

FOR LEGISLATIVE REVIEW

NOVEMBER ESTIMATE

DEVELOPMENTAL CENTERS

2011-12 GOVERNOR'S BUDGET



**DEPARTMENT OF
DEVELOPMENTAL SERVICES**

JANUARY 10, 2011

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EXECUTIVE SUMMARY

CURRENT YEAR 2010-11 and BUDGET YEAR 2011-12

	A	B	C	D	E	F	G	H
	CURRENT YEAR 2010-11				BUDGET YEAR 2011-12			
	2010 Enacted Budget (Oct 8, 2010)	2011-12 Adjusted Budget CY 2010-11	2011-12 November Estimate CY 2010-11	2011-12 November Estimate Request CY 2010-11 (C - B)	Change in Adjustments From Current Year to Budget Year	2011-12 Adjusted Budget BY 2011-12 (E + B)	2011-12 November Estimate BY 2011-12	2011-12 November Estimate Request BY 2011-12 (G - F)
TOTAL FUNDING	\$646,091,000	\$607,565,000	\$607,565,000	\$0	\$16,125,000	\$623,690,000	\$618,127,000	-\$5,563,000
Positions	6,237.6	6,210.6	6,210.6	0.0	0.0	6,210.6	5,922.0	-288.6
Average In-Center Population	1,979	1,979	1,979	0	0	1,979	1,783	-196
General Fund (0001)	\$314,909,000	\$303,244,000	\$282,785,000	-\$20,459,000	\$411,000	\$303,655,000	\$323,992,000	\$20,337,000
Item 002	7,077,000	7,096,000	7,096,000	0	-7,000	7,089,000	7,089,000	0
Item 003	300,370,000	288,568,000	268,109,000	-20,459,000	279,000	288,847,000	309,194,000	20,347,000
Item 004	7,215,000	7,329,000	7,329,000	0	4,000	7,333,000	7,323,000	-10,000
Item 005	0	0	0	0	135,000	135,000	135,000	0
Item 017	247,000	251,000	251,000	0	0	251,000	251,000	0
Reimbursements (0995)	\$330,265,000	\$303,420,000	\$323,879,000	\$20,459,000	\$15,713,000	\$319,133,000	\$293,233,000	-\$25,900,000
Item 002	1,000	1,000	1,000	0	0	1,000	1,000	0
Item 003	327,588,000	300,701,000	321,160,000	20,459,000	15,712,000	316,413,000	290,494,000	-25,919,000
Item 004	2,516,000	2,556,000	2,556,000	0	0	2,556,000	2,575,000	19,000
Item 017	160,000	162,000	162,000	0	1,000	163,000	163,000	0
Federal Funds (0890)	\$519,000	\$529,000	\$529,000	\$0	\$1,000	\$530,000	\$530,000	\$0
Item 003	519,000	529,000	529,000	0	1,000	530,000	530,000	0
Lottery Education Fund (0817)	\$398,000	\$372,000	\$372,000	\$0	\$0	\$372,000	\$372,000	\$0
Item 503	398,000	372,000	372,000	0	0	372,000	372,000	0
Total DC Program Budget	\$646,091,000	\$607,565,000	\$607,565,000	\$0	\$16,125,000	\$623,690,000	\$618,127,000	-\$5,563,000
002	7,078,000	7,097,000	7,097,000	0	-7,000	7,090,000	7,090,000	0
003	628,477,000	589,798,000	589,798,000	0	15,992,000	605,790,000	600,218,000	-5,572,000
004	9,731,000	9,885,000	9,885,000	0	4,000	9,889,000	9,898,000	9,000
005	0	0	0	0	135,000	135,000	135,000	0
017	407,000	413,000	413,000	0	1,000	414,000	414,000	0
503	398,000	372,000	372,000	0	0	372,000	372,000	0

DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY
Comparison of Enacted CY 2010-11 Budget to the 2011-12 November Estimate for CY 2010-11

