

History of the Developmental Disabilities Service Delivery System in California

- 1964** At the urging of parents (primarily through the California Association for the Retarded), the California legislature appoints a subcommittee to study the care for people with mental retardation in California.
- 1965** The California legislature recommends that the state accept responsibility for people with mental retardation before they enter state hospitals by establishing regional, community-based medical agencies that diagnose, counsel and offer continuing services.
- Governor Edmund G. “Pat” Brown signs Assembly Bill 691, authored by Assemblymen Jerome Waldie and Frank D. Lanterman, establishing two pilot regional centers for people with mental retardation.
- In California, 13,500 people with mental retardation reside in four overcrowded state hospitals.*
- 1966** The State Department of Public Health contracts with the Children’s Hospital of Los Angeles (serving Los Angeles County) and San Francisco Aid to Retarded Citizens (serving Alameda, Contra Costa, Marin, San Francisco and San Mateo Counties) to establish two pilot regional centers.
- The 1965-66 budget for the two regional centers is \$966,386. They serve 559 clients at an average cost of \$1,728 per client.*
- 1969** Assemblyman Lanterman introduces Assembly Bill 225, the Lanterman Mental Retardation Services Act, extending regional center services throughout California.
- 1973** Assemblyman Lanterman authors Assembly Bill 846 expanding the regional center mandate to include other developmental disabilities. In addition to persons with mental retardation, the centers are now mandated to serve people with cerebral palsy, epilepsy, autism and other neurological handicapping conditions closely related to mental retardation.
- 1976** In *O’Brien v. Superior Court*, a California court finds that individuals with mental retardation who have been committed to a state institution for being a danger to self or others have the right to a jury trial.

In the *Matter of Andre Bisagna*, the California Supreme Court orders that, if a person is judicially committed to a state institution for the mentally retarded because of danger to self or others, the commitment order shall expire after one year. The Court further orders that regional centers must be notified of all persons who are judicially committed to a state institution. Each regional center shall conduct an annual assessment to determine each person's ability to live in the community.

Changes to the Lanterman Developmental Disabilities Services Act establish the right to treatment and habilitation services for persons with developmental disabilities. After amendments to the last category of eligibility for services, the act now reads "handicapping conditions found to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals, but shall not include other handicapping conditions that are solely physical in nature." An individualized planning process replaces the traditional problem-oriented record.

With the establishment of Regional Center of the East Bay, the full complement of 21 regional centers is reached.

The 1975-76 regional center budget is \$47,980,527. They serve 33,833 clients at an average cost of \$1,418 per person. The State Hospital population has been reduced to approximately 11,000.

1978 California creates the Department of Developmental Services. The administration of the developmental services programs is removed from the huge State Department of Health and placed in a much smaller department of state government.

1979 The Association of Regional Center Agencies incorporates as a nonprofit state association composed of regional center board volunteers and executive directors.

A decade has passed since the enactment of the Lanterman Mental Retardation Services Act. In this short time the system in California has grown from 2 to 21 regional centers serving nearly 50,000 clients. Virtually none are on waiting lists for state hospital admission. The state hospital population has been reduced to 9,000.

1980 The Department of Developmental Services transfers all responsibility for placement, case management and monitoring of clients in residential placement to the regional centers.

1981 In the case of *In Re Hop*, the California Supreme Court rules that any adult with developmental disabilities who has been placed in a state hospital is entitled to a judicial review to determine whether he or she should remain institutionalized.

1983 A \$1 billion budget deficit confronts California. Assembly Bill 40X provides emergency regional center funding and grants the Department of Developmental Services the emergency authority to control regional center expenditures directly. Service reductions are authorized at 10 regional centers.

California applies and is approved for federal financial participation in the Home and Community Based (Medicaid) Waiver Program thereby partially offsetting the cost of services of a select group of clients who were placed from the state hospital or who have been “diverted” from institutionalization.

1985 Serious state budget deficits cause the Department of Developmental Services to reduce funding for regional centers, and, in turn, cause some regional centers to implement cost-saving strategies such as waiting lists and categorical cuts in services.

In the *Association for Retarded Citizens v. California Department of Developmental Services et al.*, the California Supreme Court rules that the Lanterman Act “defines a basic right and a corresponding basic obligation . . . [T]he right which it grants to the developmentally disabled person is to be provided with services that enable him to live a more independent and productive life in the community; the obligation which it imposes on the state is to provide such services.” These services are to be determined through the individual program planning process and provided as an entitlement. The decision also states that the regional centers, not DDS, have wide discretion in determining how to implement the IPP, but no discretion at all in determining whether to implement it. The Court prohibits the use of cost-saving strategies such as those used by the defendant regional centers. At the same time, the court rules that this does not give regional centers the authority to overspend their budgets. If regional center budgets are not sufficient, DDS must inform the state legislature which must, in turn, either increase funding or statutorily change the entitlement.

