May Revision	Request
POPULATION			
Active Status (Age 3 & Older)	264,469	264,549	80
Early Start (Birth through 35 Months)	38,978	39,050	72
Total Population	303,447	303,599	152
OPERATIONS			
I. STAFFING			
A. Core Staffing	\$584,893	\$585,653	\$760
B. Enhanced Caseload Ratio 1:45 for Two Years	344	344	0
C. Community Placement Plan	15,265	15,265	0
D. Staffing for Collection of FFP for Contracted Services	2,228	2,228	0
E. Less: Intake and Assessment (2003-04)	-4,465	-4,465	0
F. Less: Unallocated Reduction (2001-02)	-10,559	-10,559	0
G. Less: Cost Containment (2004-05)	-5,968	-5,968	0
H. Less: Savings Target (2009-10)	-12,000	-12,000	0
I. Less: Cost Containment (2011-12)	-3,486	-3,486	0
J. Less: Unallocated Reduction (2011-12)	-5,400	-5,400	0
K. Total Staffing	\$560,852	\$561,612	\$760
II.			
A. Agnews Ongoing Workload	2,946	2,946	0
B. Lanterman Development Center Closure	2,576	2,576	0
C. Total Developmental Centers Closure	\$5,522	\$5,522	\$0
III. FEDERAL COMPLIANCE			
A. HCBS Waiver	21,135	21,135	0
B. Compliance with HCBS Waiver Requirements	9,200	9,200	0
C. Case Managers to Meet HCBS Waiver Requirements	13,671	13,582	-89
D. Targeted Case Management	4,129	4,129	0
E. Nursing Home Reform/Pre-Admission Screening and Resident Review	473	473	0
F. Federal Medicaid Requirement for RC HCBS Services	984	984	0
G. Total Federal Compliance	\$49,592	\$49,503	-\$89
IV. PROJECTS			
A. Information Technology Costs:	3,417	3,417	0
1. <i>Regional Center Application Support</i>	2,317	2,317	0
2. <i>Data Processing</i>	1,100	1,100	0
B. Clients' Rights Advocacy Contract	6,494	6,494	0
C. Quality Assessment Contract	3,221	3,221	0
D. Direct Support Professional Training	2,848	2,848	0
E. Office of Administrative Hearings Contract	3,190	3,190	0
F. Wellness Projects	100	100	0
G. Foster Grandparent / Senior Companion Programs	2,518	2,518	0
H. Special Incident Reporting/Risk Assessment Contract	938	938	0
I. Increased Access to Mental Health Services	740	740	0
J. Sherry S. Court Case / Los Angeles County Hops	211	211	0
K. Enhancing FFP, Phase II, Proposal C, Consultant	500	500	0
L. University Enterprises, Inc.	123	123	0
M. Affordable Housing	128	128	0
N. Review of SB 1175 Housing Proposals	150	150	0
O. Denti-Cal Infrastructure for RC Dental Services	120	120	0
P. Total Projects	\$24,698	\$24,698	\$0
V. ICF-Developmentally Disabled Administrative Fees	\$1,727	\$1,829	\$102
VI. DC Closure	\$5,434	\$5,434	\$0
VII. GRAND TOTAL	\$647,825	\$648,598	\$773

Operations**POPULATION AND OPERATIONS SUMMARY**
Comparison of the Governor's Budget to the 2017 May Revision
2017-18

	Enacted Budget	Governor's Budget	Request
POPULATION			
Active Status (Age 3 & Older)	275,104	275,177	73
Early Start (Birth through 35 Months)	42,179	42,660	481
Total Population	317,283	317,837	554
OPERATIONS			
I. STAFFING			
A. Core Staffing	\$611,783	\$614,127	\$2,344
B. Enhanced Caseload Ratio 1:45 for Two Years	344	344	0
C. Community Placement Plan	15,265	15,265	0
D. Staffing for Collection of FFP for Contracted Services	1,893	1,893	0
E. Less: Intake and Assessment (2003-04)	-4,465	-4,465	0
F. Less: Unallocated Reduction (2001-02)	-10,559	-10,559	0
G. Less: Cost Containment (2004-05)	-5,968	-5,968	0
H. Less: Savings Target (2009-10)	-12,000	-12,000	0
I. Less: Cost Containment (2011-12)	-3,486	-3,486	0
J. Less: Unallocated Reduction (2011-12)	-5,400	-5,400	0
K. Total Staffing	\$587,407	\$589,751	\$2,344
II.			
A. Agnews Ongoing Workload	2,894	2,894	0
B. Lanterman Development Center Closure	2,392	2,392	0
C. Total Developmental Centers Closure	\$5,286	\$5,286	\$0
III. FEDERAL COMPLIANCE			
A. HCBS Waiver	21,135	21,135	0
B. Compliance with HCBS Waiver Requirements	8,700	8,700	0
C. Case Managers to Meet HCBS Waiver Requirements	12,265	12,251	-14
D. Targeted Case Management	4,129	4,129	0
E. Nursing Home Reform/Pre-Admission Screening and Resident Review	473	473	0
F. Federal Medicaid Requirement for RC HCBS Services	984	984	0
G. Total Federal Compliance	\$47,686	\$47,672	-\$14
IV. PROJECTS			
A. Information Technology Costs:	3,797	3,797	0
1. Regional Center Application Support	2,547	2,547	0
2. Data Processing	1,250	1,250	0
B. Clients' Rights Advocacy Contract	6,785	6,791	6
C. Quality Assessment Contract	4,044	4,044	0
D. Direct Support Professional Training	3,037	3,037	0
E. Office of Administrative Hearings Contract	3,350	3,350	0
F. Wellness Projects	100	100	0
G. Foster Grandparent / Senior Companion Programs	3,035	3,035	0
H. Special Incident Reporting/Risk Assessment Contract	938	938	0
I. Increased Access to Mental Health Services	740	740	0
J. Sherry S. Court Case / Los Angeles County Hops	211	211	0
K. Enhancing FFP, Phase II, Proposal C, Consultant	500	500	0
L. University Enterprises, Inc.	123	123	0
M. Affordable Housing	128	128	0
N. Review of SB 1175 Housing Proposals	150	150	0
O. Denti-Cal Infrastructure for RC Dental Services	120	120	0
P. Total Projects	\$27,058	\$27,064	\$6
V. ICF-Developmentally Disabled Administrative Fees	\$1,727	\$1,829	\$102
VI. DC Closure	\$5,434	\$5,434	\$0
VII. GRAND TOTAL	\$674,598	\$677,036	\$2,438

Staffing

DESCRIPTION:

Staffing includes personal services and operating expenses for Core Staffing, Community Placement Plan, and Placement Continuation.

ASSUMPTIONS:

	<u>2016-17</u>	<u>2017-18</u>
• Population Projections: (See Section D, Population, for detail)		
• Active Status (Age 3 and Older)	264,549	275,177
• Early Start (Birth through 35 Months)	39,050	42,660
Subtotal:	303,599	317,837
• Developmental Center Population:	793	495
Total Population:	304,392	318,332
• Informational		
• Community Care Facility Consumers (including Placement Continuation)	25,243	25,243
• Home and Community-Based Services Waiver-Enrolled Consumers	123,764	129,970
• Early Start (with Assessment)	44,496	48,212
• Placement Continuation Consumers	200	296
• Intake cases per month	7,196	7,196
• Vendors	44,158	44,158
• Mediations per year	400	400

METHODOLOGY:

CORE STAFFING:

PERSONAL SERVICES:

• Direct Services and Administration:	\$402,293	\$419,922
Governor's Budget		
2016-17	11,432.66	
2017-18	11,833.00	
May Revise		
2016-17		11,443.91
2017-18		11,864.59
See Attachment A for Core Staffing Expenditure Detail.		
See Attachment B for Core Staffing Formulas.		
• Fringe Benefits:	95,343	99,521
Based on 23.7% per position.		
• Salary Savings:	-16,676	-17,391
Client Program Coordinators:	1% Per Position	
All Other Staff:	5.5% Per Position	
	-2,377	-2,484
	-14,299	-14,907

* Values in thousands (000's)

Staffing

METHODOLOGY (continued):	<u>2016-17*</u>	<u>2017-18*</u>
<ul style="list-style-type: none"> Early Start /Part C Administrative and Clinical Support: Includes salaries, fringe benefits, and salary savings. 	694	694
TOTAL PERSONAL SERVICES:	\$481,654	\$502,746
OPERATING EXPENSES:		
<ul style="list-style-type: none"> Operating Expenses: Base amount plus the following adjustments: Professional Positions: \$3,400 Per New Position Clerical Positions: \$2,400 Per New Position 	43,955	45,305
<ul style="list-style-type: none"> Rent: Current year: base amount plus \$8,086 per new position Budget year: see Attachment C for budget year rent details. 	60,044	66,076
TOTAL OPERATING EXPENSES:	\$103,999	\$111,381
TOTAL CORE STAFFING:	\$585,653	\$614,127
<ul style="list-style-type: none"> Enhanced Caseload Ratio 1:45 for Two Years: 	344	344
Community Placement Plan:		
<ul style="list-style-type: none"> See Community Placement Plan Methodology for details. 	15,265	15,265
STAFFING FOR COLLECTION OF FEDERAL FINANCIAL PARTICIPATION (FFP) FOR CONTRACTED SERVICES:		
<ul style="list-style-type: none"> Funding provides one Community Program Specialist I and one Account Clerk II for each regional center. This funding will be required until the regional centers have a billing system that allows the processing of vendor invoices that do not include the individual consumer data required to support Home and Community Based Services Waiver billing. 	2,228	1,893
LESS INTAKE AND ASSESSMENT (2003-04):	-4,465	-4,465
LESS UNALLOCATED REDUCTION (2001-02):	-10,559	-10,559
LESS COST CONTAINMENT (2004-05):	-5,968	-5,968
LESS SAVINGS TARGET (2009-10):	-12,000	-12,000
LESS COST CONTAINMENT (2011-12):	-3,486	-3,486
LESS UNALLOCATED REDUCTION (2011-12):	-5,400	-5,400
TOTAL EXPENDITURES:	\$561,612	\$589,751

* Values in thousands (000's)

Staffing

FUNDING:

Funding for Staffing expenditures is comprised of reimbursements from: Medicaid Administration (75% FFP, 25% General Fund [GF] Match), Home and Community Based Services Waiver Administration (50% FFP, 50% GF Match), Targeted Case Management (50% FFP, 50% GF Match), Targeted Case Management Administration (50% FFP, 50% GF Match), and Money Follows the Person (100% FFP). The State GF portion is that which is non-FFP.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year expenditures are estimated to have a minor increase, comprising increases in personal services and operating expenses due to the growth of Core Staffing.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

Budget year expenditures are estimated to increase by a net \$2.3 million (\$7.2 million GF decrease), comprising increases in personal services and operating expenses due to the growth of Core Staffing.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$561,612	\$589,751
<i>GF</i>	<i>371,551</i>	<i>390,241</i>
<i>Reimbursements</i>	<i>190,061</i>	<i>199,510</i>

* Values in thousands (000's)

Attachment A
CORE STAFFING - 2016-17
Comparison of the Governor's Budget to the 2017 May Revision

I. CORE STAFFING FORMULA**A. PERSONAL SERVICES****1. DIRECT SERVICES****a. Clinical****(1) Intake and Assessment**

	Governor's Budget	Positions	Budgeted Salary	Cost	Difference
(a) Physician	\$12,061,083	152.20	\$79,271	\$12,065,046	\$3,963
(b) Psychologist	12,705,325	304.39	41,754	12,709,500	4,175
(c) Nurse	5,655,568	152.20	37,171	5,657,426	1,858
(d) Nutritionist	4,279,980	152.20	28,130	4,281,386	1,406

(2) Clinical Support Teams

(a) Physician/Psychiatrist	7,178,652	79.00	92,034	7,270,686	92,034
(b) Consulting Pharmacist	4,715,100	79.00	60,450	4,775,550	60,450
(c) Behavioral Psychologist	4,287,816	79.00	54,972	4,342,788	54,972
(d) Nurse	3,937,284	79.00	50,478	3,987,762	50,478

(3) SB 1038 Health Reviews

(a) Physician	2,532,776	27.76	92,034	2,554,864	22,088
(b) Nurse	6,482,890	129.53	50,478	6,538,415	55,525

b. Intake / Case Management

(1) Supervising Counselor (Intake)					
(1:10 Intake Workers in Item (2) below)	3,910,101	102.80	38,036	3,910,101	0
(2) Intake Worker	32,415,842	1,028.03	31,532	32,415,842	0
(3) Supervising Counselor (Case Management)					
(1:10 CPCs in Items (6), (7) and (8) below)	25,169,641	480.57	52,392	25,178,023	8,382
(4) Supervising Counselor (Capitol People First)					
(DC Case Management 1:10 CPCs)	242,592	3.61	67,200	242,592	0
(5) Client Program Coordinator (CPC), 1:66 DC Consumers					
Capitol People First	1,698,326	36.12	47,019	1,698,326	0
(6) CPC, 1:66 Consumers (Total Pop w/o DCs, CPP, ES)	72,101,556	2,131.34	34,032	72,533,763	432,207
(7) CPC (Waiver, Early Start only), 1:62 Consumers	89,745,107	2,626.03	34,032	89,369,053	-376,054
(8) CPC, Quality Assurance for ARM	1,646,128	48.37	34,032	1,646,128	0
(9) Supervising Counselor, DSS Incidental Medical					
Care Regulations (1:10 CPCs)	75,968	1.53	52,392	80,160	4,192
(10) CPC, DSS Incidental Medical Care Regs	549,204	15.30	37,824	578,707	29,503

c. Quality Assurance / Quarterly Monitoring

(1) Supervising Counselor	2,178,197	41.80	52,392	2,189,986	11,789
(2) CPC	14,148,804	417.99	34,032	14,225,036	76,232

d. Early Intervention**(1) General**

(a) Prevention Coordinator	876,792	21.00	41,752	876,792	0
(b) High-Risk Infant Case Manager	856,905	21.00	40,805	856,905	0
(c) Genetics Associate	798,714	21.00	38,034	798,714	0

(2) Early Start / Part C

(a) Supervising Counselor	1,420,347	27.11	52,392	1,420,347	0
(b) CPC	9,226,756	271.12	34,032	9,226,756	0
(c) Administrative and Clinical Support (see next page)					

e. Community Services

(1) Special Incident Coordinator	1,100,232	21.00	52,392	1,100,232	0
(2) Vendor Fiscal Monitor	1,248,729	24.56	50,844	1,248,729	0
(3) Program Evaluator	898,653	21.00	42,793	898,653	0
(4) Resource Developer	898,653	21.00	42,793	898,653	0
(5) Transportation Coordinator	898,653	21.00	42,793	898,653	0
(6) Administrative Services Analyst (SB 1039					
Consumer Complaints)	449,327	10.50	42,793	449,327	0
(7) Developmental Center Liaison	107,262	2.82	38,036	107,262	0
(8) Diversion	126,584	4.00	31,646	126,584	0
(9) Placement Continuation:					
(a) Supervising Counselor	6,287	0.12	52,392	6,287	0
(b) CPC (Supplement at 1:45 Consumers)	41,859	1.23	34,032	41,859	0

f. Special Incident Reporting (SIR)

(1) Supervising Counselor	428,043	8.17	52,392	428,043	0
(2) QA/CPC	2,780,074	81.72	34,032	2,781,095	1,021
(3) Nurses	2,061,522	40.86	50,478	2,062,531	1,009

g. Mediation

(1) Clinical Staff	7,093	0.11	64,484	7,093	0
(2) Supervising Counselor	52,916	1.01	52,392	52,916	0
(3) CPC	17,356	0.51	34,032	17,356	0

h. Expansion of Autism Spectrum Disorders (ASD) Initiative

(1) ASD Clinical Specialist	1,371,888	21.00	65,328	1,371,888	0
(2) ASD Program Coordinator	1,318,464	21.00	62,784	1,318,464	0

i. SUBTOTAL DIRECT SERVICES

	\$334,711,049	8830.61		\$335,246,279	\$535,230
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Attachment A
CORE STAFFING - 2016-17
Comparison of the Governor's Budget to the 2017 May Revision

	Governor's Budget	May Revision			Difference
		Positions	Budgeted Salary	Cost	
2. ADMINISTRATION					
a. Executive Staff					
(1) Director	1,279,698	21.00	60,938	1,279,698	0
(2) Administrator	1,009,449	21.00	48,069	1,009,449	0
(3) Chief Counselor	986,643	21.00	46,983	986,643	0
b. Fiscal					
(1) Federal Program Coordinator (Enh. FFP, Phase I)	1,206,177	21.00	57,437	1,206,177	0
(2) Federal Compliance Specialist (Enh. FFP, Phase II)	4,966,729	123.76	39,887	4,936,415	-30,314
(3) Fiscal Manager	963,480	21.00	45,880	963,480	0
(4) Program Tech II (FCPP)	883,255	24.22	36,468	883,255	0
(5) Revenue Clerk	1,182,136	56.72	20,842	1,182,136	0
(6) Account Clerk (Enh. FFP, Phase II)	584,640	21.00	27,840	584,640	0
(7) Account Clerk	8,077,842	380.49	21,237	8,080,390	2,548
c. Information Systems and Human Resources					
(1) Information Systems Manager	1,397,844	21.00	66,564	1,397,844	0
(2) Information Systems Assistant	1,000,692	21.00	47,652	1,000,692	0
(3) Information Systems Assistant (SIR)	500,346	10.50	47,652	500,346	0
(4) Privacy Officer (HIPAA)	898,653	21.00	42,793	898,653	0
(5) Personal Computer Systems Manager	1,397,844	21.00	66,564	1,397,844	0
(6) Training Officer	1,099,728	21.00	52,368	1,099,728	0
(7) Training Officer (SIR)	549,864	10.50	52,368	549,864	0
(8) Human Resources Manager	1,067,724	21.00	50,844	1,067,724	0
d. Clerical Support					
(1) Office Supervisor	489,867	21.00	23,327	489,867	0
(2) PBX/Mail/File Clerk	1,378,188	63.00	21,876	1,378,188	0
(3) Executive Secretary	1,148,490	52.50	21,876	1,148,490	0
(4) MD/Psychologist Secretary II	321,819	13.88	23,388	324,625	2,806
(5) MD/Psychologist Secretary I	4,992,541	228.30	21,876	4,994,291	1,750
(6) Secretary II	4,195,573	180.00	23,388	4,209,840	14,267
(7) Secretary I	25,258,582	1,189.81	21,235	25,265,377	6,795
(8) Secretary I (DC Case Management - Capitol People First)	210,834	6.62	31,848	210,834	0
e. SUBTOTAL ADMINISTRATION	\$67,048,638	2,613.30		\$67,046,490	-\$2,148
3. TOTAL POSITIONS AND SALARIES					
(Item A.1.i. + Item A.2.e.)	\$401,759,687	11,443.91		\$402,292,769	\$533,082
a. CPCs	191,955,170			192,118,079	162,909
b. All Other Staff	209,804,517			210,174,690	370,173
4. Fringe Benefits					
a. CPCs 23.7%	45,493,375			45,531,985	38,610
b. All Other Staff 23.7%	49,723,671			49,811,402	87,731
c. Total Fringe Benefits	\$95,217,046			\$95,343,387	\$126,341
5. Salary Savings					
a. CPCs 1.0%	-2,374,485			-2,376,501	-2,016
b. All Other Staff 5.5%	-14,274,050			-14,299,235	-25,185
c. Total Salary Savings	-\$16,648,535			-\$16,675,736	-\$27,201
6. Early Start / Part C Administrative and Clinical Support (salaries, fringe benefits and salary savings)	\$694,000			\$694,000	\$0
7. TOTAL PERSONAL SERVICES					
(Items A.3. + A.4. + A.5. + A.6.)	\$481,022,198			\$481,654,420	\$632,222
ROUNDED	\$481,022,000	11,444.00		\$481,654,000	\$632,000
B. OPERATING EXPENSES AND RENT					
1. Operating Expenses	43,918,000			43,955,000	37,000
2. Rent	59,953,000			60,044,000	91,000
3. Subtotal Operating Expenses and Rent	\$103,871,000			\$103,999,000	\$128,000
C. TOTAL CORE STAFFING (Items A.7. + B.3.)	\$584,893,000			\$585,653,000	\$760,000

Attachment A
CORE STAFFING - 2017-18
Comparison of the Governor's Budget to the 2017 May Revision

I. CORE STAFFING FORMULA**A. PERSONAL SERVICES****1. DIRECT SERVICES****a. Clinical****(1) Intake and Assessment**

	Governor's Budget	Positions	Budgeted Salary	Cost	Difference
(a) Physician	\$12,609,638	159.17	\$79,271	\$12,617,565	\$7,927
(b) Psychologist	13,283,200	318.33	41,754	13,291,551	8,351
(c) Nurse	5,912,791	159.17	37,171	5,916,508	3,717
(d) Nutritionist	4,474,639	159.17	28,130	4,477,452	2,813

(2) Clinical Support Teams

(a) Physician/Psychiatrist	7,270,686	81.00	92,034	7,454,754	184,068
(b) Consulting Pharmacist	4,775,550	81.00	60,450	4,896,450	120,900
(c) Behavioral Psychologist	4,342,788	81.00	54,972	4,452,732	109,944
(d) Nurse	3,987,762	81.00	50,478	4,088,718	100,956

(3) SB 1038 Health Reviews

(a) Physician	2,668,066	29.31	92,034	2,697,517	29,451
(b) Nurse	6,829,673	136.78	50,478	6,904,381	74,708

b. Intake / Case Management**(1) Supervising Counselor (Intake)**

(1:10 Intake Workers in Item (2) below)	3,910,101	102.80	38,036	3,910,101	0
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(2) Intake Worker

	32,415,842	1,028.03	31,532	32,415,842	0
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(3) Supervising Counselor (Case Management)

(1:10 CPCs in Items (6), (7) and (8) below)	26,310,215	503.02	52,392	26,354,224	44,009
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(4) Supervising Counselor (Capitol People First)

(DC Case Management 1:10 CPCs)	242,592	3.61	67,200	242,592	0
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(5) Client Program Coordinator (CPC), 1:66 DC Consumers

Capitol People First	1,698,326	36.12	47,019	1,698,326	0
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(6) CPC, 1:66 Consumers (Total Pop w/o DCs, CPP, ES)

	74,767,964	2,197.51	34,032	74,785,660	17,696
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(7) CPC (Waiver, Early Start only), 1:62 Consumers

	94,489,167	2,784.34	34,032	94,756,659	267,492
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(8) CPC, Quality Assurance for ARM

	1,646,128	48.37	34,032	1,646,128	0
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(9) Supervising Counselor, DSS Incidental Medical

Care Regulations (1:10 CPCs)	78,064	1.62	52,392	84,875	6,811
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(10) CPC, DSS Incidental Medical Care Regs

	563,578	16.18	37,824	611,992	48,414
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c. Quality Assurance / Quarterly Monitoring**(1) Supervising Counselor**

	2,198,578	42.20	52,392	2,210,942	12,364
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(2) CPC

	14,281,188	422.00	34,032	14,361,504	80,316
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d. Early Intervention**(1) General**

(a) Prevention Coordinator	876,792	21.00	41,752	876,792	0
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(b) High-Risk Infant Case Manager	856,905	21.00	40,805	856,905	0
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(c) Genetics Associate	798,714	21.00	38,034	798,714	0
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(2) Early Start / Part C

(a) Supervising Counselor	1,522,512	29.38	52,392	1,539,277	16,765
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(b) CPC	9,890,380	293.76	34,032	9,997,240	106,860
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(c) Administrative and Clinical Support (see next page)

e. Community Services**(1) Special Incident Coordinator**

	1,100,232	21.00	52,392	1,100,232	0
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(2) Vendor Fiscal Monitor

	1,248,729	24.56	50,844	1,248,729	0
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(3) Program Evaluator

	898,653	21.00	42,793	898,653	0
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(4) Resource Developer

	898,653	21.00	42,793	898,653	0
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(5) Transportation Coordinator

	898,653	21.00	42,793	898,653	0
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(6) Administrative Services Analyst (SB 1039

Consumer Complaints)	449,327	10.50	42,793	449,327	0
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(7) Developmental Center Liaison

	107,262	2.82	38,036	107,262	0
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(8) Diversion

	126,584	4.00	31,646	126,584	0
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(9) Placement Continuation:

(a) Supervising Counselor	7,859	0.18	52,392	9,431	1,572
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(b) CPC (Supplement at 1:45 Consumers)	49,687	1.81	34,032	61,598	11,911
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f. Special Incident Reporting (SIR)**(1) Supervising Counselor**

	442,712	8.46	52,392	443,236	524
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(2) QA/CPC

	2,874,343	84.57	34,032	2,878,086	3,743
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(3) Nurses

	2,131,686	42.28	50,478	2,134,210	2,524
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g. Mediation**(1) Clinical Staff**

	7,093	0.11	64,484	7,093	0
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(2) Supervising Counselor

	52,916	1.01	52,392	52,916	0
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(3) CPC

	17,356	0.51	34,032	17,356	0
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h. Expansion of Autism Spectrum Disorders (ASD) Initiative**(1) ASD Clinical Specialist**

	1,371,888	21.00	65,328	1,371,888	0
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(2) ASD Program Coordinator

	1,318,464	21.00	62,784	1,318,464	0
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i. SUBTOTAL DIRECT SERVICES

	\$346,703,936	9,164.68		\$347,967,772	\$1,263,836
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Attachment A
CORE STAFFING - 2017-18
Comparison of the Governor's Budget to the 2017 May Revision

	Governor's Budget	May Revision			Difference
		Positions	Budgeted Salary	Cost	
2. ADMINISTRATION					
a. Executive Staff					
(1) Director	1,279,698	21.00	\$60,938	1,279,698	\$0
(2) Administrator	1,009,449	21.00	48,069	1,009,449	0
(3) Chief Counselor	986,643	21.00	46,983	986,643	0
b. Fiscal					
(1) Federal Program Coordinator (Enh. FFP, Phase I)	1,206,177	21.00	57,437	1,206,177	0
(2) Federal Compliance Specialist (Enh. FFP, Phase II)	5,183,715	129.97	39,887	5,184,113	398
(3) Fiscal Manager	963,480	21.00	45,880	963,480	0
(4) Program Tech II (FCPP)	883,255	24.22	36,468	883,255	0
(5) Revenue Clerk	1,284,829	56.72	22,652	1,284,829	0
(6) Account Clerk (Enh. FFP, Phase II)	584,640	21.00	27,840	584,640	0
(7) Account Clerk	8,929,810	397.92	22,456	8,935,649	5,839
c. Information Systems and Human Resources					
(1) Information Systems Manager	1,397,844	21.00	66,564	1,397,844	0
(2) Information Systems Assistant	1,000,692	21.00	47,652	1,000,692	0
(3) Information Systems Assistant (SIR)	500,346	10.50	47,652	500,346	0
(4) Privacy Officer (HIPAA)	898,653	21.00	42,793	898,653	0
(5) Personal Computer Systems Manager	1,397,844	21.00	66,564	1,397,844	0
(6) Training Officer	1,099,728	21.00	52,368	1,099,728	0
(7) Training Officer (SIR)	549,864	10.50	52,368	549,864	0
(8) Human Resources Manager	1,067,724	21.00	50,844	1,067,724	0
d. Clerical Support					
(1) Office Supervisor	489,867	21.00	23,327	489,867	0
(2) PBX/Mail/File Clerk	1,415,115	63.00	22,462	1,415,115	0
(3) Executive Secretary	1,179,262	52.50	22,462	1,179,262	0
(4) MD/Psychologist Secretary II	339,126	14.66	23,388	342,868	3,742
(5) MD/Psychologist Secretary I	5,359,465	238.75	22,462	5,362,835	3,370
(6) Secretary II	4,283,512	184.37	23,388	4,312,046	28,534
(7) Secretary I	28,364,734	1,237.18	22,964	28,410,432	45,698
(8) Secretary I (DC Case Management - Capitol People First)	210,834	6.62	31,848	210,834	0
e. SUBTOTAL ADMINISTRATION	\$71,866,306	2,699.91		\$71,953,887	\$87,581
3. TOTAL POSITIONS AND SALARIES					
(Item A.1.i. + Item A.2.e.)	\$418,570,242	11,864.59		\$419,921,659	\$1,351,417
a. CPCs	200,278,117			200,814,549	536,432
b. All Other Staff	218,292,125			219,107,110	814,985
4. Fringe Benefits					
a. CPCs 23.7%	47,465,914			47,593,048	\$127,134
b. All Other Staff 23.7%	51,735,234			51,928,385	193,151
c. Total Fringe Benefits	\$99,201,148			\$99,521,433	\$320,285
5. Salary Savings					
a. CPCs 1.0%	-2,477,440			-2,484,076	-\$6,636
b. All Other Staff 5.5%	-14,851,505			-14,906,952	-55,447
c. Total Salary Savings	-\$17,328,945			-\$17,391,028	-\$62,083
6. Early Start / Part C Administrative and Clinical Support (salaries, fringe benefits and salary savings)	\$694,000			\$694,000	\$0
7. TOTAL PERSONAL SERVICES					
(Items A.3. + A.4. + A.5. + A.6.)	\$501,136,445			\$502,746,064	\$1,609,619
ROUNDED	\$501,136,000	11,865.00		\$502,746,000	\$1,610,000
B. OPERATING EXPENSES AND RENT					
1. Operating Expenses	45,202,000			45,305,000	103,000
2. Rent	65,445,000			66,076,000	631,000
3. Subtotal Operating Expenses and Rent	\$110,647,000			\$111,381,000	\$734,000
C. TOTAL CORE STAFFING (Items A.7. + B.3.)	\$611,783,000			\$614,127,000	\$2,344,000

Attachment B
CORE STAFFING FORMULAS

CORE STAFFING CLASSIFICATION	STAFFING FORMULA
A. <u>PERSONAL SERVICES</u>	
1. DIRECT SERVICES	
a. <u>Clinical</u>	
(1) <u>Intake and Assessment</u>	
(a) Physician (minimum of 1)	1.0 position : 2,000 total consumers
(b) Psychologist	1.0 position : 1,000 total consumers
(c) Nurse (minimum of 1)	1.0 position : 2,000 total consumers
(d) Nutritionist (minimum of 1)	1.0 position : 2,000 total consumers
(2) <u>Clinical Support Teams</u>	
(a) Physician/Psychiatrist	1.0 position : 1,700 consumers in community care facilities (CCF) and supported living and those with severe behavior and/or medical problems
(b) Consulting Pharmacist	1.0 position : 1,700 " "
(c) Behavioral Psychologist	1.0 position : 1,700 " "
(d) Nurse	1.0 position : 1,700 " "
(3) <u>SB 1038 Health Reviews</u>	
(a) Physician	1.5 hours : Referral/1,778 hrs./ full-time equivalent (FTE) position
(b) Nurse	1.75 hours : Individual program plan (IPP) review/1,778 hrs./FTE position
b. <u>Intake/Case Management</u>	
(1) Supervising Counselor: Intake	1.0 position : 10 Intake Workers
(2) Intake Worker	1.0 position : 14 monthly intake cases (assume average intake case lasts 2 mos.)
(3) Supervising Counselor: Case Management	1.0 position : 10 CPCs in Items b.(6, 7 and 8) below
(4) Supervising Counselor: Capitol People First	1.0 position : 10 CPCs in Items b.(5) below
(5) Client Program Coordinator (CPC) Capitol People First	1.0 position : 66 consumers (Developmental Center residents)
(6) CPC	1.0 position : 66 consumers (all other consumers, excluding Waiver, Early Start, and CPP placements)
(7) CPC	1.0 position : 62 Waiver and Early Start consumers (excluding CPP placements)
(8) CPC, Quality Assurance for Alternative Residential Model	1.0 position : 527 CCF consumers
(9) Supervising Counselor: DSS Incidental Medical Care Regulations	1.0 position : 10 CPCs in item b.(10) below
(10) CPC, DSS Incidental Medical Care Regulations	1.0 position : 2.5 hrs x 8 visits per year to CCF consumers who rely on others to perform activities of daily living

Attachment B
CORE STAFFING FORMULAS

CORE STAFFING CLASSIFICATION	STAFFING FORMULA
A. <u>PERSONAL SERVICES (continued)</u>	
1. <u>DIRECT SERVICES (continued)</u>	
c. <u>Quality Assurance/Quarterly Monitoring</u>	
(1) Supervising Counselor	1.0 position : 10 CPCs in Item c.(2) below
(2) CPC	10 hrs/yr. : CCF consumer/1,778 hrs./FTE
	14 hrs/yr. : Supported/Independent Living consumer/1,778 hrs./FTE
	10 hrs/yr. : Skilled Nursing Facility and Intermediate Care Facility consumer/1,778 hrs./FTE
	10 hrs/yr. : Family Home Agency consumer/1,778 hrs./FTE
d. <u>Early Intervention</u>	
(1) <u>General</u>	
(a) Prevention Coordinator	1.0 position : RC
(b) High-Risk Infant Case Mgr.	1.0 position : RC
(c) Genetics Associate	1.0 position : RC
(2) <u>Early Start/Part C</u>	
(a) Supervising Counselor	1.0 position : 10 CPCs in Item d.(2)(b) below
(b) CPC:	
Marginal positions from:	1.0 position : 62 children<age 3yrs.
to:	1.0 position : 45 children<age 3yrs.*
e. <u>Community Services</u>	
(1) Special Incident Coordinator	1.0 position : RC
(2) Vendor Fiscal Monitor	0.5 position : RC plus 1: every 3,140 vendors
(3) Program Evaluator	1.0 position : RC
(4) Resource Developer	1.0 position : RC
(5) Transportation Coordinator	1.0 position : RC
(6) Administrative Services Analyst (SB 1039, Chapter 414, Statutes of 1997) Consumer Complaints	0.5 position : RC
(7) Developmental Center Liaison	1.0 position : 400 DC consumers
(8) Diversion	4.0 positions : 21 RCs
(9) Placement Continuation	
(a) Supervising Counselor	1.0 position : 10 CPCs in Item e.(9)(b) below
(b) CPC:	
1. Marginal positions from:	1.0 position : 62 CPP Placements
2. to:	1.0 position : 45 CPP Placements

* Note: This 1:45 staffing ratio is a funding methodology, not a required caseload ratio.