CURRENT YEAR 2010-11

	A	B	C	D	E	F	G	H	I	J	K	L
	Enacted Budget (Oct 8, 2010) CY 2010-11	Central Plant	Lease Revenue Bond Adjustments (See notes)	CS 3.60, Retirement	CS 3.90, Workforce Cap Plan	CS 3.91, Contracts and Administrative Actions	CS 3.91, Health Care Adjustments	Lottery Education Fund Adjustment	Adjusted Budget CY 2010-11	2011-12 November Estimate CY 2010-11	2011-12 November Estimate Request CY 2010-11	Change from Enacted Budget (Oct 8, 2010) CY 2010-11
Program 20 Total	\$646,091,000	\$426,000	\$19,000	\$10,218,000	-\$24,442,000	-\$26,970,000	\$2,249,000	-\$26,000	\$607,565,000	\$607,565,000	\$0	-\$38,526,000
Positions	6,237.6	0.0	0.0	0.0	-27.0	0.0	0.0	0.0	6,210.6	6,210.6	0.0	-27.0
Average In-Center Population	1,979	0	0	0	0	0	0	0	1,979	1,979	0	0
Funding Sources												
General Fund Total	\$314,909,000	\$209,000	\$19,000	\$4,987,000	-\$6,699,000	-\$11,208,000	\$1,027,000	\$0	\$303,244,000	\$282,785,000	-\$20,459,000	-\$32,124,000
General Fund Match	240,323,000	209,000	0	4,916,000	-6,699,000	-11,208,000	957,000	0	228,498,000	208,039,000	-20,459,000	-32,284,000
General Fund Other	74,586,000	0	19,000	71,000	0	0	70,000	0	74,746,000	74,746,000	0	160,000
Reimbursement Total	\$330,265,000	\$217,000	\$0	\$5,223,000	-\$17,743,000	-\$15,762,000	\$1,220,000	\$0	\$303,420,000	\$323,879,000	\$20,459,000	-\$6,386,000
Medi-Cal Reimbursements	305,381,000	217,000	0	5,223,000	-17,743,000	-15,762,000	1,220,000	0	278,536,000	298,995,000	20,459,000	-6,386,000
Other Reimbursements	24,884,000	0	0	0	0	0	0	0	24,884,000	24,884,000	0	0
Federal Funds	\$519,000	\$0	\$0	\$8,000	\$0	\$0	\$2,000	\$0	\$529,000	\$529,000	\$0	\$10,000
Lottery Education Fund	\$398,000	\$0	\$0	\$0	\$0	\$0	\$0	-\$26,000	\$372,000	\$372,000	\$0	-\$26,000
Total Funding	\$646,091,000	\$426,000	\$19,000	\$10,218,000	-\$24,442,000	-\$26,970,000	\$2,249,000	-\$26,000	\$607,565,000	\$607,565,000	\$0	-\$38,526,000

NOTES

Column C:

- Lease Revenue Debt Service Adjustment, -\$4,000
- Lease Revenue Bonds: Insurance Adjustment, \$23,000

DEVELOPMENTAL CENTERS
Summary of 2011-12 November Estimate Request for CY 2010-11

		CURRENT YEAR 2010-11	
		A	B
		Program Update	
		Medi-Cal Funding Adjustment	Total, 2011-12 November Estimate Request CY 2010-11 (A)
Program 20 Total		\$0	\$0
Positions		0.0	0.0
Average In-Center Population		0	0
Funding Sources			
General Fund Total		-\$20,459,000	-\$20,459,000
General Fund Match		-20,459,000	-20,459,000
General Fund Other		0	0
Reimbursement Total		\$20,459,000	\$20,459,000
Medi-Cal Reimbursements		20,459,000	20,459,000
Other Reimbursements		0	0
Federal Funds		\$0	\$0
Lottery Education Fund		\$0	\$0
Total Funding		\$0	\$0

SCHEDULING DETAIL		A	B
TOTAL FUNDING		\$0	\$0
General Fund (0001)		-\$20,459,000	-\$20,459,000
Item 002		0	0
Item 003		-20,459,000	-20,459,000
Item 004		0	0
Item 017		0	0
Reimbursements (0995)		\$20,459,000	\$20,459,000
Item 002		0	0
Item 003		20,459,000	20,459,000
Item 004		0	0
Item 017		0	0
Federal Funds (0890)		\$0	\$0
Item 003		0	0
Lottery Education Fund (0817)		\$0	\$0
Item 503		0	0

DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY
Comparison of Enacted CY 2010-11 Budget to the 2011-12 November Estimate for BY 2011-12

