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D-2024-Rate Reform-009

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: RATE REFORM IMPLEMENTATION FOR PERSONAL ASSISTANCE,
INDEPENDENT AND SUPPORTED LIVING SERVICES, AND MOBILITY
TRAINING SERVICES

As part of continued rate reform [implementation](#), this letter provides direction regarding the following areas:

- Personal Assistance (service code 062)
- Independent Living Programs (service code 520)
- Independent Living Specialist (service code 635)
- Mobility Training Services Agency (service code 645)
- Mobility Training Services Specialist (service code 650)
- Supported Living Service Vendor Administration (service code 894)
- Supported Living Services (service code 896)

Beginning January 1, 2025, the service descriptions in this directive apply to all vendors of these services, along with the associated service and subcode combinations, rate models and billing units. This directive also may pertain to vendors currently providing these services under different service codes. Providers continue to be responsible for the requirements stated in Welfare and Institutions Code and Title 17 of the California Code of Regulations (CCR). However, this directive supersedes any conflict regarding service descriptions and rate-setting in those other sources.

Regional centers and service providers shall follow this directive to affirm which updated service description and any staffing requirements most closely match the services actually being delivered. The regional center shall verify the rate for each service and subcode combination in the rate workbook. Reimbursement for services beginning January 1, 2025, will be claimed using the provider's current service code with an updated rate, unless the form described below is completed prior to that date.

By March 31, 2025, the Rate Reform Service Acknowledgement Form shall be completed by the regional center and service provider to acknowledge the service description, requirements that will need to be met, subcode combination(s), and the rate(s) established by the rate model. Please see Attachment A for the form and instructions, which includes attaching the rate workbook to the completed form. The rates for each type of service by regional center can be found [here](#). Providers with existing rates that are above 90 percent of the rate model for the service description to which they will align will maintain their existing rates (held harmless) until June 30, 2026. Providers with rates between 90 percent and 100 percent of the rate model will have the opportunity to earn 100 percent of the rate

model through the [Quality Incentive Program](#). Otherwise, upon completion of the Rate Reform Service Acknowledgement Form, the new service and subcode combination and rate will be used.

Individuals receiving services should not experience differences in how their services are delivered, where they are delivered from, and who they work with as a result of this directive.

Individual Program Plans (IPPs) must identify the type and the amount of service needed. Therefore, some IPPs will need to be updated to properly identify the type of service being delivered. If the only change is service delivery by a different level of staff, or use of a new service and subcode combinations and their rates, the IPP does not need to be updated. These IPP updates should be done at the next scheduled IPP meeting, after which the regional center must update service authorizations. These updates must occur no later than December 31, 2025. In these cases, billing for services to individuals pending an IPP update will continue under the current service code with an updated rate. Billing for services to individuals that do not need an IPP update will use the new service and subcode combination and their rate.

Vendors and service providers operating as an agency must provide services and bill based on the staffing qualifications of the employees providing the direct services. The services may be provided using independent service code and subcode combinations under one vendorization.

Personal Assistance (service code 062)

Service Description:

Personal Assistance offers a range of assistance to enable individuals to assist with/complete activities of daily living (ADLs), instrumental activities of daily living (IADLs). The service may include direct assistance (actually performing a task for the person) or supporting the individual to perform a task. Personal assistance services may be provided on an episodic or on a continuing basis when generic resources are not available. Personal Assistance may be used in the family home.

New Components:

- *Services:* No changes to the requirements.
- *Billing:* Providers will bill services hourly based on ratio of employee to supported individuals. Rates have been established for ratios ranging from 1:1 to 1:3. Please see Attachment B for the established subcodes.

Independent Living Program (service code 520)

Service Description:

Independent living programs provide functional skills training, maintenance of skills and emergent support for the following: (a) cooking; (b) cleaning; (c) shopping in natural environments; (d) menu planning; (e) meal preparation; (f) money management, including check cashing and purchasing activities; (g) use of public transportation in natural environments; (h) personal health and hygiene; (i) self-advocacy training; (j) recreation and

participation in natural environments and communities of choice; (k) use of medical and dental services, as well as other community resources; (l) community resource awareness such as police, fire, or emergency help; and (m) home and community safety. Services also, or in lieu of the above, may provide the individual with functional skills training and ongoing support necessary for an individual to transition to, or maintain a self-sustaining, independent living situation in the community, or achieve greater independence while living in the home of a parent, family member, or other person. Services shall not be provided in a center-based environment.

Independent Living Program services may be authorized up to 80 hours per individual per month. A regional center Executive Director may provide exceptions in extenuating circumstances if a need to exceed the maximum hours is identified by the planning team.

