

December 9, 2024

D-2024-Rate Reform-008

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: RATE REFORM IMPLEMENTATION FOR ADULT DAY SERVICES

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

- Community Integration Training Program (service code 055)
- Community Activities Support Services (service code 063)
- In-Home Day Program (service code 091)
- Activity Center (service code 505)
- Adult Development Center (service code 510)
- Behavior Management Program (service code 515)
- Day Services (service code 531) - *new*
- Behavioral Day Services (service code 532) - *new*
- Medical Day Services (service code 533) - *new*

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.

Community Integration Training Program (service code 055)

Community Activities Support Services (service code 063)

These services will not be used in rate reform and most likely are included in the new service descriptions in this directive or others. For example, employment services are described in the Department of Developmental Services' (Department) [Employment Services directive](#). Regional centers and providers of these services must work together to review other service descriptions to determine where the Community Integration Training Program services or Community Activities Support Services being provided best align, by March 31, 2025. Non-mobile supplemental services are not included in the other service descriptions. However, supplemental staffing (service code 110) should be used for additional staffing required for an individual who has received non-mobile supplemental services. 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 updated rate. Billing for services to individuals that do not need an IPP update will use the new service and subcode combination and their rates. Providers with rates that are above

90 percent of the rate model for the service description to which they will align will maintain those 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 [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.

In-Home Day Program (service code 091)

Service Description

Day program services to individuals who are unable to attend day programs outside their homes, because of medical conditions that prevent travel. Providers continue to be responsible for the requirements described in Attachment B.

New Components

- *Services:* No changes to the requirements.
- *Billing:* Providers will bill services hourly for each individual with a rate based on an authorized ratio of employee to supported individuals ranging from 1:1 to 1:3. Please see Attachment C for the subcodes established for each ratio.
 - Providers that currently are using a daily rate may temporarily bill services for each individual with a daily rate based on an authorized ratio of employee to supported individual. This will continue until further notice and at least through December 31, 2025.

Activity Center (service code 505)

Adult Development Center (service code 510)

Behavior Management Program (service code 515)

These services will not be used in rate reform and most likely are included in the new service descriptions in this directive. Regional centers and providers of these service descriptions must work together to review other service descriptions to determine where the Activity Center, Adult Development Center, or Behavior Management Program services being provided best align, by March 31, 2025. Non-mobile supplemental services will not be used in the other service descriptions. However, supplemental staffing (service code 110) should be used for additional staffing required for an individual who has received non-mobile supplemental services. 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 updated rate. Billing for services to individuals that do not need an IPP update will use the new service and

subcode combination and the rate. Providers with rates that are above 90 percent of the rate model for the service description to which they will align will maintain their 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.

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.

Day Services (service code 531)

New Service Description

Day Services offer a range of services to help individuals develop skills and integrate into the community. Services are provided with staffing ratios of employee to individuals served ranging from 1:2 to 1:10. If additional staffing is required, providers should use supplemental staffing (service code 110). The Day Service program (service code 531) is not designed to meet the needs of individuals with significant behavioral or medical needs.

Day Services 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](#), as well as the components of this service description.

Billing

- Providers that currently have a daily rate, and new providers, temporarily may bill services for each individual with a daily rate based on an authorized ratio of employee to supported individual ranging from 1:2 to 1:10. This will continue until further notice and at least through December 31, 2025.
 - If the provider is providing a different type of service to an individual on the same day as day services, day services should be billed using an hourly rate.
- Providers that currently have an hourly rate will continue to bill services hourly for each individual with a rate based on an authorized ratio of employee to supported individuals.
- Please see Attachment C for the subcodes established for each ratio.

Behavioral Day Service (service code 532)

New Service Description

Behavioral Day Services offer a range of services to help individuals develop skills and integrate into the community that require a behavior plan to address behaviors that

require additional support. Services are provided with staffing ratios of employee to individuals of 1:2 and 1:3 only.

A Board-Certified Behavior Analyst (BCBA) or a Behavior Management Consultant as defined by Title 17 of the CCR section [54342\(a\)](#) is required at least 2 hours per person per month or averaged semi-annually, and can be prorated based on an individual's part-time attendance. This staffing must be in place by December 31, 2025. While not required to be Registered Behavior Technicians (RBT), direct service staff are required to complete one-time specified behavior-focused trainings as outlined in the Behavior Analytic Certification Board RBT 40-Hour Training Requirements (see Attachment D). New staff must be complete the training within 12 months of hire. Training for existing staff must be completed by June 30, 2026. Programs will be responsible for developing annual ongoing training programs consistent with the program design to address the needs of the individuals being served.

Behavioral Day Services 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](#) as well as the components of this service description.

Billing

- Providers that currently have a daily rate, and new providers, temporarily may bill services for each individual with a daily rate based on an authorized ratio of employee to supported individual. This will continue until further notice and at least through December 31, 2025.
 - If the provider is providing a different type of service to an individual on the same day as day services, day services should be billed using an hourly rate.
- Providers that currently have an hourly rate will continue to bill services hourly for each individual with a rate based on an authorized ratio of employee to supported individual.
- Please see Attachment C for the subcodes established for each ratio.

Medical Day Service (service code 533)

New Service Description

Medical Day Services offer a range of services for individuals develop skills and integrate into the community with support for health conditions such as those listed in Title 22 of the CCR section [80092](#) or other conditions that require oversight from a licensed medical professional. Individuals must have an objective which can be supported by the program. Services are provided with staffing ratios of employee to individuals of 1:2 and 1:3 only.

A Licensed Vocational Nurse (LVN) or licensed Psychiatric Technician (PT) is required to provide supervision and training to direct service staff and administer medical services as needed. An LVN or PT must be available during all operating hours. The program must have oversight from Registered Nurse a minimum of 8 hours per month to provide assessments, develop and monitor health care plans, provide training and monitor medications. This staffing must be in place by December 31, 2025. While not required to be Certified Nursing Assistants (CNA), direct service staff will be required to complete 40 hours of specified healthcare trainings as referenced on Attachment D. New staff must complete the training within 12 months of hire. Training for existing staff must be completed by June 30, 2026. Programs will be responsible for developing annual ongoing training programs consistent with the program to address the needs of the individuals being served.

Day services 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](#) as well as the components of this service description.

Billing

- Providers that currently have a daily rate, and new providers, temporarily may bill services for each individual with a daily rate based on an authorized ratio of employee to supported individual. This will continue until further notice and at least through December 31, 2025.
- Providers that currently have an hourly rate will continue to bill services hourly for each individual with a rate based on an authorized ratio of employee to supported individual.
- Please see Attachment C for the subcodes established for each ratio.

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
Waiver and Rates Division

Attachments

cc: Regional Center Administrators
Regional Center Directors of Consumer Services
Regional Center Community Services Directors
Association of Regional Center Agencies
Pete Cervinka, Department of Developmental Services
Carla Castañeda, Department of Developmental Services
Michi Gates, Department of Developmental Services