

June 16, 2026

D-2026-Rate Reform-004

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: DAY PROGRAM: UPDATES FOR LENGTH OF DAY AND
CORRESPONDING BILLING

As part of rate reform [implementation](#), this letter provides new billing guidance for Day Programs (service codes 531, 532, and 533). This guidance supersedes the billing information provided in [D-2024 Rate Reform-008](#) as of the dates provided below.

Beginning July 1, 2026, rate models and rates for day services provided in hourly increments between four hours and eight hours per day will be posted on the Department website [here](#). Regional centers then must work with day program providers to confirm the correct rate model based on the number of hours of service (excluding transportation) provided to individuals per the program design. Regional centers will have through December 31, 2026 to transition existing day program authorizations to the applicable daily rate.

Effective January 1, 2027, hourly billing units no longer will be permitted with the exception of day program services provided less than four hours per day. Programs providing services for less than four hours per day and programs that serve individuals who receive more than one service during the day, such as a combination of employment services and day program, will continue to bill hourly. Hours of service do not include hours individuals are not typically present.

Programs that provide a different increment length than an hour will bill to the nearest next hour rate model. If the program is at least 30 minutes longer than the previous hour, the next rate model would be billed (for example, a four and a half hour program will bill at the 5-hour rate). If less than 30 minutes longer than the previous hour, the lesser rate model would be billed (for example, a four and a quarter hour program will bill at the 4-hour rate). Current vendors wishing to modify their program designs to increase the number of service hours provided require prior regional center approval.

Individuals requiring authorizations for Remote Day Services will use Day Program-service code 531. Specialized programs (Behavioral Day Program, service code 532, and Medical Day Program, service code 533) are intended to support in-person specialized needs and cannot be used as an ongoing, remote routine day service.

Authorizations and billing should reflect the number of hours an individual is regularly scheduled to attend the program. For example, an individual who attends a non-specialized (service code 531) day program four hours of the day with a staffing ratio of 1:3 will be authorized using subcode 3X4. Billing does not change for occasional late arrivals or early departures. Attachment A provides all billing subcodes for all three service codes covered by this directive.

This letter must be shared with regional center employees and providers of these services. If 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

Attachment

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