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Methodology Overview
Research, Audits, and Evaluation Branch
Annual Purchase of Service (POS) Reports

Methodology Update Notice:

As part of ongoing efforts to improve the accuracy and completeness of data, and to adhere to statutory requirements, the Department of Developmental Services (Department) released updated requirements for collecting key demographic information. These requirements were implemented by regional centers in the last quarter of Fiscal Year (FY) 2024/25. The methods used to prepare the FY 2024/25 Annual POS Reports have been modified slightly in response to changes in the collection of race and preferred language. Comparisons with prior periods should be made with caution, and only in consultation with the Department.

OBJECTIVE

Create Annual POS Reports, required by Welfare & Institutions Code (WIC) section 4519.5, that facilitate access to statewide and regional center (RC) summaries of expenditures and authorizations.

SCOPE

- Population: Individuals in Early Start (Status 1) or with an active status (2, 3, U) in January of a given Fiscal Year (FY) or individuals with one or more POS records during the FY
- Time period: FY 2024/25, i.e., July 1, 2024 – June 30, 2025
- Topics: POS expenditures, authorizations, utilizations, and Individual Program Planning (IPP) translations by RC

DESIGN

This is a cross-sectional description of the expenditures, authorizations, utilization rates, and IPP translations in the FY 2024/25.

DATA SOURCE(S)

- Data sources:
  Most data used in the Annual POS Reports come from information collected by local RCs, sent to the Department each month:
  - Client Master File (CMF): Individual identifiers and demographics[1]
  - Client Development Evaluation Report (CDER): Reported diagnoses from the most recent CDER file
  - POS: Expenditures (or claims) and authorizations amounts, by FY, for authorized services

  Additionally, the Annual POS Reports use self-reported data from RCs, submitted to the Department by Fall each year:
  - IPP translation request type (threshold or non-threshold language translation)
  - Date of IPP translation request
  - Date the translated IPP was sent to the requestor
- Data preparation:
  - Records are extracted for individuals with a non-missing CMF record of active status in January of the FY or at least one record in any month of the FY in the POS file.
  - Records are linked to diagnostic indicators from the CDER by Unique Client Identifier (UCI), de-duplicated, then linked to expenditure and authorization data from the POS file.
- Inclusions/exclusions:
  - All non-missing expenditure and authorization records are included, including those with zero dollar amounts and those with credits/adjustments (negative amounts).
  - UCIs with POS records but no CMF records are excluded because they do not have demographic data.
  - Contract records (i.e., UCIs with 'CONTRACT' or other contract identifier) are excluded.

[1] Data for race and language are sourced from CMF fields. If the CMF values for race and language are not available, data for race and language are sourced from the new SANDIS race and language screens.

DATA TRANSFORMATION OR CLEANING

- Individuals count (also known as caseload): The unique count of UCIs with either status 1, 2, 3, or U in January or individuals with one or more POS record(s) during the FY. Individuals who change RCs may be counted more than once at the FY level. Individuals without any POS records are assigned to the RC based on their January CMF record.
- Total expenditures: The sum of POS claims.
- Total authorized services: The sum of authorized amounts.
- Per capita expenditures/authorized services: The total expenditures/authorizations divided by the individuals count. Per capita calculations include all individuals, even those without any expenditures or authorizations.
- Utilization rate: The total expenditures divided by the total authorized amount (shown in the "Utilized" column of the reports).
- No POS: A filter used to identify the subset of individuals with no POS expenditures. This includes missing, zero, or negative POS claims in the FY.
- Age: Age is calculated at the midpoint (12/31) of the FY, and organized into three groups: 0-2, 3-21, and age 22 and older.
- Race: There are seven categories: American Indian or Alaska Native, Asian, Black/African American, Hispanic, Native Hawaiian or Other Pacific Islander, White, or Other Race or Multi-Cultural. If an individual has more than one race reported, they are included in the Other Race or Multi-Cultural category.
- Language: Language is reported based on the primary language in the latest CMF. Developmental disability: Developmental disability is reported based on the latest information in the CDER. There are six disability categories:
    - Autism: Presence of Autism or Pervasive Developmental Disorder (PDD), defined as an AUTLEVEL value of 1 or a PDD value of 3 or 4.
    - Cerebral Palsy: Presence of Cerebral Palsy or other significant motor dysfunction, defined as a CPALSY value of 1, 2, or 3.
    - Epilepsy: Presence of partial, generalized, or unclassified seizures, defined as an EPSEIZ1 value greater than 0.
    - Intellectual Disability: Presence of an intellectual disability, defined as a MRLEVEL value of 317, 3170, 70, F70, 318, 3180, 71, F71, 3181, 72, F72, 3182, 73, F73, 319, F78, or F79.

- Fifth Category: Presence of a disabling condition found to be closely related to intellectual disability, defined as a CAT5 value of Y or any value in ICD33A other than 0 or *.
- Other: Any diagnosis that does not fall into one of the categories listed above.