Attachment B**CORE STAFFING FORMULAS**

CORE STAFFING CLASSIFICATION	STAFFING FORMULA
A. <u>PERSONAL SERVICES (continued)</u>	
1. <u>DIRECT SERVICES (continued)</u>	
f. <u>Special Incident Reporting (SIR)</u>	
(1) Supervising Counselor	1.0 position : 10 CPCs in Item f. (2) below
(2) QA/CPC	1.0 position : RC plus 1: every 5,000 consumers
(3) Nurse	0.5 position : RC plus 0.5: every 5,000 consumers
g. <u>Mediation</u>	
(1) Clinical Staff	2.0 hours : 25% of annual mediations/ 1,778 hrs /FTE position
(2) Supervising Counselor	4.5 hours : Mediation/1,778 hrs/FTE position
(3) CPC	4.5 hours : 50% of annual mediations/ 1,778 hrs./FTE position
h. <u>Expansion of Autism Spectrum Disorders (ASD) Initiative</u>	
(1) ASD Clinical Specialist (effective January 1, 2007)	1.0 position : RC
(2) ASD Program Coordinator (effective January 1, 2007)	1.0 position : RC
2. <u>ADMINISTRATION</u>	
a. <u>Executive Staff</u>	
(1) Director	1.0 position : RC
(2) Administrator	1.0 position : RC
(3) Chief Counselor	1.0 position : RC
b. <u>Fiscal</u>	
(1) Federal Program Coordinator (Enhancing FFP, Phase I)	1.0 position : RC
(2) Federal Compliance Specialist (Enhancing FFP, Phase II)	1.0 position : 1,000 HCBS Waiver consumers
(3) Fiscal Manager	1.0 position : RC
(4) Program Technician II, FCPP	0.5 position : RC
	1.0 position : 1,778 hours of FCPP determinations
(5) Revenue Clerk	1.0 position : 400 consumers for whom RCs are representative payee
(6) Account Clerk (Enhancing FFP, Phase II)	1.0 position : RC
(7) Account Clerk	1.0 position : 800 total consumers
c. <u>Information Systems and Human Resources</u>	
(1) Information Systems Manager	1.0 position : RC
(2) Information Systems Assistant	1.0 position : RC
(3) Information Systems Assistant, SIR	0.5 position : RC
(4) Privacy Officer, HIPAA	1.0 position : RC
(5) Personal Computer Systems Manager	1.0 position : RC
(6) Training Officer	1.0 position : RC
(7) Training Officer, SIR	0.5 position : RC
(8) Human Resources Manager	1.0 position : RC

Attachment B
CORE STAFFING FORMULAS

CORE STAFFING CLASSIFICATION	STAFFING FORMULA
A. <u>PERSONAL SERVICES (continued)</u>	
2. <u>ADMINISTRATION (continued)</u>	
d. <u>Clerical Support</u>	
(1) Office Supervisor	1.0 position : RC
(2) PBX/Mail/File Clerk	3.0 positions : RC
(3) Executive Secretary	2.5 positions : RC
(4) MD/Psychologist Secretary II	1.0 position : 2 Physicians in Item 1.a.(3)(a), SB 1038 Health Reviews
(5) MD/Psychologist Secretary I	1.0 position : 2 Physicians/Psychologists in Items 1.a.(1)(a) and (b), Clinical Intake and Assessment
(6) Secretary II	1.0 position : 6 professionals in Items: 1.a.(3)(b), SB 1038 Health Reviews 1.b.(9) and (10), the Department's Incidental Medical Care Regulations 1.c., Quality Assurance/ Quarterly Monitoring 1.e.(1), (2) and (9)(a) and (b) Community Services 1.e.(9) b 2., Community Services (see Secty I, line 1.e.(9) b 2.,) 1.f.(1) thru (3), Special Incident Reporting 2.b.(1), Federal Program Coordinators (FFP Phase I) 2.b.(2), Federal Compliance Coordinators (FFP Phase II) 2.c., Information Systems and Human Resources
(7) Secretary I	1.0 position : 6 professionals in Items: 1.a.(1)(c) and (d), Clinical Intake and Assessment 1.b.(1) to (3) and (6) to (8), Intake/Case Mgt. 1.b.(5) and (6) Capitol People First 1.d., Early Intervention 1.e.(3), (4), (6) to (8), Community Services 1.e.(9) b 1., Community Services (see Secty II, line 1.e.(9) b 1.,)

Attachment C**Regional Center Rent**

Regional Center	2016-17₁	2017-18₂	Difference	% Change	Footnote
Alta	\$2,592,082	\$2,963,186	\$371,104	14.32%	a
Central Valley	3,009,608	3,281,287	271,679	9.03%	a
East Bay	3,967,140	4,085,238	118,098	2.98%	
East LA	3,224,444	3,491,224	266,780	8.27%	a
Far Northern	1,228,202	1,349,908	121,706	9.91%	a
Golden Gate	2,251,876	2,312,741	60,865	2.70%	
Harbor	3,888,849	4,365,698	476,849	12.26%	a
Inland	7,144,440	7,400,016	255,576	3.58%	
Kern	1,780,691	1,938,478	157,787	8.86%	a
Lanterman	1,888,395	2,022,716	134,321	7.11%	a
North Bay	1,793,886	1,851,837	57,951	3.23%	
North LA	4,145,314	3,601,442	-543,872	-13.12%	b
Orange	3,463,480	3,535,742	72,262	2.09%	
Redwood	935,502	980,694	45,192	4.83%	
San Andreas	1,364,386	2,271,163	906,777	66.46%	c
San Diego	4,206,023	4,382,298	176,275	4.19%	
San Gabriel	2,748,000	2,708,000	-40,000	-1.46%	a
South Central	4,881,392	5,290,202	408,810	8.37%	
Tri Counties	3,966,303	4,099,721	133,418	3.36%	
Valley Mt.	2,205,318	2,316,019	110,701	5.02%	a
Westside	<u>1,884,289</u>	<u>1,828,527</u>	<u>-55,762</u>	<u>-2.96%</u>	
Total	<u>\$62,569,620</u>	<u>\$66,076,137</u>	<u>\$3,506,517</u>	5.60%	
TOTAL ROUNDED	<u>\$62,570,000</u>	<u>\$66,076,000</u>	<u>\$3,506,000</u>	5.60%	

Footnotes:

₁ Actual rent funds allocated per the C-1 contract, includes funds available from core staffing and policies (Staffing for Collection of FFP, Agnews Ongoing Workload, Lanterman DC Closure/Ongoing Workload, Compliance with HCBS Waiver, Increase in Case Managers to Meet Federal Audit Requirements, Compliance with HCBS Regulations, and Resources to Implement ABX2 1).

₂ Rent requested by the regional centers for 2017-18 based on 2017 Spring Survey.

a: Increased costs due to annual rent escalation plus regional center's estimate of additional square footage required to house new staff and/or meet operational needs. The Department will verify costs and review leasing documents to confirm fair market value before allocating additional funds to the regional centers.

b: North Los Angeles Regional Center's rent decreased due to relocation with a lower cost per sq. ft.

c: San Andreas Regional Center's headquarters lease in Campbell expires July 2017 and it will relocate to a new location in San Jose, as well as consolidate the Gilroy office in the new San Jose location. The Department reviewed the draft lease terms for the new location and they are within reasonable fair market values for the location. Relocating to San Jose will save \$2 million annually over the rent at the current Campbell location.

Staffing for Collection of FFP for Contracted Services

STAFFING:			<u>2016-17*</u>	<u>2017-18*</u>
• PERSONAL SERVICES:				
• Positions and Salaries:	<u>Positions</u>	<u>Salary</u>		
Community Program Specialist I:	21.0	\$42,948	\$902	\$902
Account Clerk II:	21.0	29,220	614	614
Total, Positions and Salaries:	42.0		\$1,516	\$1,516
• Fringe Benefits (@ 23.7%):			359	359
• Salary Savings (@ -5.5%):			-103	-103
Total Personal Services:			\$1,772	\$1,772
• OPERATING EXPENSES:				
• Operating Expenses:				
Professional Positions:	\$3,400	Per Position	71	71
Clerical Positions:	2,400	Per Position	50	50
• Rent Factor:	7,968	Per Position	335	0
Total Operating Expenses:			\$456	\$121
TOTAL STAFFING (Rounded):			\$2,228	\$1,893

FUNDING:

General Fund (GF) and Home and Community-Based Services Waiver Administration.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$2.228	\$1.893
<i>GF</i>	<i>1,771</i>	<i>1,505</i>
<i>Reimbursements</i>	<i>457</i>	<i>388</i>

Agnews Ongoing Workload

• Community Placement Plan Staffing:		
• Unified Operations Costs:	<u>2016-17*</u>	<u>2017-18*</u>
• Personal Services:		
Quality Assurance/Management (6.5 positions)	\$503	\$503
Health Care Community Specialists (4 positions)	503	503
Total Personal Services:	\$1,006	\$1,006
• Operating Expenses:		
Operating Expenses	28	28
Rent	52	0
Total Operating Expenses:	\$80	\$28
• State Employees in the Community:		
Personal Services (13.4 positions)	1,194	1,194
Operating Expenses	74	74
Total State Employees in the Community:	\$1,268	\$1,268
• Placement Continuation Staffing:		
Nurse Consultants (3 positions)	356	356
Oral Health Care (3 positions)	236	236
Total Placement Continuation Staffing:	\$592	\$592
• Total:	\$2,946	\$2,894

FUNDING:

Funding for Agnews Ongoing Workload expenditures is comprised of General Fund (GF) and reimbursements from the Home and Community-Based Services Waiver Administration and Medicaid Administration.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$2,946	\$2,894
<i>GF</i>	984	932
<i>Reimbursements</i>	1,962	1,962

*Values in thousands (000's)

Lanterman Developmental Center Closure/Ongoing Workload**Community Placement Plan Staffing:**

	<u>2016-17*</u>	<u>2017-18*</u>
• Personal Services:		
Quality Assurance/Management (3 positions)	\$255	\$255
Oral Health Care Consultant (8 positions)	624	624
Nurse Consultants (5 positions)	425	425
Health Care Community Specialists (8 positions)	1,006	1,006
Total Personal Services:	\$2,310	\$2,310
• Operating Expenses:		
Operating Expenses	82	82
Rent	184	0
Total Operating Expenses:	\$266	\$82
• Grand Total:	\$2,576	\$2,392

FUNDING:

Funding for Lanterman Developmental Center Closure/Ongoing Workload expenditures is comprised of General Fund (GF) and Medicaid Administration.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$2,576	\$2,392
<i>GF</i>	<i>1,771</i>	<i>1,587</i>
<i>Reimbursements</i>	<i>805</i>	<i>805</i>

*Values in thousands (000's)

Federal Compliance

DESCRIPTION:

There are both fiscal and program requirements placed on the regional centers that enable the State to receive federal funding. This includes ongoing tasks such as reviewing choice statements, handling complex notice of action issues related to the Home and Community-Based Services (HCBS) Waiver, completing annual HCBS Waiver certification/recertification forms, preparing for program audits, determining billable services, reconciling data, ensuring records are maintained in accordance with applicable federal requirements for accuracy and completeness, reviewing case records, participating in training on HCBS Waiver policies and procedures, resolving eligibility/compliance issues, etc. In addition, regional centers are required to complete ongoing tasks related to the Targeted Case Management (TCM) and Nursing Home Reform (NHR) programs such as ensuring compliance with Medicaid State Plan requirements for case management activities and completing appropriate screenings for those admitted to the nursing facilities.

ASSUMPTIONS/METHODOLOGY:

2016-17*

2017-18*

- **HCBS Waiver:**

\$21,135

\$21,135

Operations costs for HCBS Waiver activities in 2016-17 and 2017-18 are based upon 6.5% of 1995-96 HCBS Waiver reimbursements of \$325,148,000. This amount is fixed and not adjusted for growth.

- **Compliance with HCBS Waiver Requirements:**

9,200

8,700

Provides funding for regional center compliance with the HCBS Waiver. Functions include maintaining average service coordinator-to-consumer caseload ratios at not more than 1:62; performing quarterly face-to-face monitoring of consumers residing in out-of-home living arrangements; clinical consultation, monitoring, and review of consumers' health status; and developing and annually reviewing Waiver consumers' individual program plans and Client Developmental Evaluation Reports.

* Values in thousand (000's)

Federal Compliance

ASSUMPTIONS/METHODOLOGY (continued):	<u>2016-17*</u>	<u>2017-18*</u>
<ul style="list-style-type: none"> Case Managers to Meet HCBS Waiver Requirements: <p>In a letter dated April 21, 2006, the Centers for Medicare & Medicaid Services (CMS) indicated that the State must "review and revise, as needed, its policies to assure that the waiver participant to case manager ratio of 62:1 is consistently met." This augmentation by the California Legislature is intended to ensure further compliance.</p> <p>Governor's Budget: Updated 2016-17: \$6,791,000 GF Match, \$6,791,000 TCM 2017-18: \$6,125,000 GF Match, \$6,126,000 TCM. Reason for Change from Governor's Budget: Reflects the decrease of HCBS Waiver-related positions.</p> 	13,582	12,251
<ul style="list-style-type: none"> TCM: <p>Operations costs for TCM activities in 2016-17 and 2017-18 are based upon 5.8% of 1995-96 TCM reimbursements of \$71,181,000. This amount is fixed and is not adjusted for growth.</p> 	4,129	4,129
<ul style="list-style-type: none"> Nursing Home Reform (NHR)/Pre-Admission Screening and Resident Review (PASRR): <p>Operations costs for regional centers to perform activities associated with NHR and to handle the increased workload of processing PASRR Levels I and II screening and evaluation activities. Persons determined to be eligible for services under the Lanterman Act will result in an increase in the number of consumers who require regional center case management and other specialized services. Regional centers, through clinical assessments, will identify individuals who meet the expanded federal definition of developmental disability. (100% GF)</p> 	473	473

* Values in thousand (000's)

Federal Compliance

ASSUMPTIONS/METHODOLOGY (continued):	<u>2016-17*</u>	<u>2017-18*</u>
<ul style="list-style-type: none"> Federal Medicaid Requirement for Regional Center HCBS Services: <p>Pursuant to federal law and mandated by the CMS, regional centers are required to gather and review business ownership, control, and relationship information from current and prospective vendors. Additionally, regional centers are required to determine that all vendors are eligible to participate as Medicaid service providers. Furthermore, on a periodic basis, regional centers are required to verify that vendors continue to meet all applicable vendorization requirements (e.g. professional licensure), in order for the State to comply with federal law and meet the CMS mandated HCBS Waiver assurance that only qualified providers deliver Medicaid funded services. (Funding is 50% HCBS Wavier Administration, 50% GF)</p> <p>Funding: \$492,000 GF Match, \$492,000 HCBS Waiver Administration.</p>	984	984
<ul style="list-style-type: none"> EXPENDITURES: 	\$49,503	\$47,672

FUNDING:

The funding for Federal Compliance is comprised of reimbursements from: Medicaid Administration (75% FFP, 25% GF Match), Home and Community-Based Services Waiver Administration (50% FFP, 50% GF Match) and TCM (50% FFP, 50% GF Match).

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The minor decrease in current year reflects the decrease in Case Managers to Meet HCBS Waiver Requirements due to the decrease of HCBS Waiver-related CPC positions, Supervising Counselors positions as well as Secretary II positions.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The minor decrease in budget year reflects the decrease in Case Managers to Meet HCBS Waiver Requirements due to the decrease of HCBS Waiver-related CPC positions, Supervising Counselors positions as well as Secretary II positions.

EXPENDITURES:	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$49,503	\$47,672
<i>GF</i>	<i>36,087</i>	<i>35,210</i>
<i>Reimbursements</i>	<i>13,416</i>	<i>12,462</i>

* Values in thousand (000's)

Compliance with Home and Community-Based Services Waiver Requirements**DESCRIPTION:**

To ensure that the regional center system maintains compliance with the Home and Community-Based Services (HCBS) Waiver, funds are earmarked solely for meeting commitments or assurances reflected in the State's approved Waiver, the most important of which are as follows:

- Maintaining service coordinator-to-consumer caseload ratios at not more than 1:62.
- Performing quarterly face-to-face monitoring of consumers residing in out-of-home living arrangements.
- Consultating with consumers and monitoring, and reviewing of medications.
- Developing and annually reviewing Waiver consumers' individual program plans and Client Developmental Evaluation Reports.
- Providing enhanced case management for individuals moving from the State developmental centers into the community.
- Conducting a minimum of two unannounced visits per year to consumers living in licensed out-of-home settings.
- Conducting triennial quality assurance evaluations of community care facilities and following up on findings.
- Performing Risk Management Committee activities required by Title 17 regulations (developing a Risk Management Plan, conducting special incident report trend analysis, and taking appropriate action/planning steps).
- Conducting vendor audits.
- Reviewing and investigating consumer health and safety complaints.

ASSUMPTIONS:

Based on a February 2005 departmental survey of regional centers, case management, clinical, and administrative positions will be needed in the regional centers to bring them into compliance with HCBS Waiver requirements. It implemented July 1, 2005.

METHODOLOGY:

			<u>2016-17*</u>	<u>2017-18*</u>
• Annual Salary Cost:			\$6,158	\$6,158
	<u>Positions</u>	<u>Monthly Salary</u>		
Service Coordinators:	103.1	\$3,512	4,345	4,345
Physicians:	9	9,443	1,020	1,020
Psychologists:	13.7	4,824	793	793

* Values in thousands (000's)

Compliance with Home and Community-Based Services Waiver Requirements**METHODOLOGY (continued):**

		<u>2016-17*</u>	<u>2017-18*</u>
• Benefit:		\$1,925	\$1,925
Service Coordinators	32.2%	1,399	1,399
Physicians	29.5%	301	301
Psychologists	28.4%	225	225
• Operating Expenses:		\$585	\$585
Service Coordinators	\$4,248	438	438
Physicians	7,632	69	69
Psychologists	5,688	78	78
• Rent:		\$541	\$0
Service Coordinators	4,200	433	0
Physicians	5,388	48	0
Psychologists	4,416	60	0
• TOTAL EXPENDITURES (Rounded):		\$9,200	\$8,700

FUNDING:

These positions are eligible for the following reimbursements: Targeted Case Management (50% Federal Financial Participation [FFP] and Medicaid Administration (75% FFP). The State General Fund (GF) portion is that which is non-FFP.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
Total	\$9,200	\$8,700
<i>GF</i>	3,950	3,725
<i>Reimbursements</i>	5,250	4,975

* Values in thousands (000's)

Increase in Case Managers to Meet Federal Audit Requirements**DESCRIPTION:**

In a letter dated April 21, 2006, the Centers for Medicare & Medicaid Services (CMS) indicated that the State must "review and revise, as needed, its policies to assure that the waiver participant to case manager ratio of 62:1 is consistently met." This augmentation by the California Legislature is intended to ensure further compliance. This category includes salary expenditures and operating expenses of CPC, Supervising Counselors and Secretary II.

ASSUMPTIONS/METHODOLOGY:

		<u>2016-17*</u>	<u>2017-18*</u>
Personal Services :			
• Client Program Coordinator (CPC) Salary Expenditures:		\$7,026	\$7,331
Number of CPC Positions Related to HCBS Waiver Consumers			
2016-17: 177.41			
2017-18: 185.11			
CPC salary: \$39,606			
• Total Supervising Counselor Salary Expenditures:		1,114	1,162
Number of Supervising Counselors (1:10 CPCs)			
2016-17: 17.74			
2017-18: 18.51			
Supervising Counselor salary: \$62,784			
• Secretary II Salary:		934	975
Number of Secretary II (1:6 CPCs and Supervising Counselors)			
2016-17: 32.52			
2017-18: 33.94			
Secretary II salary: \$28,736			
• Fringe Benefits:			
CPC's and All Other Staff	23.7%	2,151	2,244
• Salary Savings:		-226	-235
CPCs	1.0%	-87	-91
All Other Staff	5.5%	-139	-144
Total Personal Services :		\$10,999	\$11,477

* Values in thousands (000's)

Increase in Case Managers to Meet Federal Audit Requirements**Operating Expenses:**

• Operating Expenses			
Professional Positions	\$3,400	664	692
Clerical Positions	2,400	78	82
Rent	8,086	1,841	0
Total Operating Expenses:		\$2,583	\$774
Total Costs:		\$13,582	\$12,251

FUNDING:

These positions are eligible for the following reimbursements: Targeted Case Management (50% federal financial participation, 50% General Fund [GF] Match).

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The minor decrease in current year reflects the decrease of HCBS Waiver-related CPC positions, Supervising Counselors positions as well as Secretary II positions.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The minor decrease in budget year reflects the decrease of HCBS Waiver-related CPC positions, Supervising Counselors positions as well as Secretary II positions.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$13,582	\$12,251
<i>GF</i>	6,791	6,125
<i>Reimbursement</i>	6,791	6,126

* Values in thousands (000's)

Projects

DESCRIPTION:

This category of the regional center operating expenses includes various contracts, programs, and projects as described below:

ASSUMPTIONS/METHODOLOGY:

	<u>2016-17*</u>	<u>2017-18*</u>
<ul style="list-style-type: none"> Information Technology Costs: <ul style="list-style-type: none"> Regional Center Application Support: Data Processing: 100% General Fund (GF) 	\$3,417 2,317 1,100	\$3,797 2,547 1,250
<ul style="list-style-type: none"> Clients' Rights Advocacy: <p>The Department contracts for clients' rights advocacy services for regional center consumers, of which 45% of the costs are eligible for Home and Community Based Services (HCBS) Waiver Administration: 50% GF Match / 50% federal financial participation (FFP). Contract amount shown does not reflect an additional \$21,155 increase for administrative costs per Assembly Bill (AB)X2 1. Refer to the AB X2 1 Regional Center Operations Increases Policy. Budget year reflects an adjustment to account for caseload growth.</p> 	6,494	6,791
<ul style="list-style-type: none"> Quality Assessment Contract: <p>AB X4 9 added Welfare and Institutions Code (W&I Code) 4571 to consolidate the Life Quality Assessment and the Movers Study, which sunset on June 30, 2009, into one improved quality assurance survey to measure consumer and family satisfaction, provision of services and personal outcomes. 45% of costs are eligible for HCBS Waiver Administration: 50% GF Match / 50% FFP. Budget year reflects the projected costs of implementing SB 982 which added Section 4474.12 to the W&I and an increase for the State Council on Developmental Disabilities contract to increase the stipend for interviewers for the National Core Indicators adult consumer surveys and for the increased mailing costs due to a change in the sampling strategy for family mail surveys.</p> 	3,221	4,044

* Values in thousand (000's)

Projects

ASSUMPTIONS/METHODOLOGY (continued):	<u>2016-17*</u>	<u>2017-18*</u>
<ul style="list-style-type: none"> Direct Support Professional Training: <p>W&I Code Section 4695.2 mandates all direct support service professionals working in licensed community care facilities to complete two 35-hour competency-based training courses or pass challenge tests within the first two years of employment. The Department contracts with the Department of Education, which in turn administers the training through the Regional Occupational Centers and Programs. 88% of the costs are eligible for HCBS Waiver Administration: 50% GF Match / 50% FFP. Budget year reflects the costs to conduct major revisions to the Direct Support Professional Training curriculum and the increased expenditures for the San Bernardino data management contract.</p> 	2,848	3,037
<ul style="list-style-type: none"> Office of Administrative Hearings: <p>Federal law requires the Department to have an adjudication process for disputes involving Medicaid beneficiaries; both the fair hearing and mediation processes satisfy this requirement. The Department contracts with the Office of Administrative Hearings to: (1) conduct fair hearings to resolve conflicts between regional centers and their consumers, and (2) provide mediation services. Section 4700 et seq. of the Lanterman Act provides mediation as a potential option to consumers whose services are proposed to be terminated, reduced, or suspended; 45% of the costs are eligible for HCBS Waiver Administration: 50% GF Match / 50% FFP.</p> 	3,190	3,350
<ul style="list-style-type: none"> Wellness Projects: <p>W&I Code Sections 4696 and 4646.5 contain requirements that are fulfilled through the Wellness Initiative. Project priorities are determined annually by a selection committee comprised of legislative staff, advocacy groups, consumers, regional center representatives, and the Department's Community Services Division. The types of projects generally fall into the following categories: health professional training programs, medication reviews, health assessments, specialty clinics, telemedicine, resource development for persons with a dual diagnosis, training programs for parents and consumers, and dental health programs and services. (100% GF)</p> 	100	100

* Values in thousand (000's)

Projects

ASSUMPTIONS/METHODOLOGY (continued):	<u>2016-17*</u>	<u>2017-18*</u>
<ul style="list-style-type: none"> Foster Grandparent/Senior Companion (FG/SC): Through FG/SC programs, men and women aged 55 years and older devote up to 20 hours a week to help people with developmental disabilities lead more independent and productive lives. 2016-17: \$812,000 FG/SC, \$1,706,000 GF 2017-18: \$1,097,000 FG/SC, \$1,938,000 GF Budget year reflects the cost of moving volunteers' service hours from developmental centers to regional centers. 	2,518	3,035
<ul style="list-style-type: none"> Special Incident Reporting/Risk Assessment: The Department contracts for the services of an independent, specialized risk-assessment and mitigation contractor to conduct key activities such as data analysis, training, mortality reviews, site reviews, and to provide services related to protecting the health, safety, and well-being of consumers. 45% of the costs are eligible for HCBS Waiver Administration: 50% GF Match / 50% FFP. 	938	938
<ul style="list-style-type: none"> Increased Access to Mental Health Services: Consistent with the requirements of the Mental Health Services Act, the Department, in consultation with the Department of Health Care Services, identifies best-practice models and provides training to enhance the effectiveness of the regional center and county mental health service systems to better identify and provide a competent response for those consumers who are dually diagnosed (i.e. have a developmental disability and a mental illness). 100% Mental Health Services Fund 	740	740
<ul style="list-style-type: none"> Sherry S. Court Case: In 1981, the Supreme Court ruled In re Hop that before an adult is admitted to a developmental center, he/she must be afforded due process through a court hearing to determine if such a placement is warranted. Subsequently, in the Sherry S. case, the court ruled that a conservator or parent of an adult has authority to admit that adult through the Hop process. This estimate reflects the regional center costs of processing Hop actions for regional center consumers. (100% GF) 	211	211

* Values in thousand (000's)

Projects

ASSUMPTIONS/METHODOLOGY (continued):	<u>2016-17*</u>	<u>2017-18*</u>
<ul style="list-style-type: none"> 2003-04 FFP Enhancement, Phase II: These costs are associated with legal support for federal program activities. (100% GF) 	500	500
<ul style="list-style-type: none"> University Enterprises, Inc.: The Department contracts with University Enterprises, Inc. for statistical forecasting assistance in estimating regional center costs. (100% GF) 	123	123
<ul style="list-style-type: none"> Affordable Housing: In 1994, pursuant to the court decision commonly referred to as the Coffelt Settlement Agreement, funds were allocated to create affordable housing for persons with developmental disabilities. Funding was allocated on a per capita basis to four geographic regions throughout California to provide affordable housing to very low-income individuals receiving services from the regional centers. Annual loan forgiveness for the term of twenty years was stipulated to occur based on each project's compliance with the Standard and Regulatory Agreement. Fiscal review and site monitoring activities are required annually. Technical assistance on additional housing-related issues is obtained through an interagency agreement with the Department of Housing and Community Development as needed. (100% GF) Current year and budget year reflect the functional re-alignment. 	128	128
<ul style="list-style-type: none"> Review of Senate Bill (SB) 1175 Housing Proposals: Pursuant to Chapter 617, Statutes of 2008, (SB 1175), the Developmental Disabilities Account is used as a depository for application fees collected by the Department for conducting the review and approval of housing proposals. 	150	150
<ul style="list-style-type: none"> Extension of Denti-Cal Infrastructure for Regional Center Funded Dental: This project allows the regional center to use the Department of Health Care Services (DHCS) system for reviewing treatment plans and approving claims for dental services consistent with the DHCS Denti-Cal program. (100% GF). Current year and budget year reflect updated estimates generated by DHCS. 	120	120
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$24,698	\$27,064

* Values in thousand (000's)

Projects

FUNDING:

Funding for Project expenditures is comprised of General Fund (GF), reimbursements from the Home and Community-Based Waiver Administration, the Developmental Disabilities Services Account, the Mental Health Services Fund, and Federal Funds from the FG/SC Programs.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

Budget year expenditures are estimated to have a minor increase due to the increase in Clients' Rights Advocacy.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$24,698	\$27,064
<i>GF</i>	<i>18,634</i>	<i>20,345</i>
<i>Reimbursements</i>	<i>4,362</i>	<i>4,732</i>
<i>Developmental Disabilities Services Account</i>	<i>150</i>	<i>150</i>
<i>Mental Health Services Fund</i>	<i>740</i>	<i>740</i>
<i>Federal Funds</i>	<i>812</i>	<i>1,097</i>

* Values in thousand (000's)

Quality Assurance Fees Regional Center Costs and Intermediate Care Facility-Developmentally Disabled Vendor Costs

DESCRIPTION:

To obtain federal financial participation (FFP) associated with the Intermediate Care Facilities-Developmentally Disabled (ICF-DD), regional centers incur administrative costs for billing on behalf of the ICF-DD.

