

## SUMMARY

### FISCAL YEAR 2009-10 BUDGET TRAILER BILL PROVISIONS IMPACTING DEVELOPMENTAL SERVICES Based on Budget Trailer Assembly Bills X3 44 and 45, As Amended June 28, 2009 (Prepared July 2, 2009)

SEC.	PAGES	PROPOSAL SUMMARY
<b>ABX3 45</b>		
1	8	<b><u>Private Insurance</u></b> - Requires families whose children are enrolled in Early Start to access their private insurance or health care service plan for medical services that are identified on the individualized family service plan (IFSP). This requirement does not apply to evaluation and assessment services.
2	9	<b><u>Early Start Eligibility</u></b> - Revises the criteria for Early Start eligibility in the “developmental delay” category to include only those infants and toddlers who have a 33 percent delay in one specified developmental area before 24 months of age, or, at 24 months of age or older, either a delay of 50 percent in one developmental area or a 33 percent delay in two or more developmental areas. Eliminates from Early Start eligibility infants and toddlers who are at “high risk” of having substantial developmental disability due to a combination of biomedical risk factors. The children who no longer qualify for services under the Early Start program due to these changes will be eligible for limited services under a new prevention program (see section 6, page 18).
2 3	9-10 13	<b><u>Non-Required Services</u></b> - Limits the services regional centers (RCs) can purchase for children in the Early Start program to those services that are federally required, i.e., the service meets the developmental needs of the eligible infant or toddler and the needs of the family related to the infant's or toddler's development. Though not a federally-required service, an exception is included which allows RCs to purchase durable medical equipment for these children.
3 17	12 39-41	<b><u>Neighborhood Preschools</u></b> - When developing, reviewing, or modifying IFSPs or individual program plans (IPPs) for children, requires RCs to consider using neighborhood preschools and funding needed qualified personnel in lieu of purchasing infant development programs.
3 17	12 39-41	<b><u>Group Training</u></b> - When developing, reviewing, or modifying IFSPs or IPPs for children, requires RCs to consider using group training for parents on behavior intervention techniques in lieu of part or entire in-home parent training component of the behavior intervention services program.
4 19	13-16 44-46	<b><u>Behavioral Services Standards</u></b> - Establishes specific service standards for purchasing applied behavioral analysis and/or intensive behavior intervention services for all RC consumers, including those 0-3 years of age. The standards address the need for a behavioral assessment, intervention plan, RC purchase criteria, parental participation, and periodic review of the service.
5 7 8	17-18 18-21 21	<b><u>Quality Assessment Consolidation</u></b> - Requires the Department of Developmental Services (DDS) to implement an improved unified quality assessment system effective January 1, 2010. The requirements for the existing “movers” study and the Life Quality Assessment program will cease July 1, 2009, and July 1, 2010, respectively.

SEC.	PAGES	PROPOSAL SUMMARY
9	21-23	
6	18	<p><b><u>Prevention Program for “At-Risk Babies”</u></b> - Establishes a prevention program for “at-risk” children under 36 months of age, who are not eligible for services under the Early Start program or the Lanterman Developmental Disabilities Services Act, and whose genetic, medical, developmental, or environmental history is predictive of a substantially greater risk for developmental disability than that of the general population. For these children, RCs will provide a limited range of services that includes intake, assessment, case management, and referral to generic agencies. The DDS shall provide a finite allocation to each RC for purchasing or providing services for these children; however, the RC’s expenditures for such services cannot exceed the amount allocated. This program will serve those children who no longer qualify for Early Start services due to changes in the eligibility criteria (see section 2, page 9).</p>
10	23-31	<p><b><u>Least Costly Service</u></b> - Requires RCs to purchase services from the least-costly available provider of comparable quality service, including the cost of transportation, who is able to meet the consumer’s needs consistent with the consumer’s IPP. The consumer shall not be required to use the least costly provider if it will result in the consumer moving from an existing provider of services or supports to more restrictive or less integrated services or supports.</p>
10	23-31	<p><b><u>Experimental Treatments</u></b> - Prohibits RCs from purchasing experimental treatments, therapeutic services, or devices that have not been clinically determined or scientifically proven to be effective or safe, or for which risks and complications are unknown.</p>
10	23-31	<p><b><u>Statement of Services Purchased</u></b> - Requires RCs to provide each consumer, or authorized representative, an annual statement showing the services and supports the RC purchased on behalf of the consumer/family. The statement must include the type, unit, month, and cost of services and supports purchased.</p>
10	23-31	<p><b><u>Large Facilities</u></b> - Effective July 1, 2009, prohibits RCs from vrending any new Department-of-Social-Services-licensed residential care facilities with a licensed capacity of 16 or more beds which does not qualify for federal funds under the Medicaid program. Effective July 1, 2012, prohibits RCs from purchasing services from any such facility unless the facility qualifies to participate in the Home and Community-based Services Waiver or Medi-Cal program, or unless the facility has a written agreement and specific plan with the vrending RC prior to July 1, 2012 to downsize or restructure the facility to qualify for Medicaid funding on or before June 30, 2013.</p>
11	31-32	<p><b><u>Triennial Quality Assurance Reviews</u></b> - Eliminates the requirement and associated funding for RCs to conduct triennial quality assurance reviews of community care facilities.</p>
12	32-33	<p><b><u>Transportation</u></b> - Establishes four RC limitations in purchasing transportation services, as follows: (1) prohibits the funding of private specialized transportation services for adult consumers who can safely access and utilize public transportation, when that transportation is available; (2) requires RCs to fund the least expensive transportation modality that meets the consumer's needs, as set forth in the consumer's IPP or IPSP; (3) requires RCs to fund transportation, when required, from the consumer's residence to the lowest-cost vendor which provides the service that meets the consumer's needs, as set forth in the consumer's IPP or IFSP; and (4) prohibits an RC from purchasing transportation services for a minor child living in the family residence, unless the family of the child provides sufficient written documentation to the RC demonstrating an inability to provide the transportation service.</p>

