



PETE CERVINKA
ACTING DIRECTOR

State of California—Health and Human Services Agency
Department of Developmental Services
1215 O Street, Sacramento, CA 95814
www.dds.ca.gov



GAVIN NEWSOM
GOVERNOR

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D-2024-Quality Incentive Program-003

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: QUALITY INCENTIVE PROGRAM – PROVIDER DIRECTORY

The Department of Developmental Services' (Department's) September 23, 2022 [letter](#) describes the Quality Incentive Program (QIP) and letter [D-2024-Rate Reform-001](#) provides overall guidance regarding rate reform implementation. We recommend reading the overall guidance before reading this directive. This directive provides information about opportunities for service providers, including service providers not otherwise included in rate reform, to participate in the QIP and earn incentive payments by completing activities involved in the new "[Provider Directory](#)."

Since the beginning of the QIP, service providers have been able to earn one-time lump-sum payments for achieving specific measures. Moving forward there will be a transition from such payments to quality incentives as a portion of the rate reform reimbursement rate. *For service providers included in rate reform, participation in the Provider Directory measures is the only way to attain the up to 10% quality incentive portion of the reimbursement rate from January 1, 2025 through June 30, 2026.*

Provider Directory Overview

The Provider Directory is an online portal that will be used to input, store, and view information about service providers statewide. When fully developed, individuals with intellectual and developmental disabilities and the public will be able to search the Provider Directory for service options. The Provider Directory will make it possible to view where services are available or may be needed. In addition to supporting service access, the Provider Directory will eventually include a mechanism for communication between service providers, regional centers, and the Department. It will be foundational for other systemwide improvements and uses as well.

Provider Directory Preparation

The Provider Directory will be rolled out in several stages, adding features over time that will be useful to our community. The Department is working with regional centers and service providers to collect and verify service provider information in the online portal. This information is being reconciled with data from existing systems. The Department will provide regular updates on its progress and will seek community input for future stages before making the online portal available to the public.

Step 1 - Data Collection

The first step is gathering information about all service providers that is accurate and categorized consistently. The Department began outreach to service providers for data collection on July 15, 2024. Service providers can still submit information by contacting the dedicated email at providerdirectory@dds.ca.gov. The Department's [website](#) provides more information for service providers about the data collection and how to access the technical support team. Recorded webinars explain the project and instructions, and regional centers and service providers are encouraged to view them using these links:

- Data Collection Information - <https://youtu.be/Vtq159u6kZo>
- Data Collection Step-by-Step Instructions - <https://youtu.be/FfO2SXQ36-w>.

Service provider organizations are asked to provide information about the controlling interest of the entity including, but not limited to, contact information (email and phone), tax identification number(s) for the controlling interest, and the associated vendor numbers for each tax identification number. Service providers must complete their submission of their information by October 4, 2024.

Step 2- Service Provider Registration and Validation

The next step is service providers registering for the online portal and validating their information for each vendor number, including contact information, address, and local human points of contact. Approximately one week following completion of Step 1, service providers will receive an individualized email invitation from caddspod@servicenowservices.com to register for the Provider Directory and review or update the information for accuracy. Once completed, service providers will have the option to export confirmation of the completion of Step 2 for their records. Service providers that submit the requested information by November 8, 2024 will be eligible for an incentive payment, which is described in the next section. If unforeseen technical issues are identified, this date may be extended, but November 8, 2024 is the deadline.

Types of Incentives

For the time period of January 1, 2025 through June 30, 2026, there are different incentives available for service providers to earn depending upon how their current reimbursement rates relate to rate reform reimbursement rates.

One-time lump-sum incentive payments

One-time lump-sum incentive payments may be earned by service providers that complete both Steps 1 and 2 by November 8, 2024. The one-time incentive payment amounts are established by the number of vendor numbers associated with a service provider organization as shown in the table below. The enclosure provides the complete list of service codes eligible for this incentive.