ASSUMPTIONS/METHODOLOGY:

Billing costs are 1.5% of the cost of Day Program and Transportation.

2016-17 and 2017-18: Total billing costs are \$1.8 million for regional center administration.

- Purchase of Services costs for Day Program and Transportation in 2015-16 total \$121.9 million, of which 1.5% equals \$1.8 million.

FUNDING:

The Federal Medical Assistance Percentages establishes the FFP for expenditures associated with Operations, which is 50% for 2016-17 and 2017-18.

CURRENT YEAR CHANGE FROM ENACTED:

The slight increase reflects updated expenditure data as actual expenditures increased compared to projected cost in the November 2016 Estimate.

REASON FOR YEAR-TO-YEAR CHANGE:

The slight increase reflects updated expenditure data as actual expenditures increased compared to projected cost in the November 2016 estimate.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$1,829	\$1,829
<i>General Fund</i>	915	915
<i>Reimbursements</i>	914	914

Operations Funding Detail

	Governor's			Governor's		2017-18		
	Budget	Updated	2016-17	Budget	Updated	Over	2017-18	
	2016-17	2016-17	Request	2017-18	2017-18	2016-17		Request
Staffing								
TOTAL	\$560,852	\$561,612	\$760	\$587,407	\$589,751	\$28,139		\$2,344
GF	\$372,521	\$371,551	(\$970)	\$397,451	\$390,241	\$18,690		(\$7,210)
GF Match	174,487	177,921	3,434	179,456	185,072	7,151		5,616
GF Other	198,034	193,630	(4,404)	217,995	205,169	11,539		(12,826)
Reimbursements	\$188,331	\$190,061	\$1,730	\$189,956	\$199,510	\$9,449		\$9,554
Medicaid Admin	11,047	11,047	0	11,073	11,073	26		0
HCBS Waiver Admin	5,055	5,056	1	5,090	5,090	34		0
TCM	159,369	162,366	2,997	165,920	169,026	6,660		3,106
TCM Admin	5,354	5,893	539	5,354	5,893	0		539
Money Follows the Person	7,506	5,699	(1,807)	2,519	8,428	2,729		5,909
Agnews Ongoing Workload								
TOTAL	\$2,946	\$2,946	\$0	\$2,894	\$2,894	(\$52)		\$0
GF	\$984	\$984	\$0	\$932	\$932	(\$52)		\$0
GF Match	1,260	1,260	0	1,260	1,260	0		0
GF Other	(276)	(276)	0	(328)	(328)	(52)		0
Reimbursements	\$1,962	\$1,962	\$0	\$1,962	\$1,962	\$0		\$0
HCBS Waiver Admin	676	676	0	676	676	0		0
Medicaid Admin	1,286	1,286	0	1,286	1,286	0		0
Lanterman Developmental Center Closure/Ongoing Workload								
TOTAL	\$2,576	\$2,576	\$0	\$2,392	\$2,392	(\$184)		\$0
GF	\$1,771	\$1,771	\$0	\$1,587	\$1,587	(\$184)		\$0
GF Match	845	845	0	845	845	0		0
GF Other	926	926	0	742	742	(184)		0
Reimbursements	\$805	\$805	\$0	\$805	\$805	\$0		\$0
Medicaid Admin	805	805	0	805	805	0		0

Operations Funding Detail

Federal Compliance							
TOTAL	\$49,592	\$49,503	(\$89)	\$47,686	\$47,672	(\$1,831)	(\$14)
GF	\$36,131	\$36,087	(\$44)	\$35,017	\$35,210	(\$877)	\$193
GF Match	11,995	11,950	(45)	11,203	10,996	(954)	(207)
GF Other	24,136	24,137	1	23,814	24,214	77	400
Reimbursements	\$13,461	\$13,416	(\$45)	\$12,669	\$12,462	(\$954)	(\$207)
HCBS Waiver Admin	1,292	1,292	0	1,203	1,203	(89)	0
Medicaid Admin	2,033	2,033	0	2,033	2,033	0	0
TCM	10,136	10,091	(45)	9,433	9,226	(865)	(207)

Projects							
TOTAL	\$24,698	\$24,698	\$0	\$27,058	\$27,064	\$2,366	\$6
GF	\$18,634	\$18,634	\$0	\$20,245	\$20,345	\$1,711	\$100
GF Match	4,361	4,361	0	4,730	4,732	371	2
GF Other	14,273	14,273	0	15,515	15,613	1,340	98
Reimbursements	\$4,362	\$4,362	\$0	\$4,731	\$4,732	\$370	\$1
HCBS Waiver Admin	4,362	4,362	0	4,731	4,732	370	1
Developmental Disabilities Services Account	150	150	0	150	150	0	0
Mental Health Services Fund	740	740	0	740	740	0	0
Federal Funds	\$812	\$812	\$0	\$1,192	\$1,097	\$285	(\$95)

Intermediate Care Facility-Developmentally Disabled - Admin Fees							
TOTAL	\$1,727	\$1,829	\$102	\$1,727	\$1,829	\$0	\$102
GF	\$864	\$915	\$51	\$864	\$915	\$0	\$51
GF Match	864	915	51	864	915	0	51
Reimbursements	\$863	\$914	\$51	\$863	\$914	\$0	\$51
FFP (Quality Assurance Fees)	863	914	51	863	914	0	51

Operations Funding Detail

Total Operations Funding Detail								
TOTAL	\$642,391	\$643,164	\$773	\$669,164	\$671,602	\$28,438	\$2,438	
GF	\$430,905	\$429,942	(\$963)	\$456,096	\$449,230	\$19,288	(\$6,866)	
GF Match	193,812	197,252	3,440	198,358	203,820	6,568	5,462	
GF Other	237,093	232,690	(4,403)	257,738	245,410	12,720	(12,328)	
Reimbursements	\$209,784	\$211,520	\$1,736	\$210,986	\$220,385	\$8,865	\$9,399	
HCBS Waiver Admin	11,385	11,386	1	11,700	11,701	315	1	
Medicaid Admin	15,171	15,171	0	15,197	15,197	26	0	
TCM	169,505	172,457	2,952	175,353	178,252	5,795	2,899	
TCM Admin	5,354	5,893	539	5,354	5,893	0	539	
Money Follows the Person	7,506	5,699	(1,807)	2,519	8,428	2,729	5,909	
FFP (Quality Assurance Fees)	863	914	51	863	914	0	51	
Developmental Disabilities Services Account	150	150	0	150	150	0	0	
Mental Health Services Fund	740	740	0	740	740	0	0	
Federal Funds	\$812	\$812	\$0	\$1,192	\$1,097	\$285	(\$95)	

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Community Care Facilities

DESCRIPTION:

Regional centers contract with vendors of facilities licensed by the Department of Social Services (DSS) to provide 24-hour residential care to children and adults with developmental disabilities who are in need of personal services, supervision, and/or assistance essential for self-protection or sustenance of daily living activities.

ASSUMPTIONS:

- Community Care Facilities (CCF) Expenditure Data Source: State Claims Data file, dated February 1, 2017, with actuals through November 2016. Data was adjusted for lag based on historical data.
- Supplemental Security Income/State Supplementary Program (SSI/SSP) payment is a grant received by persons in CCFs from the Social Security Administration (the "SSI" portion), along with a supplemental payment from the State (the "SSP" portion). For individuals who receive SSI/SSP (an estimated 94.9% of persons in CCFs), the regional centers fund only the portion of the facility costs that is above the SSI/SSP level of payment (i.e., the "net" costs). Funds for the SSI/SSP grants are in the DSS budget. This factor is incorporated in the CCF estimate.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from AB 1522 - Paid Sick Days. 	\$1,079,958	\$1,130,635
<ul style="list-style-type: none"> Total Utilization Change/Growth: <p>The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends.</p>	50,677	34,312
<ul style="list-style-type: none"> Subtotal Base and Growth 	\$1,130,635	\$1,164,947
<ul style="list-style-type: none"> Community Placement Plan: See Community Placement Plan methodology for detail. 	18,451	18,451

Community Care Facilities

METHODOLOGY (continued):

	2016-17	2017-18
<ul style="list-style-type: none"> SSI/SSP Increases Effective January 1, 2017: The SSI/SSP rate increase, effective January 1, 2017, is estimated to increase from \$1,014 to \$1,035 per month. An increase in these rates results in a decrease in amounts paid by the Department. The updated current year savings from SSI/SSP are \$1.5 million over the Governor's Budget and \$3.6 million in the budget year due to a refined methodology and the use of specific service codes to more accurately project the person months impacted by the SSI/SSP increase. 	-\$1,504	-\$3,611
<ul style="list-style-type: none"> Continuation Costs: Second year costs for Developmental Center movers. 	30,705	39,039
<ul style="list-style-type: none"> TOTAL EXPENDITURES 	\$1,178,287	\$1,218,826

FUNDING:

CCF expenditures are funded by the General Fund (GF) and reimbursements from Home and Community-Based Services (HCBS) Waiver, 1915 (i) State Plan Amendment (SPA), Intermediate-Care Facility-Developmentally Disabled (ICF-DD), Money Follows the Person, and Temporary Assistance to Needy Families. Based on actual 2015-16 billing data, approximately 82% of CCF expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915 (i) SPA, and ICF-DD, 50% is federal financial participation (FFP). Of the amount eligible for Money Follows the Person, 75% is FFP.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The net decrease of \$15.5 million (\$8.7 million GF decrease) is driven by a decrease in Utilization and Growth. Although this category continues to grow, actual expenditures came in lower than previously projected, reflecting lower than projected growth.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The 2017-18 decrease of \$40.2 million (\$36.3 million GF decrease) over the Governor's Budget, reflects decreases in the Base, Utilization and Growth, and Continuation Costs, based on expenditures coming in lower than previously projected.

Community Care Facilities**EXPENDITURES:**

	2016-17	2017-18
TOTAL	\$1,178,287	\$1,218,826
<i>GF</i>	655,756	679,819
<i>Reimbursements</i>	522,531	539,007

Medical Facilities

DESCRIPTION:

Pursuant to Health and Safety Code Sections 1250, 1255.6, and 1255.7, among others, regional centers vendor/contract with Intermediate Care Facilities - Developmentally Disabled (ICF-DD) and Continuous Nursing Care, to provide services for consumers not eligible for Medi-Cal. The types of Non-ICFs providing services for individuals with developmental disabilities are Specialized Residential Facilities (Health) and Nursing Facilities (NF).

ASSUMPTIONS:

ICF/DD:

- Assumptions regarding caseload and facility growth for 2016-17 and 2017-18 are based on the 2017 Regional Center Spring Survey.

Non-ICF/DD:

- Non-ICF Expenditure Data Source: State Claims Data file, dated February 1, 2017, with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. 	\$19,017	\$13,731
<ul style="list-style-type: none"> Total Utilization Change/Growth: 	-5,286	-496
<ul style="list-style-type: none"> Utilization Change/Growth: 		
<ul style="list-style-type: none"> ICF-DD 	54	131
<ul style="list-style-type: none"> Non ICF-DD 	-5,340	-627
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$13,731	\$13,235
<ul style="list-style-type: none"> Gap Resource Development (ICF-DD): 	383	383

Gap is the time period between licensure and certification of small health facilities when Medi-Cal does not cover any person's facility costs.

In 2016-17 and 2017-18 it is assumed that 3 Health facilities will require gap funding for 2 consumers each for not more than 60 days, and 7 NFs will need gap funding for 2 consumers each for not more than 60 days.

Medical Facilities

METHODOLOGY (continued):

	2016-17	2017-18
• Community Placement Plan: See Community Placement Plan methodology for detail.	171	171
• Continuation Costs: Second year costs for developmental center movers.	1,077	1,369
• TOTAL EXPENDITURES:	\$15,362	\$15,158

FUNDING:

Medical Facility expenditures are funded by the General Fund (GF).

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The net decrease of \$5.6 million GF is a result of an increase in the Base and Gap, offset by a decrease in Growth and Utilization, and Community Placement Plan. The current year decrease reflects the reduced usage of DSS Licensed-Specialized Residential Facility-Habilitation in Medical Facilities.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$7 million GF decrease in the budget year reflects a decrease in the Base, Growth and Utilization, Community Placement Plan, and Continuation Costs.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$15,362	\$15,158
<i>GF</i>	15,362	15,158

Day Programs

DESCRIPTION:

Day Program services may be at a fixed location or out in the community. Types of services available through a Day Program include:

- Developing and maintaining self-help and self-care skills.
- Developing the ability to interact with others, making one's needs known, and responding to instructions.
- Developing self-advocacy and employment skills.
- Developing community integration skills such as accessing community services.
- Improving behaviors through behavior management.
- Developing social and recreational skills.

ASSUMPTIONS:

Day Program Expenditure Data Source: State Claims Data file, dated February 1, 2017 with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
• Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from AB 1522 - Paid Sick days.	\$951,991	\$994,835
• Total Utilization Change/Growth: The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends.	42,844	47,782
• Subtotal Base and Growth:	\$994,835	\$1,042,617
• Community Placement Plan: See Community Placement Plan methodology for detail.	929	929
• Continuation Costs: Second year costs for developmental center movers.	1,511	1,922
• TOTAL EXPENDITURES:	\$997,275	\$1,045,468

Day Programs

FUNDING:

Day Program expenditures are funded by the General Fund (GF), Home and Community-Based Services (HCBS) Waiver, the 1915(i) State Plan Amendment (SPA), Title XX Block Grant, which includes Social Services and Temporary Assistance to Needy Families, reimbursements from Intermediate Care Facility-Developmentally Disabled (ICF-DD), Early Periodic Screening Diagnosis and Treatment (EPSDT), and Federal Funds from the Early Start Grant. Based on actual 2015-16 billing data, approximately 55% of Day Program expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915(i) SPA, ICF-DD, and EPSDT, 50% is federal financial participation.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year decreased by \$0.4 million (\$0.4 million GF decrease) due to lower than projected expenditures in Utilization and Growth and Community Placement Plan, offset by an increase in the Base.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The budget year decreased by \$1.7 million (\$3.6 million GF decrease) due to lower than projected expenditures in the Base, Utilization and Growth, Community Placement Plan, and Continuation Costs.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$997,275	\$1,045,468
<i>GF</i>	<i>521,460</i>	<i>560,187</i>
<i>Reimbursements</i>	<i>457,691</i>	<i>467,161</i>
<i>Federal Funds</i>	<i>18,124</i>	<i>18,120</i>

Habilitation Work Activity Program (WAP)

DESCRIPTION:

Work Activity Program (WAP) services are provided, for the most part, in a sheltered setting, and may include work experiences in integrated group settings within the community.

ASSUMPTIONS:

WAP Expenditure Data Source: State Claims file, dated February 1, 2017 with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 base. For 2017-18, the prior-year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from AB 1522 - Paid Sick days. 	\$53,368	\$50,164
<ul style="list-style-type: none"> Total Utilization Change/Growth: <p>The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends.</p>	-3,204	-2,037
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$50,164	\$48,127
<ul style="list-style-type: none"> Community Placement Plan: See Community Placement Plan methodology for detail. 	2	2
<ul style="list-style-type: none"> Continuation Costs: Second year costs for developmental center movers. 	7	9
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$50,173	\$48,138

Habilitation Work Activity Program (WAP)

FUNDING:

WAP Service expenditures are funded by the General Fund (GF), and reimbursements from the Home and Community-Based Services (HCBS) Waiver, Title XX Block Grant, which includes Temporary Assistance for Needy Families, Intermediate Care Facility - Developmentally Disabled (ICF-DD), and 1915(i) State Plan Amendment (SPA). Based on actual 2015-16 billing data, approximately 60% of WAP expenditures are eligible for the HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915(i) SPA, and ICF-DD, 50% is federal financial participation.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The Department projects a \$1.7 million decrease (\$1.5 million GF decrease) in the current year due to a decrease in Utilization and Growth slightly offset by an increase in the Base.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$3.7 million decrease (\$3.5 million GF decrease) in the budget year is due to decreases in the Base, Utilization and Growth, and Continuation Costs.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$50,173	\$48,138
<i>GF</i>	29,098	26,695
<i>Reimbursements</i>	21,075	21,443

Habilitation Supported Employment Program (Group Placement)

DESCRIPTION:

Supported Employment Program - Group Placement (SEP-G) provides opportunities for persons with developmental disabilities to work through integrated group settings and with support services provided by community rehabilitation programs. These services enable consumers to learn necessary job skills and maintain employment.

ASSUMPTIONS:

SEP-G Expenditure Data Source: State Claims file, dated February 1, 2017 with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from AB 1522 - Paid Sick days. 	\$79,052	\$81,888
<ul style="list-style-type: none"> Total Utilization Change/Growth: The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends. 	2,836	3,391
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$81,888	\$85,279
<ul style="list-style-type: none"> Continuation Costs: Second year costs for developmental center movers. 	11	14
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$81,899	\$85,293

Habilitation Supported Employment Program (Group Placement)

FUNDING:

SEP-G expenditures are funded by the General Fund (GF) and reimbursements from the Home and Community-Based Services (HCBS) Waiver, Title XX Block Grant, which includes Social Services and Temporary Assistance to Needy Families, Intermediate Care Facility - Developmentally Disabled (ICF-DD), and 1915(i) State Plan Amendment (SPA). Based on actual 2015-16 billing data, approximately 35% of SEP-G expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915(i) SPA, and ICF-DD, 50% is federal financial participation.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$0.7 million increase (\$0.3 million GF increase) in the current year is due to an increase in both Base and Utilization and Growth.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$1.1 million increase (\$0.6 million GF increase) is due to an increase in Base and projected Utilization and Growth, offset by a slight decrease in Continuation Costs.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$81,899	\$85,293
<i>GF</i>	<i>61,191</i>	<i>63,935</i>
<i>Reimbursements</i>	<i>20,708</i>	<i>21,358</i>

Habilitation Supported Employment Program (Individual Placement)

DESCRIPTION:

Supported Employment Program - Individual Placement (SEP-I) provides opportunities for persons with developmental disabilities to work through integrated individual settings and with support services provided by community rehabilitation programs. These services enable consumers to learn necessary job skills and maintain employment.

ASSUMPTIONS:

SEP-I Expenditure Data Source: State Claims file, dated February 1, 2017 with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from AB 1522 - Paid Sick days. 	\$18,273	\$19,331
<ul style="list-style-type: none"> Total Utilization Change/Growth: The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends. 	1,058	620
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$19,331	\$19,951
<ul style="list-style-type: none"> Continuation Costs: Second year costs for developmental center movers. 	3	3
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$19,334	\$19,954

Habilitation Supported Employment Program (Individual Placement)

FUNDING:

SEP-I expenditures are funded by the General Fund (GF) and reimbursements from the Home and Community-Based Services (HCBS) Waiver, Title XX Block Grant, which includes Social Services and Temporary Assistance to Needy Families, Intermediate Care Facility - Developmentally Disabled (ICF-DD), and 1915(i) State Plan Amendment (SPA). Based on actual 2015-16 billing data, approximately 23% of SEP-I expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915(i) SPA, and ICF-DD, 50% is federal financial participation.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year increased by \$0.7 million (\$0.5 million GF increase) due to an increase in Utilization and Growth.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The budget year increased by \$0.9 million (\$0.8 million GF increase) due to an increase in Base and the projected Utilization and Growth, offset by a small decrease in Continuation Costs.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$19,334	\$19,954
<i>GF</i>	<i>15,690</i>	<i>16,210</i>
<i>Reimbursements</i>	<i>3,644</i>	<i>3,744</i>

Transportation

DESCRIPTION:

Transportation services are provided so persons with a developmental disability may participate in programs and/or other activities identified in their Individual Program Plan. A variety of sources may be used to provide transportation including public transit and other providers, specialized transportation companies, day programs and/or residential vendors, and family members, friends, or others. Transportation services may include assistance in boarding and exiting a vehicle as well as assistance and monitoring while being transported.

ASSUMPTIONS:

Transportation Expenditure Data Source: State Claims Data file, dated February 1, 2017, with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from AB 1522 - Paid Sick days. 	\$283,521	\$302,549
<ul style="list-style-type: none"> Total Utilization Change/Growth: The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends. 	19,028	19,578
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$302,549	\$322,127
<ul style="list-style-type: none"> Community Placement Plan: See Community Placement Plan methodology for detail. 	320	320
<ul style="list-style-type: none"> Continuation Costs: Second year costs for developmental center movers. 	331	421
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$303,200	\$322,868

Transportation

FUNDING:

Transportation expenditures are funded by the General Fund (GF) and reimbursements from the Home and Community-Based Services (HCBS) Waiver, 1915(i) State Plan Amendment (SPA), Title XX Block Grant, which includes Social Services and Temporary Assistance for Needy Families, and Intermediate Care Facility - Developmentally Disabled (ICF-DD). Based on actual 2015-16 billing data, approximately 65% of Transportation expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915(i) SPA, and ICF-DD, 50% is federal financial participation.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year decreased by \$0.1 million (\$2.6 million GF decrease) from the Governor's Budget and reflects updated expenditures. This is due to a slight decrease in the Base, offset by a slight increase in Growth and Utilization. The Growth and Utilization includes Transportation Company, Transportation Company-Additional Component, and Transportation-Public/Rental Car Agency/Taxi services, the three cost drivers that make up 91% of the Budget Category.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The budget year reflects a \$0.2 million decrease (\$3.1 million GF decrease) due to decreases in the Base, Growth and Utilization, and Continuation Costs.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$303,200	\$322,868
<i>GF</i>	<i>148,708</i>	<i>165,203</i>
<i>Reimbursements</i>	<i>154,492</i>	<i>157,665</i>

Support Services

DESCRIPTION:

Support Services include a broad range of services to adults who choose to live in homes they themselves own or lease in the community. Included in the Support Services expenditures are Independent Living Supplement payments to adults who are in Supported/Independent Living (SL/IL) settings and receiving Supplementary Security Income/State Supplementary Payment (SSI/SSP). Regional centers supplement the reduction in the SSP portion of the SSI/SSP grant to assure that consumers are able to remain in these settings rather than moving into community care facilities.

ASSUMPTIONS:

Support Services Expenditure Data Source: State Claims Data file, dated February 1, 2017 with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from policies related to Assembly Bill 1522 - Paid Sick Days, Fair Labor Standards Act, and Behavioral Health Treatment (BHT) Transition Plan - Effective February 1, 2016. 	\$1,009,017	\$1,100,316
<ul style="list-style-type: none"> Total Utilization Change/Growth <p>The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends.</p>	91,299	92,702
<ul style="list-style-type: none"> Subtotal Base and Growth 	\$1,100,316	\$1,193,018

Support Services

METHODOLOGY (continued):

METHODOLOGY (continued):		2016-17	2017-18
• Community Placement Plan:	See Community Placement Plan methodology for detail.	2,700	2,700
• Continuation Costs:	Second year costs for Developmental Center movers.	7,713	9,806
• Independent Living Supplement	Based on Client Master File data as of July 8, 2016, it is estimated the following consumers will live in SL/IL arrangements. The consumers who are part of a couple will receive a monthly supplemental payment of \$94.04 while those receiving the monthly supplemental payment as an individual will receive \$61.20. The number of estimated consumers receiving this supplement is based on the 2017 Regional Center Survey. Due to an SSP California Necessities Index increase of 2.76%, effective January 1, 2017, monthly supplemental payments will be reduced to \$83.10 for couples, and \$56.88 for individuals. All consumers are assumed to receive their payments in each month of the fiscal year. Prior year costs remain in the base, therefore only the incremental costs are reflected.	-368	-411
	Current Year	Budget Year	
Total SL/IL Consumers	25,376	25,801	
Part of a Couple	-1,098	-1,098	
Individuals	24,278	24,703	
• TOTAL EXPENDITURES		\$1,110,361	\$1,205,113

FUNDING:

Support Services expenditures are funded by the General Fund (GF) and reimbursements from Home and Community-Based Services (HCBS) Waiver, 1915(i) State Plan Amendment (SPA), Title XX Block Grant, which includes Social Services and Temporary Assistance to Needy Families, Intermediate-Care Facility-Developmentally Disabled (ICF-DD), and federal funds from the Early Start Grant. Based on actual 2015-16 billing data, approximately 75% of Support Services expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915(i) SPA, and ICF-DD, 50% is federal financial participation.

Support Services

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

Current year expenditures are estimated to decrease by a net \$6.1 million (\$12.7 million GF increase), comprising a decrease in the Base offset by increases in Utilization and Growth and savings from the Independent Living Supplement. The Utilization and Growth includes continued growth in the Community Integration Training Program, Personal Assistant, and Supported Living Services. These services account for 81% of Support Services expenditures in 2014-15 and 2015-16. Growth in these services were offset by decreases in Adaptive Skills Trainer and Behavior Management Consultant services. For additional information on the impact of BHT please refer to the Impacts from Other Departments section of the Estimate.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

Budget year expenditures are estimated to decrease by a net \$4.4 million (\$11.5 million GF decrease) over Governor's Budget, comprising an decrease in the Base, a marginal decrease in Continuation Costs, a minimal increase in savings from the Independent Living Supplement, offset by an increase in forecasted Utilization and Growth.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$1,110,361	\$1,205,113
<i>GF</i>	<i>631,531</i>	<i>696,395</i>
<i>Reimbursements</i>	<i>478,594</i>	<i>508,482</i>
<i>Federal Funds</i>	<i>236</i>	<i>236</i>

In-Home Respite

DESCRIPTION:

In-Home Respite includes those services that are intermittent or regularly scheduled, temporary non-medical care and/or supervision services provided in the consumer's home, except for the provision of incidental medical services as expressly allowed in statute.

ASSUMPTIONS:

In-Home Respite Expenditure Data Source: State Claims Data file, dated February 1, 2017, with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from Policies related to AB 1522 – Paid Sick Days, and the Fair Labor Standards Act. 	\$283,892	\$323,220
<ul style="list-style-type: none"> Total Utilization Change/Growth: <p>The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends.</p>	39,328	39,144
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$323,220	\$362,364
<ul style="list-style-type: none"> Community Placement Plan: See Community Placement Plan methodology for detail. 	212	212
<ul style="list-style-type: none"> Continuation Costs: Second year costs for developmental center movers. 	191	243
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$323,623	\$362,819

FUNDING:

In-Home Respite expenditures are funded by the General Fund (GF) and Reimbursements from the Home and Community-Based Services (HCBS) Waiver, Title XX Block Grant, which includes Social Services and Temporary Assistance for Needy Families, 1915(i) State Plan Amendment (SPA), and federal funds from the Early Start Grant. Based on actual 2015-16 billing data, approximately 74% of In-Home Respite expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver and 1915 (i) SPA, 50% is federal financial participation.

In-Home Respite

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year increase of \$8.6 million (\$12.4 million GF increase) is due to an increase in Base, and Utilization and Growth. In-Home Respite Services Agency is the cost driver for In-Home Respite and had a \$26.4 million increase in expenditures, a 13.4% increase over 2014-15, and a 5.4% increase in consumers.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The 2017-18 increase of \$15.2 million (\$16 million GF increase) over the current year, reflects expected increases in the Base, and Utilization and Growth, offset by a slight decrease in Continuation Costs.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$323,623	\$362,819
<i>GF</i>	<i>168,185</i>	<i>203,708</i>
<i>Reimbursements</i>	<i>155,365</i>	<i>159,038</i>
<i>Federal Funds</i>	<i>73</i>	<i>73</i>

Out-of-Home Respite

DESCRIPTION:

Out-of-Home Respite includes supervision services that are provided in licensed residential and day care facilities.

