



## General FAQs about Rate Reform

**Q1. Where can providers learn more about the rate study?**

**A1.** [Information on the rate study submitted to the legislature in March 2019 can be found here.](#)

**Q2. Where can regional centers submit questions, comments, and concerns regarding rate reform?**

**A2.** Please send your e-mail to: [ratesquestions@dds.ca.gov](mailto:ratesquestions@dds.ca.gov).

**Q3. Where can providers find the updated rate model rates?**

**A3.** [Rate models and rates are located here.](#) Providers should work with their vendoring regional center to confirm their rate.

**Q4. When did service providers receive rate increases?**

**A4.** Rates are fully adjusted as of January 1, 2025. Historically, for those providers with rates below the rate model rate, incremental rate adjustments occurred in April 2022 and January 2023. In January 2024, service codes 520 and 635 received increases. In July 2024, updates were made to statewide minimum wage.

**Q5. What are “transitional rates”?**

**A5.** Transitional rates are temporary rates based on the provider's current services and billing structure up to the 2025 benchmark rate (depending on the percent of quality incentive earned). For providers with transitional rates, this rate may be used until the Service Acknowledgement Form is signed (indicating alignment with a service, service code, and rate model rate) and through the end of 2025 while regional centers transition individuals' services to the newly aligned service code. For more information about transitional rates, see [D-2024-Rate Reform-016 Rate Reform Guidance: Transitional Rates](#)

**Q6. Will rates automatically adjust as costs in the rate models increase?**

**A6.** Pursuant to the state budget and Welfare and Institutions Code section [4519.10](#), commencing July 1, 2024, rate models shall be updated to account for the current and any subsequent changes to the statewide minimum wage and the most current Internal Revenue Service (IRS) mileage rate.

**Q7. What should a provider do if they believe there is an error in their rate?**

**A7.** Providers who believe there is an error in the rate calculation may submit the rate review form to their Regional Center no later than 60 days after receiving their rates. Rate review forms can be found here: [Rate Implementation Forms and Directions : CA Department of Developmental Services.](#)

**Q8. Will rates vary across regional centers?**

**A8.** Yes, rates vary across regional centers as the rate models include differences in regional cost assumptions such as wages, travel, and others. Please see the following link for more information: [Regional-Cost-Adjustment-Factors.pdf](#)

**Q9. If two vendors work in the same area, will they be paid the same standard rate, or will there be differences from vendor to vendor performing the same service?**

**A9.** The rate models were constructed in consideration of costs providers faced in delivering a particular service consistent with the state's requirements. This allows providers to receive the same rate for the same service in the same area.

**Q10. How will rates be determined for providers serving consumers from multiple regional centers?**

**A10.** Providers may have multiple rates for the same service when services are provided in multiple regional center catchment areas. More information can be found in the May 9, 2022 guidance: [Rate Study Implementation – Rates for Providers who Serve Consumers from Multiple Regional Centers.](#)

**Q11. For service providers with rates above the rate model, when will rates be adjusted?**

**A11.** Service providers with rates above the rate model base rate will be held harmless (no change to rate) until June 30, 2026, after which time the provider's rates will be adjusted to the rate model base rate.

**Q12. Some services have new service requirements, will these requirements take effect January 2025?**

**A12.** The Department has issued a series of directives to include each service category with updated service descriptions and information about their requirements as well as timelines for implementation. All directives can be found here: [Regional Center Directives : CA Department of Developmental Services](#)

**Q13. If a provider's service and service code is staying the same and there are no new requirements to meet, is there anything providers need to do to access the new rate?**

**A13.** Providers with services included in rate reform are required to work with regional centers to review the services provided, align with the appropriate service description and service, verify their rate (in the workbooks), and sign the Service Acknowledgement form. This will be the case regardless of whether there are changes in the services and requirements, the service and subcode combination(s), and/or the rate(s).

**Q14. If a provider was unable to attend the live rate reform trainings, where can that information be accessed?**

**A14.** All the rate reform trainings were recorded. The recordings are posted on the DDS website as well as the materials used during the trainings. You can find all past trainings [here](#) located on the "Meeting Archive" tab.

**Q15. How are rates set if a provider has a rate that meets the "usual and customary" definition?**

**A15.** Rates set using a Usual and Customary rate, as defined by Title 17, Section 57210(a)(19), may continue to use that rate structure after any alignment as part of rate reform implementation.

**Q16. How does Rate Reform impact Health and Safety Waivers?**

**A16.** Health and Safety Waivers may continue and are not impacted by Rate Reform.

**Q17. Is the Service Acknowledgement Form required for all services?**

**A17.** Yes, the Service Acknowledgement Form must be signed for all services in Rate Reform with the exemption of Participant Directed Services (PDS) and Parent Coordinated Services (PCS).

**Q18. Does a service provider vendored after 1/1/2025 need to sign the Service Acknowledgement Form?**

**A18.** A Service Acknowledgement Form is not required as they are already aligned to the correct service/code and rate. New service providers receive 100% of the rate and have 45 days to complete the requirements to be in the Provider Directory. If a provider does not complete those requirements, their rate is dropped to 90% of the rate at the end of that period.

**Q19. Are new program designs required for services in rate reform?**

**A19.** The vendoring regional center will determine when a provider needs to submit an updated or new program design based on realignment or changes in services. If there are no changes in the services provided, it would not typically be required.

**Q20. Do services that have a usual and customary (U & C) rate, require the rate on the Service Acknowledgement Form?**

**A20.** No, for these services, only the service name and service code are required.

**Q21. Will rate models be updated in the future?**

**A21.** Per AB 2423, the Department is required, commencing on July 1, 2025, and every other year thereafter, to review and update the rate models per the cost inputs available at the time of review and post these updates to the Department website by January 1 of the following year. Updates to the rate models after 2025 are subject to approval in the state budgeting process.