QUALITY INCENTIVE PROGRAM REQUIREMENTS

FISCAL YEAR 2027–28

November 6, 2026



TABLE OF CONTENTS

INTRODUCTION 3

PART A: ANNUAL QIP SURVEYS 4

A.1 Requirements for each vendor number 4

A.2 Annual Survey Preparation Deadlines 6

A.3 QIP Eligibility requirements 7

A.4 provider capacity and employment reporting 9

A.5 Prevention and wellness reporting and residential incentives 11

PART B: INITIAL PROVIDER SURVEY 14

B.1 INITIAL PROVIDER SURVEY REQUIREMENTS FOR NEWLY ELIGIBLE VENDOR NUMBERS 14

PART C: RESPONSIBILITIES AND RESOURCES 16

C.1 DEPARTMENT AND REGIONAL CENTER IMPLEMENTATION RESPONSIBILITIES 16

C.2 TRAINING OUTREACH AND ASSISTANCE 16

C.3 RESOURCES 17

INTRODUCTION

This document explains the Quality Incentive Program (QIP) requirements for Fiscal Year (FY) 2027–28, including what service providers must complete to earn QIP incentives and how the Department of Developmental Services (Department) and regional centers support implementation.

Data collected through the QIP helps the Department understand provider capacity, service access, preventive health care, and employment outcomes across California. These data will guide statewide planning, policy and resource development, and inform future quality measures to improve outcomes for individuals receiving services.

Requirements and incentives apply separately to each vendor number, rather than to the provider organization as a whole. This document has three parts:

- **Part A: Annual QIP Surveys** explains the reporting requirements, eligibility requirements, deadlines, and incentives for existing eligible vendor numbers completing the Provider Capacity, Employment, and/or Prevention and Wellness surveys.
- **Part B: Initial Provider Survey** explains the requirements for new and other newly eligible vendor numbers, including the 60-day completion deadline and when earned QIP rates take effect.
- **Part C: Responsibilities and Resources** explains Department and regional center implementation responsibilities and provides training, resources, and assistance information for regional centers and service providers.

Service providers should follow Part A or Part B for each vendor number and review Part C for support. Regional centers should review all three parts.

PART A: ANNUAL QIP SURVEYS

This section applies to existing vendor numbers completing Provider Capacity and, when applicable to their service code, Employment or Prevention and Wellness. The reporting consists of data for FY 2025–26. Each vendor number must complete its assigned annual surveys and satisfy its applicable compliance requirements by the dates below.

A.1 REQUIREMENTS FOR EACH VENDOR NUMBER

For purposes of this document, a vendorization is a unique vendor number. All QIP rate determinations, applicable eligibility requirements, survey submissions, incentive amounts, and earned QIP rate components in this document apply separately to each vendor number, rather than to the entire vendor organization. The service provider is responsible for completing the requirements for every vendor number it operates. Organizational contacts, financial reports, or survey questions that expressly request information across services do not change the vendor-number basis of QIP eligibility and rate determinations.

The QIP rate component applies only to rate reform service codes and rates with an applicable rate model. Service providers whose rates are established outside rate reform, including Usual and Customary, Individual Health or Safety waivers, Schedule of Maximum Allowances, and median rates are not eligible for the QIP rate component. Their reimbursement rates continue to be established by the applicable source. The separate one-time residential incentive is described in Section A.5.

Individuals or family members vendored to coordinate their own services under parent-coordinated or participant-directed services, including the Self-Determination Program, are exempt from QIP requirements on an ongoing basis. These services have reimbursement rates structured for their specific service models. Rate reform rates, including the QIP rate component, are designed for providers that employ direct care professionals and other staff.