ASSUMPTIONS:

Out-of-Home Respite Expenditure Data Source: State Claims Data file, dated February 1, 2017, with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from AB 1522 - Paid Sick Days. 	\$40,371	\$42,942
<ul style="list-style-type: none"> Total Utilization Change/Growth: The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends. 	2,571	-487
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$42,942	\$42,455
<ul style="list-style-type: none"> Community Placement Plan: See Community Placement Plan methodology for detail. 	87	87
<ul style="list-style-type: none"> Continuation Costs: Second year costs for developmental center movers. 	76	96
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$43,105	\$42,638

FUNDING:

Out-of-Home Respite expenditures are funded by the General Fund (GF), Reimbursements from Home and Community-Based Services (HCBS) Waiver, Title XX Block Grant, which includes Social Services and Temporary Assistance for Needy Families, 1915(i) State Plan Amendment (SPA), and federal funds from the Early Start Grant. Based on actual 2015-16 billing data, approximately 64% of Out-of-Home Respite expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver and 1915 (i) SPA, 50% is federal financial participation.

Out-of-Home Respite

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

Current year increased by \$2.5 million (\$2.7 million GF increase) resulting from actual expenditures coming in higher than previously projected. The net increase is a result of an increase in the Base, and Utilization and Growth. There was a decrease of expenditures in Day Care-Family Member Services and increases in expenditures to Camping Services, and In-Home Respite Services Agency.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$1.7 million increase (\$1.8 million GF increase) reflects an increase in Base, offset by a slight decrease in Utilization and Growth, and Continuation Costs.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$43,105	\$42,638
<i>GF</i>	23,239	22,328
<i>Reimbursements</i>	19,766	20,211
<i>Federal Funds</i>	100	99

Health Care

DESCRIPTION:

Health Care services include those that are medical and/or health care-related.

ASSUMPTIONS:

Health Care Expenditure Data Source: State Claims Data file dated February 1, 2017, with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. 	\$101,253	\$107,901
<ul style="list-style-type: none"> Total Utilization Change/Growth: The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends. 	6,648	8,173
<ul style="list-style-type: none"> Subtotal Base and Growth: 	\$107,901	\$116,074
<ul style="list-style-type: none"> Community Placement Plan: See Community Placement Plan methodology for detail. 	539	539
<ul style="list-style-type: none"> Continuation Costs: Second year costs for Developmental Center movers. 	1,028	1,307
<ul style="list-style-type: none"> TOTAL EXPENDITURES: 	\$109,468	\$117,920

FUNDING:

Health Care expenditures are funded by the General Fund (GF), reimbursements from Home and Community-Based Services (HCBS) Waiver, Title XX Block Grant, which includes Temporary Assistance for Needy Families, 1915(i) State Plan Amendment (SPA), and federal funds from the Early Start Grant. Based on actual 2015-16 billing data, approximately 20% of Health Care expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver and 1915(i) SPA, 50% is federal financial participation.

Health Care

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year decreased from the Governor's budget by \$1.1 million (\$1.0 million GF decrease) due to updated expenditures coming in lower than projected. The majority of the decrease was in Acute Care Hospital, which makes up 22% of the budget category.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The budget year decreased by \$2.5 million (\$2.4 million GF decrease) from the Governor's budget. Similar to the current year, expenditures are estimated to decrease.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$109,468	\$117,920
<i>GF</i>	<i>90,105</i>	<i>98,225</i>
<i>Reimbursements</i>	<i>16,862</i>	<i>17,195</i>
<i>Federal Funds</i>	<i>2,501</i>	<i>2,500</i>

Miscellaneous Services

DESCRIPTION:

The Miscellaneous Services category includes a wide variety of services identified on a consumer's Individual Program Plan or Individualized Family Service Plan. Due to the wide variety and often unique qualities of the services in this category, they cannot be classified in the other Purchase of Services (POS) budget categories. Services in this category include, but are not limited to, behavior intervention, early intervention programs, interdisciplinary assessments, translators, and tutors. Historically, nearly half of the expenditures in this category have been related to Behavioral Health Treatment (BHT) services.

ASSUMPTIONS:

Miscellaneous Services Expenditure Data Source: State Claims Data file, dated February 1, 2017 with actuals through November 2016. Data was adjusted for lag based on historical data.

METHODOLOGY:

	2016-17	2017-18
<ul style="list-style-type: none"> Base: Actual 2015-16 expenditures were used to develop the 2016-17 Base. For 2017-18, the prior year estimate for Base and Growth was used as the Base. Both years include expenditures resulting from policies related to Assembly Bill 1522 - Paid Sick Days and the BHT Transition Plan - Effective February 1, 2016. 	\$453,288	\$467,836
<ul style="list-style-type: none"> Total Utilization Change/Growth <p>The 2016-17 and 2017-18 utilization change/growth were estimated based upon updated expenditure trends. The estimate reflects interventions for anomalies in the expenditure trends.</p>	14,548	14,635
<ul style="list-style-type: none"> Subtotal Base and Growth 	\$467,836	\$482,471
<ul style="list-style-type: none"> Community Placement Plan: See Community Placement Plan methodology for detail. 	29,178	29,178
<ul style="list-style-type: none"> Continuation Costs: Second year costs for Developmental Center movers. 	2,359	2,999
<ul style="list-style-type: none"> TOTAL EXPENDITURES 	\$499,373	\$514,648

Miscellaneous Services

FUNDING:

Miscellaneous Services expenditures are funded by the General Fund (GF), reimbursements from the Home and Community-Based Services (HCBS) Waiver, Title XX Block Grant, which includes Social Services and Temporary Assistance to Needy Families, the 1915(i) State Plan Amendment (SPA), Intermediate-Care Facility-Developmentally Disabled (ICF-DD), reimbursements from the Department of Health Care Services for BHT Fee-for-Service (FFS), and federal funds from the Early Start Grant and Program Development Funds (PDF). Based on actual 2015-16 billing data, approximately 36% of Miscellaneous Services expenditures are eligible for HCBS Waiver reimbursement. Of the amount eligible for HCBS Waiver, 1915(i) SPA, and ICF-DD, 50% is federal financial participation.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

Current year expenditures are estimated to increase by a net \$1.1 million (\$12.2 million GF increase), comprising a marginal increase in the Base. The GF has been impacted by the BHT Transition Plan Effective February 1, 2016. For additional information on the impact of BHT please refer to Impacts from Other Departments sections of the Estimate.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

Budget year expenditures are estimated to increase by a net \$0.5 million (\$7.0 million GF increase) over Governor's Budget, comprising a minor increase in the Base offset by a minimal decrease in Continuation Costs. GF is impacted by the BHT Transition Plan Effective February 1, 2016.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$499,373	\$514,648
<i>GF</i>	357,463	366,666
<i>Reimbursements</i>	127,347	125,991
<i>Federal Funds</i>	12,026	12,024
<i>PDF</i>	2,537	2,537
<i>BHT - FFS</i>	0	7,430

Quality Assurance Fees

Intermediate Care Facility-Developmentally Disabled Costs

DESCRIPTION:

To realize the federal financial participation (FFP) associated with the Intermediate Care Facility-Developmentally Disabled (ICF-DD) State Plan Amendment, there are administrative costs for the ICF-DD, and Quality Assurance Fees (QAF) the ICF-DD must remit to the Department of Health Care Services (DHCS) for these supplemental payments.

ASSUMPTIONS/METHODOLOGY:

Billing costs are 1.5% of the cost of Day Programs and Transportation, and regional center administrative fees for ICF-DD. QAF are set by DHCS.

2016-17 and 2017-18: Total billing costs are \$1.8 million ICF-DD administration and \$8.0 million QAF.

Purchase of Services costs for Day Program and Transportation for 2015-16 totals \$121.9 million. ICF-DD administration costs are 1.5% of the total or \$1.8 million and QAF are \$8.0 million. Total administration and QAF is \$9.8 million.

FUNDING:

The funding for QAF is 100% reimbursement to the Department from DHCS.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The slight increase reflects updated expenditure data as actual expenditures increased compared to projected cost in the November 2016 Estimate.

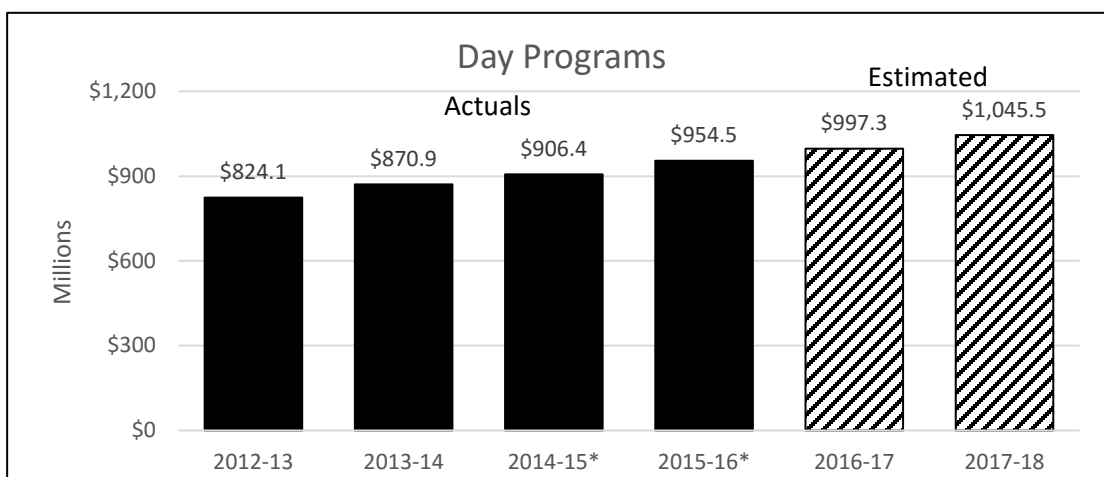
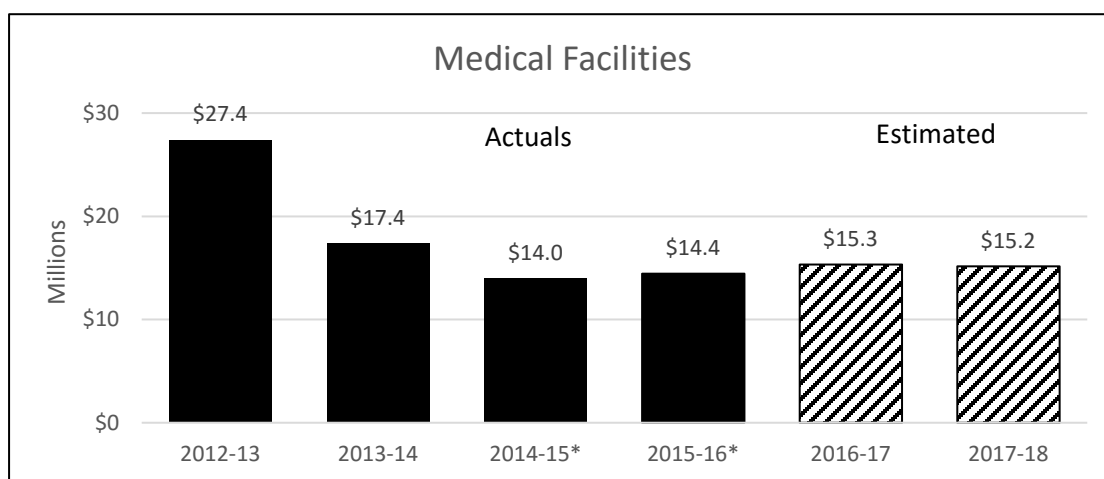
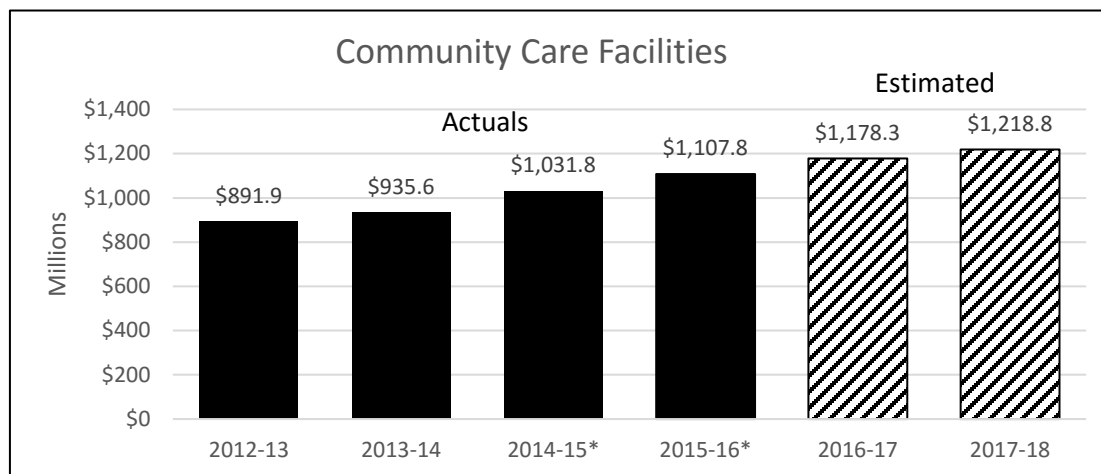
BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The slight increase reflects updated expenditure data as actual expenditures increased compared to projected cost in the November 2016 Estimate.

EXPENDITURES:

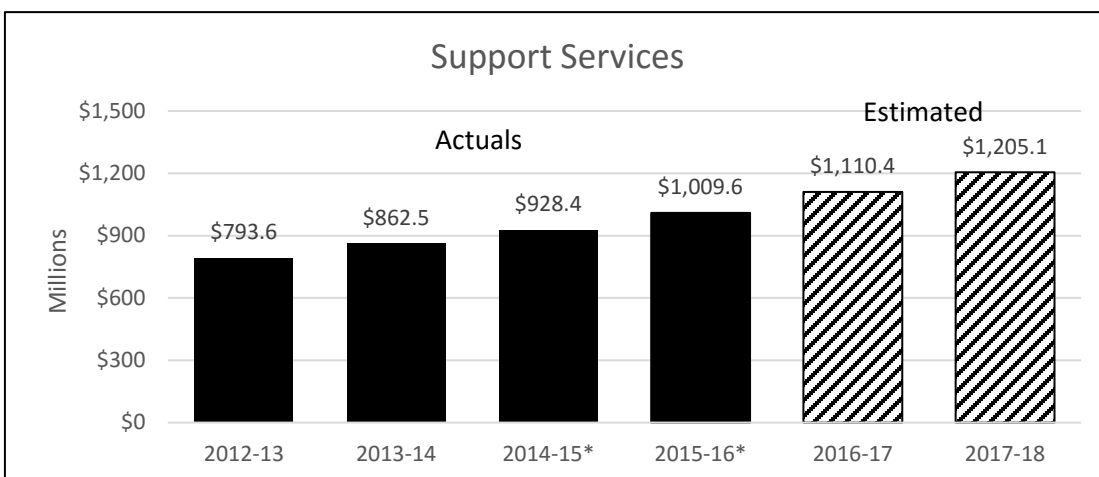
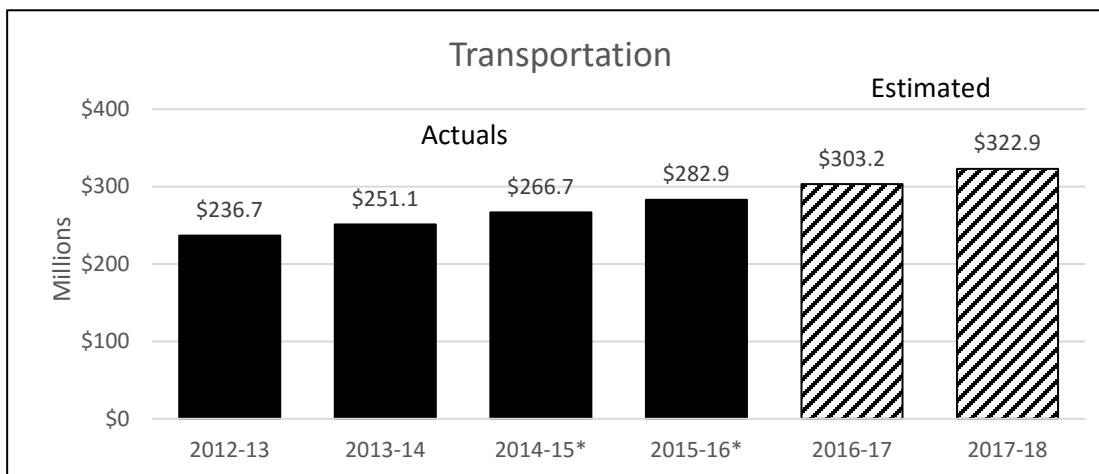
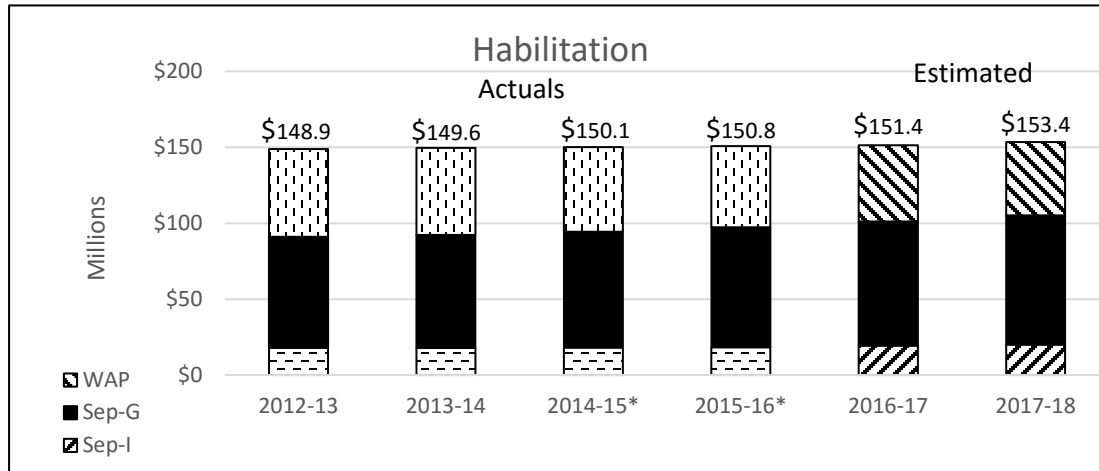
	2016-17	2017-18
Total	\$9,874	\$9,874
Reimbursements	9,874	9,874
QAF Admin Fees	4,937	4,937
Transfer from DHCS	4,937	4,937

Purchase of Services
Total Expenditures
by Budget Category



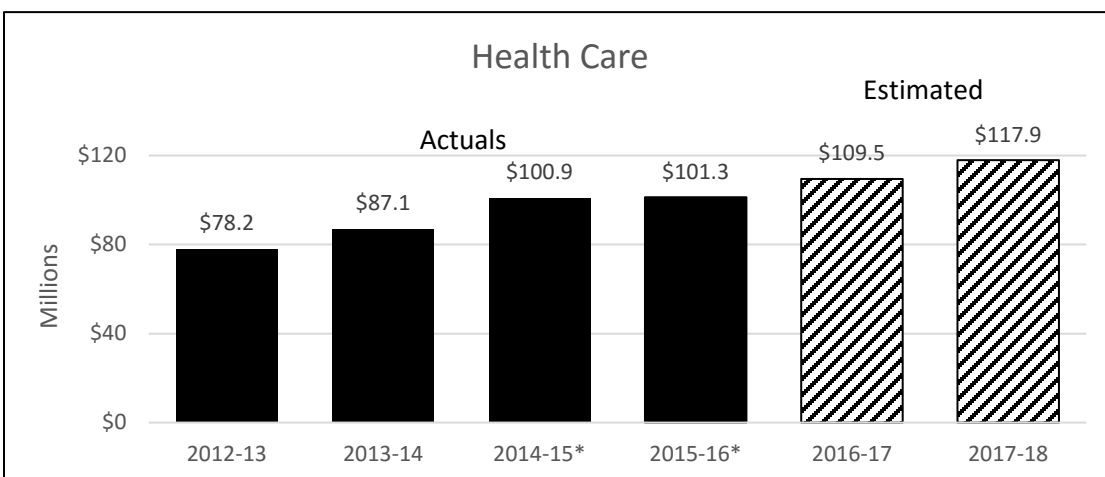
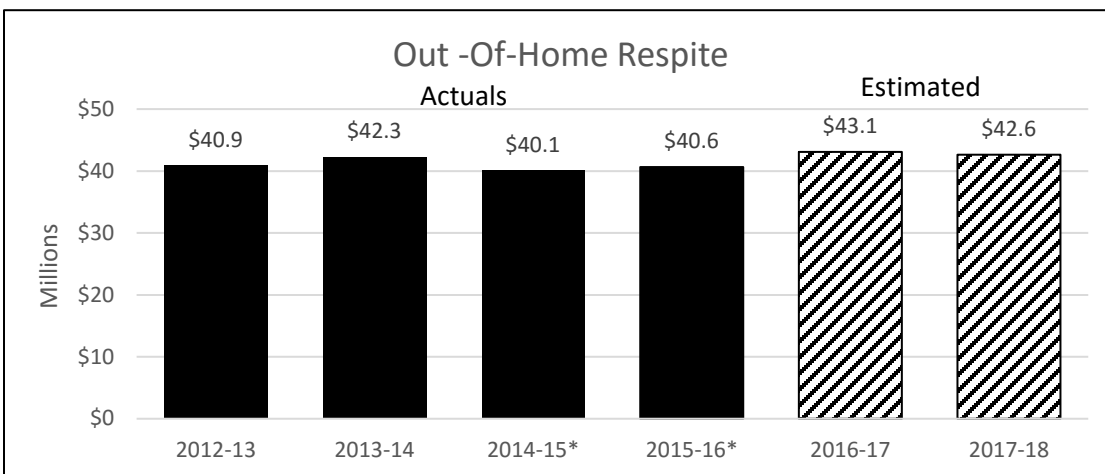
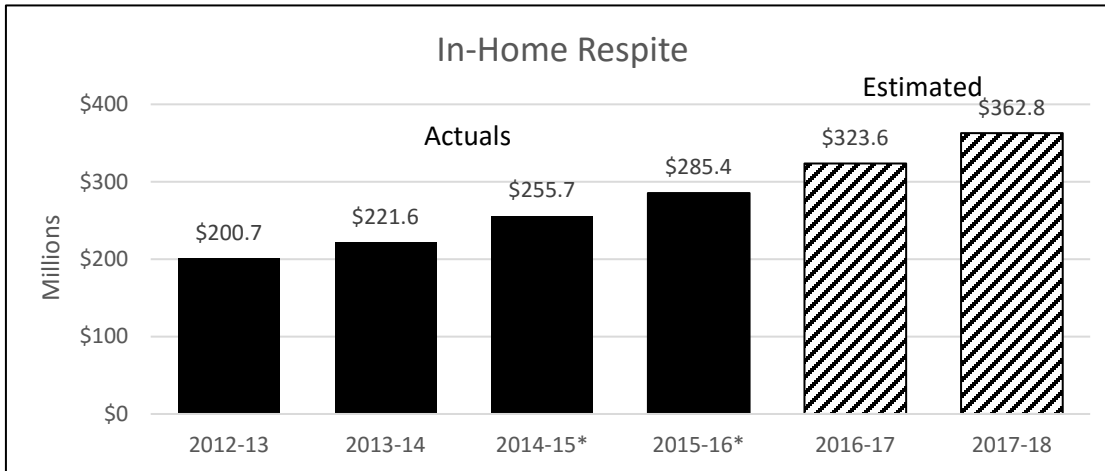
* Claims for these years are still open and eligible for payment and reflect actuals through November 2016.

Purchase of Services
Total Expenditures
by Budget Category



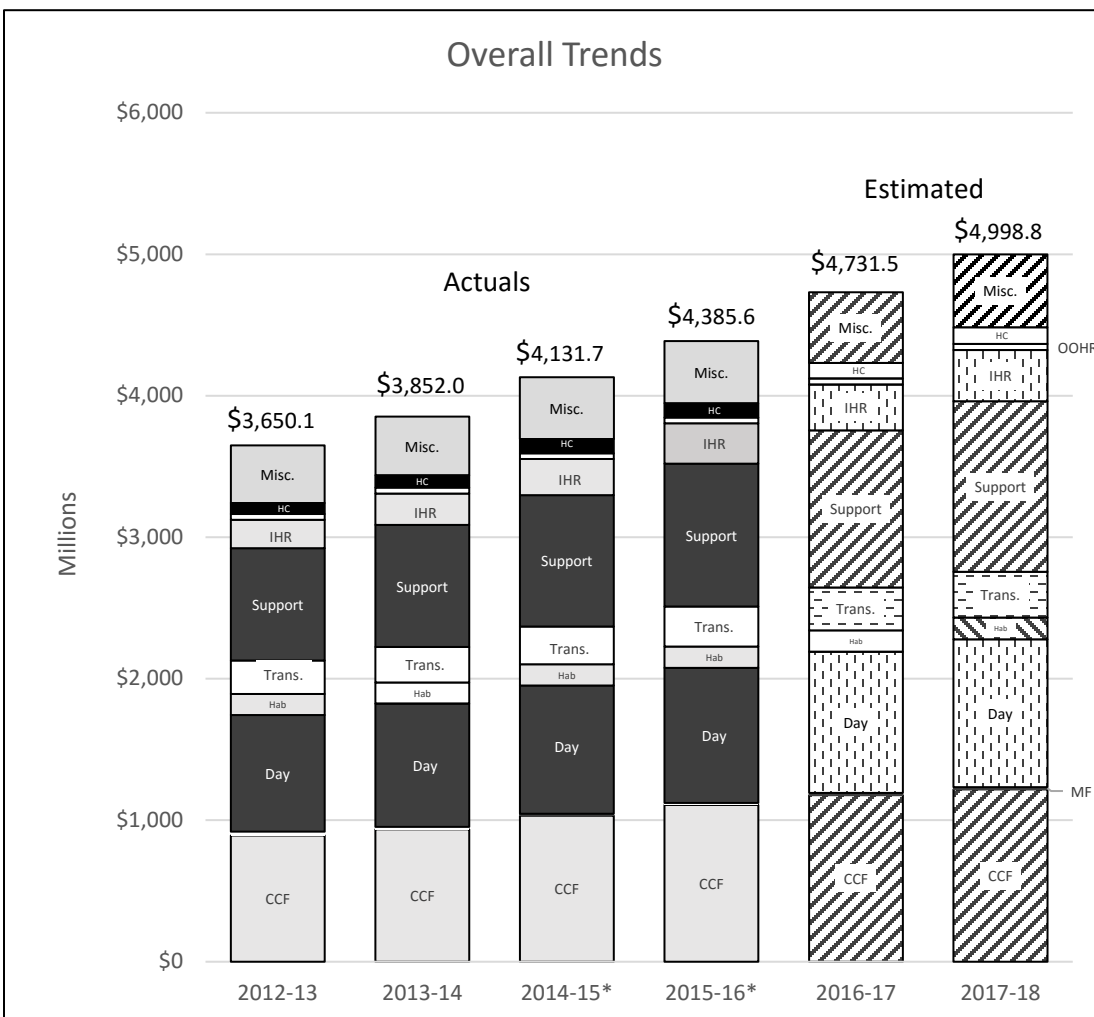
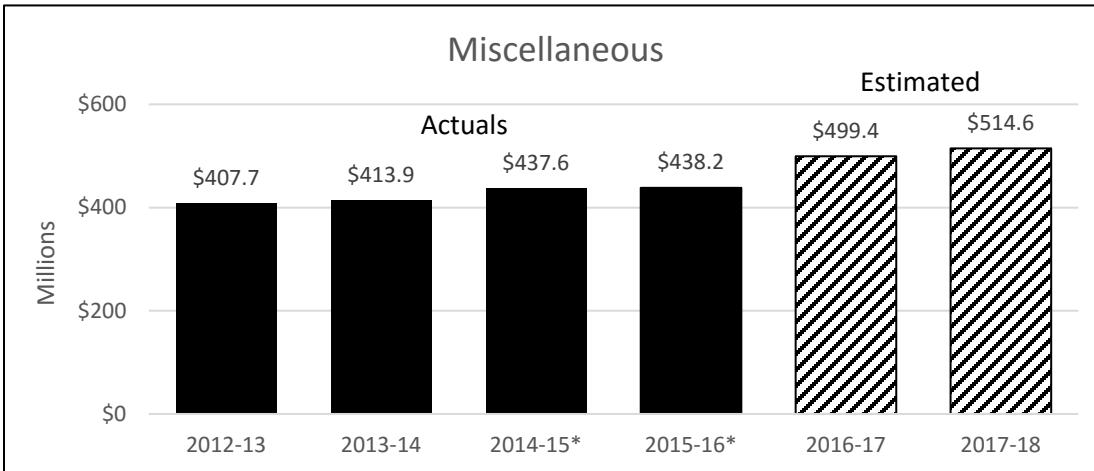
* Claims for these years are still open and eligible for payment and reflect actuals through November 2016.

Purchase of Services
Total Expenditures
by Budget Category



* Claims for these years are still open and eligible for payment and reflect actuals through November 2016.

Purchase of Services
Total Expenditures
by Budget Category



* Claims for these years are still open and eligible for payment and reflect actuals through November 2016.

