Kern Regional Center
Board of Directors Meeting Agenda
January 24, 2017

General Business		
1. Call to Order and Introductions	Action	Kurt Van Sciver
2. Approval/Additions to Agenda	Action	Kurt Van Sciver
3. Meeting Minute Approval for November 15, 2016	Action	Kurt Van Sciver
4. Public Input	Info.	Et al
Unfinished Business		
Reports		
5. Board President Report	Info.	Kurt Van Sciver
6. Financial Report **Handout**	Info.	Jon Gusman
7. Governor's Budget Proposal **Attachment 1**	Info.	Robert Riddick/Jon Gusman
8. Interim Director Report	Info.	Robert Riddick
9. Vendor Advisory Committee	Info.	Laurie Hughey
10. Staff Report A. Self Determination B. Performance Contract C. Vendor Audit Update D. Request for Proposal - Brilliant Corners	Info./ Action	Cherylle Mallinson Et al
E. Disparity Information F. Staffing Update	Info.	Laura Hughes
11. Client Representative **Handout**	Info.	Roy Rocha
New Business		
Good and Welfare		

Meeting Location and Time:

Kern Regional Center – Bakersfield Office / Malibu Conference Room

3200 N. Sillect Avenue, Bakersfield, CA 93308

6:00 pm – 7:30 pm

Department of Developmental Services

Governor's Budget Highlights

Edmund G. Brown Jr.
Governor
State of California

Diana S. Dooley
Secretary
California Health and Human Services Agency

Nancy Bargmann
Director
Department of Developmental Services

January 2017

DEPARTMENT OF DEVELOPMENTAL SERVICES
GOVERNOR'S BUDGET HIGHLIGHTS

PROGRAM HIGHLIGHTS

The Department of Developmental Services (Department or DDS) is responsible under the Lanterman Developmental Disabilities Services Act (Lanterman Act) for ensuring that approximately 300,000 persons with developmental disabilities receive the services and support they require to lead more independent and productive lives and to make choices and decisions about their lives.

California provides services and supports to individuals with developmental disabilities two ways. The vast majority of people live in their families' homes or other community settings and receive state-funded services that are coordinated by one of 21 non-profit corporations known as regional centers. In contrast, a small number of individuals live in three state-operated developmental centers (DCs) and one state-operated community facility. The number of individuals with developmental disabilities in the community served by regional centers (consumers) is expected to increase from 303,447 in the current year to 317,283 in 2017-18. The number of individuals living in state-operated residential facilities is estimated to be 490 on July 1, 2018.

Governor's Budget Summary
The Governor's Budget includes $6.9 billion total funds (TF) ($4.2 billion GF) for the Department in 2017-18; a net increase of $280 million above the updated 2016-17 budget, or a 4.2 percent TF increase.

FUNDING SUMMARY
(Dollars in Thousands)

	2016-17	2017-18	Difference	Percent of Change
BUDGET SUMMARY				
Community Services	$6,064,913	$6,423,741	$358,828	5.9%
Developmental Centers*	529,869 *	449,796	-80,073	-15.1%
Headquarters Support	51,188	52,302	1,114	2.2%
TOTALS, ALL PROGRAMS	**$6,645,970**	**$6,925,839**	**$279,869**	**4.2%**
GENERAL FUND				
Community Services	$3,558,448	$3,838,894	$280,446	7.9%
Developmental Centers	368,523	329,985	-38,538	-10.5%
Headquarters Support	33,834	34,720	886	2.6%
TOTALS, ALL PROGRAMS	**$3,960,805**	**$4,203,599**	**$242,794**	**6.1%**

* The amount listed under Governor's Budget column do not reflect the statewide items for Employee Retention Incentives ($20.1 million) or Deferred Maintenance ($18.0 million).
For more details, see Budget Summary and Funding Charts on pages 8-9.

COMMUNITY SERVICES PROGRAM

2016-17

To provide services and support to 303,447 individuals in the community, the Governor's Budget updates the 2016 enacted budget to $6.064 billion TF ($3.56 billion GF). This reflects a net decrease of $37.2 million TF ($74.7 million GF decrease) as compared to the enacted budget for regional center Operations (OPS) and Purchase of Services (POS). This decrease is comprised of:

Caseload and Utilization

$36 million net decrease ($72.7 million GF decrease) in regional center OPS and POS as follows:

- OPS increase of $2.0 million ($9.6 million GF decrease)
- POS decrease of $38 million ($63.1 million GF decrease)

The increase in the OPS budget is due to increased regional center caseload, slightly offset by a decrease in Intermediate Care Facility-Developmental Disabled (ICF-DD) Administration Fees and minor adjustments in projects for the Affordable Housing contract and Denti-Cal. The decrease in POS is the net difference of adjustments for all POS budget categories based on updated expenditure trends and increased federal reimbursements.