Service providers completing both steps after November 8, 2024, may not receive the one-time lump-sum incentives as described in this letter.

Number of Vendor Numbers for Eligible Service Codes	Incentive Amount Per Eligible Vendor Number	Maximum Per Service Provider Organization*
1-5	\$2,500	\$5,000
6-10	\$1,250	\$10,000
11+	\$750	\$15,000

**A service provider organization, also referred to as a parent company, is a corporation and/or entity that holds a controlling interest in one or more subsidiary companies and vendorizations.*

Quality incentive rate payments

Rate reform reimbursement rates are established with two payment components - a *base rate* equaling 90 percent of the rate model and a *quality incentive rate payment* equaling up to 10 percent of the rate model. Service providers included in rate reform with a current rate that is less than 100 percent of the rate model are eligible for quality incentive rate payments. This is in addition to and separate from the one-time lump-sum incentive payments described above.

The quality incentive rate payments for January 1, 2025 through June 30, 2026 may be attained by eligible service providers that complete both Steps 1 and 2 for the Provider Directory by November 8, 2024. Service providers completing both steps after November 8, 2024 will experience delays in receiving quality incentive rate payments.

Eligibility for Incentive Payments

The following table outlines service provider eligibility for incentives:

Service Providers	Types of Incentives
Service providers included in rate reform with rates less than 100 percent of the rate model	One-time lump sum incentive payment AND Quality incentive payment of up to 10 percent of the rate model rate from January 1, 2025 through June 30, 2026, by completing Steps 1 and 2
Service providers included in rate reform with rates 100 percent or more than the rate model	One-time lump sum incentive payment for completing Steps 1 and 2
Service providers that are not included in rate reform	One-time lump sum incentive payment for completing Steps 1 and 2

Provider Directory Timelines

Activity	Responsible Entity	Description	When
Step 1- Data Submission	Service Providers	Service provider organizations submit requested information	<i>July 15, 2024 through October 4, 2024</i>
Step 2- Service Provider Registration and Validation	Service Providers	Service providers register and validate vendor information in the Provider Directory	<i>Beginning late September 2024 through November 8, 2024</i>
Calculate incentives and reimbursement rates	Department	The Department calculates incentives and reimbursement rates as service providers complete Steps 1 and 2	<i>Beginning October 2024</i>
One-time incentive payments	Regional Centers	Regional Centers issue one-time lump-sum incentive payments, as earned	<i>Beginning October 2024</i>
Quality incentive payments	Regional Centers	Regional centers issue quality incentive rate payments by adjusting rates to 100% of the rate model, as earned	<i>Effective January 1, 2025 through June 30, 2026</i>

Incentive Payment Processing

At the time incentive payments are made, the service provider must be a current regional center vendor. All payments made under the QIP are subject to fiscal review and/or audit.

One-time lump-sum incentive payments

Upon verifying completion of both Steps 1 and 2 in accordance with the specified timelines, the Department will instruct regional centers to issue the one-time lump-sum incentive payments to service providers. Regional centers will complete a subsequent review of submitted information before issuing payments. Regional centers will issue a contract authorization associated with the service provider’s vendor number and subcode PD1.

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Quality incentive rate payments

Upon verifying completion of both Steps 1 and 2 in accordance with the specified timelines, the Department will instruct regional centers to regional centers to update the service provider's rate to 100 percent of the rate model.

Providers, individuals, and/or their families should contact their regional center with any questions. Questions from regional centers may be directed to QIPquestions@dds.ca.gov.

Sincerely,

Original Signed by:

PETE CERVINKA

Acting Director

Enclosure

cc: Regional Center Administrators
Regional Center Directors of Consumer Services
Regional Center Community Services Directors
Association of Regional Center Agencies
Michi Gates, Department of Developmental Services
Carla Castaneda, Department of Developmental Services
Aaron Christian, Department of Developmental Services
Jim Knight, Department of Developmental Services