Purchase of Service Funding Detail

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
Community Care Facilities							
TOTAL	\$1,193,781	\$1,178,287	(\$15,494)	\$1,259,012	\$1,218,826	\$40,539	(\$40,186)
GF	\$664,430	\$655,756	(\$8,674)	\$716,142	\$679,819	\$24,063	(\$36,323)
GF Match	519,782	512,645	(7,137)	533,455	528,879	16,234	(4,576)
GF Other	144,648	143,111	(1,537)	182,687	150,940	7,829	(31,747)
Reimbursements	\$529,351	\$522,531	(\$6,820)	\$542,870	\$539,007	\$16,476	(\$3,863)
HCBS Waiver	483,010	471,870	(11,140)	496,850	488,124	16,254	(8,726)
1915 (i) SPA	36,512	40,773	4,261	36,512	40,665	(108)	4,153
Title XX TANF	7,696	7,250	(446)	7,696	7,250	0	(446)
Money Follows the Person	2,132	2,638	506	1,811	2,968	330	1,157
ICF-DD	1	0	(1)	1	0	0	(1)
Medical Facilities							
TOTAL	\$20,937	\$15,362	(\$5,575)	\$22,164	\$15,158	(\$204)	(\$7,006)
GF	\$20,937	\$15,362	(\$5,575)	\$22,164	\$15,158	(\$204)	(\$7,006)
GF Other	20,937	15,362	(5,575)	22,164	15,158	(204)	(7,006)
Day Programs							
TOTAL	\$997,648	\$997,275	(\$373)	\$1,047,134	\$1,045,468	\$48,193	(\$1,666)
GF	\$521,903	\$521,460	(\$443)	\$563,738	\$560,187	\$38,727	(\$3,551)
GF Match	407,818	408,840	1,022	415,472	418,310	9,470	2,838
GF Other	114,085	112,620	(1,465)	148,266	141,877	29,257	(6,389)
Reimbursements	\$456,569	\$457,691	\$1,122	\$464,220	\$467,161	\$9,470	\$2,941
HCBS Waiver	279,636	273,186	(6,450)	287,648	282,597	9,411	(5,051)
1915 (i) SPA	63,976	71,442	7,466	63,975	71,252	(190)	7,277
Title XX Social Services	48,704	48,802	98	48,704	48,802	0	98
Title XX TANF	45	47	2	45	47	0	2
ICF-DD	36,002	38,095	2,093	36,002	38,095	0	2,093
EPSDT	28,206	26,119	(2,087)	27,846	26,368	249	(1,478)
Federal Funds	\$19,176	\$18,124	(\$1,052)	\$19,176	\$18,120	(\$4)	(\$1,056)
Early Start Grant	19,176	18,124	(1,052)	19,176	18,120	(4)	(1,056)

Purchase of Service Funding Detail

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
Habilitation: WAP							
TOTAL	\$51,829	\$50,173	(\$1,656)	\$51,818	\$48,138	(\$2,035)	(\$3,680)
GF	\$30,639	\$29,098	(\$1,541)	\$30,210	\$26,695	(\$2,403)	(\$3,515)
GF Match	21,190	21,074	(116)	21,607	21,442	368	(165)
GF Other	9,449	8,024	(1,425)	8,603	5,253	(2,771)	(3,350)
Reimbursements	\$21,190	\$21,075	(\$115)	\$21,608	\$21,443	\$368	(\$165)
HCBS Waiver	17,156	16,761	(395)	17,648	17,338	577	(310)
1915 (i) SPA	3,488	3,779	291	3,414	3,570	(209)	156
ICF-DD	546	535	(11)	546	535	0	(11)
Habilitation: SEP-G							
TOTAL	\$81,236	\$81,899	\$663	\$84,183	\$85,293	\$3,394	\$1,110
GF	\$60,919	\$61,191	\$272	\$63,366	\$63,935	\$2,744	\$569
GF Match	20,314	20,708	394	20,817	21,358	650	541
GF Other	40,605	40,483	(122)	42,549	42,577	2,094	28
Reimbursements	\$20,317	\$20,708	\$391	\$20,817	\$21,358	\$650	\$541
HCBS Waiver	14,752	14,411	(341)	15,173	14,905	494	(268)
1915 (i) SPA	5,467	6,169	702	5,546	6,325	156	779
ICF-DD	98	128	30	98	128	0	30
Habilitation: SEP-I							
TOTAL	\$18,679	\$19,334	\$655	\$19,008	\$19,954	\$620	\$946
GF	\$15,184	\$15,690	\$506	\$15,455	\$16,210	\$520	\$755
GF Match	3,494	3,643	149	3,553	3,743	100	190
GF Other	11,690	12,047	357	11,902	12,467	420	565
Reimbursements	\$3,495	\$3,644	\$149	\$3,553	\$3,744	\$100	\$191
HCBS Waiver	2,218	2,167	(51)	2,281	2,242	75	(39)
1915 (i) SPA	1,257	1,456	199	1,252	1,481	25	229
ICF-DD	20	21	1	20	21	0	1

Purchase of Service Funding Detail

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
Transportation							
TOTAL	\$303,293	\$303,200	(\$93)	\$323,108	\$322,868	\$19,668	(\$240)
GF	\$151,271	\$148,708	(\$2,563)	\$168,307	\$165,203	\$16,495	(\$3,104)
GF Match	142,922	145,353	2,431	145,705	148,523	3,170	2,818
GF Other	8,349	3,355	(4,994)	22,602	16,680	13,325	(5,922)
Reimbursements	\$152,022	\$154,492	\$2,470	\$154,801	\$157,665	\$3,173	\$2,864
HCBS Waiver	97,059	94,821	(2,238)	99,839	98,087	3,266	(1,752)
1915 (i) SPA	31,622	35,311	3,689	31,621	35,218	(93)	3,597
Title XX Social Services	8,085	8,117	32	8,085	8,117	0	32
Title XX TANF	1,014	1,023	9	1,014	1,023	0	9
ICF-DD	14,242	15,220	978	14,242	15,220	0	978
Support Services							
TOTAL	\$1,116,468	\$1,110,361	(\$6,107)	\$1,209,519	\$1,205,113	\$94,752	(\$4,406)
GF	\$618,804	\$631,531	\$12,727	\$707,901	\$696,395	\$64,864	(\$11,506)
GF Match	428,284	413,135	(15,149)	432,242	426,454	13,319	(5,788)
GF Other	190,520	218,396	27,876	275,659	269,941	51,545	(5,718)
Reimbursements	\$497,122	\$478,594	(\$18,528)	\$501,076	\$508,482	\$29,888	\$7,406
HCBS Waiver	403,119	384,729	(18,390)	408,714	397,233	12,504	(11,481)
1915 (i) SPA	18,742	18,744	2	17,101	18,575	(169)	1,474
Title XX Social Services	54,988	54,905	(83)	54,988	72,458	17,553	17,470
Title XX TANF	13,849	13,505	(344)	13,849	13,505	0	(344)
ICF-DD	6,424	6,711	287	6,424	6,711	0	287
Federal Funds	\$542	\$236	(\$306)	\$542	\$236	\$0	(\$306)
Early Start Grant	542	236	(306)	542	236	0	(306)

Purchase of Service Funding Detail

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
In-Home Respite							
TOTAL	\$315,036	\$323,623	\$8,587	\$347,602	\$362,819	\$39,196	\$15,217
GF	\$155,831	\$168,185	\$12,354	\$187,746	\$203,708	\$35,523	\$15,962
GF Match	122,744	118,887	(3,857)	123,394	122,562	3,675	(832)
GF Other	33,087	49,298	16,211	64,352	81,146	31,848	16,794
Reimbursements	\$159,013	\$155,365	(\$3,648)	\$159,664	\$159,038	\$3,673	(\$626)
HCBS Waiver	112,225	107,547	(4,678)	113,241	111,252	3,705	(1,989)
1915 (i) SPA	10,520	11,340	820	10,155	11,308	(32)	1,153
Title XX Social Services	20,018	19,977	(41)	20,018	19,977	0	(41)
Title XX TANF	16,250	16,501	251	16,250	16,501	0	251
Federal Funds	\$192	\$73	(\$119)	\$192	\$73	\$0	(\$119)
Early Start Grant	192	73	(119)	192	73	0	(119)
Out-of-Home Respite							
TOTAL	\$40,615	\$43,105	\$2,490	\$40,941	\$42,638	(\$467)	\$1,697
GF	\$20,586	\$23,239	\$2,653	\$20,525	\$22,328	(\$911)	\$1,803
GF Match	16,443	16,476	33	16,829	16,920	444	91
GF Other	4,143	6,763	2,620	3,696	5,408	(1,355)	1,712
Reimbursements	\$19,894	\$19,766	(\$128)	\$20,281	\$20,211	\$445	(\$70)
HCBS Waiver	13,503	13,191	(312)	13,889	13,645	454	(244)
1915 (i) SPA	2,940	3,284	344	2,941	3,275	(9)	334
Title XX Social Services	729	687	(42)	729	687	0	(42)
Title XX TANF	2,722	2,604	(118)	2,722	2,604	0	(118)
Federal Funds	\$135	\$100	(\$35)	\$135	\$99	(\$1)	(\$36)
Early Start Grant	135	100	(35)	135	99	(1)	(36)

Purchase of Service Funding Detail

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
Health Care							
TOTAL	\$110,596	\$109,468	(\$1,128)	\$120,414	\$117,920	\$8,452	(\$2,494)
GF	\$91,065	\$90,105	(\$960)	\$100,585	\$98,225	\$8,120	(\$2,360)
GF Match	15,349	15,693	344	15,646	16,027	334	381
GF Other	75,716	74,412	(1,304)	84,939	82,198	7,786	(2,741)
Reimbursements	\$16,560	\$16,862	\$302	\$16,858	\$17,195	\$333	\$337
HCBS Waiver	10,365	10,126	(239)	10,663	10,475	349	(188)
1915 (i) SPA	4,986	5,568	582	4,986	5,552	(16)	566
Title XX TANF	1,209	1,168	(41)	1,209	1,168	0	(41)
Federal Funds	\$2,971	\$2,501	(\$470)	\$2,971	\$2,500	(\$1)	(\$471)
Early Start Grant	2,971	2,501	(470)	2,971	2,500	(1)	(471)
Miscellaneous							
TOTAL	\$498,320	\$499,373	\$1,053	\$514,194	\$514,648	\$15,275	\$454
GF	\$345,284	\$357,463	\$12,179	\$358,697	\$366,666	\$9,203	\$7,969
GF Match	86,230	100,391	14,161	88,590	102,994	2,603	14,404
GF Other	259,054	257,072	(1,982)	270,107	263,672	6,600	(6,435)
Reimbursements	\$124,341	\$127,347	\$3,006	\$126,802	\$125,991	(\$1,356)	(\$811)
HCBS Waiver	79,077	80,003	926	81,537	79,178	(825)	(2,359)
1915 (i) SPA	6,918	8,255	1,337	6,919	7,724	(531)	805
Title XX Social Services	3,740	3,776	36	3,740	3,776	0	36
Title XX TANF	34,372	35,059	687	34,372	35,059	0	687
ICF-DD	234	254	20	234	254	0	20
EPSDT	0	0	0	0	0	0	0
Federal Funds	\$10,770	\$12,026	\$1,256	\$10,770	\$12,024	(\$2)	\$1,254
Early Start Grant	10,770	12,026	1,256	10,770	12,024	(2)	1,254
Program Development Fund	\$2,537	\$2,537	\$0	\$2,537	\$2,537	\$0	\$0
Behavior Health Treatment-Fee-for- Service	\$15,388	\$0	(\$15,388)	\$15,388	\$7,430	\$7,430	(\$7,958)

Purchase of Service Funding Detail

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
Quality Assurance Fees							
TOTAL	\$9,324	\$9,874	\$550	\$9,324	\$9,874	\$0	\$550
Reimbursements	\$9,324	\$9,874	\$550	\$9,324	\$9,874	\$0	\$550
QAF Admin Fees	4,662	4,937	275	4,662	4,937	0	275
Transfer from DHCS	4,662	4,937	275	4,662	4,937	0	275
Total Purchase of Service Funding Detail							
TOTAL	\$4,757,762	\$4,741,334	(\$16,428)	\$5,048,421	\$5,008,717	\$267,383	(\$39,704)
GF	\$2,696,853	\$2,717,788	\$20,935	\$2,954,836	\$2,914,529	\$196,741	(\$40,307)
GF Match	1,784,570	1,776,845	(7,725)	1,817,310	1,827,212	50,367	9,902
GF Other	912,283	940,943	28,660	1,137,526	1,087,317	146,374	(50,209)
Reimbursements	\$2,009,198	\$1,987,949	(\$21,249)	\$2,041,874	\$2,051,169	\$63,220	\$9,295
HCBS Waiver	1,512,120	1,468,812	(43,308)	1,547,483	1,515,076	46,264	(32,407)
1915 (i) SPA	186,428	206,121	19,693	184,422	204,945	(1,176)	20,523
Title XX Social Services	136,264	136,264	0	136,264	153,817	17,553	17,553
Title XX TANF	77,157	77,157	0	77,157	77,157	0	0
Money Follows the Person	2,132	2,638	506	1,811	2,968	330	1,157
ICF-DD	57,567	60,964	3,397	57,567	60,964	0	3,397
EPSDT	28,206	26,119	(2,087)	27,846	26,368	249	(1,478)
QAF Admin Fees	4,662	4,937	275	4,662	4,937	0	275
Transfer from DHCS	4,662	4,937	275	4,662	4,937	0	275
Federal Funds	\$33,786	\$33,060	(\$726)	\$33,786	\$33,052	(\$8)	(\$734)
Early Start Grant	33,786	33,060	(726)	33,786	33,052	(8)	(734)
Program Development Fund	\$2,537	\$2,537	\$0	\$2,537	\$2,537	\$0	\$0
Behavior Health Treatment-Fee-for- Service	\$15,388	\$0	(\$15,388)	\$15,388	\$7,430	\$7,430	(\$7,958)

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SECTION H: COMMUNITY PLACEMENT PLAN

Community Placement Plan	H-1
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Community Placement Plan

DESCRIPTION:

The purpose of Community Placement Plan (CPP) funding is to enhance the capacity of the community service delivery system and to reduce reliance on developmental centers, Institutions for Mental Disease (IMD) [e.g., Mental Health Rehabilitation Centers (MHRCs)] that are ineligible for federal financial participation (FFP), and out-of-state placements. This estimate comprises projected costs and historical experience derived from individualized assessments of community services and support needs, and reflects what is needed to place an individual from a developmental center, IMD, MHRC, or out-of-state placement into the community, in addition to deflecting an individual to avoid admission to a developmental center acute crisis facility, a mental health facility ineligible for FFP, or an out-of-state placement. It also reflects costs associated with performing individualized assessments and developing necessary community resources. CPPs are developed through negotiations with each regional center and are based on individualized planning efforts. CPP was first implemented in 2002-03.

This estimate reflects Operations and Purchase of Service (POS) resources needed to:

- Establish resources in the community for individuals transitioning from another environment.
- Facilitate transitions to the community from a developmental center, IMD, or out-of-state placements, as well as to deflect the admission of individuals to developmental center acute crisis units, an IMD, or out-of-state placements.
- Work with the developmental centers and families in identifying individuals for movement.
- Stabilize current community living arrangements.

Regular CPP funding provides resources for both Operations and POS as follows:

Operations

- **Positions:** Positions and costs for employees at the regional centers who focus on CPP, to pursue resource development, complete assessments, lead the transition of consumers into community settings, provide quality assurance, and provide clinical expertise.
- **Operating Expenses:** Costs for office space, furniture, computers, travel, training, and rent.

Purchase of Services

- **Start-Up:** Start-Up funding for the development of residential and non-residential services in the community for individuals transitioning from a developmental center, IMD, or out-of-state placement.
- **Assessment:** Assessment funding for comprehensive assessments for individuals who are living in developmental centers, and planning for services when individuals move from the developmental center.
- **Placement:** Placement funds to cover costs of consumers moving into community settings based on consumer-specific information.
- **Deflection:** Deflection funding POS for residential costs of facilities developed with prior year CPP POS Start-Up funding to deflect admissions into more restrictive settings.

Community Placement Plan

ASSUMPTIONS:

- Due to the announced plans to close the Sonoma, Fairview, and Porterville General Treatment Area developmental centers, additional regional center Operations and POS funding is needed to ensure there are adequate resources available for safe and successful transitions of consumers to community living.
- Department of Health Care Services approved rates used for:
 - Intermediate Care Facilities/Developmentally Disabled – Nursing Facilities
 - Intermediate Care Facilities/Developmentally Disabled – Habilitation Facilities

METHODOLOGY:

	2016-17	2017-18
• OPERATIONS TOTAL	\$20,699	\$20,699
• PURCHASE OF SERVICES TOTAL	\$125,947	\$72,833
• TOTAL EXPENDITURES	\$146,646	\$93,532

FUNDING:

CPP expenditures are funded by the General Fund (GF) and reimbursements from the Home and Community-Based Services Waiver and Money Follows the Person Grant.

EXPENDITURES:

TOTAL	\$146,646	\$93,532
Regional Center Operations	\$20,699	\$20,699
Regional Center Purchase of Services	\$125,947	\$72,833
<i>Community Care Facilities</i>	30,070	33,930
<i>Medical Facilities</i>	285	323
<i>Day Programs</i>	1,547	1,753
<i>Work Activity Program</i>	4	4
<i>Transportation</i>	532	603
<i>Support Services</i>	4,498	5,095
<i>In-Home Respite</i>	354	401
<i>Out-of-Home Respite</i>	144	164
<i>Health Care</i>	896	1,016
<i>Miscellaneous Services</i>	87,617	29,544
TOTAL	\$146,646	\$93,532
GF	131,582	68,729
Reimbursements	15,064	24,804

COMMUNITY PLACEMENT PLAN
OPERATIONS AND PURCHASE OF SERVICES
2016-17 and 2017-18
Regular CPP

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
I. OPERATIONS	\$15,265	\$15,265	\$0	\$15,265	\$15,265	\$0	\$0
II. PURCHASE OF SERVICES (POS)							
A. Start-Up	\$27,265	\$27,265	\$0	\$27,265	\$27,265	\$0	\$0
B. Assessment	\$1,500	\$1,500	\$0	\$1,500	\$1,500	\$0	\$0
C. Placement	\$22,824	\$22,824	\$0	\$22,824	\$22,824	\$0	\$0
D. Deflection	\$1,000	\$1,000	\$0	\$1,000	\$1,000	\$0	\$0
E. SUBTOTAL POS	\$52,589	\$52,589	\$0	\$52,589	\$52,589	\$0	\$0
III. TOTAL CPP	\$67,854	\$67,854	\$0	\$67,854	\$67,854	\$0	\$0
IV. FUND SOURCES							
A. TOTAL CPP	\$67,854	\$67,854	\$0	\$67,854	\$67,854	\$0	\$0
B. GF	\$46,769	\$58,540	\$11,771	\$50,101	\$55,171	-\$3,369	\$5,070
C. Reimbursements	\$21,085	\$9,314	-\$11,772	\$17,753	\$12,683	\$3,369	-\$5,071

**COMMUNITY PLACEMENT PLAN
OPERATIONS AND PURCHASE OF SERVICES
2016-17 and 2017-18
Sonoma Developmental Center Closure**

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
I. OPERATIONS	\$3,616	\$3,616	\$0	\$3,616	\$3,616	\$0	\$0
II. PURCHASE OF SERVICES (POS)							
A. Start-Up	\$10,637	\$10,637	\$0	\$0	\$0	-\$10,637	\$0
B. Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C. Placement	\$10,247	\$10,247	\$0	\$13,322	\$13,322	\$3,075	\$0
D. Deflection	\$0	\$0	\$0	\$0	\$0	\$0	\$0
E. SUBTOTAL POS	\$20,884	\$20,884	\$0	\$13,322	\$13,322	-\$7,562	\$0
III. TOTAL CPP	\$24,500	\$24,500	\$0	\$16,938	\$16,938	-\$7,562	\$0
IV. FUND SOURCES							
A. TOTAL CPP	\$24,500	\$24,500	\$0	\$16,938	\$16,938	-\$7,562	\$0
B. GF	\$21,221	\$22,175	\$954	\$12,675	\$9,676	-\$12,499	-\$2,999
C. Reimbursements	\$3,279	\$2,325	-\$954	\$4,263	\$7,262	\$4,937	\$2,999

**COMMUNITY PLACEMENT PLAN
OPERATIONS AND PURCHASE OF SERVICES
2016-17 and 2017-18**
Fairview Developmental Center Closure

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
I. OPERATIONS	\$1,212	\$1,212	\$0	\$1,212	\$1,212	\$0	\$0
II. PURCHASE OF SERVICES (POS)							
A. Start-Up	\$25,575	\$25,575	\$0	\$0	\$0	-\$25,575	\$0
B. Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C. Placement	\$2,886	\$2,886	\$0	\$4,570	\$4,570	\$1,684	\$0
D. Deflection	\$0	\$0	\$0	\$0	\$0	\$0	\$0
E. SUBTOTAL POS	\$28,461	\$28,461	\$0	\$4,570	\$4,570	-\$23,891	\$0
III. TOTAL CPP	\$29,673	\$29,673	\$0	\$5,782	\$5,782	-\$23,891	\$0
IV. FUND SOURCES							
A. TOTAL CPP	\$29,673	\$29,673	\$0	\$5,782	\$5,782	-\$23,891	\$0
B. GF	\$28,749	\$27,852	-\$897	\$4,320	\$2,178	-\$25,674	-\$2,142
C. Reimbursements	\$924	\$1,821	\$897	\$1,462	\$3,604	\$1,783	\$2,142

**COMMUNITY PLACEMENT PLAN
OPERATIONS AND PURCHASE OF SERVICES
2016-17 and 2017-18
Porterville Developmental Center**

	Governor's Budget 2016-17	Updated 2016-17	2016-17 Request	Governor's Budget 2017-18	Updated 2017-18	2017-18 Over 2016-17	2017-18 Request
I. OPERATIONS	\$606	\$606	\$0	\$606	\$606	\$0	\$0
II. PURCHASE OF SERVICES (POS)							
A. Start-Up	\$21,950	\$21,950	\$0	\$0	\$0	-\$21,950	\$0
B. Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C. Placement	\$2,063	\$2,063	\$0	\$2,352	\$2,352	\$289	\$0
D. Deflection	\$0	\$0	\$0	\$0	\$0	\$0	\$0
E. SUBTOTAL POS	\$24,013	\$24,013	\$0	\$2,352	\$2,352	-\$21,661	\$0
III. TOTAL CPP	\$24,619	\$24,619	\$0	\$2,958	\$2,958	-\$21,661	\$0
IV. FUND SOURCES							
A. TOTAL CPP	\$24,619	\$24,619	\$0	\$2,958	\$2,958	-\$21,661	\$0
B. GF	\$23,959	\$23,015	-\$944	\$2,205	\$1,702	-\$21,313	-\$504
C. Reimbursements	\$660	\$1,604	\$944	\$753	\$1,256	-\$349	\$503

Community Placement Plan
Purchase of Services
Summary of Costs by POS Category
2016-17

CPP Activity	Living Arrangement			Day Programs	Work Activity Program	Transportation	Support Services	In-Home Respite	Out-of-Home Respite	Health Care	Misc.	Total
	Community Care Facilities	Intermediate Care Facilities	Supported Living									
A. Start-Up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,427	\$85,427
B. Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500	\$1,500
C. Placement	\$29,070	\$285	\$1,928	\$1,547	\$4	\$532	\$2,570	\$354	\$144	\$896	\$690	\$38,020
D. Deflection a/	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000
E. 2017 May Revision 2016-17 TOTAL	\$30,070	\$285	\$1,928	\$1,547	\$4	\$532	\$2,570	\$354	\$144	\$896	\$87,617	\$125,947
F. Governor's Budget 2016-17 TOTAL	\$30,070	\$285	\$1,928	\$1,547	\$4	\$532	\$2,570	\$354	\$144	\$896	\$87,617	\$125,947
G. DIFFERENCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

a/ Deflection is defined as Placement POS for first year of operational residential costs of facilities developed with CPP Start-Up to deflect admission to a developmental center.

Community Placement Plan
Purchase of Services
Summary of Costs by POS Category
2017-18

CPP Activity	Living Arrangement			Day Programs	Work Activity Program	Transportation	Support Services	In-Home Respite	Out-of-Home Respite	Health Care	Misc.	Total
	Community Care Facilities	Intermediate Care Facilities	Supported Living									
A. Start-Up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,265	\$27,265
B. Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500	\$1,500
C. Placement	\$32,930	\$323	\$2,184	\$1,753	\$4	\$603	\$2,911	\$401	\$164	\$1,016	\$779	\$43,068
D. Deflection a/	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000
E. 2017 May Revision 2017-18 TOTAL	\$33,930	\$323	\$2,184	\$1,753	\$4	\$603	\$2,911	\$401	\$164	\$1,016	\$29,544	\$72,833
F. Governor's Budget 2017-18 TOTAL	\$33,930	\$323	\$2,184	\$1,753	\$4	\$603	\$2,911	\$401	\$164	\$1,016	\$29,544	\$72,833
G. DIFFERENCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

a/ Deflection is defined as Placement POS for first year of operational residential costs of facilities developed with CPP Start-Up to deflect admission to a developmental center.

Community Placement Plan
Purchase of Services
Cost and Service Utilization Assumptions for Placements
2016-17

For 2017 May Revision, Total CPP costs are assumed to be the following:

Living Arrangement	Living Arrangement			Day Programs	Work Activity Program	Supported Employment Program		Transportation	Support Services	In-Home Respite	Out-of-Home Respite	Health Care	Misc.	Total
	CCF	Intermediate Care Facilities	Supported Living			Group	Individual							
Total CPP														
● Community Care Facilities (CCF) ^{1/}	\$29,070	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37	\$29,107
● Intermediate Care Facilities (ICF)	\$0	\$285	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$285
● Supported Living	\$0	\$0	\$1,928	\$1,547	\$4	\$0	\$0	\$532	\$0	\$0	\$144	\$896	\$653	\$5,704
● Other (Own Home, etc.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,570	\$354	\$0	\$0	\$0	\$2,924
TOTAL	\$29,070	\$285	\$1,928	\$1,547	\$4	\$0	\$0	\$532	\$2,570	\$354	\$144	\$896	\$690	\$38,020

^{1/} CCF's include Residential Facilities, Specialized Residential Facilities, and Adult Residential Facilities for Persons with Special Health Care Needs

Community Placement Plan
Purchase of Services
Cost and Service Utilization Assumptions for Placements
2017-18

For 2017 May Revision, Total CPP costs are assumed to be the following:

Living Arrangement	Living Arrangement			Day Programs	Work Activity Program	Supported Employment Program		Transportation	Support Services	In-Home Respite	Out-of-Home Respite	Health Care	Misc.	Total
	CCF	Intermediate Care Facilities	Supported Living			Group	Individual							
Total CPP														
● Community Care Facilities (CCF) ^{1/}	\$32,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$32,970
● Intermediate Care Facilities (ICF)	\$0	\$323	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$323
● Supported Living	\$0	\$0	\$2,184	\$1,753	\$4	\$0	\$0	\$603	\$0	\$0	\$164	\$1,016	\$739	\$6,463
● Other (Own Home, etc.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,911	\$401	\$0	\$0	\$0	\$3,312
TOTAL	\$32,930	\$323	\$2,184	\$1,753	\$4	\$0	\$0	\$603	\$2,911	\$401	\$164	\$1,016	\$779	\$43,068

1/ CCF's include Residential Facilities, Specialized Residential Facilities, and Adult Residential Facilities for Persons with Special Health Care Needs

Values in thousands (000's)

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General Fund

DESCRIPTION:

The General Fund (GF) is the main operating fund of the State. It accounts for transactions related to resources obtained and used for those services that do not need to be accounted for in another fund.

ASSUMPTIONS/METHODOLOGY:

The Department's appropriation for GF consists of two components: (1) GF Match and (2) GF Other.

The detail of these two components are as follows:

		<u>2016-17</u>	<u>2017-18</u>
• GF Match:		\$2,189,400	\$2,287,123
<p>This portion of GF is required to use as a match to 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 (FFP) costs are established by utilizing the Federal Medical Assistance Program (FMAP) percentages. They are as follows:</p>			
FMAP % of GF Match			
<i>Home and Community-Based Services (HCBS) Waiver</i>	50.00%	1,651,149	1,735,043
<i>HCBS Waiver Administration</i>	50.00%	14,000	14,105
<i>Medicaid Administration</i>	25.00%	4,993	4,993
<i>Targeted Case Management (TCM)</i>	50.00%	190,303	195,935
<i>TCM Administration</i>	50.00%	5,893	5,893
<i>Intermediate Care Facility/Developmentally Disabled (ICF-DD)</i>	50.00%	60,964	60,964
<i>Quality Assurance Fees (Operations) Portion only*</i>	50.00%	915	915
<i>1915 (i) State Plan Amendment</i>	50.00%	233,175	240,098
<i>Money Follows the Person (MFP)*</i>	25.00%	1,889	2,810
<i>Early Periodic Screening Diagnosis and Treatment</i>	50.00%	26,119	26,367
• GF Other:		\$1,391,555	\$1,509,105
<p>These costs consist of the remainder of total regional center expenditures not included in the GF Match, reimbursements, Program Development Fund, Developmental Disabilities Services Account, Mental Health Services Fund, or Federal Funds.</p>			
• TOTAL EXPENDITURES		\$3,580,955	\$3,796,228

General Fund**FUNDING:**

These amounts are reflected in the Operations and Purchase of Services methodologies on the preceding pages.

