Service Provider Rate Study

The Department of Developmental Services’ Rate Study and Rate Models report was submitted to the Legislature on March 15, 2019 to “[address] the sustainability, quality, and transparency of community-based services for individuals with developmental disabilities.” It provides a tremendous opportunity to reconnect service rates to the actual cost of delivering services.

California’s developmental services system is unique because it promises needed services without waiting lists to enter the system, and allows services to be tailored to meet the needs and goals of each person. ARCA believes new service provider rates need to be based on the following principles:

First, Do No Harm
California has a duty to ensure that services people rely upon remain available to them. Further study and refinement are needed to prevent the unintentional reduction of service availability in the short-term while this critically-needed new system of setting rates is implemented.

Chart a Path to the Greatest Good
Current wages service providers can pay their employees are too low to support long-term staff members working in skilled, complex jobs. Quality services lead to better outcomes, and are strongly affected by the relationship between the direct support professional and the person receiving services. Taking small steps to encourage skill-building and career paths for direct service professionals will improve services for people.

Choice Through Capacity and Flexibility
Meeting the needs of people requires moving beyond offering a service to effectively matching them with the right services and supports. With the rapid growth in the number of people being served by the regional center system, choice depends on having enough service providers, which is only possible through sustainable rates to maintain and expand services. California’s developmental services system was built on the flexibility to creatively shape services to meet individual goals, regardless of where people live or the intensity of their clinical support needs.

Enhance Transparency and Accountability
The rate study provides an opportunity to again connect service rates with the cost of service delivery. The structure of the models greatly enhances transparency, which will allow everyone to have a common understanding about the assumed costs and expectations for service delivery. This will improve accountability for the use of public funds that make the service system possible.

Look to the Future
California’s service rates have not remained sustainable in response to changing costs. Reform of the rate setting system offers not only the opportunity to set rates that are reasonable today, but also to thoughtfully plan for how to keep them sustainable in the future. We owe it to people with developmental disabilities and their families to thoughtfully plan for the long-term.