

May 15, 2023

Senator Caroline Menjivar
Chair, Senate Budget Subcommittee #3 on Health and Human Services

Assemblymember Dr. Joaquin Arambula
Chair, Assembly Committee on Budget, Subcommittee #1 on Health and Human Services

RE: Department of Developmental Services (4300) – Governor’s 2023-24 May Revision

Honorable Senator Menjivar and Assemblymember Arambula:

The Association of Regional Center Agencies (ARCA) represents the network of 21 regional centers, community-based organizations that serve more than 400,000 Californian children and adults with developmental disabilities. We thank you for this opportunity to comment on the Governor’s May Revision for FY 2023-24 for the Department of Developmental Services (DDS).

Ongoing Systemic Improvement

California’s developmental services system has been evolving since it began. This evolution has been driven by its growth, increasing diversity of the state, and greater understanding about the potential for community involvement and contribution of people with developmental disabilities. As the focus has shifted in recent years to measuring, reporting on, and incentivizing quality outcomes, the service system is again going through a period of rapid transition. One thing that has remained constant, however, and is reflected in the Governor’s May Revision, is the commitment to collaboratively improving the lives of those with developmental disabilities and their families – a goal shared by all those who are a part of this remarkable service system.

Maximizing Investments

Financial support for California’s developmental services system is critical to supporting the nation’s only entitlement to these critical services. Each dollar committed is prioritized for a worthy service or support to improve the lives of those with developmental disabilities and their families. Flexibly using these resources helps stretch available funding to maximize positive individual outcomes.

Extending Timeline for Spending Federal Funds

The COVID-19 pandemic resulted in unexpected federal investments in California’s developmental services system, along with rigid timelines for use of the funds. Some initiatives funded with these dollars require additional time to be fully realized. ARCA appreciates and supports California’s plan to seek additional time to expend these funds, thus ensuring the opportunity they present is not lost.

Investing in Housing

California's annual investment in targeted resource development through the Community Placement Plan/Community Resource Development Plan has been static for decades. Each year there are more projects proposed than can be funded with the available resources. ARCA supports the proposal to reinvest funds from a prior year in multi-family housing projects, which are integrated and support more independent living arrangements for people served by regional centers.

Strengthening Individual and Family Supports

All investments in developmental services are intended to improve services and outcomes for those served by regional centers and their families. Meeting unique needs in culturally-responsive ways requires flexibility and creative service delivery.

Expanding Social Recreation Opportunities

When social recreation services were restored in 2021, the goal was the development of integrated community opportunities for those served by regional centers. Regional centers learned that two barriers to these services were payment in arrears and requiring vendorization of individual providers whose primary business was supporting the broader community. ARCA appreciates that DDS clarified regional centers' authority to fund these services on the same timeline as other community participants. ARCA supports the proposed trailer bill language that would allow these services to be provided through a Participant-Directed Services model, which would create more opportunities for each person served.

Extending Family Supports

Non-white individuals are more likely to live in the family home into adulthood. Coordinated Family Supports is a new service being piloted throughout the state that has the potential to provide, for families supporting their adult family member with developmental disabilities, targeted assistance to navigate and integrate available services while identifying caregivers to fill in remaining gaps. ARCA appreciates the thoughtful way this program was developed and supports the proposed continuation of its pilot.

Suspension of Family Fees

Having a child with developmental disabilities comes with significant financial costs for families. Regional centers' coverage of needed services reduces, but does not eliminate, those costs. The Annual Family Program Fee (AFPF) and Family Cost Participation Program (FCPP) both require some families to pay a portion of the cost of needed services. Both fees were suspended throughout the pandemic and are proposed for reinstatement in January 2024 through the Governor's May Revision. ARCA opposes this proposal as additional burdens discourage families from accessing needed services and supports and requires unnecessarily probing into families' personal financial information.

Planning for and Investing in Sustainability

From median rates to requiring families to appeal denials of generic services, California's developmental services system is still feeling the effects of the Great Recession. Retreating from prior commitments during that time had long-lasting, disproportionate impacts on service delivery that have been challenging to unwind. ARCA appreciates the commitment of the Administration and Legislature, while deliberating the FY2023-24 Budget, to ongoing implementation of promised investments while continuing to lay a foundation for the future through thoughtful additional investments.

Service Provider Rate Adjustments

The 2019 rate study was a foundational step in again linking service rates to the cost of service provision. The 2021 agreement to systematically implement the rate models, and 2022 agreement to accelerate those investments, put the state on path towards making the vision a reality. ARCA supports the proposals that refine these commitments through automatic adjustments due to increases in statewide minimum wage beginning in July 2024, adjusting the wage assumptions for Independent Living Services, and again tying Family Home Agency rates to comparable group living arrangements. In the interest of supporting service availability, ARCA continues to prioritize additional adjustments related to the structure of provider incentives, targeted rate adjustments for clinical and early intervention services, and automatic rate model adjustments in response to other cost drivers.

Supporting Regional Center Performance

Similar to service provider rates, regional center funding formulas necessary to carry out statutory and contractual obligations became outdated over time, resulting in insufficient resources to meet unique and diverse individual support needs. ARCA supports proposed investments that again tie budgeted regional center staff wages to state equivalencies and urges this strategy be applied to all service coordinator salaries as a first step to correcting the overall Core Staffing Formula. ARCA appreciates the proposed investment in the regional center staff necessary to carry out monitoring of true Home and Community-Based Services compliance, but urges the assumed salaries also be tied to state equivalencies. ARCA also notes the need to invest in information technology security at the regional center level to better protect critical personal information in an ever-changing digital landscape.

ARCA will continue to build on our long-standing collaborative relationships to partner with those served, their family members, the Legislature, the Administration, and community organizations. We are deeply committed to meeting today's individual and systemic needs with an eye towards the future. The ongoing work of respectful and equitable engagement with our system's stakeholders makes better outcomes possible. By continuing to do so, we will be able to continually refine service delivery and build on the promise of the Lanterman Act for hundreds of thousands of Californians who rely on it.

Sincerely,

/s/

Amy Westling

Executive Director

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