SEC.	PAGES	PROPOSAL SUMMARY
13	33-34	<b><u>Purchase of Specified Services</u></b> - Prohibits RCs from purchasing the following services until such time as the Individual Choice Budget model (see section 14, page 34) is implemented: camping services and associated travel expenses, social recreation activities, except for those vendored as community-based day programs, educational services for children aged 3 through 17, and non-medical therapies, including but not limited to, specialized recreation, art, dance, and music. Individual exceptions may be granted by the RC in specified circumstances.
14	34	<b><u>Individual Choice Budget</u></b> - Requires DDS, in consultation with stakeholders, to develop an alternative service-delivery model which provides a finite individual budget for obtaining services and supports. The model must reduce RC purchase-of-service expenditures and maximize federal financial participation. No savings is assumed next fiscal year for this proposal since its development and implementation will be a complex and long-term effort.
15	34-35	<b><u>Alternative Funding Sources</u></b> - Prohibits RCs from purchasing any service that would otherwise be available from specified insurance and public health programs when the consumer or family is eligible for such coverage but chooses not to pursue it. The programs specified include Medi-Cal, Medicare, the Civilian Health and Medical Program for Uniform Services, In-Home Support Services, California Children's Services, private insurance, and health care service plans.
15	34-35	<b><u>Medical and Dental Services</u></b> - Prohibits RCs from purchasing medical or dental services for a consumer over age three without proof of denial from Medi-Cal, private insurance, or health care service plan and verification that the consumer or family is pursuing an administrative appeal of such denial, unless the RC determines the denial does not merit appeal. However, a RC may pay for such services: (1) when coverage is being pursued, but before a denial is made, (2) pending a final administrative decision on the appeal, if the family has provided verification that an administrative appeal is being pursued, (3) until the commencement of services by the plan.
16 27	36-38 55-57	<b><u>Parental Fee Schedule</u></b> - Requires the DDS to update, effective July 1, 2009, the schedule of the fees charged to parents of minor children who live in out-of-home care arrangements. The fee increase shall be equally apportioned and implemented over three years.
18	41-44	<b><u>In-Home Respite Agency Worker Duties</u></b> - Expands the scope of duties that may be performed by non-licensed respite workers to include "incidental medical services" such as: (1) Colostomy and ileostomy (changing bags and cleaning stoma); (2) Urinary catheter (emptying and changing bags and care of catheter site); and (3) Gastrostomy (feeding, hydration, cleaning stoma, and adding medication). Provides additional compensation to the respite agencies which perform these services.
20	46-47	<b><u>Respite Service Standards</u></b> - Limits the amount of respite care that a RC may purchase to 21 days of out-of-home respite per year and 90 hours of in-home respite per quarter. An exemption to these limits is available under specified circumstances. These standards shall remain in effect only until the Individual Choice Budget model (see section 14, page 34) is implemented.

