



The Department of Developmental Services (Department) is responsible for administering the Lanterman Developmental Disabilities Services Act (Lanterman Act). The Lanterman Act provides for the coordination and provision of services and supports to enable people with developmental disabilities to lead more independent, productive, and integrated lives. Additionally, the Early Start Program provides for the delivery of services to infants and toddlers at risk of having a developmental disability. The Department carries out its responsibilities through contracts with 21 community-based, non-profit corporations known as regional centers, as well as through state-operated homes and facilities.

The number of individuals served by regional centers (consumers) is expected to be 352,381 in the current year and increase to 386,431 in fiscal year (FY) 2021-22. In addition, 322 individuals are projected to be served in state-operated facilities as of July 1, 2021. The current year estimate reflects a reduction of 5,438 individuals when compared to Governor's Budget, which is primarily due to a reduction in referrals which coincided with the beginning of the novel coronavirus (COVID-19) pandemic.

The May Revision Estimate continues to support the needs of consumers throughout the public health crisis and reflects the need for increased supports. The pandemic highlighted inequities among underserved communities and the May Revision Estimate proposes new policies to improve service access and equity to regional center services as well as funding for incentives to achieve better service outcomes and consumer experiences.

## 2021 MAY REVISION SUMMARY

The 2021 May Revision updates the Department's FY 2020-21 budget to include \$9.9 billion total funds (TF) (\$5.8 billion General Fund [GF]) and includes \$10.7 billion TF (\$6.6 billion GF) for FY 2021-22; a net increase of \$841.6 million TF (\$774.6 million GF) over the updated FY 2020-21 budget.

In the current year, funds will be reallocated to support concerted efforts to increase outreach activities, eligibility assessments and determinations to reach the caseload levels estimated using pre-COVID-19 caseload trends.

In the budget year, in addition to caseload and utilization updates, the proposed FY 2021-22 funding supports the following:

- COVID-19 Response (\$257 million TF, \$152.2 million GF): Projected costs for ongoing response to COVID-19. Funding reflects projected impacts on regional center services as well as resources to support an average of 30 beds combined at Fairview and Porterville Developmental Centers as part of the State's COVID-19 response for individuals with intellectual and developmental disabilities.
- Provider Supplemental Rates and Uniform Holiday Schedule (\$527.6 million TF, \$309.6 million GF): Elimination of the suspension provision for the provider supplemental rates and the Uniform Holiday Schedule. Trailer Bill Language (TBL).
- START Teams (\$5.7 million TF, \$4.0 million GF): The Governor's Budget proposed four additional teams in FY 2021-22; the May Revision proposes funding to support five additional START teams for a total of nine new START teams established in the budget year.

- Emergency Preparedness (\$4.3 million GF, \$200,000 ongoing): Resources to expand emergency preparedness informational materials, provide training and education, provide consumers with emergency go-kits, and enhance availability of back-up batteries and generators for individual's dependent on power for life-sustaining equipment.
- Direct Service Professional Training and Certification (\$4.3 million TF, \$2.9 million GF): Promotes improved consumer access to trained and qualified staff. TBL.
- Bilingual Differential for Direct Service Professionals (\$3.6 million TF, \$2.2 million GF): Funding supports the establishment of a verification process for bilingual competency and provides a differential to increase the availability of staff who are bi/multi-lingual. TBL.
- Competitive Integrated Employment & Paid Internship Program: Proposed change in statute increases the number of incentive payments for longer-term employment, additional incentives to help with COVID-19 recovery, and funding to support paid internship development. TBL only.
- Employment Grant (\$14.7 million TF, \$10.0 million GF): DDS funding to support the expanded cooperative efforts with Department of Rehabilitation to improve the employment rate of individuals with disabilities.
- Self-Determination Ongoing Implementation (\$10.3 million TF, \$6.8 million GF): Funding supports transition support services, improved orientation and training, and participant choice specialists to improve the process for individuals to transition from traditional services to the Self-Determination Program. TBL.
- Additional Resources for Individuals who are Deaf (DDS and regional center funding of \$2.6 million TF, \$1.8 million GF): Spring Finance Letter proposes funding for a headquarters position to provide statewide leadership and subject matter expertise on the provision of services and supports for individuals who are deaf and have intellectual or developmental disabilities. In addition, funding for 21 regional center deaf services specialists to support the expansion of deaf service resources, provide training and expertise to regional center staff, and coordinate with the Department on statewide efforts.
- Tribal Engagement for Early Start Services (\$500,000 GF): Funding for targeted engagement efforts and increase access to services for the Native American population.
- Lanterman Act Provisional Eligibility Ages 3 and 4 (\$23.8 million GF): Funding supports regional center operations as well as purchase of services to provide provisional eligibility for children aged 3 and 4 to reduce the likelihood of children experiencing delays in receiving services, which can lead to long-term impacts and a need for more intensive services and supports. TBL.
- Implicit Bias Training (\$700,000 TF, \$553,000 GF): Funding prioritized for regional center staff involved in eligibility determinations. TBL.
- Enhanced Service Coordination (\$12.8 million TF, \$10.0 million GF): Funding for service coordination activities to support consumers with low or no purchase of service expenditures.
- Performance Incentives (\$3.7 million TF, \$2.5 million GF): Funding supports initial and ongoing efforts to establish a performance improvement program with fiscal incentives for regional centers to meet specified benchmarks and improvement measures, with an initial focus on reducing caseload ratios. Funding increases to \$87.5 million, \$59.5 million GF in 2022-23. TBL.