Independent Living Programs shall meet the requirements, standards, and qualifications in Title 17 of the CCR for Article 2 for [Standards for All Community-Based Day Programs](#), Article 3 for [Additional Standards for Adult Day Programs](#), and Welfare and Institutions Code Section [4688.05](#), as well as the new components listed below.

New Components:

- *Services:*
 - Services may be used to obtain the skills necessary to transition to, or maintenance of, an independent environment.
 - The maximum allowable hours per individual is 80 hours per month.
- *Billing:* Providers will bill services hourly based on ratio of employee to supported individuals. Rates have been established for ratios ranging from 1:1 to 1:3. Please see Attachment B for the established subcodes.

Independent Living Specialist (service code 635)

Service Description:

Services of a specialist possessing the skill, training, or education necessary to teach individuals to live independently and/or provide the functional skills training necessary for the individual to transition to, or maintain a self-sustaining, independent-living situation in the community. Services also, or in lieu of the above, may provide the individual with functional skills training necessary to achieve greater independence while living in the home of a parent, family member, or other person. Services shall not be conducted in a center-based environment.

Independent Living Specialist services may be authorized up to 80 hours per individual per month. A regional center Executive Director may provide exceptions in extenuating circumstances if a need to exceed the maximum hours is identified by the planning team.

New Components:

- *Services:*
 - Services may be used to obtain the skills necessary to transition to a more independent environment.
 - The maximum allowable hours per individual is 80 hours per month.

- *Billing:* Providers will bill services hourly based on ratio of employee to supported individuals. Rates have been established for ratios ranging from 1:1 to 1:3. Please see Attachment B for the established subcodes.

Mobility Training Services Agency (service code 645)

Mobility Training Services Specialist (service code 650)

These services will not be used in rate reform and likely are included in other service descriptions. Regional centers and providers of this service must work together to review other service descriptions to determine where the Mobility Training Services being provided fits and determine alignment by March 31, 2025. As mentioned above, IPPs for some individuals will need to be updated. When this occurs, billing for services to individuals pending an IPP update will continue under the current service code with an adjusted rate. Billing for services to individuals that do not need an IPP update will use the new service and subcode combination and their rates. Mobility Training Services providers with rates that are above 90 percent of the rate model for the service description to which they will align will maintain the rates (held harmless) until June 30, 2026. Providers with rates between 90 percent and 100 percent of the rate model will have the opportunity to earn 100 percent of the rate model through the Quality Incentive Program.

Continued and new use of this service code for services that do not align anywhere else will require Department approval using the exemption process described in the Department's October 30, 2024 D-2024-Rate Reform-002 [letter](#). Current providers may continue using this service code through the 2025 transition to a new service code and do not need to request an exemption.

Supported Living Service Vendor Administration (service code 894)

This service will not be used in rate reform and will transition into Supported Living Services (service code 896), and no longer will be billed separately. As part of the final rate calculation, the Supported Living Service Vendor Administration (service code 894) will be consolidated into the Supported Living Services (service code 896) rate. In circumstances when the consolidated rate exceeds the base rate (90 percent), the rate would be held harmless until June 30, 2026.

Current providers may continue using this service code through the 2025 transition to the new Supported Living Services (service code 896) rates do not need to request an exemption.

Supported Living Services (service code 896)

Service Description:

Individually designed service or assessment of the need for service, which assists an individual to live in their own home, with support available as often and for as long as it is needed. It also may provide support to an individual when making life decisions and in dealing with the consequences of those decisions; building critical and durable relationships with other individuals; choosing where and with whom to live; and controlling the character and appearance of the environment within their home.

Supported Living Services shall follow the procedures for adults to live in their own homes as stated in W&I Code section [4689](#), the service and support components in Title 17 of the CCR section [58614](#) as well as the new components listed below.

New Components:

- **Services:** No changes to the requirements.
- **Billing:**
 - Providers will bill services hourly based on ratio of employee to supported individuals. Rates have been established for ratios ranging from 1:1 to 1:3. Please see Attachment B for the established subcodes.
 - Supported Living Services Vendor Administration is included in the rate for service code 896, and no longer will be billed separately.

Next Steps

Regional centers and service providers shall follow this directive to affirm which updated service description most closely matches the services actually being delivered, and follow the procedures described in this directive. If a provider's service does not fit into any of the updated service descriptions, or a provider or its staff do not meet the requirements of any of the updated service descriptions, the regional center and service provider shall refer to the exemption process described in the Department's October 30, 2024 [letter](#).

This letter should be shared with involved regional center personnel and the provider network. If providers, individuals and/or their families have questions regarding this letter, they should contact their regional center. Questions from regional centers should be directed to ratesquestions@dds.ca.gov.

Sincerely,

Original Signed by:

DANA SIMON
Deputy Director

Attachments

cc: Regional Center Administrators
Regional Center Directors of Consumer Services
Regional Center Community Services Directors
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