

**DEPARTMENT OF DEVELOPMENTAL SERVICES**

1600 NINTH STREET, Room 320, MS 3-9  
SACRAMENTO, CA 95814  
TDD 654-2054 (For the Hearing Impaired)  
(916) 654-1958



**DATE: DECEMBER 3, 2014**

**TO: REGIONAL CENTER DIRECTORS**

**SUBJECT: GUIDANCE ON 5.82% RATE ADJUSTMENT**

The purpose of this correspondence is to provide further information related to rate increases for specified providers due to changes in federal regulations implementing the Fair Labor Standards Act. As noted in the enclosed letter, the Developmental Services Budget Trailer Bill, SB 856, enacted June 20, 2014, authorized a 5.82 percent rate increase, effective January 1, 2015, for personal assistance, supported living and in-home respite agency services. The process for implementation of these increases is described below.

Personal Assistance and Supported Living

Welfare and Institutions Code (WIC), Section 4691.9(c) as amended states:

*(c) Notwithstanding any other law or regulation, commencing January 1, 2015, rates for personal assistance and supported living services in effect on December 31, 2014, shall be increased by 5.82 percent, subject to funds specifically appropriated for this increase for costs due to changes in federal regulations implementing the federal Fair Labor Standards Act of 1938 (29 U.S.C. Sec. 201 et seq.). The increase shall be applied as a percentage, and the percentage shall be the same for all applicable providers. As used in this subdivision, both of the following definitions shall apply:*

*(1) "Personal assistance" is limited only to those services provided by vendors classified by the regional center as personal assistance providers, pursuant to the miscellaneous services provisions contained in Title 17 of the California Code of Regulations.*

*(2) "Supported living services" are limited only to those services defined as Supported living services in Title 17 of the California Code of Regulations.*

Consistent with the references to Title 17 regulations in the amended Statute above, the applicable service codes are:

- Personal Assistance – 062
- Supported Living Services – 891, 892, 893, 894 and 896

Effective January 1, 2015, regional centers will implement rate increases of 5.82 percent, applied as a percentage, to the applicable provider rates. This increase will be applied after any increase that was negotiated due to the July 1, 2014, change in minimum wage.

**"Building Partnerships, Supporting Choices"**

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In-Home Respite Agency

SB 856 also added the following to WIC Section 4691.6:

*(h) Notwithstanding any other law or regulation, commencing January 1, 2015, the in-home respite service agency rate schedule authorized by the department and in operation December 31, 2014, shall be increased by 5.82 percent, subject to funds specifically appropriated for this increase for costs due to changes in federal regulations implementing the federal Fair Labor Standards Act of 1938 (29 U.S.C. Sec. 201 et seq.). The increase shall be applied as a percentage, and the percentage shall be the same for all applicable providers.*

The Department will issue new rate letters to all in-home respite agency providers and send copies of these rate letters to regional centers.

If you have any questions regarding this process, please contact Jeff Greer at [jeff.greer@dds.ca.gov](mailto:jeff.greer@dds.ca.gov) or (916) 654-2201.

Sincerely,

*Original signed by*

NANCY BARGMANN  
Deputy Director  
Community Services Division

cc: Regional Center Administrators  
Regional Center Chief Counselors  
Association of Regional Center Agencies