Transition of Behavioral Health Treatment (BHT) Services to the Department of Health Care Services (DHCS)

$13.1 million increase ($6.4 million GF increase) in POS to reflect updated expenditures for the transition of BHT services to DHCS which began on February 1, 2016.

Assembly Bill 1, 2nd Extraordinary Session, Chapter 3, Statutes of 2016 (ABX2 1)

$14.3 million decrease ($8.4 million GF decrease) in estimated expenditures of non-budget act funds consistent with anticipated POS caseload and utilization expenditure decreases.

2017-18

The Governor's Budget projects the total community caseload at 317,283 consumers, reflecting an increase of 13,836 consumers over the updated 2016-17 caseload. Total funding of $6.4 billion ($3.8 billion GF) is proposed for services and supports for regional center consumers living in the community. This reflects a net increase of $359 million ($280 million GF) from updated 2016-17 figures. The Community Services budget changes include:

Caseload and Utilization

$317.4 million increase ($283.2 million GF increase) in regional center OPS and POS as follows:

- OPS increase of $26.7 million ($25.2 million GF increase)
- POS increase of $290.7 million ($258 million GF increase)

The OPS increase is the net of staffing resulting from increased caseload, adjustments for OPS Projects, and a $2.9 million increase ($1.9 million GF) to fund the two-year statewide minimum wage increase from $10 to $11 per hour for positions below $11. The POS increase reflects increase in all POS budget categories based on updated caseload and expenditure projections.

Operations – Policy Adjustments
$3.5 million decrease ($3.8 million GF decrease) in Operations – Policy expenditures as follows:

- $0.2 million decrease ($0.1 million GF decrease) in rent funds for Compliance with HCBS Regulations. Beginning in 2017-18, the Department will budget regional center rent based on their reported, anticipated expenditures rather than on a formula. Total rent is now included in Operations – Staffing, and rent amounts are removed from policy areas within the regional center Estimate.
- Net zero technical adjustment ($0.5 million GF decrease) to correct funding for Regional Center Operations Increases per ABX2 1.
- $3.3 million decrease ($3.2 million GF decrease) from Resources to Implement ABX2 1. The decrease reflects the removal of $3.0 million GF in one-time funding appropriated to complete the community based services rate study. There is also a slight decrease due to the shift of rent expenditures to the rent methodology item.

Assembly Bill (AB) 10, Chapter 351, Statutes of 2013, Minimum Wage Increase
$7.5 million increase ($4.4 million GF increase) in POS to reflect increased expenditures based on caseload and utilization growth.

Community Placement Plan (CPP) - DC Closure
$53.1 million decrease ($55.3 million GF decrease) in DC Closure-specific CPP funding. This reduction represents the portion of CPP funds no longer required for start-up costs to develop resources for residents transitioning out of Sonoma, Fairview, and Porterville GTA. The Department has allocated the majority of closure-specific CPP startup funds to projects currently underway, and in 2017-18 will require a reduced amount for placement activities only.

Assembly Bill 1, 2nd Extraordinary Session, Chapter 3, Statutes of 2016 (ABX2 1)
$14.3 million increase ($8.4 million GF increase) to reflect the full amount of funds appropriated through special session.

Senate Bill (SB) 3, Chapter 4, Statutes of 2016, Minimum Wage Increase
$77.2 million increase ($43.6 million GF increase) in POS to reflect full-year costs of the state-mandated hourly minimum wage increase from $10.00 to $10.50 effective January 1, 2017, as well as the increase from $10.50 to $11.00 effective January 1, 2018.

Best Buddies
$1 million total and GF decrease due to the removal of 2016-17 one-time funding.