Each existing vendorization that delivered QIP-eligible services and had purchase of service (POS) authorizations during FY 2025–26 follows Part A, unless that vendor number meets the Initial Provider Survey criteria in Part B. A vendor number vendored or reactivated on or after July 1, 2026, does not participate in the three annual surveys for this cycle. Different vendor numbers within the same organization may follow different participation paths, as identified in the following table:

Participation path	Reporting required	Incentive available
Existing vendor numbers in most rate reform service codes	Provider Capacity	Full 10 percent QIP rate component
Existing vendor numbers in residential and Supported Living Services codes identified in Section A.5	Provider Capacity and Prevention and Wellness	5 percent for each measure; 10 percent total
Existing vendor numbers in employment codes 950 and 952	Provider Capacity and Employment	5 percent for each measure; 10 percent total
Newly eligible vendor numbers described in Section B.1	Initial Provider Survey	Full 10 percent QIP rate component
Existing residential vendor numbers in one-time incentive codes identified in Section A.5	Prevention and Wellness	$1,000 per resident, up to $10,000 per vendor number

For each vendor number, the applicable participation path requires complete and accurate reporting and compliance with all applicable requirements. Attachment B contains the service code and compliance matrix.

A.2 ANNUAL SURVEY PREPARATION DEADLINES

Action	Date or deadline
Ensure Provider Directory records and contacts are complete, correct, and validated; update the parent organization's Primary Email Contact	Before November 13, 2026
Annual survey links begin to be issued	November 30, 2026
Achieve full Home and Community-Based Services (HCBS) Settings Final Rule compliance, when applicable	January 31, 2027
Achieve **60 percent** Electronic Visit Verification (EVV) compliance when applicable	December 31, 2026
Submit complete annual survey data and meet applicable eligibility requirements	February 26, 2027, at 5:00 p.m. Pacific Standard Time
Annual earned QIP rate period	July 1, 2027, through June 30, 2028

Accurate, validated Provider Directory (PD) records are required to receive survey links and participate in data collection. By November 13, 2026, service providers must confirm that all vendor records and contact information are complete and correct, including the "Primary Email Contact" field in the parent organization profile. To verify this email address, service providers must log into their PD account and review the field. A change ticket is required only if the email address needs to be corrected or updated; no ticket is needed if it is already correct. Providers should keep this contact information current throughout the year.

The Department sends survey links from **DDS-OQA@qualtrics-survey.com** to the email address listed as the service provider's Primary Email Contact. Survey emails will use the subject line **"Action Required: Complete Your DDS QIP [Survey Name] Survey,"** with "[Survey Name]" replaced by the applicable survey name.

Using an email address shared by multiple users does not combine the reporting requirements or eligibility of separate vendor numbers. A separate Provider Capacity survey and, when applicable, Employment and/or Prevention and Wellness surveys are issued for each vendor number. Service providers must submit complete and accurate data for each applicable measure for each eligible vendor number.

The service provider must monitor Department and regional center communications for every vendor number it operates, regularly review the parent organization's registered

Primary Email Contact inbox, and keep that field updated. Failure to stay current on communications may result in disqualification of an affected vendor number and failure to earn the applicable QIP rate component for FY 2027-28. Complete each vendor number's survey early to allow time to resolve questions before the February 26, 2026 deadline. Any late submissions will result in a failure to earn the QIP portion of the rate.

A.3 QIP ELIGIBILITY REQUIREMENTS

Each vendor number participating in the annual surveys must meet the following requirements, as applicable to that vendorization, by 5:00 p.m. Pacific Standard Time, February 26, 2027. Full HCBS compliance is required by January 31, 2027. Compliance must be determined separately for each vendor number. A determination for one vendor number does not establish compliance or an exemption for the organization's other vendor numbers. Any vendorization that meets at least one of the following criteria will follow the Initial Provider Survey compliance requirements described in Part B:

- Vendored on or after July 1, 2026, or becomes vendored during FY 2027–28.
- Reactivated during FY 2026–27.
- Began providing services under a rate reform service code during FY 2025–26 and never has participated in QIP.
- Re-vendored during FY 2025–26, as part of rate reform or for another reason, and never has participated in QIP.
- Active during FY 2025–26 but did not provide or bill for QIP-eligible services during that fiscal year.

