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November 6, 2026 D-2026-Quality Incentive Program-005

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: QUALITY INCENTIVE PROGRAM – FISCAL YEAR 2027-28

This directive provides an overview of the Quality Incentive Program (QIP) for Fiscal Year (FY) 2027–2028. Service providers who meet the eligibility criteria described in the Quality Incentive Program Requirements **(**Attachment A) and complete the applicable QIP data collection requirements will earn the corresponding QIP portion(s) of their rate model, effective July 1, 2027, through June 30, 2028.

Overview
The QIP is designed to encourage high-quality service delivery by offering eligible service providers the opportunity to earn a Quality Incentive rate component, up to 10 percent of their applicable rate model, for FY 2027–2028. Service providers earn this component by meeting eligibility criteria and submitting complete data under the applicable reporting measures.

Beginning November 30, 2026, the QIP will collect data from eligible service providers across four QIP reporting areas:

- Provider Capacity
- Preventative Health and Wellness
- Employment
- Initial Provider Survey

Quality Incentive Program Requirements (Attachments A), Service Codes and Applicable Measures (Attachment B), and the directive issued on September 16, 2011 provide more information about the QIP rate structure and service codes that should participate in the reporting measures. General information about the QIP can be found in the September 19, 2024, directive: D-2024-Rate Reform-001: Rate Reform Full Implementation Overview.

QIP Rates
The quality incentive rate component only is applicable to the service codes identified in Attachment B, that have rates established by Rate Reform, and that have an applicable rate model. Service providers with rates established by another source, such as but not limited to, usual and customary, individual health or safety waiver rates, schedule of maximum allowances, and median rates, are not eligible to participate in the QIP. These service providers' reimbursement rates will continue to be their rates established by the source outside Rate Reform.

Additionally, all individuals or family members vendored to coordinate their own services under parent-coordinated services, participant-directed services, and the Self-Determination Program (SDP), are not included and do not need to meet QIP requirements ongoing. These services have reimbursement rates structured for their specific service models, while rate reform rates, including the QIP rate component, are designed for service providers who are not individuals or family members who coordinate their own services and that employ direct care professionals and other staff.

Please be aware that some of these individuals and family members were incorrectly vendored within QIP service codes, and a different directive instructs regional centers to move them to the correct service codes and rates outside of the QIP.

Steps to Implementing QIP
The following steps outline how service providers should prepare for and implement the QIP requirements for FY 2027-28. Regional centers should assist providers in understanding these required steps.

Step 1: Update Provider Directory Information:
Accurate, validated Provider Directory (PD) records are necessary 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 information current all year long, and use of a generic email address such as admin@serviceprovider.com is recommended to avoid problems as employees turn over or transition to new roles.

Step 2: Verify Eligibility Requirements:
Service providers must confirm their compliance with applicable Electronic Visit Verification (EVV), Home and Community-Based Services (HCBS), and independent audit requirements. These requirements are described in Attachment A. Providers subject to EVV requirements also should review their CalEVV account and confirm that all visits are in a verified status prior to billing.

While eligibility status updates will be posted on the Department's QIP webpage, service providers should contact their regional center to verify any eligibility status in question, identify any unmet requirements, and request corrections if their status is inaccurate. Regional centers may assist providers in addressing any gaps and will coordinate directly with the Department to update or correct eligibility statuses as needed.

Step 3: Prepare to Report FY 2025–2026 Data:
Beginning November 30, 2026, service providers, except for those qualifying for the Initial Provider Survey detailed in Attachment A, will report on services delivered between July 1, 2025 – June 30, 2026. Specific reporting details will be provided by the Department through online surveys issued beginning November 30, 2026. Reporting is dependent on the service code (type of service provided) and this year includes:

- Provider Capacity: workforce details, service locations, languages, staffing levels, wages, vacancies, and separations.
- Employment Services: staff training data and individuals' employment milestones, including competitive integrated employment attainment.
- Prevention and Wellness: completion of preventative health screenings for adults and children in residential settings.

Step 4: Complete All Required Reporting by the February 26, 2027 Deadline
Service providers must submit accurate and complete data for each eligible vendor number by the deadline to earn their QIP rate component(s). *THERE IS NO GRACE PERIOD AFTER THIS DEADLINE. PROVIDERS ARE ENCOURAGED TO PLAN ACCORDINGLY FOR TIMELY COMPLETION AND SUBMISSION.*

All service providers are responsible for monitoring and reviewing email communication from the Department and their regional center. Service providers are expected and required to monitor their email address registered in the PD under their "Primary Email Contact" field and to keep this field updated at all times. Failure to stay current on Departmental and regional center communications may result in disqualification from the QIP and its portion of a provider's rate model.

The Department sends survey links from DDS-OQA@qualtrics-survey.com to the email address listed in 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.

Training and Information
The Department will offer training webinars for regional centers and eligible service providers. Webinar dates and registration information will be announced on the Department's QIP webpage and through the PD. The webinars will cover FY 2027–2028 reporting requirements, instructions for submitting data through the data collection tool, and other relevant topics.

The Department encourages all eligible service providers to attend a live webinar or watch a recording. Recordings will be posted on the QIP webpage provided above approximately one week after each live session.

Post Survey Deadline
The Department will review all data collection reporting. Once validated, the Department will post the QIP list outlining service providers who complete all eligibility requirements and data collection surveys to regional centers who will update the earned QIP rate effective July 1, 2027. *Service providers who do no complete applicable steps by the February 26, 2027, due date, will not be able to receive the QIP portion of the rate until the future fiscal year, FY 2028-2029, which begins July 1, 2028.*

Participation Matters
Participating in the QIP supports statewide efforts to improve service access, strengthen provider capacity, enhance health outcomes, and expand employment opportunities for Californians with intellectual and developmental disabilities. The information collected not only impacts provider reimbursement but also drives statewide planning and policy development helping to advance progress towards measuring and advancing individual outcomes.

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.

Sincerely,

Original Signed by:

AARON CHRISTIAN
Chief, Population Risk, Quality Assurance, and Data Operations

Attachments

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