PROPOSED TRAILER BILL

The Governor's Budget includes proposed statutory amendments in the following areas related to the Community Services Program:

- Exemption from Federal Funding Requirements for Enhanced Behavioral Supports Homes and Community Crisis Homes with Secured Perimeters - Allows for the development of enhanced behavioral supports homes and community crisis homes with secured perimeters to meet the needs of individuals with developmental disabilities who have complex service needs.
- Allow Regional Center Consumers Aged 18-22 to Participate in Paid Internships - Allows consumers aged 18-22, who are still receiving educational services, to participate in paid internships for the purpose of gaining experience in competitive, integrated job placement.
- Update Service Rates Set in Statue – Updates service rates for supported employment and vouchered community-based training services that increased under the provisions of ABX2 1.
- HCBS Waiver Authority - Allows the Department to issue policy directives in advance of emergency regulations to align State requirements with new HSBC regulations by March 2019.
- Reporting of Employment Outcomes by Regional Centers - Requires regional centers to include consumer employment outcomes in their annual performance contracts to assist the State in measuring progress towards increasing competitive integrated employment opportunities for individuals with developmental disabilities.
- Broaden the Use of Community Placement Plan (CPP) Funds to Include Additional Community Resources – Allows a designated portion of CPP funds to be utilized to develop services and supports for consumers already living in the community, including those with specialized and complex service needs.

DEVELOPMENTAL CENTERS PROGRAM

2016-17

The actual DC population on July 1, 2016, was 963 residents. The Department projects an ending population of 760 residents on June 30, 2017.

The Governor's Budget updates the 2016 Enacted Budget to $529.8 million ($368.5 million GF); a net increase of $3.9 million ($29.3 million GF increase). The net increase is a combination of control section and funding adjustments as follows:

Control Section 3.60 Retirement Adjustment

- $3.6 million increase ($2.2 million GF increase) consistent with Control Section (CS) 3.60 of the Budget Act, which specifies the employers' retirement contributions for the 2016-17 fiscal year.

Employee Compensation

- $1.1 million increase ($0.6 million GF increase) due to 2016-17 employee compensation adjustments, which reflect incremental changes approved through the collective bargaining process and included in Item 9800, Employee Compensation Adjustments.

Lease Revenue Debt Service

- $0.7 million total and GF decrease due to CS 4.05 for an adjustment to Lease Revenue Debt Service.

Non-Budget Act Lottery Adjustment

- $0.1 million decrease ($0.0 GF) in funds available to the Department.

Fund Shift

- The Department proposes a $27.1 million shift from reimbursements to General Fund for a reduction in estimated Medi-Cal reimbursements receivable. The reduction in reimbursements is based on an analysis of expenditures by DC and by unit acuity level, the total number of days residents receive eligible services in the fiscal year, and past reimbursement amounts. The Department proposes this request be funded by a transfer from the Local Assistance budget in Item 4300-101-0001, which is currently projecting a savings in 2016-17.

2017-18

The Governor's Budget proposes a total of $450 million ($330 million GF) for the DC Program; a net decrease of $76.2 million ($9.3 million GF decrease) from the 2016-17 Enacted Budget. The net decrease is comprised of the following adjustments:

Control Section 3.60 Retirement Adjustment

- $3.6 million increase ($2.2 million GF increase) consistent with CS 3.60 of the Budget Act, which specifies the employers' retirement contributions for the 2016-17 fiscal year.

Employee Compensation

- $1.3 million increase ($0.8 million GF increase) due to 2016-17 employee compensation adjustments, which reflect incremental changes approved through the collective bargaining process and included in Item 9800, Employee Compensation Adjustments.

Lease Revenue Debt Service

- $1.0 million total and GF decrease due to CS 4.05 for an adjustment to the Lease Revenue Debt Service.

Non-Budget Act Lottery Adjustment

- $0.1 million decrease ($0.0 GF) in funds available to the Department.

DC Operations Expenditure Decrease

- A net decrease of $80.8 million ($11.9 million GF decrease) and -489.2 positions resulting from an estimated resident population decrease of 257 residents, as well as the removal of one-time funding to complete an assessment of the

Sonoma property and buildings. With a reduced population, the Department will consolidate units, and decrease staff and Operating Expenses and Equipment (OE&E) costs. The GF decrease as compared to the overall fund decrease reflects the reduction of Medi-Cal reimbursements consistent with the updated 2016-17 budget, as based on an analysis of expenditures by DC and by unit acuity level, the total number of days residents receive eligible services in the fiscal year, and past reimbursement amounts.