Electronic Visit Verification
While full compliance with Electronic Visit Verification (EVV) is expected, for purpose of QIP eligibility, the vendoring regional center must report to the Department that the vendor number is exempt, **or** that vendorization is at least ***60 percent compliant*** with the April 18, 2023 EVV directive. For FY 2028-29 QIP planning purposes, providers will need to be at least 85 percent compliant with the April 18, 2023 directive. EVV compliance or exemption must be established for each vendor number to which federal EVV requirements apply, rather than for the service provider organization. Resources are available on the Department's EVV webpage.

Home and Community Based Services Settings Final Rule
The vendoring regional center must determine and report HCBS Settings Final Rule compliance for each applicable vendor number in accordance with the 2025-Home and Community-Based Services-001 letter. Each applicable vendorization must be fully

compliant as of January 31, 2027. Resources are available on the Department's HCBS Settings Final Rule webpage.

Independent Audits and Reviews
Service providers receiving payments from one or more regional centers must contract with an independent accounting firm for an independent audit or review report of their financial statements relating to regional center payments, when the applicable payment threshold is met. An independent audit is required for service providers receiving $2,000,000 or more during a state fiscal year. An independent review is required for service providers receiving at least $500,000 but less than $2,000,000.

For each applicable vendor number's QIP eligibility, the regional center must establish that the required independent audit or review covering FY 2024–25 has been submitted, or that the vendoring regional center has granted an applicable exemption. The audit and review payment thresholds and financial statement scope remain those described above; assessing QIP eligibility by vendor number does not change those requirements or require a separate report for each vendor number when the required report covers multiple vendorizations. Welfare and Institutions Code section 4652.5 provides additional requirements. Attachment C provides details on this 2011 federal requirement. Please note that the threshold amounts in Attachment C subsequently were updated through legislation, to be the amounts described in the prior paragraph above.

A.4 PROVIDER CAPACITY AND EMPLOYMENT REPORTING

Provider Capacity
The Provider Capacity survey establishes systemic baselines regarding workforce dynamics, staffing structures, and resource equity. It gathers operational data on staff turnover rates, direct support professional (DSP) vacancies, average employee tenure, and language access. This helps evaluate if service providers have the logistical and cultural capacity to adequately support individuals in their communities.

Each existing vendor number in a rate reform service code listed in Attachment B must complete the Provider Capacity survey. This measure enhances the Provider Directory, identifies service gaps and areas of need, informs policy and resource development, and supports future QIP reporting and quality measures. The survey will include questions related to the following:

- Provider characteristics: ZIP codes where services are provided and where the service provider is willing to provide services; languages in which services are provided; and ownership structure, including agency or corporation versus independent service provider.
- Workforce size: number of full-time and part-time staff on payroll at the beginning and end of FY 2025–26.
- Staff tenure: length of continuous employment for staff on payroll at the end of FY 2025–26.
- Staff wages: average starting and average hourly wages across all services and supports during FY 2025–26, excluding executive and managerial staff.
- Vacancies: number of vacant full-time and part-time positions at the end of FY 2025–26.
- Separations: number of staff who permanently left or separated during FY 2025-26.

Complete a separate Provider Capacity submission for each vendor number. Where a survey question expressly requests information across all services and supports, report that information as instructed; the reporting scope of that question does not combine vendor-number eligibility or rate determinations.

Complete and accurate Provider Capacity reporting earns the full 10 percent QIP rate component for most eligible vendor numbers. For a vendor number assigned an Employment or Prevention and Wellness survey, the Provider Capacity survey earns 5 percent; the applicable Employment or Prevention and Wellness measure earns the other 5 percent of the applicable rate model for FY 2027-28.

The following residential vendorizations will receive the Provider Capacity Survey at their primary email contact address within the Provider Directory. Participation is voluntary and encouraged to help the Department understand provider capacity and service needs. No monetary incentive is available for participation, and participation or non-participation will not affect reimbursement rates.