SEC.	PAGES	PROPOSAL SUMMARY
21	47	<b><u>Senior Service Alternative</u></b> - Requires vendors of behavior management programs, activity centers, adult development center day programs, social recreation programs, socialization training programs, community integration training programs, community activities support programs, creative art programs, and work activity programs to offer an alternative senior program component focused on the needs of individuals over age 50, at a rate not to exceed the lesser of \$35.00 per day or the vendor's existing daily rate. When developing, reviewing, or modifying a consumer's IPP, RCs must, as appropriate, offer an alternative senior program.
22	48-49	<b><u>Custom Endeavors Option</u></b> - Requires vendors of behavior management programs, activity centers, adult development center day programs, community integration training programs, and community activities support services programs to offer an alternative customized program component to consumers who desire a program focused on individualized needs and interests in order to develop or maintain employment or volunteer activities in lieu of their current program.
23	49-50	<b><u>Social Security Act §1915(i) State Plan Amendment</u></b> - Requires the Department of Health Care Services and the DDS to jointly develop an amendment to the state Medi-Cal plan to increase federal funding for Medi-Cal-eligible persons with developmental disabilities who do not currently qualify for the existing §1915(c) Home and Community-based Services Waiver. Unlike 1915(c) waivers, individuals do not have to meet an institutional level of care in order to receive these services.
24	50-53	<b><u>Supported Living Services</u></b> - Establishes standards to which RCs and planning teams must conform when planning and purchasing supported living services. These new standards address allowable administrative costs, use of generic and natural supports, rent/lease payments, roommate and live-in support payment responsibilities, use of cost-effective rate methodologies, and application for in-home support services.
25	53-54	<b><u>In-Home Supportive Services (IHSS)</u></b> - Prohibits RCs from: (1) purchasing IHSS-type supportive services for consumers who qualify for IHSS, but who refuse to apply for IHSS; (2) supplanting IHSS; or (3) paying a rate for services that exceeds the IHSS hourly rate for a consumer whose application for IHSS is pending.
26	54-55	<b><u>Uniform Holiday Schedule</u></b> - Effective August 1, 2009, establishes 14 uniform mandatory holidays that apply to specified day activity and transportation programs. RCs are prohibited from compensating these programs for providing services to consumers on any of the established holidays. The DDS may adjust the holidays listed in the proposal through a program directive.
28	57	<b><u>Porterville Developmental Center</u></b> - Caps the total number of residents in the secure treatment facility at 297, including those residents receiving services in the transition treatment program.
29	57	<b><u>Legislative Reporting and Meetings</u></b> - Requires the DDS to continue to convene, as appropriate, a stakeholder review process to obtain information about the impact of the cost-containment measures on the developmental services system and to provide such information to specified legislative committees.
<b>ABX3 44</b>		<b><u>ICF/DD-CN</u></b> - Adds a definition for ICF/DD-CN (continuous nursing) among the listed categories of health facilities.
2-8	22-35	Requires current ICF/DD-CN pilot projects to apply for licensure within 90 days after regulations for the program become effective. This new category of care is also made subject to other licensing requirements similar to those to which other health facilities for people with developmental disabilities are subject.

SEC.	PAGES	PROPOSAL SUMMARY
9 24-26	35-37 52-54	<b>Adult Residential Facility for Persons with Special Health Care Needs (ARFPSHN)</b> - Extends the pilot project expiration date from January 1, 2010, to January , 2011, and extends the pilot project evaluation report date from January 1, 2009, to January 1, 2010.
28	57-58	<b>Porterville Developmental Center</b> - Caps the total number of residents in the secure treatment facility at 297, including those residents receiving services in the transition treatment program. The language of this provision is identical to that found in ABX3 45, section 28, page 57.
43 50	97-99 116-118	<b>ICF/DD-CN</b> - Requires the Department of Health Care Services to submit to the federal Centers for Medicare and Medicaid Services, a request, developed in consultation with the State Department of Public Health, the DDS, and the Association of Regional Center Agencies, to provide continuous skilled nursing care services under a federal waiver pursuant to Section 1915(c) of the federal Social Security Act (42 U.S.C. Sec. 1396n(c)) or pursuant to a Medi-Cal State Plan amendment.
51-55	118-128	<b>Adult Day Health Care Services</b> - Revises the medical necessity criteria for program eligibility; alters some of the required core services; and imposes a three-day maximum per week of services that Medi-Cal will fund with no provisions for exceptions.
<b>PROPOSALS THAT CAN BE IMPLEMENTED ADMINSTRATIVELY OR FOR WHICH TBL IS NOT YET AVAILABLE</b>		
<b>RC Operations Costs</b> - Reduces and caps the RC operations budget for one-time relocation and expansion costs.		
<b>One-time Savings</b> - Generates one-time savings through miscellaneous reductions to the state developmental center budget.		
<b>Sierra Vista Community Facility</b> - Requires the closure of the small state-operated facility, located in Yuba City, by December 31, 2009.		
<b>Wellness and Physician Training</b> - Suspends the developmental disabilities training initiative for physicians and the annual funding provided for "wellness" grants.		
<b>RC Operations Budget</b> - Reduces RC operations costs for staffing linked to Early Start program changes.		
<b>Organized Health Care Delivery System</b> - Designates the DDS as an "organized health care delivery system" which will create new opportunities for, and help overcome barriers to, increasing federal financial participation for services purchased for persons with developmental disabilities.		
<b>Home and Community-Based Services Waiver</b> - Amends the existing Home and Community-Based Services waiver to increase federal financial participation by adding services that are now 100 percent state funded.		