Sonoma Closure Activities

- $0.3 million increase ($0.2 million GF increase) to fund the disposal and/or relocation of physical property and equipment assets in preparation for facility closure.

Fairview and Porterville GTA Closure Activities

- $0.5 million increase ($0.4 million GF increase) to inventory, scan, and archive clinical records at both Fairview and Porterville GTA.

PROPOSED TRAILER BILL

The Governor's Budget includes a proposed statutory amendment to the Public Contract Code to clarify the point at which a DDS employee must terminate State employment when they enter into an agreement to develop a service and become a regional center vendor.

HEADQUARTERS

2016-17

The Governor's Budget reflects an increase to the 2016-17 Headquarters' operations funding of $0.5 million ($0.4 million GF increase) for Retirement Rate Contribution and Employee Compensation. The total updated 2016-17 Headquarters budget is $51.2 million ($33.8 million GF).

2017-18

The Governor's Budget proposes total Headquarters operations funding for 2017-18 of $52.3 million ($34.7 million GF increase). This is a net increase of $1.6 million ($1.3 million GF) over the 2016-17 Enacted Budget, reflecting an incremental increase in Employee Compensation and Retirement Contributions, plus an increase in expenditures and positions from the following two Budget Change Proposals (BCPs):

Increased Housing Development Within the Community Placement Plan

The Department requests $597,000 ($554,000 GF) and 4.0 positions for workload associated with the development and oversight of housing funded through the Community Placement Program (CPP) to meet the residential placement needs of individuals transitioning out of the State's remaining developmental centers, Institutions for Mental Disease (IMDs), out-of-state placements, or who are at risk of moving to more restrictive settings. The proposal specifically requests positions in the Community Development and

Housing Section (CDHS) to provide increased oversight during housing development, encourage more efficient funding practices, promote greater fiscal accountability, and provide stronger asset management supervision for projects funded through CPP.

Information Security & Privacy Support

The Department requests $398,000 ($317,000 GF) and 3.0 positions to manage and assist with significant increases in workload associated with planning, outreach, training, risk assessment, prevention strategy, policy development, monitoring, and reporting activities related to information security and privacy. With the additional resources, the Department will assist and support DC and regional center security efforts, and conduct activities in compliance with the State Administrative Manual (SAM), the State Information Management Manual (SIMM), and federal requirements.

CAPITAL OUTLAY

There are no changes for 2016-17.

2017-18

The Governor's Budget includes one Capital Outlay Budget Change Proposal (COBCP) requesting $3.7 million GF to install a nitrate removal system at Porterville. The system will remove excess nitrates from well water to meet state-mandated safe drinking water requirements, thereby providing a safe, reliable, and efficient potable water delivery system.

DEPARTMENT OF DEVELOPMENTAL SERVICES
2016 NOVEMBER ESTIMATE

FUNDING SUMMARY

(Dollars in Thousands)

	2016-17	2017-18	Difference
BUDGET SUMMARY			
COMMUNITY SERVICES	$6,064,913	$6,423,741	$358,828
DEVELOPMENTAL CENTERS*	529,869 *	449,796	-80,073
HEADQUARTERS SUPPORT	51,188	52,302	1,114
TOTALS, ALL PROGRAMS	**$6,645,970**	**$6,925,839**	**$279,869**
FUND SOURCES			
General Fund	$3,960,805	$4,203,599	$242,794
Reimbursements: Totals All	2,608,737	2,645,617	36,880
Home and Community-Based Services (HCBS) Waiver	*1,687,373*	*1,759,162*	*71,789*
Medicaid (HCBS) Waiver Administration	*13,988*	*14,104*	*116*
Medicaid Administration	*16,002*	*16,028*	*26*
Targeted Case Management	*186,888*	*192,737*	*5,849*
Targeted Case Management Admin.	*5,726*	*5,730*	*4*
Medi-Cal	*157,625*	*116,404*	*-41,221*
Title XX Block Grant	*213,421*	*213,421*	*0*
ICF-DD/State Plan Amendment	*57,567*	*57,567*	*0*
Quality Assurance Fees (DHCS)	*10,187*	*10,187*	*0*
1915(i) State Plan Amendment	*213,498*	*219,479*	*5,981*
Money Follows the Person	*9,638*	*4,330*	*-5,308*
Early Periodic Screening Diagnostic & Treatment	*28,206*	*27,846*	*-360*
Other	*8,618*	*8,622*	*4*
Federal Trust Fund	56,543	56,643	*100*
Lottery Education Fund	294	294	0
Program Development Fund (PDF)	2,870	2,913	43
Mental Health Services Fund	1,183	1,235	52
Developmental Disabilities Svs Acct	150	150	0
Behavioral Health Treatment	15,388	15,388	0
AVERAGE CASELOAD			
Developmental Centers	963	760	-203
Regional Centers	303,447	317,283	13,836
AUTHORIZED POSITIONS			
Developmental Centers	4,125.2	3,636.0	-489.2
Headquarters	421.5	428.5	7.0