Service codes	Service type
925, 930, and 935	Intermediate Care Facilities

Employment

The Employment Survey measures the success of competitive integrated employment initiatives for individuals with developmental disabilities. The survey is sent to employment service vendors and tracks how many individuals are working paid, integrated jobs in the community, their hours, and wages. The data identifies successful employment pathways and bridges gaps to help more individuals gain financial independence.

Employment surveys will be issued to each vendorization for employment services and are unique to each applicable vendor number. Any vendor number that delivered services and had POS authorizations during FY 2025–26 under Supported Employment – Group (950) or Supported Employment – Individual (952) must complete the Employment survey to earn the additional 5 percent QIP rate component. This measure establishes baselines for specialized staff training, employment attainment, transitions, and retention to inform future measures and promote competitive integrated employment (CIE) for individuals with intellectual and developmental disabilities.

Staff training reporting must include the total number and proportion of paid staff delivering employment services during FY 2025–26 who completed Association of Community Rehabilitation Educators (ACRE) training or became certified or recertified through Certification of Employment Service Professionals.

Employment reporting must include the number and proportion of individuals who reached each of the following applicable milestones during FY 2025–26:

- Attained individual CIE, including transitions from internships, group employment, or day or educational programs.
- Attained group employment, including transitions from internships or day or educational programs.
- Attained a paid internship.
- Remained in a job for at least 30 days, 6 months, 12 months, 18 months, or 24 months.

Report milestones reached during FY 2025–26 even if the initial placement occurred before that fiscal year. For each eligible vendor number, complete and accurate Employment reporting earns 5 percent; Provider Capacity reporting earns the other 5 percent of the applicable rate model for FY 2027-28.

A.5 PREVENTION AND WELLNESS REPORTING AND RESIDENTIAL INCENTIVES

The Prevention and Wellness survey tracks individual health outcomes to ensure residents receive proactive, high-quality medical care. The survey is sent to eligible residential and supported living service providers and collects information on recommended preventive health care. It reviews how regularly individuals receive routine health screenings, including regular physical exams, dental visits, and recommended cancer screenings.

Each existing eligible residential or supported living services vendor number that delivered services and had POS authorizations during FY 2025–26 must report preventive health screening information for its eligible residents. This measure supports understanding of residential services and planning of future reporting and quality measures.

Eligible Service Codes and Incentive Amounts
Service providers operating Adult Residential Facilities for Persons with Special Health Care Needs (service code 113); Family Home Agencies (service code 904); residential facilities serving adults (service codes 905 and 915); residential facilities serving children (service codes 910 and 920); Supported Living Services (service code 896); and Residential Care Facilities for the Elderly (service codes 905, and 915) may earn 5 percent of the applicable rate model for each eligible vendor number through complete and accurate Prevention and Wellness reporting. Provider Capacity reporting earns the other 5 percent for each applicable rate reform vendor number.

The following residential vendorizations may earn a one-time incentive described below for each eligible vendor number through Prevention and Wellness reporting:

Service codes	Service type
096 and 114	Residential Care Facilities for the Elderly
900 and 901	Enhanced Behavioral Support Homes
163	Group Homes for Children with Special Health Care Needs
925, 930, and 935	Intermediate Care Facilities

The one-time incentive is $1,000 per resident, up to $10,000 per vendor number. To qualify, complete and accurate preventive health screening data must be reported for all eligible residents associated with that vendor number, including residents whose reporting produces no additional payment because that vendor number has reached the $10,000 maximum. Each participating vendor number must meet all other applicable eligibility requirements.

Residents and Survey Assignment
Eligible residents are individuals who lived in the residential facility or home associated with the participating vendor number for one or more months during FY 2025–26. The Department will provide the eligible resident list and required preventive health screenings or immunizations for each resident. For each vendor number, report the date each eligible resident last received each recommended screening.

A vendor number that actively served individuals under age 18 as of June 30, 2026, will receive the child survey. A vendor number that actively served individuals age 18 or older as of that date will receive the adult survey. A vendor number serving both children and adults will receive both surveys.

