

INITIAL STATEMENT OF REASONS

TITLE 17, CALIFORNIA CODE OF REGULATIONS DIVISION 2. DEPARTMENT OF DEVELOPMENTAL SERVICES

CHAPTER 3. COMMUNITY SERVICES

(a) Description of the Public Problem, Administrative Requirement or Other Condition or Circumstance the Regulations are Intended to Address

Effective January 1, 2008, California law increased the minimum wage to \$8.00 per hour. The regulation changes are intended to reflect the increase in the maximum rates of reimbursement appropriated for in the Budget Act for Fiscal Year (FY) 2007-08, for respite services provided under In-home Respite Worker, Service Codes 864 and 869, and Vouchered Respite Service, Service Code 420 to \$10.71 per consumer per hour.

(b) Specific Purpose and Rationale for Necessity

57310. Method of Reimbursement for Voucher Services

Subsection (b)(3)

Specific Purpose

This section establishes the maximum rate of reimbursement for several vouchered services, including respite, under service code 420. The proposal in the subsection would increase the maximum reimbursement rate for respite services provided under the voucher to \$10.71 per consumer per hour.

Section 57332. Maximum Rates of Reimbursement for Non-Residential Services

Subsections (c)(3)(A) and (c)(9)(A)2.a.

Specific Purpose:

This section establishes maximum rates of reimbursement for many non-residential services under service codes 864 and 869. The proposal in this subsection would increase the maximum reimbursement rate for in-home respite workers and respite facilities to \$10.71 per consumer per hour.

Rationale for Necessity:

This proposed regulatory change is necessary to reflect the impact of the minimum wage increase, which took effect January 1, 2008, on the rates for respite services provided under service codes 420, 864 and 869. The impact to small businesses will be minimal as this regulatory change allows those affected businesses to be reimbursed in order to fund the increase in minimum wage.