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$3,580,955	\$3,796,228
GF	3,580,955	3,796,228
GF Match	2,189,400	2,287,123
GF Other	1,391,555	1,509,105

- * For Quality Assurance Fees, the GF Match for Purchase of Services is in the DHCS Budget.
For MFP, the GF Match is included in the HCBS Waiver (\$2,638 for Updated 2016-17 and \$2,968 for 2017-18)

**Reimbursements
Summary of Reimbursements and General Fund (GF) Match**

REIMBURSEMENTS <i>a/</i>	Governor's Budget 2016-17	Updated 2016-17	Governor's Budget 2017-18	Updated 2017-18
A. Home and Community-Based Services (HCBS) Waiver	\$3,358,539	\$3,289,247	\$3,501,935	\$3,452,687
1. Reimbursement (from DHCS)	1,679,270	1,638,098	1,750,968	1,717,644
2. DDS GF Match	1,679,269	1,651,149	1,750,967	1,735,043
(Purchase of Services)				
B. HCBS Waiver Administration	\$27,976	\$28,000	\$28,207	\$28,210
1. Reimbursement (from DHCS) = 50%	13,988	14,000	14,104	14,105
2. DDS GF Match = 50%	13,988	14,000	14,103	14,105
(Operations)				
C. Medicaid Administration	\$20,893	\$20,945	\$20,945	\$20,945
1. Reimbursement (from DHCS) = 75%	15,926	15,952	15,952	15,952
2. DDS GF Match = 25%	4,967	4,993	4,993	4,993
(Operations)				
D. Targeted Case Management (TCM)	\$373,776	\$380,606	\$385,474	\$391,869
1. Reimbursement (from DHCS) = 50%	186,888	190,303	192,737	195,934
2. DDS GF Match = CY 50% and BY 50%	186,888	190,303	192,737	195,935
(Operations)				
E. Targeted Case Management Administration	\$10,708	\$11,786	\$10,708	\$11,786
1. Reimbursement (from DHCS) = 50%	5,354	5,893	5,354	5,893
2. DDS GF Match = 50%	5,354	5,893	5,354	5,893
(Operations)				
F. Title XX Block Grant	\$213,421	\$213,421	\$213,421	\$230,974
1a. Social Services (from DSS) = 100%	136,264	136,264	136,264	153,817
1b. Temporary Assistance for Needy Families (TANF)				
(from DSS) = 100%	77,157	77,157	77,157	77,157
2. DDS GF Match	0	0	0	0
(Purchase of Services)				
G. Intermediate Care Facility-Developmentally Disabled (ICF-DD)	\$115,133	\$121,928	\$115,133	\$121,928
1. Reimbursement (from DHCS) = 50%	57,567	60,964	57,567	60,964
2. DDS GF Match = 50%	57,566	60,964	57,566	60,964
(Purchase of Services)				
H. Quality Assurance Admin Fees (Transfer from DHCS) ^{b/}	\$11,051	\$11,703	\$11,051	\$11,703
1a. Operations:	1,727	1,829	1,727	1,829
Reimbursements from DHCS = 50%	863	914	863	914
DDS GF Match = 50%	864	915	864	915
1b. Purchase of Services:	9,324	9,874	9,324	9,874
Reimbursements from DHCS = 100%	9,324	9,874	9,324	9,874
DDS GF Match = 0%	0	0	0	0
I. 1915(i) State Plan Amendment	\$426,995	\$464,569	\$438,962	\$477,825
1. Reimbursement (from DHCS)	213,498	231,394	219,479	237,727
2. DDS GF Match	213,497	233,175	219,483	240,098
(Purchase of Services)				
J. Money Follows the Person Grant	\$12,130	\$10,226	\$5,170	\$14,206
1a. Operations:	9,998	7,588	3,359	11,238
Reimbursements from DHCS = 75%	7,506	5,699	2,519	8,428
DDS GF Match = 25%	2,492	1,889	840	2,810
1b. Purchase of Services:	2,132	2,638	1,811	2,968
Reimbursements from DHCS	2,132	2,638	1,811	2,968
K. Impacts from Other Departments BHT-FFS	\$0	\$0	\$0	\$7,430
1. Reimbursement (from DHCS)	0	0	0	7,430
2. DDS GF Match	0	0	0	0
(Purchase of Services)				
L. Early Periodic Screening Diagnosis and Treatment	\$56,412	\$52,237	\$55,692	\$52,735
1. Reimbursement (from DHCS) = 50%	28,206	26,119	27,846	26,368
2. DDS GF Match = 50%	28,206	26,118	27,846	26,367
(Purchase of Services)				
M. TOTAL	\$4,627,034	\$4,604,668	\$4,786,698	\$4,822,298
1. Reimbursements	\$2,433,943	\$2,415,269	\$2,511,945	\$2,535,175
2. Total GF Match	\$2,193,091	\$2,189,399	\$2,274,753	\$2,287,123

a/ Reimbursements are funds received via other state agencies.

Values in thousands (000's)

Home and Community-Based Waiver

DESCRIPTION:

The Home and Community-Based Services (HCBS) Waiver program enables the Department to provide a broad array of services to eligible individuals in their communities who would otherwise require a level of care provided in an intermediate care facility for the developmentally disabled.

ASSUMPTIONS:

Data Source: Medicaid Waiver Total Billed Dollar Amounts and Client Counts report, dated April 5, 2017 for the period of calendar year January 2016 through December 2016.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
Base: 2016-17	\$2,897,423	\$2,927,453
Total estimated expenditures based on billing data for the calendar year January 2016- December 2016.	2,897,423	
• Total estimated prior-year HCBS Waiver expenditures		3,294,788
• Less 2016-17 Community Placement Plan (CPP) Placements, Deflections, and Continuation costs.		-16,725
• Less Community-Based Services Increase.		-298,662
• Less Senate Bill (SB) 3 Minimum Wage Increase, January 1, 2017.		-14,810
• Less Federal Labor Regulations, December 1, 2015.		0
• Less Assembly Bill (AB)10 Minimum Wage Increase, January 1, 2016.		-71,340
• Less Alternate Residential Model (ARM).		-32,958
• Less developmental center closure.		0
• Less Compliance with HCBS Regulations.		-7,440
• Plus Impacts from Other Departments - Department of Health Care Services (DHCS) - Behavioral Health Treatment (BHT) - Transition.		86,638
• Plus BHT - Fee-for-Services.		-13,542
• Plus Supplemental Security Income/State Supplementary Payment (SSI/SSP) regional center savings in Community Care Facility.		1,504
• Annual Growth, New regional center consumers:	32,550	74,157
• 2016-17 Annual Growth	21,686	
Add annual growth costs in 2016-17 for 4,151 consumers who will be new to the regional center system and added to the HCBS Waiver with \$1,300 monthly cost per consumer phased-in.		

Home and Community-Based Waiver

METHODOLOGY (continued):	<u>2016-17</u>	<u>2017-18</u>
<ul style="list-style-type: none"> 2016-17 Annual Growth Continuation costs for regional center consumers added in 2015-16. 	10,864	
<ul style="list-style-type: none"> 2017-18 Annual Growth Add annual costs in 2017-18 for 4,076 consumers who will be new to the regional center system and added to the HCBS Waiver with \$1,300 monthly cost per consumer phased-in. 		34,474
<ul style="list-style-type: none"> 2017-18 Annual Growth, Continuation costs for regional center consumers added in 2016-17. 		39,683
<ul style="list-style-type: none"> Increase of Waiver Base Growth, existing regional center consumers: 	4,991	11,386
<ul style="list-style-type: none"> <ul style="list-style-type: none"> 2016-17 Increase of Waiver Base Growth Add increase of Waiver Base Growth costs in 2015-16 for 690 consumers to the HCBS Waiver with \$1,200 monthly cost per consumer phased-in. 	3,324	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> 2016-17 Increase of Waiver Base Growth Continuation costs for consumers added in 2015-16. 	1,667	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> 2017-18 Increase of Waiver Base Growth Add increase of Waiver Base Growth costs in 2017-18 for 698 consumers to the HCBS Waiver with \$1,200 monthly cost per consumer phased-in. 		5,289
<ul style="list-style-type: none"> <ul style="list-style-type: none"> 2017-18 Increase of Waiver Base Growth Continuation costs for consumers added in 2016-17. 		6,097
<ul style="list-style-type: none"> Community Placement Program (CPP): 	13,454	26,815
<ul style="list-style-type: none"> <ul style="list-style-type: none"> 2016-17 Add CPP & HCBS Waiver costs in 2016-17 for 183 consumers in the regional center system with \$15,500 monthly cost per consumer phased-in. 	13,454	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> 2017-18 Add CPP & HCBS Waiver costs in 2017-18 for 270 consumers in the regional center system with \$15,500 monthly cost per consumer phased-in. 		26,815

Home and Community-Based Waiver**METHODOLOGY (continued):**

	<u>2016-17</u>	<u>2017-18</u>
• Placement Continuation:	3,271	15,671
• 2016-17 The annual estimated Placement Continuation costs for 89 HCBS Waiver-eligible consumers in each living arrangement with \$15,500 monthly cost per consumer phased-in.	3,271	
• 2017-18 The annual estimated Placement Continuation costs for 183 HCBS Waiver-eligible consumers in each living arrangement with \$15,500 monthly cost per consumer phased-in.		15,671
• SSI/SSP Increase/Regional center savings in Community Care Facilities.	-1,504	-3,611
• Developmental center closure.	0	0
• AB 10 - Minimum Wage Increase, January 1, 2016.	71,340	75,772
• Impacts from Other Departments, DHCS - BHT Transition.	-86,638	-86,638
• Impacts from other Departments, DHCS - BHT Fee-for-Service.	13,542	13,080
• Federal Labor Standards Act, December 1, 2015.	0	0
• Alternative Residential Model (ARM) 4-Bed Rate Model.	32,958	37,200
• Compliance with HCBS Regulations.	7,440	7,440
• Community Based Services Increase.	298,662	302,696
• SB 3 - Minimum Wage Increase, January 1, 2017	14,810	68,666

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
Total	3,302,299	3,470,087
GF Match	1,651,149	1,735,043
GF Other	13,052	17,400
FFP	1,638,098	1,717,644

FUNDING:

The expenditures of HCBS Waiver reimbursements are in all of the Purchase of Services budget categories, except Medical Facilities.

Home and Community-Based Waiver Estimated Distribution in Purchase of Services

EXPENDITURES:		% of Actual 2015-16 Expenditures by <u>Budget Category</u>	<u>2016-17</u>	<u>2017-18</u>
Total Estimated HCBS Waiver-Billable Expenditures			\$3,302,299	\$3,470,087
General Fund (GF) Match			1,651,150	1,735,041
General Fund (GF) Other			13,052	17,400
Federal financial participation (FFP)			1,638,097	1,717,646
Purchase of Services: Budget Categories				
Community Care Facilities			943,740	976,246
GF Match		31.97%	471,870	488,122
FFP			471,870	488,124
Day Programs			546,372	565,194
GF Match		18.51%	273,186	282,597
FFP			273,186	282,597
Work Activity Program			33,522	34,676
GF Match		1.14%	16,761	17,338
FFP			16,761	17,338
Supported Employment Placement (SEP) - Group			28,821	29,813
GF Match		0.98%	14,411	14,905
FFP			14,410	14,908
SEP - Individual			4,334	4,483
GF Match		0.15%	2,167	2,242
FFP			2,167	2,241
Transportation			189,641	196,173
GF Match		6.42%	94,820	98,086
FFP			94,821	98,087
Support Services			776,333	803,074
GF Match		26.30%	387,326	400,696
FFP			384,729	397,234
In-Home Respite			215,095	222,504
GF Match		7.29%	107,548	111,252
FFP			107,547	111,252
Out-of-Home Respite			26,383	27,290
GF Match		0.89%	13,192	13,645
FFP			13,191	13,645

Values in thousands (000's)

Home and Community-Based Waiver Estimated Distribution in Purchase of Services

EXPENDITURES (continued):		% of Actual 2015-16 Expenditures by <u>Budget Category</u>	<u>2016-17</u>	<u>2017-18</u>
Health Care			20,251	20,949
	GF Match	0.69%	10,125	10,475
	FFP		10,126	10,474
Miscellaneous			181,278	186,593
	GF Match	5.68%	90,458	93,115
	FFP		80,003	79,178
Polices				
AB 10 - Minimum Wage Increase, January 1, 2016			71,340	75,772
	GF Match		35,670	37,886
	FFP		35,670	37,886
Impacts from Other Departments, DHCS - BHT - Transition			-86,638	-86,638
	GF Match		-43,319	-43,319
	FFP		-43,319	-43,319
Impact from Other Departments, DHCS - BHT - Fee-For-Services			13,542	13,080
	GF Match		6,771	6,540
	FFP		6,771	6,540
ARM - 4 Bed Rate Model			32,958	37,200
	GF Match		16,479	18,600
	FFP		16,479	18,600
Compliance with HCBS Regulations			7,440	7,440
	GF Match		3,720	3,720
	FFP		3,720	3,720
Community Based Services Increases			298,662	302,696
	GF Match		149,331	151,348
	FFP		149,331	151,348
SB 3 - Minimum Wage Increase, January 1, 2017			14,810	68,666
	GF Match		7,405	34,333
	FFP		7,405	34,333

Values in thousands (000's)

Home and Community-Based Services Waiver Administration

DESCRIPTION:

The Home and Community-Based Services (HCBS) Waiver enables the Department to provide a broad array of home and community-based services to eligible individuals who, without these services, would require the level of care provided in an intermediate care facility for the developmentally disabled. These HCBS Waiver Administration funds are for the proper and efficient administration of the HCBS Waiver.

ASSUMPTIONS/METHODOLOGY:

Training for Direct Support Professional Staff:

Welfare and Institutions Code Sections 4695.2, Statutes of 1998, mandates all Direct Support Professional's (DSP) working in licensed Community Care Facilities (CCFs) to either pass a competency test or satisfactory complete each of two consecutive, 35-hour training segments within two years of their hire. The testing and training program is conducted through an Interagency Agreement (IA) with the California Department of Education (CDE). This estimate of Operations costs covers the costs of challenge tests and training through the IA with CDE.

	<u>2016-17</u>	<u>2017-18</u>
Training for DSP Staff	\$2,493	\$2,658

- Total cost for DSP Training is \$2,848.
- 88% of the consumers residing in CCFs are HCBS Waiver eligible; therefore, it is assumed that 88% of the cost are eligible for federal financial participation (FFP).

2016-17: $\$2,848 \times 0.88 = \$2,493$

2017-18: $\$3,037 \times 0.88 = \$2,658$

These costs are reflected under Operations, Projects.

Collection of FFP for Contracted Services:

Regional center staff renegotiate contracts with vendors, liaison with Departments experts on changes required to expand and enhance existing billing options, and train vendors and regional center personnel involved in billing processes. These billing processes includes entering necessary attendance and other required billing data from paper invoices submitted by vendors, and reviewing, adjusting, and/or correcting attendance data after it is uploaded to the Uniform Fiscal System. These resources allow the State to collect HCBS Waiver Administration reimbursements.

Staffing for Collection of FFP for Contracted Services	913	776
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- Total cost of Staffing for Collection of FFP for Contracted Services is \$2,228.
- 41% of the total community population is FFP eligible, therefore it is assumed that 41% of the costs are eligible for FFP.

2016-17: $\$2,228 \times 0.41 = \913

2017-18: $\$1,893 \times 0.41 = \776

These costs are reflected under Operations, Staffing.

Home and Community-Based Services Waiver Administration

ASSUMPTIONS/METHODOLOGY (continued):

Collection of FFP for Contracted Services:

The Centers for Medicare & Medicaid Services (CMS) approved the rate-setting methodology for the Targeted Case Management (TCM) program which distributes administrative costs previously in TCM to other programs.

FFP Enhancement (related to 2003-04 Enhancing FFP Budget Change Proposal)	<u>2016-17</u>	<u>2017-18</u>
	10,826	10,827

- Total regional center administrative cost for 2016-17 are \$10,826 and \$10,827 for 2017-18.

- 100% of costs are eligible for FFP.

These costs are reflected under Operations, Core Staffing.

2007-08 Legislative Augmentation: Resources for Health Care Community Specialist	1,351	1,351
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- Total cost for Resources for Health Care Community Specialist is \$1,379.
- 98% of Agnews and Lanterman consumers are HCBS Waiver eligible, therefore it is assumed that 98% of these cost are eligible for FFP.
- $\$1,379 \times .98 = \$1,351$

These costs are reflected under Operations, Agnews Ongoing Workload and Lanterman Development Closure.

Compliance with HCBS Settings Regulations:

In January 2014, CMS published final regulations defining what constitutes a home and community-based setting for Medicaid reimbursement purposes under Section 1915(c) HCBS waivers, and Section 1915(i) HCBS State Plan programs. The effective date of the regulations was March 17, 2014, and states are allowed up to a five year transition period to make any modifications necessary to comply with the regulations. These expenditures fund additional staffing needed to perform the initial and ongoing efforts and activities necessary to ensure compliance with CMS final regulations.

Compliance with HCBS Settings Regulations:	1,600	1,422
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- Total cost of Compliance with HCBS Settings Regulations is \$1,600 in 2016-17 and \$1,422 in 2017-18.
- 100% of the costs are eligible for FFP.

These costs are reflected under Operations, Policies.

Home and Community-Based Services Waiver Administration**ASSUMPTIONS/METHODOLOGY (continued):**

	<u>2016-17</u>	<u>2017-18</u>
Federal Medicaid Requirements for Regional Center HCBS Services	984	984
<ul style="list-style-type: none"> Total cost: \$984 100% of cost are eligible for FFP. <p>These costs are reflected in the Federal Medicaid Requirements for regional center HCBS Services estimate under Operations, Federal Compliance.</p>		
Office of Administrative Hearings:	1,436	1,508
<ul style="list-style-type: none"> Total cost: <ul style="list-style-type: none"> 2016-17: \$3,190 2017-18: \$3,350 45% of cost are eligible for FFP. <ul style="list-style-type: none"> 2016-17: $\\$3,190 \times 0.45 = \\$1,436$ 2017-18: $\\$3,350 \times 0.45 = \\$1,508$ <p>These costs are reflected in the Office of Administrative Hearings estimate under Operations, Projects.</p>		
Clients Rights Advocacy	2,922	3,056
<ul style="list-style-type: none"> Total costs for 2016-17 is \$6,494 and \$6,785 for 2017-18. 45% of cost are eligible for FFP. <ul style="list-style-type: none"> 2016-17: $\\$6,201 \times .45 = \\$2,922$ 2017-18: $\\$6,789 \times .45 = \\$3,053$ <p>These costs are reflected in the Clients Rights Advocacy estimate under Operations, Projects.</p>		
Quality Assessment Contract:	1,449	1,820
<ul style="list-style-type: none"> Total cost: <ul style="list-style-type: none"> 2016-17: \$3,221 2017-18: \$4,044 45% of cost are eligible for FFP <ul style="list-style-type: none"> 2016-17: $\\$3,221 \times 0.45 = \\$1,449$ 2017-18: $\\$4,044 \times 0.45 = \\$1,820$ <p>These costs are reflected in the Quality Assessment Contract estimate under Operations, Projects.</p>		

Home and Community-Based Services Waiver Administration**ASSUMPTIONS/METHODOLOGY (continued):**

	<u>2016-17</u>	<u>2017-18</u>
Special Incident Reporting/Risk Assessment:	422	422
<ul style="list-style-type: none"> • Total cost for 2016-17 and 2017-18 are \$938. • 45% of cost are eligible for FFP. $\\$938 \times 0.45 = \\422 These costs are reflected in the Special Incident Reporting/Risk Assessment estimate under Operations, Projects. 		
Regional Center Salary Increase:		
<ul style="list-style-type: none"> • Total cost for 2016-17 is \$722 and 2017-18 for \$722. • 100% of cost are eligible for FFP. 	722	722
Resources to Implement Assembly Bill X2 1	2,882	2,664
<ul style="list-style-type: none"> • Total cost for 2016-17 is \$2,882 and \$2,664 for 2017-18. • 100% of cost are eligible for FFP. These costs are reflected under Policies. 		
• TOTAL EXPENDITURES	\$28,000	\$28,210

FUNDING:

Funding for HCBS Waiver Administration reimbursement is 50% FFP and 50% General Fund (GF).

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
Total	\$28,000	\$28,210
<i>GF Match</i>	<i>14,000</i>	<i>14,105</i>
<i>FFP</i>	<i>14,000</i>	<i>14,105</i>

Medicaid Administration

DESCRIPTION:

Clinical Support Teams and Senate Bill (SB) 1038 Health Reviews (Regional Center Operations)

Clinical Support Teams assist the regional centers to adequately monitor the health care of consumers with severe behavior and/or medical problems, by providing health-related consultation to consumers, their families, providers, and other community health professionals, completing mortality reviews following consumer deaths, and assuring health care access and advocacy for consumers.

In addition, clinical support teams complete yearly reviews of medications, health care plans, and behavior plans for all consumers in community care facilities and in supported and independent living arrangements. Clinical teams also review circumstances leading to all deaths of these consumers.

Pursuant to SB 1038 (Chapter 1043, Statue of 1998), regional center physicians and nurses (with clerical support) provide medical reviews for the remainder of the community consumers who are not receiving medical reviews from the clinical support teams.

These activities are eligible for federal Medicaid Administration (MA) reimbursement.

Compliance with Home and Community-Based Services (HCBS) Waiver Requirements (Regional Center Operations).

Regional center physicians and psychiatrists perform activities, including clinical consultation, monitoring, and review of consumers' medications, to maintain regional center compliance with the HCBS Waiver.

Agnews Ongoing Workload (AOW) and Lanterman Development Center Closure (Regional Center Operations page).

Regional center physicians and psychiatrists perform activities, including clinical consultation, monitoring, and review of consumers' medications, to maintain regional center compliance with the HCBS Waiver.

Consistent with passage of Assembly Bill 1378 (Chapter 538, Statue of 2005) AOW employees provide clinical support services to monitor the health and well-being of Agnews residents who transitioned into the community consistent with the Department's Interagency Agreement for MA with the Department of Health Care Services.

Nurse consultants monitor consumer health care plans and health care for Agnews and Lanterman residents living in SB 962 homes. Eleven dental coordinators promote and coordinate dental resources for Agnews and Lanterman residents that have moved into the community.

State employees in the community may participate in all MA activities, including clinical support teams, SB 1038 health reviews, and compliance with HCBS Waiver requirements. (AOW only)

Medicaid Administration**ASSUMPTIONS/METHODOLOGY:**

	2016-17	2017-18
<ul style="list-style-type: none"> Costs for Clinical Support Teams and SB 1038 Health Reviews are based on 2014-15 data collected from the regional centers. 	\$ 14,160	\$ 14,160
<ul style="list-style-type: none"> <ul style="list-style-type: none"> The Federal Financial Participation (FFP) portion of total MA-eligible costs is 78%. 	11,073	11,073
<ul style="list-style-type: none"> Staffing for Compliance with HCBS Waiver Requirements 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Total personal services and operating costs related to MA. 	2,600	2,600
<ul style="list-style-type: none"> <ul style="list-style-type: none"> 100% of these costs are eligible for MA because related staff will be working only with HCBS Waiver consumers. 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> The FFP portion of total MA-eligible costs is 78%. 	2,033	2,033
<ul style="list-style-type: none"> Agnews Ongoing Workload and Lanterman Developmental Closure 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Nurse Consultants 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> Total personal services and operating costs related to MA. 	1,104	1,104
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Consistent with the Community Placement Plan (CPP) assumptions, 98% of these costs are eligible for MA. 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> The FFP portion of total MA-eligible costs is 78%. 	863	863
<ul style="list-style-type: none"> State Employees in the Community 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Total personal services and operating costs related to MA. 	554	554
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Consistent with CPP assumptions, 98% of these costs are eligible for MA. 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> The FFP portion of total MA-eligible costs is 78%. 	433	433
<ul style="list-style-type: none"> Dental Coordinators 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Total personal services and operating costs related to MA. 	1,017	1,017
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Consistent with CPP assumptions, 98% of these costs are eligible for MA. 		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> The FFP portion of total MA-Eligible costs is 78%. 	795	795

Medicaid Administration

ASSUMPTIONS/METHODOLOGY (continued):

• Regional Center Salary Increase	2016-17	2017-18
• Increased funding for regional center staff and Operations	1,510	1,510
• It is assumed that 100% of these costs are eligible for MA.		
• The FFP portion of total MA-eligible costs is 50%.	755	755

FUNDING:

The MA reimbursement is 75% FFP and 25% General Fund (GF). These MA funds are reflected in Operations, Staffing, Compliance with HCBS Waiver Requirements, and Agnews Ongoing Workload estimates.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$20,945	\$20,945
FFP	15,952	15,952
GF Match	4,993	4,993

Targeted Case Management

DESCRIPTION:

The Targeted Case Management (TCM) program provides matching federal Medicaid funds for case management services provided by regional center for specific client groups. There are approximately 205,096 Medi-Cal eligible persons in the regional center system as of March 8, 2017. Federal legislation enacted in 1986 defined these case management services as services which "...will assist individuals...in gaining access to needed medical, social, educational, and other services." This program provides federal financial participation (FFP) for most of regional center case managers time spent on Medi-Cal eligible activities.

ASSUMPTIONS:

Source data is from the TCM Regional Center Billed Units report dated March 08, 2017 for the period of December 2015- December 2016.

	<u>2016-17</u>	<u>2017-18</u>
METHODOLOGY:		
<ul style="list-style-type: none"> Base: TCM expenditures are based on actual TCM billable units for a 12-month period (December 2015 - December 2016 [excludes May 2016]) multiplied by the regional center TCM rates effective December 1, 2016. 	\$344,690	\$355,953
<ul style="list-style-type: none"> AB 10 Minimum Wage Increase, January 1, 2016 	1,148	1,148
<ul style="list-style-type: none"> Improve Service Coordinator Caseload Ratios 	8,000	8,000
<ul style="list-style-type: none"> Regional Center Salary Increase 	26,768	26,768
Total Expenditures:	\$ 380,606	\$ 391,869

FUNDING:

Funding for TCM reimbursement is 50% FFP and 50% General Fund. TCM funds are reflected in the Core Staffing and Federal Compliance estimates, in the Operations section.

	<u>2016-17</u>	<u>2017-18</u>
Total	\$ 380,606	\$ 391,869
<i>FFP</i>	<i>190,303</i>	<i>195,934</i>
<i>GF Match</i>	<i>190,303</i>	<i>195,935</i>

Targeted Case Management Administration

DESCRIPTION:

The Targeted Case Management (TCM) program provides matching federal Medicaid funds for case management services for specific client groups. There are approximately 205,096 Medi-Cal eligible persons in the regional center system as of March 8, 2017. Federal legislation enacted in 1986 defined case management services as those which "...will assist individuals...in gaining access to needed medical, social, educational, and other services." This means that the cost for most of the regional center case manager's time spent on Medi-Cal eligible developmentally disabled persons and the cost of providing administrative support to the case management program are both eligible for federal financial participation (FFP). These TCM Administration funds are for the proper and efficient administration of the TCM program. Department headquarters staff work a certain percentage of their workload administering the TCM program, which is reimbursed to allocate salaries, wages, and benefits.

KEY DATA/ASSUMPTIONS:

- TCM Administration reimbursements are 50% FFP.
- Source of Data: The Departments Fiscal Systems - California State Accounting and Reporting System.

	<u>2016-17</u>	<u>2017-18</u>
METHODOLOGY:		
Utilizing a time survey, the Department gathers records of time spent by the Departments headquarter personnel providing administrative case management assistance to the regional centers. These surveys are used to allocate headquarters salaries, wages, and benefits, as well as a portion of the Department's statewide cost allocation, to administrative case management support.	\$11,786	\$11,786

FUNDING:

Funding for the TCM Administration reimbursement is 50% FFP and 50% General Fund (GF). TCM Administration funds are reflected in the Core Staffing estimate under Operations.

EXPENDITURES:

TOTAL	\$11,786	\$11,786
<i>FFP</i>	5,893	5,893
<i>GF Match</i>	5,893	5,893

Title XX Block Grant

DESCRIPTION:

The State has received federal Title XX Block Grant funds for social services programs since 1981, and the funds are administered by the Department of Social Services (DSS). Although each state has wide discretion in determining the range of services to be provided and how the funds are to be distributed, federal statute establishes five service goals as follows:

Federal statute establishes five service goals:

- Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
- Achieving or maintaining self-sufficiency, including the reduction or prevention of dependency;
- Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families;
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- Securing referral or admission for institutional care when other forms of care are not appropriate.

Temporary Assistance for Needy Families (TANF): Title XX Block Grants funds are available for regional center expenditures for individuals under age 18 whose family income is less than 200% of the official income poverty line (as defined by the federal Office of Management and Budget) applicable to a family of the size involved.

KEY DATA/ASSUMPTIONS:

The Department's portion of the Title XX Block Grant is determined by DSS. There is no state matching requirements for these funds.

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$213,421	\$230,974
<i>Social Service</i>	<i>136,264</i>	<i>153,817</i>
<i>TANF</i>	<i>77,157</i>	<i>77,157</i>

Title XX Block Grant

FUNDING:

The Title XX Block Grant amount is determined by the DSS.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
Total Title XX Block Grant -Social Services	\$213,421	\$230,974
Estimated Distribution in Regional Center Purchases of Services	\$136,264	\$153,817
<i>Day Programs</i>	48,802	48,802
<i>Transportation</i>	8,117	8,117
<i>Support Services</i>	54,905	72,458
<i>In-Home Respite</i>	19,977	19,977
<i>Out-of-Home Respite</i>	687	687
<i>Miscellaneous</i>	3,776	3,776
TANF		
Estimated Distribution in Regional Center Purchases of Services	\$77,157	\$77,157
<i>Community Care Facilities</i>	7,250	7,250
<i>Day Programs</i>	47	47
<i>Transportation</i>	1,023	1,023
<i>Support Services</i>	13,505	13,505
<i>In-Home Respite</i>	16,501	16,501
<i>Out-of-Home Respite</i>	2,604	2,604
<i>Healthcare</i>	1,168	1,168
<i>Miscellaneous</i>	35,059	35,059

Intermediate Care Facility- Developmentally Disabled State Plan Amendment

DESCRIPTION:

In 2007, the Department, in conjunction with the Department of Health Care Services, submitted a State Plan Amendment (SPA) seeking federal financial participation (FFP) for the Day Program and Transportation Services. The services provided are for consumers residing in Intermediate Care Facility - Developmentally Disabled (ICF-DD) settings. The Centers for Medicare & Medicaid Services approved the SPA on April 14, 2011.

IMPLEMENTATION DATE:

The SPA was approved April 14, 2011, retroactive to July 1, 2007.

ASSUMPTIONS/METHODOLOGY:

The total expenditures for adult day treatment and non-medical transportation services received by regional center consumers residing in an ICF-DD are based on actual expenditures from calendar year January 2016 - December 2016.

FUNDING:

Funding for ICF-DD is 50% FFP and 50% General Fund (GF) for Day Treatment and Transportation Services for consumers residing in an ICF-DD. It is assumed that 63% of this funding is for Day Programs, 24% is for Transportation services, 12% is for Support Services, and 1% is for Habilitation Services. Please refer to the corresponding Purchase of Service Methodology for additional information.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$121,928	\$121,928
<i>FFP</i>	60,964	60,964
<i>GF Match</i>	60,964	60,964

Quality Assurance Fees

Regional Center Costs and Intermediate Care Facility - Developmentally Disabled Vendor Costs

DESCRIPTION:

To realize the federal financial participation (FFP) associated with the Intermediate Care Facilities - Developmentally Disabled (ICF-DD) State Plan Amendment, there are administrative costs for regional center billing on behalf of the ICF-DD, administrative costs for the ICF-DD, and Quality Assurance Fees (QAF) the ICF-DD must remit to the Department of Health Care Services (DHCS) for these supplemental payments.