Adult Screening Information to Report
The source directive identifies the following adult screening populations and service intervals, based on recommendations of the U.S. Preventive Services Task Force (USPSTF):

Screening	Population	Recommended service interval
Physical exam	All adults age 18 or older	At least once in the last fiscal year
Dental exam	All adults age 18 or older	At least once in the last fiscal year
Colorectal screening	Adults ages 45–75	Stool-based test in the last fiscal year; flexible sigmoidoscopy in the last 5 fiscal years; colonoscopy in the last 10 fiscal years
Breast cancer screening	Women ages 50–74	At least once in the last two fiscal years
Cervical cancer screening	Women ages 21–65	At least once in the last three fiscal years

Child Screening Information to Report
Child screening information follows recommendations identified in the source directive from the American Academy of Pediatrics (AAP), American Academy of Pediatric Dentistry (AAPD), and California Department of Public Health (CDPH):

Screening	Population	Recommended service interval
Annual wellness visit	All children age 17 or younger	See the AAP periodicity schedule for screening frequency
Dental exam	All children age 17 or younger	At least twice per fiscal year
Vision exam	All children age 17 or younger	See the AAP periodicity schedule for frequency and American Academy of Ophthalmology recommendations for the correct type of exam
Immunizations	All children age 17 or younger	Up to date on California immunization requirements

Regional centers and service providers should prioritize supporting children and youth in the family or caregiver's home or in a family-based setting. When the Individual Program Plan team determines that residential placement is required, these guidelines provide the health screening information to report for residents ages 1 through 17.

PART B: INITIAL PROVIDER SURVEY

This section applies to new and other newly eligible vendor numbers meeting the criteria below. The Initial Provider Survey establishes systemic baselines regarding workforce dynamics, staffing structures, and resource equity for new vendorizations. The survey gathers operational data on staff turnover rates, DSP vacancies, average employee tenure, and language access. This helps evaluate if service providers have the logistical and cultural capacity to adequately support individuals in their communities.

These vendors complete the Initial Provider Survey within a 60-day deadline, rather than the three annual surveys under Part A. Their QIP effective dates follow the process outlined below.

B.1 INITIAL PROVIDER SURVEY REQUIREMENTS FOR NEWLY ELIGIBLE VENDOR NUMBERS

Determine Initial Provider Survey eligibility separately for each vendor number. This pathway applies only to a vendorization meeting at least one of the following criteria:

- Vendored on or after July 1, 2026, or becomes vendored during FY 2027–28.
- Reactivated during FY 2026–27.
- Began providing services under a rate reform service code during FY 2025–26 and has never participated in QIP.
- Re-vendored during FY 2025–26, as part of rate reform or for another reason, and has never participated in QIP.
- Active during FY 2025–26 but did not provide or bill for QIP-eligible services during that fiscal year.

Each eligible vendor number operating in a rate reform service code listed in Attachment B must complete its Initial Provider Survey and meet applicable compliance requirements to earn its full 10 percent QIP rate component. This survey collects the languages and locations where services will be provided, the number of staff anticipated for FY 2027–28 and starting and average staff wages. The data enhances the Provider Directory, identifies service gaps, guides policy and resource allocation, and informs future QIP reporting and measures.

The Department sends online survey hyperlinks from DDS-OQA@qualtrics-survey.com to the service provider's Primary Email Contact email address in the Provider Directory. A separate survey is issued for each vendor number. New vendor numbers issued or activated on or after July 1, 2026, that meet the criteria above receive their survey in the month following vendorization approval, as evidenced by completion of standard vendorization. Each vendor number's survey must be completed and submitted within 60 days of receipt. Within the Provider Directory, the service provider must maintain accurate validated records for that vendor number, keep the parent organization's Primary Email Contact address current, and monitor its inbox for that vendor number's survey and related communications.

Eligibility Requirements for Initial Provider Survey Vendor Numbers
In addition to completing the survey within 60 days, each vendor number ***must meet the applicable EVV, HCBS, and independent audit or review requirements*** described in the QIP eligibility requirements within the same timeframe. Compliance or exemption must be established separately for each vendor number. A compliant vendor number within the same organization does not establish compliance for a new or other newly eligible vendor number.

