

DEPARTMENT OF DEVELOPMENTAL SERVICES

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January 11, 2019

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: SELF-DETERMINATION PROGRAM: INDIVIDUAL BUDGET
DEVELOPMENT AND SPENDING PLAN

In alignment with the key principles of the Self-Determination Program (SDP), participants have the authority to control a certain amount of money to purchase needed services and supports. This amount of money is called an individual budget. The purpose of this correspondence is to provide the requirements for determining the amount of the individual budget and how this amount can be used. Applicable excerpts from the Welfare & Institutions (W&I) Code are enclosed (See Enclosure 1).

Definition of Terms

The following terms are used in this correspondence:

- **Individual budget** – This is the total amount of regional center funds available to the SDP participant each year.
- **Spending plan** – This plan details how the available funds will be used to purchase services and supports necessary to implement the Individual Program Plan (IPP).

Determining the individual budget amount

The individual budget amount is determined in one of the following ways.

1. **For participants who currently receive regional center services** – The individual budget amount is based on the prior 12 months of all regional center expenditures used to purchase services in the IPP. This amount shall be calculated with the most recent 12 months of data.

This amount can be adjusted only if both of the following occur:

“Building Partnerships, Supporting Choices”

- The IPP team determines an adjustment to this amount is necessary due to a change in the participant's needs, circumstances or resources, or the team identifies prior needs or resources unaddressed in the IPP that would have resulted in an increase or decrease in the amount of regional center expenditures. Examples of when an adjustment to the individual budget amount may be necessary include, but are not limited to, recent/pending change in living situation; services received previously that are no longer needed; services included in the IPP were not used due to illness or lack of provider availability, thus no costs were incurred.
- The regional center certifies the expenditures used to calculate the individual budget amount, including any adjustments, would have occurred regardless of the individual's participation in the SDP.

2. **For participants who are either newly eligible for regional center services or who do not have 12 months of regional center purchases**

The individual budget amount is calculated based on the following:

- As required by W&I Code section 4646, the IPP team identifies the services and supports needed by the participant.
- The regional center calculates the annual cost of providing the needed services and supports. This is done by using the average cost paid for each of the identified services and supports and how often the IPP team determines each service or support is needed. The average cost may be adjusted if the regional center determines the participant has unique needs that result in a higher or lower cost. Unique needs may include, but are not limited to, language preference, support for behavioral/medical needs and location of available services.
- The regional center certifies the individual budget amount would have been expended regardless of the individual's participation in the SDP.

The individual budget amount shall not be increased to fund either the independent facilitator or financial management services (FMS). The individual budget amount is calculated no more than once every 12 months unless, as described above, an adjustment is necessary due to a change in an individual's needs, circumstances, or resources and the regional center certifies the expenditures would have occurred regardless of the individual's participation in the SDP.

Spending plan

The IPP team must use a person-centered planning process to develop the IPP which identifies the type and amount of all the needed services and supports to achieve the planned outcomes and ensure the participant's health and safety. After the individual budget amount is determined, the participant must develop a plan to use the available funds to meet their goals and objectives as outlined in their IPP. The spending plan must be attached to the IPP.

The spending plan must identify the cost of each service and support that will be purchased with regional center funds. This includes the cost for FMS, which is a required service for all SDP participants. Participants may require support from others, such as the independent facilitator, to negotiate with providers to determine the cost for each service. In addition to wages, costs for employee benefits and payroll taxes must be included when determining the cost of each service. The total spending plan amount cannot exceed the individual budget amount.

SDP funds can only be used for services that:

- have been approved by the federal Centers for Medicare and Medicaid Services; and,
- are not available through other funding sources (e.g., Medi-Cal, In-Home Supportive Services, schools, etc.).

Spending plan changes

Each service in the spending plan falls into one of three larger budget categories (see Enclosure 2 for the list of services and budget categories as of January 2019). A participant may annually transfer up to 10 percent of the funds originally in any budget category to another budget category or categories without approval from the regional center or IPP team. Transfers exceeding 10 percent of the budget category require approval/agreement from the regional center or IPP team.

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If there are questions about this information, or to request technical assistance, please send an email to sdp@dds.ca.gov.

Sincerely,

Original signed by:

JIM KNIGHT
Assistant Deputy Director
Community Services Division

Enclosures

cc: Regional Center Administrators
Regional Center Chief Counselors
Regional Center Community Services Directors
Association of Regional Center Agencies
State Council on Developmental Disabilities
Brian Winfield, Chief Deputy Director, DDS
Patti Mericantante, Deputy Director, Administration, DDS

Enclosure 1

Individual Budget from Welfare & Institutions (W&I) Code

§4685.8(c)(3) “Individual budget” means the amount of regional center purchase of service funding available to the participant for the purchase of services and supports necessary to implement the IPP. The individual budget shall be determined using a fair, equitable, and transparent methodology.

§4685.8(c)(6) The Self-Determination Program shall only fund services and supports provided pursuant to this division that the federal Centers for Medicare and Medicaid Services determines are eligible for federal financial participation.

§4685.8(d)(3)(B) The participant shall utilize the services and supports available within the Self-Determination Program only when generic services and supports are not available.

§4685.8(n)(A)(ii)(II) Except as provided in paragraph (4), the IPP team shall determine the initial and any revised individual budget for the participant using the following methodology:

(A)(i) Except as specified in clause (ii), for a participant who is a current consumer of the regional center, his or her individual budget shall be the total amount of the most recently available 12 months of purchase of service expenditures for the participant.

(ii) An adjustment may be made to the amount specified in clause (i) if both of the following occur:

(I) The IPP team determines that an adjustment to this amount is necessary due to a change in the participant’s circumstances, needs, or resources that would result in an increase or decrease in purchase of service expenditures, or the IPP team identifies prior needs or resources that were unaddressed in the IPP, which would have resulted in an increase or decrease in purchase of service expenditures.

(II) The regional center certifies on the individual budget document that regional center expenditures for the individual budget, including any adjustment, would have occurred regardless of the individual’s participation in the Self-Determination Program.

§4685.8(o) Annually, participants may transfer up to 10 percent of the funds originally distributed to any budget category set forth in paragraph (3) of subdivision (n) to another budget category or categories. Transfers in excess of 10 percent of the original amount allocated to any budget category may be made upon the approval of the regional center or the participant’s IPP team.

Enclosure 2

Self-Determination Program Services by Budget Category

Budget Category	Services
Living Arrangement	<ul style="list-style-type: none">√ Community Living Supports√ Financial Management Services√ Homemaker√ Housing Access Supports√ Live-In Caregiver√ Respite Services
Employment and Community Participation	<ul style="list-style-type: none">√ Community Integration Supports√ Employment Supports√ Independent Facilitator√ Individual Training and Education√ Non-Medical Transportation√ Participant-Directed Goods and Services√ Prevocational Supports√ Technology√ Transition/Set Up and Expenses
Health and Safety	<ul style="list-style-type: none">√ Acupuncture Services√ Behavioral Intervention Services√ Chiropractic Services√ Communication Support√ Crisis Intervention and Support√ Dental Services√ Environmental Accessibility Adaptations√ Family/Consumer Training√ Family Support Services√ Home Health Aide√ Lenses and Frames√ Massage Therapy√ Nutritional Consultation√ Occupational Therapy√ Optometric/Optician Services√ Personal Emergency Response Systems√ Physical Therapy√ Psychology Services√ Skilled Nursing√ Specialized Medical Equipment and Supplies√ Speech, Hearing and Language Services√ Training and Counseling Services for Unpaid Caregivers√ Vehicle Modifications and Adaptations