ASSUMPTIONS/METHODOLOGY:

- Source of Data: State Claims Purchase of Services (POS) Claims data file, actuals based on calendar year January 2016 - December 2016.
- ICF-DD Administrative Costs and QAF are set by DHCS.
- Regional center administration costs are 1.5% of Day Programs and Transportation expenditures.
- ICF-DD Administration costs are 1.5% of the cost of Day Program and Transportation expenditures for both the regional center and ICF-DD.
- POS costs for Day Program and Transportation total \$121.9 million. QAF is \$9.8 million.
- 2016-17 and 2017-18: Total billing costs: \$1.8 million for regional center administration, \$1.8 million for ICF-DD administration, and \$8.0 million QAF.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$11,703	\$11,703
Operations	1,829	1,829
GF	915	915
GF Match	915	915
Reimbursements		
FFP (Quality Assurance Fees)	914	914
POS	9,874	9,874
QAF Admin Fees (FFP)	4,937	4,937
Transfer from DHCS	4,937	4,937

Quality Assurance Fees
Regional Center Costs and Intermediate Care
Facility - Developmentally Disabled Vendor Costs

FUNDING:

Funding for regional center Administration fee is 50% FFP and 50% General (GF) and are reflected in ICF-DD Administration Fee in Operations. QAF is 100% FFP with the GF Match in DHCS' Budget, and are reflected in Quality Assurance Fees - POS.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$11,703	\$11,703
<i>FFP</i>	<i>10,788</i>	<i>10,788</i>
<i>GF Match</i>	<i>915</i>	<i>915</i>

1915 (i) State Plan Amendment

DESCRIPTION:

Section 6086 of the Deficit Reduction Act of 2005, (Public Law 109-171) established an optional Medicaid benefit giving states a new method for covering Home and Community-Based services for Medicaid beneficiaries beginning in January 2007. To date only a few other states have exercised this option for mental health benefits delivery. The Department in a joint effort with the Department of Health Care Services (DHCS), submitted a 1915 (i) State Plan Amendment (SPA) to Centers for Medicare & Medicaid Services (CMS) to be effective October 2009 to cover habilitation, respite, and other services allowable under a 1915 (i) SPA. Subsequent changes to federal law have allowed the Department to seek further expansion of the services covered under the 1915(i) SPA.

ASSUMPTIONS:

Expenditure Data Source: Purchase of Services (POS) Claims Data file, dated April 4, 2017 with actuals through calendar year 2016.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
<ul style="list-style-type: none"> • Base: Actual 2015-16 expenditures were used to develop the 2016-17 base. For 2017-18, the prior year estimate for base and growth, with the following adjustments, was used as the base. 	\$466,349	\$480,199
<ul style="list-style-type: none"> • Updated Costs without Community Placement Plan 	413,957	412,851
<ul style="list-style-type: none"> • AB 10 Minimum Wage Increase, January 1, 2016 	13,022	13,764
<ul style="list-style-type: none"> • Alternative Residential Model (ARM) 4-Bed Rate Model 	2,480	2,800
<ul style="list-style-type: none"> • Compliance with Home and Community-Based Services (HCBS) Regulations 	560	560
<ul style="list-style-type: none"> • Senate Bill 3 Minimum Wage Increase, January 1, 2017 	3,678	17,058
<ul style="list-style-type: none"> • Community Based Services Rate Increases 	42,630	43,206
<ul style="list-style-type: none"> • BHT Fee-for-Services 	1,846	1,784
<ul style="list-style-type: none"> • BHT Transition 	-11,824	-11,824
<ul style="list-style-type: none"> • Total Expenditures: 	\$466,349	\$480,199

FUNDING:

The 1915(i) SPA funds a broad array of POS costs for eligible individuals in all of the POS budget categories except for Medical Facilities. 1915 (i) SPA expenditures are funded by federal financial participation (FFP) determined by the Federal Medical Assistance Percentage of 50% and 50% General Fund (GF).

1915 (i) State Plan Amendment**EXPENDITURES:**

		<u>2016-17</u>	<u>2017-18</u>
	Total	\$466,349	\$480,199
	GF Match	233,175	240,098
	GF Other	1,780	2,372
	FFP	231,394	237,727
% of Expenditures by Budget Category 2016-17 & 2017-18			
Community Care Facilities	19.70%	81,548	81,330
<i>GF Match</i>		40,775	40,665
<i>FFP</i>		40,773	40,665
Day Programs	34.52%	142,883	142,503
<i>GF Match</i>		71,441	71,251
<i>FFP</i>		71,442	71,252
Habilitation	5.51%	22,809	22,748
<i>GF Match</i>		11,404	11,374
<i>FFP</i>		11,405	11,374
Transportation	17.06%	70,624	70,435
<i>GF Match</i>		35,313	35,217
<i>FFP</i>		35,311	35,218
Support Services	9.23%	37,842	37,622
<i>GF Match</i>		19,098	19,047
<i>FFP</i>		18,744	18,575
In-Home Respite	5.48%	22,679	22,618
<i>GF Match</i>		11,339	11,310
<i>FFP</i>		11,340	11,308
Out-of-Home Respite	1.59%	6,568	6,550
<i>GF Match</i>		3,284	3,275
<i>FFP</i>		3,284	3,275
Health Care	2.69%	11,136	11,104
<i>GF Match</i>		5,568	5,552
<i>FFP</i>		5,568	5,552
Miscellaneous	4.23%	17,934	17,351
<i>GF Match</i>		9,680	9,625
<i>FFP</i>		8,254	7,726

Values in thousands (000's)

1915 (i) State Plan Amendment**EXPENDITURES (Continued):**

AB 10 Minimum Wage Increase, 01/01/16	13,022	13,764
<i>GF Match</i>	6,511	6,882
<i>FFP</i>	6,511	6,882
ARM 4-Bed Rate Model	2,480	2,800
<i>GF Match</i>	1,240	1,400
<i>FFP</i>	1,240	1,400
Compliance with HCBS Regulations	560	560
<i>GF Match</i>	280	280
<i>FFP</i>	280	280
Community Based Services Increases	42,630	43,206
<i>GF Match</i>	21,315	21,603
<i>FFP</i>	21,315	21,603
SB 3 Min Wage increase, 01/01/17	3,678	17,058
<i>GF Match</i>	1,839	8,529
<i>FFP</i>	1,839	8,529
BHT Transition	-11,824	-11,824
<i>GF Match</i>	-5,912	-5,912
<i>FFP</i>	-5,912	-5,912
BHT Fee-for-Services	1,846	1,784
<i>GF Match</i>	923	892
<i>FFP</i>	923	892

Values in thousands (000's)

Money Follows the Person Grant

DESCRIPTION:

The Department of Health Care Service (DHCS) administers California's Money Follows the Person (MFP) Grant. The federal MFP Grant (also known as California Community Transitions) provides federal funding for eligible services needed to assist consumers in transitioning to the community from institutions. The available MFP Grant funds will be fully exhausted in 2017-18 as this Grant is set to expire. The last MFP transition of participants is to occur no later than December 31, 2017, with services provided to these participants to be completed by December 31, 2018.

OPERATIONS ASSUMPTIONS:

The MFP Grant will fund regional center transition coordination activities for the following:

		<u>2016-17</u>	<u>2017-18</u>
<ul style="list-style-type: none"> Quality of Life Survey (QoL) 	Total	\$31	\$0
It is assumed that each regional center will complete three QoL surveys per consumer who have transitioned from a developmental center into the community and whose purchase of services are funded by the MFP Grant. These amounts are calculated based on \$100 per survey.	<i>Funding:</i>		
	<i>FFP</i>	31	0
	<i>GF Match</i>	0	0
Community Placement Plan, Resources Development, see Community Placement Plan methodology page for details. These amounts are based on an amount per transition fee multiplied by the number of transitions.	Total	\$7,557	\$11,238
	<i>Funding:</i>		
	<i>FFP</i>	5,668	8,428
	<i>GF Match</i>	1,889	2,810

FUNDING:

The MFP Grant reimbursement is 75% federal financial participation (FFP) with 25% General Fund (GF) Match for specified Centers for Medicare & Medicaid Services approved transition coordination activities.

OPERATION EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
Total	\$7,588	11,238
<i>FFP</i>	5,699	8,428
<i>GF Match</i>	1,889	2,810

Money Follows the Person Grant

PURCHASE OF SERVICES ASSUMPTIONS:

The MFP Grant will fund regional center transition coordination activities for the following:

	<u>2016-17</u>	<u>2017-18</u>
<ul style="list-style-type: none"> Community Placement Plan, Purchase of Services, See Community Placement Plan methodology page for details. These amounts are calculated based on the Regular Community Placement Plan federally eligible amounts. 	\$2,638	\$2,968

FUNDING:

The MFP Grant reimbursement for Purchase of Services is 25% FFP of the total cost and there is no GF Match.

TOTAL OPERATIONS AND PURCHASE OF SERVICE EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
Total	\$10,226	\$14,206
<i>FFP</i>	8,337	11,396
<i>GF</i>	1,889	2,810

Early Periodic Screening Diagnosis and Treatment

DESCRIPTION:

Early Periodic Screening, Diagnosis, and Treatment (EPSDT) is a Medicaid (Medi-Cal) benefit for individuals under the age of 21 who have full-scope Medi-Cal eligibility. In addition to the regular Medi-Cal benefits, a beneficiary may receive EPSDT Supplemental Services. The Department submitted a State Plan Amendment (SPA 11-040) to the Centers for Medicare & Medicaid Services that will cover some regional center funded services for children under age 3 that are not eligible for federal reimbursement under other Medicaid funded programs. The SPA 11-040 was approved in October 2015 and is retroactive to October 2011.

ASSUMPTIONS:

Estimate based on actual billed expenditures for 2015-16. EPSDT funding is only in the budget category Day Programs.

FUNDING:

Funding for EPSDT services is 50% federal financial participation (FFP) and 50% General Fund (GF).

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
Total	\$52,237	\$52,735
<i>FFP</i>	26,119	26,368
<i>GF Match</i>	26,118	26,367

Program Developmental Fund/Parental Fees

DESCRIPTION:

Parents of children under the age of 18 who receive 24-hour out-of-home services provided by the State, are purchased with state funds through a regional center, are required to pay a fee depending on their ability to do so. Similarly, parents of children under the age of 18 who live at home and receive qualifying services from a regional center whose adjusted gross family income is at or above 400% of the federal poverty level are required to pay an annual fee. The Department deposits parental fees received into the Program Development Fund. Amounts received are then utilized to provide resources needed to initiate new programs which are consistent with the State Plan (Welfare and Institution Code Sections 4677, 4782, and 4785.)

ASSUMPTIONS/METHODOLOGY:

Deposits into the Program Development Fund are based on historical revenue averages.

FUNDING:

Program Development Fund expenditures are reflected in the Purchase of Services, Miscellaneous Services Expenditure category.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$2,537	\$2,537
<i>Parental Fees</i>	<i>679</i>	<i>679</i>
<i>Annual Family Program Fees</i>	<i>1,858</i>	<i>1,858</i>

Developmental Disabilities Services Account

DESCRIPTION:

The Developmental Disabilities Services Account is used as a depository for application fees collected by the Department for reviewing and approving housing proposals pursuant to Senate Bill (SB) 1175 (Chapter 617, Statutes of 2008).

ASSUMPTIONS/METHODOLOGY:

Based on historical and current data, the Department expects to receive housing proposals with application fees totaling \$150,000.

FUNDING:

These costs are reflected in the review of SB 1175 Housing Proposals, under Operations, Projects.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$150	\$150

Mental Health Services Fund

DESCRIPTION:

Initiative Statute Proposition 63, also known as the Mental Health Services Act (MHSA), imposes an additional tax on taxable income over \$1 million to provide funds to counties to expand services and develop innovative programs and integrated service plans for mentally ill children, adults, and seniors. Consistent with the requirements of the MHSA, the Department, in consultation with the Department of Health Care Services, identifies best-practice models and provides training to enhance the effectiveness of the regional center and county mental health service systems to better identify and provide a competent response for those consumers who are dually diagnosed (i.e. have a developmental disability and a mental illness).

ASSUMPTIONS/METHODOLOGY:

Funding is used to ensure ongoing statewide technical assistance to promote interagency collaboration regarding access to mental health services and improve clinical capacity and effectiveness of direct services. Specifically, regional centers develop innovative projects, which focus on prevention, early intervention, and treatment for children and adult consumers with mental health diagnoses, and provide support for families.

FUNDING:

These funds are a separate fund source and do not require General Fund match. These funds are reflected in the Increased Access to Mental Health Services estimate, under regional center Operations, Projects.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$740	\$740

Early Start Part C Grant, Federal Funds/ Early Start Family Resource Center

DESCRIPTION:

Part C of the federal Individuals with Disabilities Education Act (IDEA) provides federal grant funding for states to develop and operate early intervention programs for families and their children from birth up to age 3 with developmental delays, disabilities, or conditions which place them at high risk of disabilities. The program, known as Early Start in California, is administered according to Title 34 of the Code of Federal Regulations, Sections 303.1 through 303.654. The program is also administered according to the California Early Intervention Services Act (CEISA) and Title 17 of the California Code of Regulations, Sections 52000 through 52175.

California has designated the Department to act as its lead agency for preparing the annual grant application and for receiving and administering federal grant funds. The Department allocates a significant portion of the federal funding to regional centers for local program operation. In addition, the Department has an interagency agreement with the California Department of Education (CDE) to provide funding for local education agency programs and services in accordance with the CEISA, contained in Title 14 of the Government Code (GC), Sections 95000 through 95029. Further, in accordance with the CEISA, the Department is the lead agency for the administration of the Early Start program, which provides services for infants and toddlers with developmental delays, disabilities, or conditions that place them at risk of disabilities. As noted in GC 95001, family-to-family support, provided through California's network of Family Resource Centers (FRCs), strengthens families' ability to fully participate in service planning and their capacity to care for their infants and toddlers. This was formerly called Prevention Program in prior estimates.

KEY DATA/ASSUMPTIONS:

Annual grant amounts are determined by the federal Office of Special Education Programs (OSEP). The Department received a grant award letter dated July 1, 2016, for federal fiscal year 2016.

METHODOLOGY:

The Part C IDEA Grant funds are used to pay costs for the additional federal requirements imposed by the Part C program. Funds are distributed in this order (1) other agencies and (2) regional center Purchase of Services (POS). Services and costs for this age group are identified below. Costs for POS expenditures are already included in the forecasts for each of the POS budget categories, in the POS section of the Estimate.

Early Start Part C Grant, Federal Funds/ Early Start Family Resource Center

METHODOLOGY: (Continued):

	2016-17	2017-18
• Other Agencies	\$19,109	\$19,109
• CDE: Additional federal requirements include shorter time lines for conducting evaluations, assessment and program plan development, provision of year-round services, service coordination and administrative services, and provision of services to children with solely low incidence disabilities in regions where such services to this age group were not provided prior to Part C implementation.		
Local Education Agencies	14,245	14,245
Support	355	355
• System Requirements: Funding is required for public awareness and a comprehensive system of personal development, mediation, and due process hearings conducted by the State Office of Administrative Hearings, and collaboration with the Department of Health Care Services-Children Medical Services.	1,850	1,850
• Early Start FRC: Funds pay for services that are provided by 33 contractors. Services, which are specified in GC 95024(d)(2), include parent-to-parent support, information dissemination, public awareness, and family professional collaboration activities.	2,659	2,659
• Family Resource Services: Funds provide services for infants and toddlers with developmental delays, disabilities, or conditions that place them at risk of disabilities. Services, which are specified in GC 95001, include family-to-family support provided through FRCs to strengthen families' ability to participate in service planning.	2,003	2,003

Early Start Part C Grant, Federal Funds/ Early Start Family Resource Center

METHODOLOGY (Continued):

	2016-17	2017-18
<ul style="list-style-type: none"> Regional Center POS 	33,060	33,052
The remaining Part C Grant funds, after funding CDE and FRC system requirements, are used for POS. The following estimates are based on the proportion of total POS expenditures in 2015-16 by budget category.		
Day Programs	18,124	18,120
Support Services	236	236
In-Home Respite	73	73
Out-of-Home Respite	100	99
Health Care	2,501	2,500
Miscellaneous Services	12,026	12,024
<ul style="list-style-type: none"> Total Expenditures 	\$52,169	\$52,161

FUNDING:

The annual Part C Grant is independently determined by OSEP. It is 100% federal funds and requires a Maintenance of Effort from the State. Family Resources Services are 100% General Fund.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$54,172	\$54,164
<i>Grant</i>	52,169	52,161
<i>GF</i>	2,003	2,003

Foster Grandparent Program

DESCRIPTION:

The Foster Grandparent Program (FGP) is a federal grant which provides men and women age 55 and older, the opportunity to serve their community by sharing their time and attention with children under the age of 22 who have developmental disabilities. Foster grandparents volunteer in community schools, developmental centers, Head Start centers, foster homes, and pre-schools (see Regional Center Operations, Projects, for more detail on the total regional center costs for this program).

ASSUMPTIONS/METHODOLOGY:

The FGP grant is used as a fund source for specified regional center Operations costs in six regional centers: Valley Mountain, Tri-Counties, Kern, Central Valley, San Andreas, and San Gabriel. The annual funding is calculated based on each of the participating regional centers' costs for Personal Service and Operating Expense.

FUNDING:

Federal funds are reflected in the Foster Grandparent/Senior Companion Programs estimate, under regional center Operations, Projects.

EXPENDITURES:

	2016-17	2017-18
Grant Amount:	\$812	\$1,097

Department of Health Care Services-Behavioral Health Treatment Fee-for-Service

DESCRIPTION:

Senate Bill 870 (Chapter 40, Statutes of 2014) added Welfare and Institutions Code Section 14132.56 to direct the Department of Health Care Services (DHCS) to implement Behavioral Health Treatment (BHT) services, to the extent it is required by the federal government, to be covered by Medi-Cal for individuals up to the age of 21. This program ensures that children with autism will receive treatment so they do not become life-long dependents on government support. BHT services are effective retroactively to July 1, 2014.

On September 30, 2014, DHCS submitted a State Plan Amendment to the Centers for Medicare & Medicaid Services seeking approval to add BHT services as a Medi-Cal benefit for individuals under 21 years of age with an Autism Spectrum Disorder diagnosis. The policy change directly impacts the Department. Individuals who were receiving BHT services through the regional centers became eligible to receive these services under the proposed Medi-Cal benefit.

Consistent with DHCS' interim policy guidance issued on September 15, 2014, regional center consumers who are eligible for Medi-Cal and began receiving BHT services after September 14, 2014 are receiving BHT services through DHCS. In contrast, all individuals receiving BHT services through the regional centers on September 14, 2014, continued to receive those services through the regional centers until transition of these consumers was complete. The estimate reflects savings from BHT Fee-for-Service (FFS) consumers who transitioned to DHCS beginning February 1, 2016.

ASSUMPTIONS:

Reimbursements were estimated based on FFS consumers who transitioned beginning February 1, 2016. Full year costs for these consumers were grown consistent with Miscellaneous and Support Services budget categories to estimate 2017-18. Of the savings from the BHT Transition Plan for FFS, an estimated 73.6% is attributed to Miscellaneous Services while 26.4% is attributed to Support Services.

FUNDING:

Effective 2017-18 expenditures are fully reimbursed from the Department of Health Care Services.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$0	\$7,430
<i>Reimbursements</i>	<i>0</i>	<i>7,430</i>

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Impacts from Other Departments

Department of Health Care Services-Behavioral Health Treatment Transition Plan, Effective February 1, 2016

DESCRIPTION:

The Department of Health Care Services (DHCS) submitted State Plan Amendment (SPA) 14-026 to the Centers for Medicare & Medicaid Services on September 30, 2014 to seek the necessary approval to include Behavioral Health Treatment (BHT) as a covered Medi-Cal service for individuals under 21 years of age with a diagnosis of Autism Spectrum Disorder (ASD), pursuant to Section 14132.56 of the Welfare and Institutions Code. On January 21, 2016, DHCS received federal approval to provide BHT as a Medi-Cal benefit. BHT services are effective retroactively to July 1, 2014.

DHCS' interim policy guidance issued on September 15, 2014, necessitates a need for the transition of all Medi-Cal beneficiaries under 21 years of age with an ASD diagnosis who began receiving BHT services through a regional center on or before September 14, 2014. The Department, in collaboration with DHCS, transitioned responsibility for BHT services that were previously provided through the regional centers to these Medi-Cal beneficiaries from the regional center system to the Medi-Cal Managed Care Plan (MCP) and Fee-For-Service (FFS) delivery systems. Medi-Cal beneficiaries under 21 years of age were accessing BHT services through the regional center system.

The Department began the transition of responsibility for authorization and payment of BHT services to Medi-Cal starting February 1, 2016. The transition occurred over a span of eight months, with budget bill language providing authority for the transfer of funds between the Department and DHCS. Regional center consumers who are institutionally deemed and only receiving BHT services will remain in the Department's budget. The estimate reflects savings from transition of BHT MCP beneficiaries. Refer to the DHCS-BHT FFS methodology for information on the funding and reimbursement for these consumers.

ASSUMPTIONS:

- Savings were estimated based on MCP consumers who transitioned beginning February 1, 2016. Full year costs and recent expenditures for these consumers were used to develop an \$682 average monthly cost per consumer. The average monthly cost was applied to transitioning consumers to estimate full year savings for 2016-17 and 2017-18. Of the savings from the BHT Transition Plan, an estimated 80.1% is attributed to Miscellaneous Services while 19.9% is attributed to Support Services.

	<u>2016-17</u>	<u>2017-18</u>
• TOTAL EXPENDITURES	-\$98,297	-\$98,297

Impacts from Other Departments
Department of Health Care Services-Behavioral Health Treatment
Transition Plan, Effective February 1, 2016

FUNDING:

Expenditures for BHT are funded by the General Fund (GF), and reimbursements from the Home and Community-Based Services Waiver, and the 1915(i) State Plan Amendment with 50% federal financial participation and 50% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$29.8 million (\$14.2 million GF increase) decrease in savings reflects updated expenditures based on actual costs for transitioned consumers.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$29.8 million (\$14.2 million GF increase) decrease in savings reflects updated expenditures based on actual costs for transitioned consumers.

EXPENDITURES:

	2016-17	2017-18
TOTAL	-\$98,297	-\$98,297
<i>GF</i>	<i>-49,066</i>	<i>-49,066</i>
<i>Reimbursements</i>	<i>-49,231</i>	<i>-49,231</i>

Psychological Evaluations for Behavioral Health Treatment Fee-for-Service Consumers

DESCRIPTION:

In 2016, approximately 12,000 regional center consumers under the age of 21 with an ASD diagnosis transitioned to DHCS and Medi-Cal Managed Care for BHT services. An additional 1,683 fee-for-service consumers transitioned to DHCS on paper, but continued to receive BHT services through the regional centers with the expectation that DHCS would reimburse the Department for the expenditures. However, DHCS has been unable to reimburse the Department for approximately \$7.1 million in BHT expenditures because a recommendation from a physician or psychologist is required for those services to be eligible for FFP under Medi-Cal. Clinical recommendations are not required for specific services in order for the Department to claim FFP under the 1915i SPA or HCBS Waiver. In addition to fee-for-service consumers with an ASD diagnosis, the Department estimates another 280 without an ASD diagnosis will be eligible for FFP for BHT services on a fee-for-service basis.

The Department proposes to fund resources to enable regional centers to hire or contract with psychologists to assess consumers with or without an ASD diagnosis and provide medical referrals for BHT services.

ASSUMPTIONS:

Based on the current Clinical Psychologist salary, the funding proposed will enable regional centers to hire 10.5 psychologists, allowing the BHT services for FFS consumers to qualify for FFP reimbursements through DHCS. Most importantly, making psychologists' services more readily available will improve the quality of services that consumers receive.

METHODOLOGY:

Clinical Psychologist:	2016-17	2017-18
• Salary:	\$0	\$59,496
• Fringe Benefits at 34%:	0	20,229
• Operating Expenses:	0	40,800
Total Per Psychologist:	\$0	\$120,525
Multiplied by 10.5 (Total Annual Rounded)	\$0	\$1,266,000

FUNDING:

Expenditures related to these psychologist positions are assumed to be funded by the General Fund (GF) and Targeted Case Management, with 50% federal financial participation and 50% GF.

Psychological Evaluations for Behavioral Health Treatment Fee-for-Service Consumers

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

This is a new policy effective 2017-18.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

This is a new policy effective 2017-18.

EXPENDITURES:

	2016-17*	2017-18*
TOTAL	\$0	\$1,266
<i>GF</i>	<i>0</i>	<i>968</i>
<i>Reimbursements</i>	<i>0</i>	<i>298</i>

Impacts from Other Departments

Behavioral Health Treatment

BHT Consumers with No Autism Spectrum Disorder Diagnosis

Transition - Effective January 1, 2018

DESCRIPTION:

The Department of Health Care Services (DHCS) obtained approval from the Centers for Medicare & Medicaid Services (CMS) to include Behavioral Health Treatment (BHT) as a Medi-Cal benefit for children with a diagnosis of Autism Spectrum Disorder (ASD). Between February and October 2016, children with an ASD diagnosis transitioned to DHCS for BHT services. Children without an ASD diagnosis did not transition, and it was expected their BHT services would remain eligible for FFP under the 1915(i) State Plan Amendment (SPA) or the Home and Community-Based Services (HCBS) Waiver. However, CMS determined Medi-Cal must cover medically necessary BHT services for all children, regardless of their diagnoses. Beginning October 1, 2016, FFP is not available under either the 1915i SPA or HCBS Waiver for BHT services provided to children without an ASD diagnosis.

Effective January 1, 2018, the Department will coordinate with DHCS to transition to Medi-Cal Managed Care, approximately 2,000 children whose BHT services have been determined to be medically necessary. In contrast, the GF will fully fund the costs of BHT services provided to 4,000 children whose Individual Placement Plans indicate this need but for which they do not have a medical referral.

Of the children who will transition to DHCS under Medi-Cal Managed Care, the Department estimates that 280 children will receive BHT services on a fee-for-service basis. These children will continue to receive services through the regional centers, and DCHS will fully reimburse DDS for the related expenditures.

ASSUMPTIONS:

- Savings were estimated based on half-year costs for 2,000 children without an ASD diagnosis and ineligible for FFP.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
• TOTAL EXPENDITURES	\$0	-\$3,300

FUNDING:

Expenditures for BHT Consumers with no Autism Spectrum Disorder diagnosis are funded by 100% GF.

**Impacts from Other Departments
Behavioral Health Treatment
BHT Consumers with No Autism Spectrum Disorder Diagnosis**

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

This is a new policy effective 2017-18.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

This is a new policy effective 2017-18.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$0	-\$3,300
<i>GF</i>	<i>0</i>	<i>-3,300</i>
<i>Reimbursements</i>	<i>0</i>	<i>0</i>

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Improve Service Coordinators Caseload Ratios

DESCRIPTION:

Case management is the core function of the regional centers. Service Coordinators perform this critical function for consumers and families by ensuring they are aware of and accessing needed services and that through generic, natural, or regional center-funded services, individuals are enabled to maximize their independence and fully integrate into their communities.

Since 2003, regional centers are required to have overall service coordinator-to-consumer ratios, as follows:

- 1:62 for consumers on the Home and Community-Based Services (HCBS) Waiver.
- 1:62 for consumers under age 3.
- 1:62 for consumers who move from a developmental center into the community and have lived in the community for more than 12 months.
- 1:45 for consumers who move from a developmental center into the community and have lived in the community for less than 12 months.
- 1:66 for consumers who are not on the HCBS Waiver, not under age 3, and have not moved from a developmental center into the community.

The caseload ratio for consumers on the HCBS Waiver was established in response to the 1997 Centers for Medicare & Medicaid Services (CMS) compliance review of the HCBS Waiver, which found that case management activities were not adequate, in part due to excessive caseloads. Compliance with CMS requirements is necessary for the State to continue receiving HCBS Waiver funding (currently over \$1.6 billion).

Regional centers are required to report their caseload ratios in all of the above categories.

ASSUMPTIONS:

Based on the current average Service Coordinator salary, the funding proposed will enable regional centers to hire more than 200 additional Service Coordinators to improve caseload ratios. Most importantly, reduced caseloads will improve the quality of services that consumers receive.

METHODOLOGY:

Client Program Coordinators (CPC):

• Salary:	\$48,000
• Fringe Benefits at 34%:	16,320
• Rent:	8,086
• Operating Expenses:	3,400
Total per CPC	<u>\$75,806</u>

Improve Service Coordinators Caseload Ratios

FUNDING:

Expenditures related to Service Coordinators are assumed to be funded by the General Fund (GF) and Targeted Case Management, with 50% federal financial participation and 50% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$17,000	\$17,000
<i>GF</i>	<i>13,000</i>	<i>13,000</i>
<i>Reimbursements</i>	<i>4,000</i>	<i>4,000</i>

Compliance with Home and Community-Based Services Regulations - Operations

DESCRIPTION:

In January 2014, the Centers for Medicare & Medicaid Services (CMS) published final regulations defining what constitutes a home and community-based setting for Medicaid reimbursement purposes under Section 1915(c) Home and Community-Based (HCBS) Waivers, and Section 1915(i) HCBS State Plan programs. The effective date of the regulations was March 17, 2014, and states were allowed up to a five year transition period to make any modifications necessary to comply with the regulations.

Subsequently, CMS notified states on May 9, 2017, that compliance is required by March 17, 2022. To operate in full compliance with the CMS final regulations, HCBS settings must be integrated in and support full access to the greater community for individuals receiving Medicaid HCBS. This includes opportunities to seek employment and work in competitive, integrated settings, engage in community life, control personal resources, and receive services in the community to the same degree of access as individuals not receiving Medicaid HCBS.

ASSUMPTIONS:

Operations expenditures will fund 21 additional Program Evaluators needed to perform the initial and ongoing efforts and activities necessary to ensure compliance with CMS final regulations.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
• Program Evaluator Salary:	\$48,000	\$48,000
• Fringe Benefits at 34%	16,320	16,320
• Operating Expense:	3,400	3,400
• Rent:	8,086	0
Total per Program Evaluator	\$75,806	\$67,720
Multiplied by 21	\$1,600,000	\$1,422,000

FUNDING:

Expenditures related to Complying with HCBS Regulations are funded by the General Fund (GF) and the HCBS Waiver Administration, with 50% federal financial participation and 50% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$1,600	\$1,422
GF	800	711
Reimbursements	800	711

*Values in thousands (000's)

Assembly Bill (AB)X2 1
Regional Center Operations Increases
Effective July 1, 2016
Operations

DESCRIPTION:

Chapter 3, Statutes of 2016 (AB 1, 2nd Extraordinary Session - Thurmond [ABX2 1]), included additions and amendments to the Welfare and Institutions (W&I) Code, as well as an appropriation of \$31.1 million General Fund (GF) plus matching funds for regional centers' staffing, benefits, and administrative expenses, as well as \$11 million GF for regional centers to implement plans for promoting equity in the purchase of services for individuals with developmental disabilities.