## Program Highlights *(Dollars in Thousands)*

	FY 2020-21*	FY 2021-22*	Difference
<b>Community Services Program</b>			
Regional Centers	\$9,410,291	\$10,265,357	\$855,066
<b>Total, Community Services</b>	<b>\$9,410,291</b>	<b>\$10,265,357</b>	<b>\$855,066</b>
General Fund	\$5,440,502	\$6,223,905	\$783,403
Program Development Fund	0	204	204
Developmental Disabilities Services Account	150	150	0
Federal Trust Fund	54,279	78,765	24
Reimbursements	3,914,620	3,961,593	46,973
Mental Health Services Fund	740	740	0
<b>State Operated Facilities Program</b>			
Personal Services	\$233,958	\$259,253	\$25,295
Operating Expense & Equipment	129,745	68,137	(61,608)
<b>Total, State Operated Facilities</b>	<b>\$363,703</b>	<b>\$327,390</b>	<b>(\$36,313)</b>
General Fund	\$315,616	\$292,225	(\$23,391)
Lottery Education Fund	126	126	0
Reimbursements	47,961	35,039	(12,922)
<b>Headquarters Support</b>			
Personal Services	\$75,244	\$84,751	\$9,507
Operating Expense & Equipment	32,704	46,081	13,377
<b>Total, Headquarters Support</b>	<b>\$107,948</b>	<b>\$130,832</b>	<b>\$22,884</b>
General Fund	\$65,768	\$80,352	\$14,584
Federal Trust Fund	2,715	2,742	27
Program Development Fund	412	413	1
Reimbursements	500	500	0
Mental Health Services Fund	38,553	46,825	8,272
<b>Total, All Programs</b>	<b>\$9,881,942</b>	<b>\$10,723,579</b>	<b>\$841,637</b>
<b>Total Funding</b>			
General Fund	\$5,821,886	\$6,596,482	\$774,596
Federal Trust Fund	56,994	81,507	24,513
Lottery Education Fund	126	126	0
Program Development Fund	412	617	205
Developmental Disabilities Services Account	150	150	0
Reimbursements	3,963,081	3,997,132	34,051
Mental Health Services Fund	39,293	47,565	8,272
<b>Total, All Funds</b>	<b>\$9,881,942</b>	<b>\$10,723,579</b>	<b>\$841,637</b>
<b>Caseloads</b>			
State Operated Facilities	302	322	20
Regional Centers	352,381	386,431	34,050
<b>Departmental Positions</b>			
State Operated Facilities	1,953.2	1,985.7	32.5
Headquarters	516.0	519.0	3.0

\*The Total Expenditure do not reflect the statewide item for Employee Retention Incentives of \$15.7 million in FY 2020-21. The incentives were added by the 2016 Budget Act and displayed as a Carryover/Re-appropriation in the Governor's Budget Galley. The above figures do not include \$2.7 million deferred maintenance re-appropriation in FY 2021-22.