* The amount listed under Governor's Budget column do not reflect the statewide items for Employee Retention Incentives ($20.1 million) or Deferred Maintenance ($18.0 million).

DEPARTMENT OF DEVELOPMENTAL SERVICES
2016 NOVEMBER ESTIMATE

Program Highlights
(Dollars in Thousands)

	2016-17	2017-18	Difference
Community Services Program			
Regional Centers	$6,064,913	$6,423,741	$358,828
Totals, Community Services	**$6,064,913**	**$6,423,741**	**$358,828**
General Fund	$3,558,448	$3,838,894	$280,446
Program Development Fund (PDF)	2,537	2,537	0
Developmental Disabilities Svs Acct	150	150	0
Federal Trust Fund	53,707	54,087	380
Reimbursements	2,433,943	2,511,945	78,002
Mental Health Services Fund	740	740	0
Behavioral Health Treatment	15,388	15,388	0
Developmental Centers Program*			
Personal Services	$462,793	$373,922	-$88,871
Operating Expense & Equipment	67,076	75,874	8,798
Total, Developmental Centers	**$529,869** *	**$449,796**	**-$80,073**
General Fund	$368,523	$329,985	-$38,538
Federal Trust Fund	285	0	-285
Lottery Education Fund	294	294	0
Reimbursements	160,767	119,517	-41,250
Headquarters Support			
Personal Services	43,820	44,709	889
Operating Expense & Equipment	7,368	7,593	225
Total, Headquarters Support	**$51,188**	**$52,302**	**$1,114**
General Fund	$33,834	$34,720	$886
Federal Trust Fund	2,551	2,556	5
PDF	333	376	43
Reimbursements	14,027	14,155	128
Mental Health Services Fund	443	495	52
Totals, All Programs	**$6,645,970**	**$6,925,839**	**$279,869**
Total Funding			
General Fund	$3,960,805	$4,203,599	$242,794
Federal Trust Fund	56,543	56,643	100
Lottery Education Fund	294	294	0
PDF	2,870	2,913	43
Developmental Disabilities Svs Acct	150	150	0
Reimbursements	2,608,737	2,645,617	36,880
Mental Health Services Fund	1,183	1,235	52
Behavioral Health Treatment BHT	15,388	15,388	0
Totals, All Funds	**$6,645,970**	**$6,925,839**	**$279,869**

* The amount listed under Governor's Budget column do not reflect the statewide items for Employee Retention Incentives ($20.1 million) or Deferred Maintenance ($18.0 million).

ARCA ASSOCIATION OF REGIONAL CENTER AGENCIES
980 9th Street, Suite 1450, Sacramento, California 95814 • 916.446.7961 • www.arcanet.org

January 9, 2017

Centers for Medicare & Medicaid Services (CMS)
Department of Health and Human Services
Attention: CMS-2404-NC
P.O. Box 8013
Baltimore, MD 21244-8013

RE: Comments on HCBS Proposed Rule (RIN 0938-ZB33)

To Whom It May Concern:

The Association of Regional Center Agencies (ARCA) represents California's community-based network of twenty-one independent non-profit regional centers, which provides lifelong services to approximately 300,000 individuals with developmental disabilities, including 140,000 individuals who receive Home and Community-Based Services (HCBS). Through a contract with the State of California, regional centers provide intake, assessment, case management, and clinical services to individuals with developmental disabilities and their families. Regional centers also coordinate and fund many direct services through contracted community service providers at rates regulated by the state. Nearly 76% of individuals served by regional centers live in their family homes and another 10% live in homes of their own; a large number of both populations rely on Medicaid Personal Care Services (In-Home Supportive Services in California) to maintain these living arrangements.

ARCA appreciates the opportunity to comment on the Request for Information regarding federal interventions related to enhancing HCBS.