**ASSUMPTIONS: INCREASED FUNDING FOR REGIONAL
CENTER STAFF AND OPERATIONS**

ABX2 1 amends W&I Code Section 4639.5 to require the Department, to the extent funds are appropriated in the annual Budget Act, to allocate \$31.1 million, plus any associated matching funds, for regional center staff salary and/or benefit increases beginning July 1, 2016. Of this amount, \$29.7 million, plus associated matching funds, shall be used for salary increases, benefit increases, or both, for regional center staff, and excludes salary or benefit increases to regional center executive staff and unfunded retirement liabilities. The remaining \$1.4 million, plus associated matching funds shall be used for administrative costs, consistent with those specified in W&I Code Section 4629.7(b).

ASSUMPTION: EFFORTS TO REDUCE DISPARITIES

W&I Code Section 4519.5 requires regional centers to implement recommendations and plans to promote equity and reduce disparities in the purchase of services. ABX2 1 amends this section to require the Department, subject to available funding, to allocate funding for regional centers in order to assist with the implementation of the recommendations and plans. Allocated funding may be used to fund activities including, but not limited to, pay differentials supporting community-based service providers direct-care bilingual staff, parent or caregiver education programs, regional center staff cultural competency training, outreach to underserved populations, and additional culturally appropriate service types or service delivery models.

METHODOLOGY:

The Department calculated salary increases based on estimated Operations costs multiplied by the applicable increases.

The \$11 million GF to reduce disparities is a fixed amount of funding.

Assembly Bill (AB)X2 1
Regional Center Operations Increases
Effective July 1, 2016
Operations

FUNDING:

Expenditures for amounts appropriated per ABX2 1 are funded by Medicaid Admin, Home and Community Based Services Waiver Admin, Targeted Case Management (TCM), TCM Admin, and GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$56,600	\$56,600
<i>GF</i>	<i>42,100</i>	<i>42,100</i>
<i>Reimbursements</i>	<i>14,500</i>	<i>14,500</i>

Resources to Implement Assembly Bill (AB)X2 1 Operations

DESCRIPTION:

Chapter 3, Statutes of 2016 (AB 1, 2nd Extraordinary Session - Thurmond [ABX2 1] amended the Welfare & Institutions Code to require regional centers to implement the recommendations and plans to reduce disparities in the provision of services to underserved populations, as well as requirements to establish and report on a provider-administered competitive integrated employment program. ABX2 1 also requires the Department to submit a rate study to the Legislature by March 1, 2019, that addresses the sustainability, quality, and transparency of community-based services for individuals with developmental disabilities.

ASSUMPTIONS:

Each regional center will require staff to oversee implementation of cultural programs to promote equity and reduce disparities, and lead competitive integrated employment activities at the local level.

The Department will contract out for the completion of the study.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
• Employment Specialist Salary:	\$71,454	\$71,454
• Fringe Benefits at 34%:	24,294	24,294
• Rent:	8,086	0
• Operating Expense:	3,400	3,400
Total per Employment Specialist:	<u>107,234</u>	<u>99,148</u>
21 positions	\$2,252,000	\$2,082,000
• Cultural Specialist Salary:	\$71,454	\$71,454
• Fringe Benefits at 34%:	24,294	24,294
• Rent:	8,086	0
• Operating Expense:	3,400	3,400
Total per Cultural Specialist:	<u>107,234</u>	<u>99,148</u>
21 Positions	\$2,252,000	\$2,082,000
• Total Costs for Positions (rounded)	\$4,504,000	\$4,164,000
• Rate Study estimated cost:	\$3,000,000	0 ^{/1}
Total Expenditures:	\$7,504,000	\$4,164,000

^{/1} Rate Study estimated cost of \$3,000,000 is a one time cost for 2016-17 only.

Resources to Implement Assembly Bill (AB)X2 1 Operations

FUNDING:

Costs of regional center positions are funded by the General Fund (GF) and reimbursements from the Home and Community-Based Services Waiver Administration, with 50% federal financial participation and 50% GF. The rate study is 100% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	<u>2016-17*</u>	<u>2017-18*</u>
TOTAL	\$7,504	\$4,164
<i>GF</i>	6,063	2,832
<i>Reimbursements</i>	1,441	1,332

Operations Policy Funding Detail

Governor's				Governor's		2017-18	
Budget	Updated	2016-17		Budget	Updated	Over	2017-18
2016-17	2016-17	Request		2017-18	2017-18	2016-17	Request
BHT Psychological Evaluation for FFS Consumers							
TOTAL	\$0	\$0	\$0	\$0	\$1,266	\$1,266	\$1,266
GF	\$0	\$0	\$0	\$0	\$968	\$968	\$968
GF Match	0	0	0	0	298	298	298
GF Other	0	0	0	0	670	670	670
Reimbursements	\$0	\$0	\$0	\$0	\$298	\$298	\$298
Targeted Case Management (TCM)	0	0	0	0	298	298	298
Improve Service Coordinator Caseload Ratios							
TOTAL	\$17,000	\$17,000	\$0	\$17,000	\$17,000	\$0	\$0
GF	\$13,000	\$13,000	\$0	\$13,000	\$13,000	\$0	\$0
GF Match	4,000	4,000	0	4,000	4,000	0	0
GF Other	9,000	9,000	0	9,000	9,000	0	0
Reimbursements	\$4,000	\$4,000	\$0	\$4,000	\$4,000	\$0	\$0
Targeted Case Management (TCM)	4,000	4,000	0	4,000	4,000	0	0
Compliance with HCBS Regulations - Operations							
TOTAL	\$1,600	\$1,600	\$0	\$1,422	\$1,422	(\$178)	\$0
GF	\$800	\$800	\$0	\$711	\$711	(\$89)	\$0
GF Match	800	800	0	711	711	(89)	0
GF Other	0	0	0	0	0	0	0
Reimbursements	\$800	\$800	\$0	\$711	\$711	(\$89)	\$0
HCBS Admin	800	800	0	711	711	(89)	0

Operations Policy Funding Detail

	Governor's			Governor's		2017-18		
	Budget 2016-17	Updated 2016-17	2016-17 Request	Budget 2017-18	Updated 2017-18	Over 2016-17	2017-18 Request	
ABX2 1 - Regional Center Operations Increases								
TOTAL	\$56,600	\$56,600	\$0	\$56,600	\$56,600	\$0	\$0	
GF	\$42,600	\$42,100	(\$500)	\$42,100	\$42,100	\$0	\$0	
GF Match	14,000	14,500	500	14,500	14,500	0	0	
GF Other	28,600	27,600	(1,000)	27,600	27,600	0	0	
Reimbursements	\$14,000	\$14,500	\$500	\$14,500	\$14,500	\$0	\$0	
Medicaid Admin	729	755	26	755	755	0	0	
HCBS Waiver Admin	349	361	12	361	361	0	0	
TCM	12,922	13,384	462	13,384	13,384	0	0	
TCM Admin	0	0	0	0	0	0	0	
Resources to Implement ABX2 1 - Operations								
TOTAL	\$7,504	\$7,504	\$0	\$4,164	\$4,164	(\$3,340)	\$0	
GF	\$6,063	\$6,063	\$0	\$2,832	\$2,832	(\$3,231)	\$0	
GF Match	1,441	1,441	0	1,332	1,332	(109)	0	
GF Other	4,622	4,622	0	1,500	1,500	(3,122)	0	
Reimbursements	\$1,441	\$1,441	\$0	\$1,332	\$1,332	(\$109)	\$0	
TCM Admin	0	0	0	0	0	0	0	
HCBS Waiver Admin	1,441	1,441	0	1,332	1,332	(109)	0	
Total Operations Policy Funding Detail								
TOTAL	\$82,704	\$82,704	\$0	\$79,186	\$80,452	(\$2,252)	\$1,266	
GF	\$62,463	\$61,963	(\$500)	\$58,643	\$59,611	(\$2,352)	\$968	
GF Match	20,241	20,741	500	20,543	20,841	100	298	
GF Other	42,222	41,222	(1,000)	38,100	38,770	(2,452)	670	
Reimbursements	\$20,241	\$20,741	\$500	\$20,543	\$20,841	\$100	\$298	
HCBS Waiver Admin	2,590	2,602	12	2,404	2,404	(198)	0	
TCM	16,922	17,384	462	17,384	17,682	298	298	
TCM Admin	0	0	0	0	0	0	0	
Medicaid Admin	729	755	26	755	755	0	0	

Assembly Bill (AB) 10, Minimum Wage Increase: Minimum Wage Increase Effective January 1, 2016 Purchase of Services

DESCRIPTION:

AB 10, Chapter 351, Statutes of 2013, increased California's minimum wage on July 1, 2014, from \$8 per hour to \$9 per hour. This bill further increased the minimum wage on January 1, 2016, from \$9 per hour to \$10 per hour.

ASSUMPTIONS:

The minimum wage increases and resulting increases for mandated employer costs, including Social Security, Medicare, Federal Unemployment, State Unemployment, and Workers' Compensation will affect Purchase of Services (POS) expenditure categories and the services which utilize employees who are paid minimum wage.

METHODOLOGY:

Costs are calculated using 2015-16 POS expenditures based on actual rate increases to service providers effective January 1, 2016.

	<u>2016-17</u>	<u>2017-18</u>
• Community Care Facilities	\$60,208	\$62,833
• Medical Facilities	6	6
• Day Programs	5,283	5,536
• Habilitation Services Program	197	189
• Transportation	276	294
• Support Services	8,959	9,713
• In-Home Respite	16,562	18,558
• Out-of-Home Respite	574	568
• Miscellaneous	918	948
TOTAL EXPENDITURES	\$92,983	\$98,645

FUNDING:

Expenditures from the minimum wage increases are assumed to be funded by the General Fund (GF) and reimbursements from the Home and Community-Based Services Waiver and the 1915(i) State Plan Amendment, with 50% federal financial participation and 50% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year net decrease of \$31.7 million (-\$19.3 million GF) reflects revised estimates of the fiscal impact of the minimum wage expenditures in Day Program Services, Habilitation Services, Transportation, Support Services, slightly offset by an increase in Community Care Facilities, Medical Facilities, In-Home and Out-of-Home Respite, and Miscellaneous.

**Assembly Bill (AB) 10, Minimum Wage Increase:
Minimum Wage Increase Effective January 1, 2016
Purchase of Services****BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:**

The budget year net decrease of \$33.6 million (-\$20.6 million GF) is reflects revised estimates of the fiscal impact of the minimum wage expenditures in Medical Facilities, Day Program Services, Habilitation Services, Transportation, Support Services, and Out-of-Home Respite, slightly offset by an increase in Community Care Facilities, In-Home Respite, and Miscellaneous.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$92,983	\$98,645
<i>GF</i>	<i>50,802</i>	<i>53,877</i>
<i>Reimbursements</i>	<i>42,181</i>	<i>44,768</i>

Alternate Residential Model 4-Bed Rate Model

DESCRIPTION:

The Department established the Alternative Residential Model (ARM) rate structure for Community Care Facilities (CCFs) in 1988-89 with rate levels based on the amount of support required by residents' needs. The 14-level rate structure assumed six residents per facility, and allocated total facility overhead and staffing costs six ways to determine a per-resident, or "bed" rate. Over the past several years, regional centers developed and vendored smaller, three and four-bed ARM facilities to meet consumer preferences for more individualized settings. Although the facilities accommodate fewer residents, the per-resident rates paid continued to be those calculated on a six bed basis. In response to provider concerns that the six-bed rates resulted in insufficient funding for the smaller facilities to remain viable, the Department received additional funds to establish rates based on four residents.

ASSUMPTIONS:

Estimates were derived based on the costs of current CCFs serving four residents.

METHODOLOGY:

The Department estimated costs based on the number of current CCFs serving four or fewer residents, and the costs to operate and staff facilities with fewer residents.

FUNDING:

Expenditures of the facilities are funded from the Home and Community Based Services Waiver, the 1915(i) State Plan Amendment, and General Fund (GF) with 50% federal financial participation and 50% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The \$5.2 million decrease (\$3.0 million GF decrease) reflects actual expenditures multiplied by the growth rate of the CCF Purchase of Service budget category.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$40,754	\$46,000
<i>GF</i>	23,035	26,000
<i>Reimbursements</i>	17,719	20,000

Compliance with Home and Community-Based Services Regulations - Purchase of Services

DESCRIPTION:

In January 2014, the Centers for Medicare & Medicaid Services (CMS) published final regulations defining what constitutes a home and community-based setting for Medicaid reimbursement purposes under Section 1915(c) Home and Community-Based (HCBS) Waivers, and Section 1915(i) HCBS State Plan programs. The effective date of the regulations was March 17, 2014, and states were allowed up to a five year transition period to make any modifications necessary to comply with the regulations.

Subsequently, CMS notified states on May 9, 2017, that compliance is required by March 17, 2022. To operate in full compliance with the CMS final regulations, HCBS settings must be integrated in and support full access to the greater community for individuals receiving Medicaid HCBS. This includes opportunities to seek employment and work in competitive, integrated settings, engage in community life, control personal resources, and receive services in the community to the same degree of access as individuals not receiving Medicaid HCBS.

ASSUMPTIONS:

Purchase of Services expenditures will provide resources for modifications and additional staffing as needed for service providers to achieve compliance with the CMS final regulations.

METHODOLOGY:

The funding will be distributed to service providers upon approval of modification plans submitted to the regional centers and the Department.

FUNDING:

Expenditures related to complying with HCBS Regulations are funded by the General Fund (GF), the HCBS Waiver, and the 1915(i) State Plan Amendment, with 50% federal financial participation and 50% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

EXPENDITURES:

	2016-17	2017-18
TOTAL	\$15,000	\$15,000
<i>GF</i>	<i>11,000</i>	<i>11,000</i>
<i>Reimbursements</i>	<i>4,000</i>	<i>4,000</i>

Assembly Bill (AB)X2 1 - Community Based Services Increases Effective July 1, 2016 Purchase of Services

DESCRIPTION:

Chapter 3, Statutes of 2016 (AB 1, 2nd Extraordinary Session – Thurmond [ABX2 1]), included additions and amendments to the Welfare and Institutions Code, as well as appropriations of funds to increase salaries of direct care staff and administrative expenses paid to community-based service providers.

ASSUMPTIONS:

Amounts identified below include fixed General Fund (GF) appropriations made in ABX2 1, as well as percentage increases calculated on related Purchase of Service category expenditures. Matching federal funds are based on typical reimbursement percentages applied to Purchase of Service expenditure categories.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
• 5% Increase for Supported Living and Independent Living	\$33,119	\$35,727
• 5% Increase for Respite	14,133	15,801
• 5% Increase for Transportation	13,160	14,012
• Increase for Direct Care Staff Wages and Benefits (fixed amount)	294,800	294,800
• Increase for Purchase of Service Administrative Costs (fixed amount)	17,300	17,300
• 11.1% Restoration of Supported Employment Reduction	11,329	11,778
• Competitive, Integrated Employment Incentives (fixed amount)	29,000	29,000
TOTAL EXPENDITURES	\$412,841	\$418,418

FUNDING:

Expenditures for amounts appropriated per ABX2 1 are funded by GF and reimbursements from the Home and Community-Based Services Waiver and the 1915 (i) State Plan Amendment.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

The current year net increase of \$10.5 million (\$6.2 million GF) reflects revised expenditure estimates, including increases in Supported and Independent Living, and the Restoration of Supported Employment Reduction, slightly offset by decreases in Respite and Transportation.

Assembly Bill (AB)X2 1 - Community Based Services Increases
Effective July 1, 2016
Purchase of Services

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

The budget year net increase of \$1.8 million (\$1.1 million GF) reflects revised expenditure estimates, including increases in Supported and Independent Living, Transportation, and the Restoration of Supported Employment Reduction, slightly offset by a decrease in Respite.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$412,841	\$418,418
<i>GF</i>	<i>242,195</i>	<i>245,467</i>
<i>Reimbursements</i>	<i>170,646</i>	<i>172,951</i>

Senate Bill (SB) 3, Minimum Wage Increase Effective January 1, 2017 Purchase of Services

DESCRIPTION:

SB 3, Chapter 4, Statutes of 2016, requires the minimum wage to increase to \$10.50 per hour on January 1, 2017, for businesses with 26 or more employees, with further increases each year until the minimum wage reaches \$15 per hour in 2022. The next increase from \$10.50 to \$11.00 per hour will occur on January 1, 2018.

ASSUMPTIONS:

Assumes incremental future increases at the same percentage level of growth for each purchase of services (POS) budget category. In total, the change from \$10 to \$10.50 as a percentage of POS is 1.23%.

METHODOLOGY:

	<u>2016-17</u>	<u>2017-18</u>
• Community Care Facilities	\$6,143	\$28,072
• Day Program Services	5,183	23,702
• Habilitation Services	791	3,462
• Transportation	1,574	7,339
• Support Services	5,757	27,268
• In-Home Respite	1,608	7,762
• Out-of-Home Respite	189	833
TOTAL EXPENDITURES	\$21,245	\$98,439

FUNDING:

Expenditures from the minimum wage increases are assumed to be funded by the General Fund (GF), the Home and Community-Based Services Waiver and 1915(i) with 50% Federal Financial Participation and 50% GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

Senate Bill (SB) 3, Minimum Wage Increase
Effective January 1, 2017
Purchase of Services

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$21,245	\$98,439
<i>GF</i>	<i>12,001</i>	<i>55,577</i>
<i>Reimbursements</i>	<i>9,244</i>	<i>42,862</i>

Safety Net Resources

DESCRIPTION:

The Department's 2017-18 proposed budget includes additional funds to develop Stabilization, Training, Assistance and Reintegration (STAR) crisis facilities in Northern California, operate two 24-7 mobile acute crisis teams, and establish intensive transition services for residents leaving secure treatment. These new services and supports are part of the Department's overall Safety Net Plan to provide access to crisis services after the closure of the DCs, as summarized in the Supplemental Reporting section of this Estimate.

- \$2.6 million General Fund (GF) to develop two STAR acute crisis facilities in Northern California.
- \$3.0 million GF to establish intensive transition services for residents leaving secure treatment.

FUNDING:

Safety Net Resources are assumed to be funded by the GF.

CURRENT YEAR CHANGE FROM GOVERNOR'S BUDGET:

This is a new policy effective 2017-18.

BUDGET YEAR CHANGE FROM GOVERNOR'S BUDGET:

This is a new policy effective 2017-18.

EXPENDITURES:

	<u>2016-17</u>	<u>2017-18</u>
TOTAL	\$0	\$5,622
<i>GF</i>	<i>0</i>	<i>5,622</i>

Purchase of Service Policy Funding Detail

	Governor's			Governor's			2017-18
	Budget	Updated	2016-17	Budget	Updated	Over	2017-18
	2016-17	2016-17	Request	2017-18	2017-18	2016-17	Request
AB 10 - Minimum Wage Increase: Effective January 1, 2016							
TOTAL	\$124,714	\$92,983	(\$31,731)	\$132,248	\$98,645	\$5,662	(\$33,603)
GF	\$70,085	\$50,802	(\$19,283)	\$74,443	\$53,877	\$3,075	(\$20,566)
GF Match	54,628	42,180	(12,448)	57,805	44,767	2,587	(13,038)
GF Other	15,457	8,622	(6,835)	16,638	9,110	488	(7,528)
Reimbursements	\$54,629	\$42,181	(\$12,448)	\$57,805	\$44,768	\$2,587	(\$13,037)
HCBS Waiver	44,068	35,670	(8,398)	46,684	37,886	2,216	(8,798)
1915(i)	10,561	6,511	(4,050)	11,121	6,882	371	(4,239)
Impacts from Other Departments BHT Transition							
TOTAL	(\$128,107)	(\$98,297)	\$29,810	(\$128,107)	(\$98,297)	\$0	\$29,810
GF	(\$63,303)	(\$49,066)	\$14,237	(\$63,303)	(\$49,066)	\$0	\$14,237
GF Match	(64,803)	(49,229)	15,574	(64,803)	(49,229)	0	15,574
GF Other	1,500	163	(1,337)	1,500	163	0	(1,337)
Reimbursements	(\$64,804)	(\$49,231)	\$15,573	(\$64,804)	(\$49,231)	\$0	\$15,573
HCBS Waiver	(57,022)	(43,319)	13,703	(57,022)	(43,319)	0	13,703
1915(i)	(7,782)	(5,912)	1,870	(7,782)	(5,912)	0	1,870
Alternate Residential Model - 4-Bed Rate Model							
TOTAL	\$46,000	\$40,754	(\$5,246)	\$46,000	\$46,000	\$5,246	\$0
GF	\$26,000	\$23,035	(\$2,965)	\$26,000	\$26,000	\$2,965	\$0
GF Match	20,000	17,719	(2,281)	20,000	20,000	2,281	0
GF Other	6,000	5,316	(684)	6,000	6,000	684	0
Reimbursements	\$20,000	\$17,719	(\$2,281)	\$20,000	\$20,000	\$2,281	\$0
HCBS Waiver	18,600	16,479	(2,121)	18,600	18,600	2,121	0
1915(i)	1,400	1,240	(160)	1,400	1,400	160	0
Compliance with HCBS Regulations - Purchase of Service							
TOTAL	\$15,000	\$15,000	\$0	\$15,000	\$15,000	\$0	\$0
GF	\$11,000	\$11,000	\$0	\$11,000	\$11,000	\$0	\$0
GF Match	4,000	4,000	0	4,000	4,000	0	0
GF Other	7,000	7,000	0	7,000	7,000	0	0
Reimbursements	\$4,000	\$4,000	\$0	\$4,000	\$4,000	\$0	\$0
HCBS Waiver	3,720	3,720	0	3,720	3,720	0	0
1915(i)	280	280	0	280	280	0	0

Purchase of Service Policy Funding Detail

	Governor's Budget 2016-17			Governor's Budget 2017-18			2017-18 Over 2016-17	2017-18 Request
	Updated 2016-17	2016-17 Request		Updated 2017-18				
Community Based Services Increases - ABX2 1								
TOTAL	\$402,300	\$412,841	\$10,541	\$416,600	\$418,418	\$5,577	\$1,818	
GF	\$236,011	\$242,195	\$6,184	\$244,400	\$245,467	\$3,272	\$1,067	
GF Match	166,044	170,395	4,351	171,946	172,697	2,302	751	
GF Other	69,967	71,800	1,833	72,454	72,770	970	316	
Reimbursements	\$166,289	\$170,646	\$4,357	\$172,200	\$172,951	\$2,305	\$751	
HCBS Waiver	145,518	149,331	3,813	150,691	151,348	2,017	657	
1915(i)	20,771	21,315	544	21,509	21,603	288	94	
SB 3 - Minimum Wage Increase - Effective January 1, 2017								
TOTAL	\$21,245	\$21,245	\$0	\$98,439	\$98,439	\$77,194	\$0	
GF	\$12,001	\$12,001	\$0	\$55,577	\$55,577	\$43,576	\$0	
GF Match	9,244	9,244	0	42,862	42,862	33,618	0	
GF Other	2,757	2,757	0	12,715	12,715	9,958	0	
Reimbursements	\$9,244	\$9,244	\$0	\$42,862	\$42,862	\$33,618	\$0	
HCBS Waiver	7,405	7,405	0	34,333	34,333	26,928	0	
1915(i)	1,839	1,839	0	8,529	8,529	6,690	0	
Best Buddies								
TOTAL	\$1,000	\$1,000	\$0	\$0	\$0	(\$1,000)	\$0	
GF	\$1,000	\$1,000	\$0	\$0	\$0	(\$1,000)	\$0	
GF Match	0	0	0	0	0	0	0	
GF Other	1,000	1,000	0	0	0	(1,000)	0	
Safety Net								
TOTAL	\$0	\$0	\$0	\$0	\$5,622	\$5,622	\$5,622	
GF	\$0	\$0	\$0	\$0	\$5,622	\$5,622	\$5,622	
GF Match	0	0	0	0	0	0	0	
GF Other	0	0	0	0	5,622	5,622	5,622	
BHT Consumers without an ASD Diagnosis								
TOTAL	\$0	\$0	\$0	\$0	(\$3,300)	(\$3,300)	(\$3,300)	
GF	\$0	\$0	\$0	\$0	(\$3,300)	(\$3,300)	(\$3,300)	
GF Match	0	0	0	0	0	0	0	
GF Other	0	0	0	0	(3,300)	(3,300)	(3,300)	

Purchase of Service Policy Funding Detail

	Governor's			Governor's		2017-18	2017-18	
	Budget 2016-17	Updated 2016-17	2016-17 Request	Budget 2017-18	Updated 2017-18	Over 2016-17		
Total POS Policy Funding Detail								
TOTAL	\$482,152	\$485,526	\$3,374	\$580,180	\$580,527	\$95,001	\$347	
GF	\$292,794	\$290,967	(\$1,827)	\$348,117	\$345,177	\$54,210	(\$2,940)	
GF Match	189,113	194,309	5,196	231,810	235,097	40,788	3,287	
GF Other	103,681	96,658	(7,023)	116,307	110,080	13,422	(6,227)	
Reimbursements	\$189,358	\$194,559	\$5,201	\$232,063	\$235,350	\$40,791	\$3,287	
HCBS Waiver	162,289	169,286	6,997	197,006	202,568	33,282	5,562	
1915(i)	27,069	25,273	(1,796)	35,057	32,782	7,509	(2,275)	

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NOTICE TO THE LEGISLATURE:

HOMES WITH DELAYED EGRESS AND A SECURED PERIMETER

Notice is hereby given to the fiscal and policy committees of the Legislature pursuant to Health and Safety Code section 1531.15(k) which states:

...(k) Except as provided in subdivision (k) of Section 4684.81 of the Welfare and Institutions Code, the state shall not authorize or fund more than a combined total of 150 beds statewide in facilities with secured perimeters under this section and under Section 1267.75. The department shall notify the appropriate fiscal and policy committees of the Legislature through the January and May budget estimates prior to authorizing an increase above a combined total of 100 beds statewide in facilities with secured perimeters under this section and under Section 1267.75.

As of May 8, 2017, the Department of Developmental Services (Department) has authorized the use of delayed egress with the added feature of a secured perimeter for the development of 96 beds¹ by approving proposals submitted by regional centers for funding through the Community Placement Plan process, Welfare and Institutions Code section 4418.25. On the following page, the types of homes approved for development, their capacity and status are indicated by regional center. The Department expects to authorize more capacity within the 150-bed total as regional centers identify consumers for whom these protections are necessary through the comprehensive assessment and Individual Program Plan processes, and for whom greater capacity is needed.

¹ Of the 96 beds, two homes with a total capacity of eight beds will be licensed as an Enhanced Behavioral Supports Home (EBSH). Welfare and Institutions Code section 4684.81(k)(2) provides that the capacity of EBSHs with delayed egress and a secured perimeter shall not be counted for purposes of the statewide limit. However, the statute further indicates that the Department "shall make reasonable efforts to include enhanced behavioral supports homes within the statewide limit." Therefore, they are reflected here.

DELAYED EGRESS WITH SECURED PERIMETER

DEVELOPMENTS COMPLETED AND IN PROGRESS

As of May 8, 2017

COMPLETED DELAYED EGRESS WITH SECURED PERIMETER						
#	REGIONAL CENTER	DEVELOPMENT TYPE	PROJECTED CAPACITY	COMPETENCY TRAINING	DEVELOPMENT PROPERTY NAME	ACTUAL SERVICE DATE
1	SGPRC	Specialized Residential Facility	4		Covina Hills	5/11/15
2	CVRC	Specialized Residential Facility	4		Discovery in the West MARS	10/7/15
3	SGPRC	Specialized Residential Facility	3		Cameron Ave	1/4/16
4	SGPRC	Specialized Residential Facility	4		Conference	1/30/16
TOTAL COMPLETED HOMES			4			
TOTAL COMPLETED CAPACITY			15			

IN PROGRESS DELAYED EGRESS WITH SECURED PERIMETER						
#	REGIONAL CENTER	DEVELOPMENT TYPE	PROJECTED CAPACITY	COMPETENCY TRAINING	DEVELOPMENT PROPERTY NAME	PROJECTED SERVICE DATE
1	CVRC	Enhanced Behavioral Supports Home	4		MARS - Frontier Manota	6/15/17
2	NBRC	Specialized Residential Facility	5		English Hills	6/30/17
3	NBRC	Specialized Residential Facility	5		Locke	6/30/17
4	NBRC	Specialized Residential Facility	5		Steiger Hill	6/30/17
5	SGPRC	Enhanced Behavioral Supports Home	4		Viola	7/1/17
6	SGPRC	Specialized Residential Facility	4		Ferrero Lane	7/1/17
7	SDRC	Specialized Residential Facility	4	Yes	Ramona View Court	9/1/17
8	SDRC	Specialized Residential Facility	4	Yes	Ash Street	10/1/17
9	SDRC	Specialized Residential Facility	4	Yes	Duck Pond Lane	10/1/17
10	SDRC	Specialized Residential Facility	4	Yes	Garjan Lane	11/1/17
11	VMRC	Large Specialized Residential Facility	15		Paulson	1/15/18
12	SGPRC	Specialized Residential Facility	3			3/1/18
13	SGPRC	Specialized Residential Facility	4			3/1/18
14	IRC	Enhanced Behavioral Supports Home	4			6/1/18
15	IRC	Specialized Residential Facility	4			6/1/18
16	CVRC	Specialized Residential Facility	4		People's Care Female	7/1/18
17	KRC	Enhanced Behavioral Supports Home	4	Yes		7/1/18
TOTAL IN PROGRESS HOMES			17			
TOTAL IN PROGRESS CAPACITY			81			

Early Start Expenditures and Population

DESCRIPTION:

Per Legislative request, the Department is providing projected caseload and expenditures for the Early Start program.

ASSUMPTIONS:

Early Start Expenditure Data Source: State Claims Data file, dated May 2017. Data was adjusted for lag based on historical data and used to project 2016-17 and 2017-18 expenditures.

Fiscal Year	Caseload ^{1/}	Total POS Expenditures	Per Capita
2016-17	39,050	\$317,758,000	\$8,137
2017-18	42,660	\$334,559,000	\$7,842

1/ Refer to Section E - Population for additional detail on the Early Start population.

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.