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GAVIN NEWSOM
GOVERNOR

December 11, 2023

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: ADJUSTMENTS TO INDEPENDENT LIVING SERVICES RATE MODELS
AND PROVIDER RATES EFFECTIVE JANUARY 1, 2024

This correspondence provides information on upcoming changes to rate models for Independent Living Services (ILS), effective January 1, 2024, per [SB 101](#) (Chapter 12, Statutes of 2023). Specifically, ILS rate model assumptions were updated to include occupational categories with duties more equivalent to those provided in ILS. While this change results in an approximately 25 percent (25%) increase to the rate model, or benchmark rates, the actual impact for each provider's rate is dependent on the rate in effect on March 31, 2022.

Regional centers will receive a workbook from the Department of Developmental Services' (Department) contractor, Health Management Associates, with updated rates for current providers vendored as either an Independent Living Program (service code 520) or Independent Living Specialist (service code 635). Updated rates reflect the 50 percent (50%) difference of the provider's rate, effective March 31, 2022, and the updated benchmark rates. Regional centers should review the workbook and add any new or missing vendors. If the provider receives an increase due to Minimum Wage (MW) 2024, the increase for MW shall be added after the calculation of the updated benchmark rate.

ILS rate models and ILS temporary payment rates for new providers will be updated and added to the Department's website by January 1, 2024. Additionally, the Department will be sending updated Statewide Median Rates to reflect the changes for ILS.

If you have any questions regarding this correspondence, please reach out to ratesquestions@dds.ca.gov.

Sincerely,

Original Signed by:

CAROLINE CASTENEDA
Deputy Director
Waiver and Rates Division

cc: See next page.

Regional Center Executive Directors
December 11, 2023
Page two

cc: Regional Center Administrators
 Regional Center Directors of Consumer Services
 Regional Center Community Services Directors
 Association of Regional Center Agencies
 Nancy Bargmann, Department of Developmental Services
 Brian Winfield, Department of Developmental Services
 Carla Castañeda, Department of Developmental Services
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