

March 14, 2025

G-2025-Home and Community-Based Services-001

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: FUNDING TO SUPPORT COMPLIANCE WITH THE HOME AND  
COMMUNITY-BASED SERVICES FINAL RULE

This letter outlines the process and priorities for use of available funding to maintain compliance with the federal Home and Community-Based Services (HCBS) Final Rule requirements and next steps for regional centers in reporting their plans for use of this funding to the Department of Developmental Services (Department).

The Fiscal Year (FY) 2024-25 enacted budget includes \$15 million in purchase of service funding to assist providers in maintaining ongoing compliance with the HCBS Final Rule, and to support broader work in each community, which promotes and sustains quality service provision. Regional centers should work collaboratively with people who receive services, their families when appropriate, and the service provider community to prioritize the use of available funds to meet the needs of individuals served in their local area. The Department has identified priorities for use of the funds, which include:

- Establishing or continuing teams to work with and monitor service providers in maintaining full compliance with all applicable HCBS requirements.
- Establishing or continuing peer-led teams to engage with individuals served and their families to receive feedback on service provider implementation of the HCBS rules, focusing on providers who are at risk for not being able to maintain compliance.
- Establishing or maintaining local communities-of-practice which increase knowledge and implementation of best practices and encourage collaborative groups to foster shared learning and solution-focused discussion.
- Engaging families and individuals served, including education and training for families, support professionals and providers on best practices for aligning services with the HCBS Final Rule.
- Creating and implementing innovative pathways and provider practices which support community inclusion, individual rights, and individual choice, highlighting a whole-person approach to service delivery.
- Developing person-centered thinking trainers from within existing regional center staff to increase knowledge and skills among regional center staff, ensuring application of person-centered practices directly benefiting individuals receiving services and their families, along with building person-centered practices among service providers throughout the state.

Regional centers must submit their plan for use of these funds to the Department for review and approval no later than Friday, May 9, 2025. The Department will send a link to the submission platform following the release of this letter. Attachment A shows questions and information that regional centers will be required to provide using the online Qualtrics platform. The funds available for each regional center will be included in the A-2 budget allocation as displayed in Attachment B.

Additionally, given that regional centers currently are devoting considerable efforts to the rate implementation process, the Department has deferred regional center reporting to July 31, 2025, for projects using funding from FY 2022-23 and FY 2023-24. Because ongoing reporting should be completed once every six months for each project in an open fiscal year, the July 31, 2025 report will need to include information for the period of July 1, 2024 through June 30, 2025. The Department will send information with the link to the reporting platform in a separate email to regional centers.

If you have any questions regarding this correspondence, please contact [hcbsregs@dds.ca.gov](mailto:hcbsregs@dds.ca.gov).

Sincerely,

*Original Signed by:*

VICKI SMITH, Ph.D.  
Deputy Director  
Policy and Program Development Division

#### Attachments

cc: Regional Center Administrators  
Regional Center Directors of Consumer Services  
Regional Center Community Services Directors  
Association of Regional Center Agencies  
State Council on Developmental Disabilities  
Pete Cervinka, Department of Developmental Services  
Michi Gates, Department of Developmental Services  
Carla Castañeda, Department of Developmental Services  
Jim Knight, Department of Developmental Services  
Ernie Cruz, Department of Developmental Services