<u>Accelerating Access to HCBS</u>

Less than 1,000 individuals with developmental disabilities now reside in state-run institutional settings in California, with plans to reduce this population by over two-thirds in the coming years. Over 96% of Californians with developmental disabilities are supported to live outside of Medicaid funded healthcare facilities. The following would enhance HCBS access further:

- Clearer guidance, similar to the recent clarification on services for those with exit-seeking behaviors, related to supporting special populations (i.e., those with medical and behavioral complexities) in the context of the HCBS Final Rule;
- A more streamlined process for determining "settings that tend to isolate" and the potential role of disability-specific communities for purposes of the HCBS Final Rule, which are particularly challenging issues for large states; and,

- Consideration of service provider rates that are tied to the cost of living and may be higher in certain geographic regions within a state.

CMS has also partnered with Housing and Urban Development to emphasize community living as a desired outcome. With proper supports, integrated housing offers significant physical and mental benefits for individuals. A severe shortage of affordable housing, funding for development, and financial reimbursement for the supportive services needed to assist individuals to live independently limit the viability of this option.

Ensuring HCBS Quality

During its state 2014-2015 Fiscal Year, California regional centers purchased services from more than 40,000 distinct community vendors, including more than 6,000 licensed sites. The development of conditions of participation for all providers with quality concerns reported directly to CMS would be inefficient. CMS can most effectively scrutinize provider quality through evaluation of each state's waiver applications and monitoring to those standards.

Service provider accreditations through organizations such as the Commission on Accreditation of Rehabilitation Facilities serve as useful tools to ensure the provision of quality services. They are costly, however, and many existing rates do not adequately compensate providers for the necessary evaluations to achieve accreditation. Provider rates must increase to account for the costs associated with doing business in each geographic region. Only then can additional expectations be put into place regarding training, staff qualifications, and accreditation. Each state must make this determination independently. For example, this may be a consideration as California works to complete a provider rate study by March 2019.

California has effectively utilized the information gleaned from the National Core Indicators' surveys to gauge how effective services are and the perceived quality from the perspective of the beneficiary and his or her family. This is a tool that can be used to look for areas of needed improvement and allows states to compare themselves to others. CMS should consider using this available information to monitor quality, health, and safety.

Program Integrity Safeguards

The United States has a shortage of home care workers that will only continue to worsen in coming years. It is important to maximize beneficiary health and safety protection and program integrity without dissuading potential home care workers. Some common sense approaches include:

- Criminal background checks that include fingerprinting should be required for all workers that have direct contact with beneficiaries. The database used should be broad enough to include national information rather than be limited to a single state.
- Medicaid personal care services should be provided by adults over the age of 18.
- Providers who perform paramedical services should receive additional training to carry out those tasks. Training opportunities should be provided in flexible settings to accommodate

family caregivers. If rates of payment are enhanced, additional minimum standards related to training can be established.

- Beneficiaries should have a simple mechanism to report dissatisfaction with home care workers, whether receiving the services through an agency or via self-direction.
- As states have worked to implement federal overtime requirements for home care workers, greater attention has been paid to tracking the actual work hours of individual workers, which enhances program integrity.

Strengthening the HCBS Home Care Workforce

There is a direct correlation between the federal reimbursement rates and the wages received by home care workers. Some wages have risen due to local and statewide minimum wage increases, but home care providers are still not reimbursed at a rate that is competitive enough to recruit and retain a skilled, trained, competent, and qualified workforce.

In order to strengthen the home care workforce, CMS can request that states' rate setting methodology be revised to require provider cost analyses that separately account for salaries, benefits, training, administration, and supervision. After performing an in-depth analysis, CMS can utilize this information to determine the actual required pay range for Direct Service Professionals by state and geographic region and regulate accordingly.

There is no doubt that strengthening the home care workforce also means addressing the quality of the services. However, the first priority is to enhance the number of providers by increasing recruitment. There is a need for higher wages that align the responsibilities of the position with the compensation. Once competitive wages make these positions more appealing, educational, age, and other minimum qualifications can be established. Increasing requirements for the position before addressing the low wages runs the risk of losing established home care workers without attracting new ones.

ARCA appreciates the opportunity to comment on steps the federal government could take to enhance HCBS. If you have any questions regarding ARCA's comments, please do not hesitate to contact Amy Westling in our office at awestling@arcanet.org or (916) 446-7961.

