

September 9, 2025

D-2025-Rate Reform-008

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: UPDATED RATES FOR TRANSPORTATION SERVICES

As part of continued rate reform [implementation](#), this letter provides new direction regarding retroactive payments and updated rates for Transportation Company (service code 875).

Updated Rates

Following the original rate study and rate model recommendations for Transportation Company (875), an updated cost analysis was completed which resulted in revised cost assumptions. The updates will be reflected in the updated Transportation Company rate models effective November 1, 2025. Transportation providers will continue to use the current posted billing rate for services provided through October 31, 2025. Beginning November 1, 2025, transportation companies will begin using the new rates found [here](#). These dates have been extended from the previously communicated information in the posted webinar training. Transportation providers who are above the current or updated base or benchmark rate per vehicle type will continue to be held harmless through February 28, 2026.

Retroactive Payments

Transportation providers who already are receiving a rate above the January 1, 2025 benchmark rate and are subject to hold harmless rate provisions are not eligible for a retroactive payment.

In accordance with Welfare and Institutions Code (WIC) Section 4519.10, the final incremental rate adjustment to fully implement the rate models took effect January 1, 2025. For transportation providers not held harmless and whose existing mileage or effective mileage rate is less than the vehicle mileage rates effective January 1, 2025, retroactive payments will be paid out for the billing period of January 1, 2025 through October 31, 2025. The effective mileage rate was determined by the transportation provider's total Purchase of Service (POS) spending for three chosen months divided by total miles driven for all vehicle types across the same three months.

A Retroactive Payment Calculator Workbook (RPCW) will be provided to regional centers with instructions for calculating any retroactive payments. This calculation will

account for rate differences between the vendor's current billing rate and the effective mileage rate or current mileage rate (hold harmless), whichever is higher.

Regional centers will coordinate with transportation providers to ensure that required data is entered in the RPCW and then regional centers will provide final approval. The data required will include the vendor number, regional center, whether or not QIP requirements were met by month, number of total miles per vehicle type and total POS spending between January 1, 2025 and October 31, 2025 and the current mileage rate. The RPCW then will calculate the rate difference and total retroactive payment amount (if applicable) across all vehicle types for this time period. Transportation providers should reference the billing methodology outlined in [D-2024-Rate Reform-006](#).

This letter should be shared with involved regional center personnel and transportation providers. If transportation providers 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

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