

Program Integrity Fact Sheet

Introduction

The Department of Developmental Services' (Department) program integrity framework is prevention-focused and multilayered, relying on strong oversight infrastructure, continuous monitoring, education, data analytics, and transparent reporting. These measures help ensure responsible spending, safeguard consumer safety, and maintain public trust in California's developmental services system. Program integrity measures are in place to maintain appropriate use of funds, that services are authorized and delivered correctly, and that individuals receive safe, high-quality supports.

Background

The Department is the primary state agency responsible for coordinating and funding services for Californians with developmental disabilities. As part of the California Health and Human Services Agency, the Department administers programs established by the Lanterman Developmental Disabilities Services Act (Lanterman Act), which grants individuals with developmental disabilities, such as autism, cerebral palsy, epilepsy, and intellectual disabilities the legal right to services and supports, allowing them to live independently and productively in their communities. The Lanterman Act mandates the state to provide personalized, community-based care—rather than institutionalization—through contracts with 21 nonprofit, community-based organizations known as regional centers.

These regional centers are responsible for determining eligibility, conducting assessments, and coordinating individualized services through a case management model. Each eligible individual is assigned a service coordinator who develops an Individual Program Plan and helps connect the person and their family to appropriate supports, such as behavioral therapies, early intervention, housing assistance, employment services, community integration programs and case management.

The regional center system plays a critical role as both a service coordinator and a payer of last resort. Rather than directly delivering most services, regional centers purchase services from a network of private providers and assist individuals in accessing community resources when generic services (such as schools or healthcare systems) are insufficient. This decentralized, community-based structure allows services to be tailored to local needs while maintaining statewide oversight through the Department. At the same time, it introduces variation in service access and delivery, making the Department's oversight and accountability mechanisms essential components of the system.

Core Components of Program Integrity

Education & Training

The Department provides extensive training to regional centers and vendors on regulatory compliance, documentation, billing, incident reporting, Direct Service Professional training requirements, Home and Community Based Services compliance, and person-centered planning. These trainings promote statewide consistency and help prevent compliance errors.

Guidance & Communication

The Department uses directives, technical guidance, and statewide workgroups to bolster consistent interpretation of rules and share best practices. Guidance often responds to emerging issues and helps refine local oversight. Information from Medicaid and national organizations also informs activities.

Key Prevention Measures

- Rigorous provider screening during [vendorization](#), including documentation checks, licensing verification, and exclusion list screening
- Standardized Vendorization Process and [Provider Directory](#) (2025–26) to establish consistent approval practices
- Implementation of the [Quality Incentive Program](#), tying provider payments to quality and compliance measures
- System-based controls such as eBilling and the Uniform Fiscal System
- [Whistleblower](#) protections and complaint processes to identify misconduct and fraud

Detection & Monitoring

- Data analytics to identify unusual billing or service utilization patterns
- [Biennial fiscal audits](#) of regional centers
- Direct [vendor audits](#)
- Independent CPA audits and fiscal reviews for vendors
- Monthly, quarterly, annual, and multi-year monitoring cycles covering Special Incident Report timeliness, program enrollment expenditure, trends, utilization of specialized services, fair hearings, staffing ratios, and transparency efforts
- Public posting of audit findings and performance data to support transparency

External Oversight

The Department's efforts are supplemented by independent reviews from the State Council on Developmental Disabilities, Disability Rights California, Centers for Medicare & Medicaid Services, and other state and federal entities, reinforcing accountability and improvement.