1989 *Two decades have passed since the enactment of the original Lanterman Act and regional centers are now serve 92,000 clients and their families. The state hospital (now referred to as State Developmental Center) population has been reduced to 6,700.*

1991 The national recession hits California with particular force; the state budget deficit is more than \$15 billion. Virtually all state programs are subject to “unallocated reductions” in their budget allocations. Regional centers are required to develop and implement an expenditure reduction plan through a public participation process. Regional centers’ total unallocated reduction is more than \$31 million—divided equally between the center’s Operations and Purchase of Service budgets. Creative and innovative methods of service delivery emerge out of necessity.

1992 SB 1383 (McCorquodale) expands the range of services and supports available to consumers and families. Now, the Lanterman Act clearly establishes the right of consumers to make

choices about where and with whom they would live, their relationships, the way they spend their time, and their future.

The Department of Developmental Services establishes an Office of Consumer Affairs. Michael Long, a consumer with a developmental disability, is appointed to the office. He is the first person with a developmental disability appointed by any Governor in the nation to such a high level post.

1993 Through an out-of-court settlement (*William Coffelt et. al. v. Department of Developmental Services, et. al.*) more than 2,000 residents from the state-run developmental centers will be placed into the community over a five-year period.

California begins the implementation of the California Early Intervention Services Act requiring statewide services for eligible infants and toddlers from birth to 36 months.

1995 As a result of California's economic downturn, regional centers face unprecedented budget reductions totaling more than \$113 million in 1994-95.

1996 The decline of the developmental center population results in several thousand empty beds at the seven existing hospitals.

Because of the inefficiency and cost of operating seven partially-filled, aging sites, the Administration begins consolidating the developmental centers: Stockton Developmental Center—the oldest such institution west of the Mississippi—first opened in 1851, is closed.

1997 Camarillo State Hospital and Developmental Center is closed.

Legislation requiring specific oversight for those people who moved from the developmental centers into the community is enacted. Responsibility for life quality assessments and clients rights advocacy services are shifted to Area Boards and Protection & Advocacy, Inc., respectively.

The 1996-97 state budget for community services is just over \$1 billion. The number of consumers receiving regional center services is 140,710 at an average annual cost of \$7,376 per person. There are approximately 4,100 consumers residing in state developmental centers at an average annual cost of \$110,500 per person.

1998 DDS is required to revise the rate structure for 24-hour community care facilities, day and respite programs, and supported living services; three regional centers develop self-determination pilot projects; and regional centers and county mental health agencies develop memorandums of understanding outlining mutual issues. The fair hearing process is amended to meet federal requirements.

HCFA audits California's compliance with its Home and Community Based (HCB) Waiver project and issues a report critical of the state's community-based system. HCFA demands specific reforms as a condition of HCB application approval of \$443.5 million in federal funds. Ultimately, \$46.2 million of HCB Waiver funding is withheld.

The 1997-98 state budget for community services is \$1.1 billion and regional centers serve 141,975 consumers. The average annual cost for a consumer residing in the community receiving regional center services is \$8,100. The average annual cost for a person residing in a state developmental center is \$123,000.

1999 An increase of \$207 million (17.7 percent) for community services in the 1998-99 Budget Act reflects California's commitment to ensure quality care for persons with developmental disabilities.

2000 In a time of unprecedented state and federal budget surplus, the regional center system is in crisis. While the late 1990s saw an increase in regional center funding for specified purposes, the cuts imposed on regional centers in the early 1990s were never restored. Regional centers are overwhelmed with unfunded mandates, rising expectations of consumers and their families, and the inability to retain an adequate number of employees.

2001 California again finds itself in financial hard times. The deregulation of utility companies creates an energy crisis requiring the state to spend millions of dollars a day to keep power flowing throughout the state. The dot-com industry fizzles, drastically reducing the state's tax receipts. Now, California must cut billions of dollars from the budget which is particularly meaningful for regional centers hoping for budget increases.

Assembly Member Dion Aroner introduces the most significant piece of legislation relating to the developmental disability service system since the passage of the Lanterman Act. AB 896 unifies the developmental services delivery system and provides a blueprint for future community development and enhancement, ensuring that all persons with developmental disabilities are served for the long term.

The proposed 2001-02 state budget for community services is \$2 billion and regional centers serve 171,430 consumers. The average annual cost for a consumer residing in the community receiving regional center services is \$11,886. The average annual cost for a person residing in a state developmental center is \$163,060.