

**DEPARTMENT OF DEVELOPMENTAL SERVICES**

1215 O Street, MS 7-40  
Sacramento, CA 95814  
TTY: 711  
(833) 421-0061



DATE: APRIL 21, 2022

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: FUNDING TO SUPPORT COMPLIANCE WITH THE HOME AND  
COMMUNITY-BASED SERVICES (HCBS) FINAL RULE

In January 2014, the federal Centers for Medicare and Medicaid Services issued final regulations, or rules, for Home and Community-Based Services (HCBS). The rules require that HCBS programs funded through Medicaid (called Medi-Cal in California) provide individuals with disabilities full access to the benefits of community living and offer services and supports in settings that are integrated in the community.

In accordance with the 2021 enacted budget, \$15 million will be allocated to regional centers to fund necessary changes to assist providers in taking steps towards modifying their services to come into compliance with the HCBS rules by March 2023. The March 16, 2022, letter from the Department of Developmental Services (Department) informed regional centers of the provider-specific funding allocations for each catchment area. The awarded amounts totaled \$9,033,692.

The purpose of this letter is to notify regional centers of the Department's decision regarding the allocation and use of remaining funds, and to outline next steps for regional centers in reporting their utilization plan to the Department.

\$5,966,308 remains available for allocation and will be split evenly among the regional centers (\$284,109 each) to support broader work in each community that promotes HCBS compliance. Please note that funds must be encumbered by September 30, 2022.

The 2021 enacted budget specifies that the basis for utilization of these funds is based on demonstrated need to comply with requirements of the HCBS Final Rule. The Department has identified priorities for use of the remaining funds, which includes:

- Developing local communities of practice to increase knowledge and implementation of best practices and encouraging collaborative groups to foster shared learning and solution-focused discussions;

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- Engaging families and individuals served, including education and training for families/support persons and providers on best practices for aligning services with the Final Rule; and,
- Creating and implementing innovative pathways and provider practices that support community integration, individual rights, and individual choice, highlighting a whole-person approach to service delivery.

Regional centers and their Vendor Advisory Committees should work collaboratively to prioritize the use of available funds to meet the needs of individuals served in their local area. Regional centers must report their plan for use of these funds to the Department, including anticipated activities and the expected cost of each, through the email provided below, by August 30, 2022. Regional centers should encumber funds by September 30, 2022, after receiving DDS approval of their plan for use of funds.

If you have any questions regarding this correspondence, please contact [hcbsegs@dds.ca.gov](mailto:hcbsegs@dds.ca.gov).

Sincerely,

*Original signed by:*

MARICRIS ACON  
Deputy Director  
Federal Programs Division

cc: Regional Center Administrators  
Regional Center Directors of Consumer Services  
Regional Center Community Services Directors  
Association of Regional Center Agencies  
State Council on Developmental Disabilities  
Nancy Bargmann, DDS  
Brian Winfield, DDS  
Carla Castañeda, DDS  
Jim Knight, DDS  
Tim Travis, DDS  
Ernie Cruz, DDS