Sincerely,

/s/

Eileen Richey
Executive Director

Department of Developmental Services

FOR CONSUMERS AND FAMILIES:

People with intellectual and developmental disabilities are provided many services because of the Lanterman Act. Many services people receive are paid for with state and federal money from the federal Centers for Medicare and Medicaid Services (CMS). Therefore, California must comply with what is called the Home and Community-Based Services (HCBS) Final Rule. This rule sets requirements for HCBS settings, which are places where people live or receive services. Each state has until March 2019 to help providers comply with the HCBS Final Rule.

The HCBS Final Rule Applies to:

- Residential and non-residential settings; including certified and licensed homes
- Day programs, and other day-type services
- Employment options and work programs

The HCBS Final Rule Does NOT Apply to:

- Nursing homes
- Hospitals
- Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID)
- Institutions for mental diseases (IMD)

What is the Goal of the HCBS Final Rule?

To enhance the quality of services provided by:

- Maximizing opportunities and choices for individuals
- Promoting community integration by making sure individuals have full access to the community
- Making sure individuals have the opportunity to work and spend time with other people in their community who do not have disabilities
- Ensuring individual preferences are supported and rights are protected
- Establishing person-centered service planning requirements, which includes a process driven and directed by the individual to identify needed services and supports.

All Settings

The Final Rule requires that you can:

- Spend time in, and being a part of, your community
- Work alongside people who do not have disabilities
- Have choices regarding services and supports, and who provides them
- Have control of your schedule and activities

Residential Settings

Provider Owned or Controlled

In addition to the requirements applicable to all settings, the Final Rule requires that you have:

- Choice about your roommates
- Privacy in your room, including a lock on your door
- Control of your schedule and activities
- The ability to have visitors of your choosing, at any time
- Freedom to furnish and decorate your room
- A lease or other legal agreement, protecting you from eviction

Home and Community-Based Services (HCBS)

Final Rule

FOR PROVIDERS:

Department of Developmental Services

How will your service as a provider change?

If you are a service provider who provides services to multiple consumers in the same location, we have to make sure these services do not isolate individuals from the community. The Final Rule says that settings must be integrated and support full access to the community. As a provider, you may need to modify where and how your service is delivered to meet the HCBS Final Rule. Policies and program designs may need to be changed and training to your staff may be necessary to assure their understanding of the new expectations.

Assessing Provider Settings

All providers will soon be required to complete a self-assessment survey that will help determine whether or not a setting complies with the HCBS Final Rule or if modifications are needed. For settings that require changes, there will be time to develop transition plans. Training will be provided on the self-assessment process and expectations, and additional information will be posted on the DDS webpage.

Where can I find more information?

To ask a question, make a comment, or get more information about the HCBS Final Rule, email HCBSregs@dds.ca.gov.

For more detailed information on the HCBS Final Rule and California's Statewide Transition Plan, please visit:
http://www.dds.ca.gov/HCBS/

http://www.dhcs.ca.gov/services/ltc/Pages/HCBSStatewideTransitionPlan.aspx

https://www.medicaid.gov/medicaid/hcbs/index.html

CMS' HCBS Final Rule Requirements

The setting:

1. Is integrated in, and supports full access of individuals receiving Medicaid HCBS to the greater community to the same degree of access as individuals not receiving Medicaid HCBS.

2. Is selected by the individual from among setting options including non-disability-specific settings and an option for a private unit in a residential setting.

3. Ensures an individual's rights of privacy, dignity and respect, as well as freedom from coercion and restraint.

4. Optimizes, but does not regiment, individual initiative, autonomy, and independence in making life choices, including but not limited to: daily activities, physical environment, and with whom to interact.

5. Facilitates individual choice regarding services and supports, and who provides them.

In provider-owned or controlled residential settings:

6. The unit or dwelling is a specific physical place that can be owned, rented, or occupied under a legally enforceable agreement by the individual receiving services.

7. Each individual has privacy in their sleeping or living unit; including doors lockable by the individual, choice of a roommate if sharing a unit, and the freedom to furnish and decorate their sleeping or living units within the lease or other agreement.

8. Individuals have the freedom and support to control their own schedules and activities, and have access to food at any time.

9. Individuals are able to have visitors of their choosing at any time.

10. The setting is physically accessible to the individual.

Informational