- Residence: Residence is reported based on the residence code in the last month of the FY (June). There are nine residence types:
  - CCF: Community care facility (residence codes 44-50).
  - FHA: Family Home Agency/Family Teaching Home (residence code 79). Note that Family Teaching Home (FTH) is included in this category, as there is no separate residence code for FTH; instead, residence code 79 is used for both FHA and FTH.
  - ICF: Intermediate care facilities (residence codes 52-58), and continuous nursing facilities (residence code 87).
  - ILS: Independent living skills (residence code 13).
  - In-Home: Home of Parent/Guardian/Foster Home (residence codes 11, 78, and 80).
  - SLS: Supported living services (residence code 14).
  - SNF: Skilled Nursing Facility (residence codes 59 and 60).
  - State-Operated facility: Developmental centers and state operated-Canyon Springs (residence codes 20-24, 29-31).
  - Other: Out-of-state, hospice, transient/homeless, prisons, youth authority, county/city jail, treatment and rehabilitation centers, hospitals, and others (residence codes 9, 40-43, 81-86, 89, 90, and 98).
- Restored services: There are five restored services categories, which are evaluated in the following order:
  - Social Recreation: Sports club, special Olympics, participant-directed community activities, social recreation program, and creative arts program (service codes 008, 084, 459, 525, and 094).
  - Camping: Camping and associated travel services (service code 850).
  - Educational Services (only applicable to ages 3 to 17 years old): School for the deaf-blind, tutor services, public school early intervention program, educational psychologist, teacher, teacher's aide, teacher of special education, tutor, educational services (service codes 015, 025, 083, 672, 674, 676, 678, 680, and 107).

    - Non-Medical therapies: Specialized recreation therapy, art therapist, dance therapist, music therapist, and recreational therapist (service codes 106, 691-694).
    - Other Social Recreation: Any remaining records with a subcode starting with 'SR', excluding service code 642 (interpreter), 725 (durable medical equipment dealer), and 896 (supported living services).
- Insurance: Insurance related expenses paid by RCs are categorized using the following subcodes, as outlined in WIC section 4519.6:
    - Co-payments: Subcode starts with ICP (for all RCs) or subcode 11 (for ACRC only).
    - Co-insurance: Subcode starts with ICI (for all RCs) or subcode 12 (for ACRC only).
    - Deductibles: Subcode starts with DEDI.
- IPP: Translation requests completed within the reporting FY are included in the reports. IPP translation data are unduplicated in the following manner: When an individual makes multiple translation requests, each request is counted separately. However, if the same request is made in both threshold and non-threshold languages, only the threshold language request is retained.

DATA ANALYSIS

- Expenditures/authorized services reports are summarized by RC and organized by:
    - Age group
    - Race
    - Language
    - Disability
    - Residence, which is further subcategorized by age, race, and primary language.
- No POS, insurance related expenses, and IPP reports are summarized by RC and organized by:
    - Age group
    - Race
    - Language
    - Disability

    - Residence
- To protect the privacy of individuals, reports apply cell suppression to comply with California Health and Human Services De-Identification Guidelines. Suppression is applied to individuals count, total expenditures, total authorization, per capita expenditure, and per capita authorization fields, so that utilized values can be retained.
- Software used for analysis: SQL and Python

ADDITIONAL INFORMATION

- Reports must be published by December 31st of each year.
- Reports use the point in time (January) method of identifying active individuals to allow at least 120 days to receive claims.
- Per capita values are raw averages and are not age or otherwise adjusted to account for differences between subgroups. When combining averages across subgroups, it is important to take varying subgroup sizes into consideration. Weighted averages cannot be calculated when caseloads are not available.
- Major changes in the Annual POS Reports compared to prior year:
    - FY 2024/25:
        - No major changes.
    - FY 2023/24:
        - Data describing caseload, demographics, diagnoses, expenditures, and authorization were sourced from new and customized views at the Department. IPP data were self-reported by individual RCs and submitted to the Department.
        - Active status was expanded from statuses 1 and 2 to statuses 1, 2, 3, and U.
        - The point in time caseload month was changed from December to January of the FY for consistency with the Department's budget estimates.
        - Residence types were made consistent between POS and NoPOS reports. The same nine residence types are used throughout the reports.
        - New reporting topics were added:
            - Restored services
            - IPP translation timeliness

        - Statewide report
    - Changes to report preparation and release:
        - All data preparation, aggregation, and reporting were performed within the Department to support greater consistency, transparency, and documentation.
        - All reports are available in machine-readable format.
        - Links to all reports are published in a central location on the Department's website.
- FY 2022/23:
    - Data extraction, including caseload, demographics, diagnoses, expenditures, and authorization, sourced as described above.
    - Language was grouped into five categories to limit the amount of suppression needed to meet de-identification guidelines.
    - Data aggregation performed by the Department and made available to the RCs.