Survey Completion and Earned Rate Dates
An eligible vendor number whose Initial Provider Survey successfully is completed within 60 days can earn the QIP rate component effective the first day of a calendar month beginning no sooner than 30 days after survey completion. For example, completion on November 15, 2026, means that vendor number's component could be earned effective January 1, 2027. The Department reviews and validates the data for each vendor number, and the regional center programs its earned rate.

Each eligible vendor number participating through this pathway during FY 2026–27 earns its QIP rate component for the remainder of FY 2026–27, subject to the effective-date rule above, and for the entirety of FY 2027–28. An eligible vendor number can earn the full QIP rate component for July 1, 2027, through June 30, 2028, through complete and accurate Initial Provider Survey reporting and applicable compliance.

The Initial Provider Survey is available ONLY in a vendorization's first year of QIP participation. After the first year of vendorization, that vendor number must participate in the other applicable QIP requirements and reporting and quality measures each fiscal year to continue to earn the QIP rate component. The Department will announce those measures annually.

PART C: RESPONSIBILITIES AND RESOURCES

C.1 DEPARTMENT AND REGIONAL CENTER IMPLEMENTATION RESPONSIBILITIES

Regional centers must assist service providers in understanding the participation path and required preparation, reporting, and compliance steps for each vendor number and in addressing compliance gaps. The regional center must determine and report HCBS compliance, report applicable EVV exemptions, and establish that required independent audits or reviews have been received or applicable exemptions granted for each vendor number, as described in Parts A and B of this Attachment.

After the annual survey deadline, the Department reviews and validates submitted data. It then provides regional centers with the QIP list identifying vendor numbers that completed eligibility and reporting requirements. Regional centers must implement and activate the earned rate for each vendor number, including its validated QIP component, to be effective July 1, 2027, for FY 2027–28. Rates for Initial Provider Survey vendor numbers follow Part B's effective-date rules. Completion or compliance by one vendor number does not establish an earned QIP component for another vendor number within the same organization.

A vendor number that does not complete its applicable annual participation steps cannot receive its unearned QIP rate component until the next fiscal year, FY 2028–29, which begins July 1, 2028. This consequence is assessed separately for each vendor number. Initial Provider Survey vendor numbers remain governed by Part B.

C.2 TRAINING OUTREACH AND ASSISTANCE

The Department will provide training webinars for regional centers and eligible service providers. Dates and registration information will be announced on the QIP webpage and through the Provider Directory. Training covers FY 2027–28 QIP requirements, use of the data collection tool, survey walkthroughs, and other relevant topics, with opportunities for questions and answers. Service providers are encouraged to attend live or watch a recording. Recordings will be posted on the QIP webpage approximately one week after each session.

The Department will provide downloadable user guides, data worksheets, and step-by-step instructions; QIP checklists and pathways for meeting HCBS, EVV claiming, and audit or review requirements; and community and targeted service provider emails about deadlines and program developments. Toolkits will be available for regional centers and provider organizations to share with their communities and members.

Biweekly status updates will be posted on the QIP landing page to track progress on applicable measures.

Service providers with questions should first contact their vendoring regional center. For more complex issues beyond the regional center's ability to assist, service providers and regional centers may contact the DDS Program Help Desk. For issues not covered by the Help Desk's available topics or options, regional centers may contact qipquestions@dds.ca.gov for assistance.

C.3 RESOURCES

QIP webpage and webinar materials
QIP provider survey status
Provider Directory
Rate Models
Rate Reform Full Implementation Overview September 19 2024
Electronic Visit Verification resources
HCBS Settings Final Rule resources
HCBS directive December 26 2025
Welfare and Institutions Code section 4652.5
Standardized Vendorization
USPSTF Screening Recommendations
AAP periodicity schedule
AAPD dental periodicity recommendations
American Academy of Ophthalmology child eye screening
Immunization schedule resource referenced in the source directive

Questions?

Contact: Department of Developmental Services
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