BUDGET YEAR 2011-12

A	B	C	D	E	F	G	H	I	J	K	L	M	N	
Enacted Budget (Oct 8, 2010) CY 2010-11	BL 10-27 SWCAP (See notes)	Central Plant	Lease Revenue Bond Adjustments (See notes)	California Department of Justice, Billable Legal Services (BCP)	CS 3.60, Retirement	CS 3.90, Workforce Cap Plan	CS 3.91, Contracts and Administrative Actions	CS 3.91, Health Care Adjustments	Lottery Education Fund Adjustment	Adjusted Budget BY 2011-12	2011-12 November Estimate BY 2011-12	2011-12 November Estimate Request BY 2011-12	Change from Enacted Budget (Oct 8, 2010) BY 2011-12	
Program 20 Total	\$646,091,000	\$34,000	\$426,000	\$12,000	\$135,000	\$10,218,000	-\$26,169,000	-\$10,886,000	\$3,855,000	-\$26,000	\$623,690,000	\$618,127,000	-\$5,563,000	-\$27,964,000
Positions	6,237.6	0.0	0.0	0.0	0.0	0.0	-27.0	0.0	0.0	6,210.6	5,922.0	-288.6	-315.6	
Average In-Center Population	1,979	0	0	0	0	0	0	0	0	1,979	1,783	-196	-196	
Funding Sources														
General Fund Total	\$314,909,000	\$0	\$209,000	\$12,000	\$135,000	\$5,543,000	-\$13,340,000	-\$5,906,000	\$2,093,000	\$0	\$303,655,000	\$323,992,000	\$20,337,000	\$9,083,000
General Fund Match	240,323,000	0	209,000	0	0	4,667,000	-12,829,000	-4,556,000	1,759,000	0	229,573,000	266,386,000	36,813,000	26,063,000
General Fund Other	74,586,000	0	0	12,000	135,000	876,000	-511,000	-1,350,000	334,000	0	74,082,000	57,606,000	-16,476,000	-16,980,000
Reimbursement Total	\$330,265,000	\$34,000	\$217,000	\$0	\$0	\$4,667,000	-\$12,829,000	-\$4,980,000	\$1,759,000	\$0	\$319,133,000	\$293,233,000	-\$25,900,000	-\$37,032,000
Medi-Cal Reimbursements	305,381,000	34,000	217,000	0	0	4,667,000	-12,829,000	-4,980,000	1,759,000	0	294,249,000	265,896,000	-28,353,000	-39,485,000
Other Reimbursements	24,884,000	0	0	0	0	0	0	0	0	0	24,884,000	27,337,000	2,453,000	2,453,000
Federal Funds	\$519,000	\$0	\$0	\$0	\$0	\$8,000	\$0	\$0	\$3,000	\$0	\$530,000	\$530,000	\$0	\$11,000
Lottery Education Fund	\$398,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$26,000	\$372,000	\$372,000	\$0	-\$26,000
Total Funding	\$646,091,000	\$34,000	\$426,000	\$12,000	\$135,000	\$10,218,000	-\$26,169,000	-\$10,886,000	\$3,855,000	-\$26,000	\$623,690,000	\$618,127,000	-\$5,563,000	-\$27,964,000

NOTES

Column B:

- SWCAP Adjustment, \$111,000
- Reversal of prior SWCAP Adjustment, -\$77,000

Column D:

- Lease Revenue Debt Service Adjustment, -\$13,000
- Lease Revenue Bonds: Insurance Adjustment, \$25,000

DEVELOPMENTAL CENTERS
Summary of 2011-12 November Estimate Request for BY 2011-12

BUDGET YEAR 2011-12										
A	B	C	D	E	F	G	H	I	J	
Program Updates										Total 2011-12 November Estimate Request BY 2011-12 (I)
Medi-Cal Funding Adjustment	Staffing Adjustments, net of Lanterman DC Closure Update			Lanterman Developmental Center Closure Update	Net Staffing Adjustments (D + E)	Agnews Developmental Center Closure Update	Porterville Developmental Center Medicaid Certification	Program Updates TOTAL (A + F + G + H)		
	Level of Care	Non-Level of Care	Population Staffing Adjustments TOTAL (B + C)							
Program 20 Total	\$0	-\$10,842,000	-\$8,947,000	-\$19,789,000	\$15,005,000	-\$4,784,000	-\$779,000	\$0	-\$5,563,000	-\$5,563,000
Positions	0.0	-169.5	-200.6	-370.1	88.0	-282.1	-6.5	0.0	-288.6	-288.6
Average In-Center Population	0	-196	0	-196	0	-196	0	0	-196	-196
Funding Sources										
General Fund Total	\$32,529,000	-\$4,913,000	-\$3,793,000	-\$8,706,000	\$6,609,000	-\$2,097,000	-\$95,000	-\$10,000,000	\$20,337,000	\$20,337,000
General Fund Match	32,529,000	-5,929,000	-5,154,000	-11,083,000	5,462,000	-5,621,000	-95,000	10,000,000	36,813,000	36,813,000
General Fund Other	0	1,016,000	1,361,000	2,377,000	1,147,000	3,524,000	0	-20,000,000	-16,476,000	-16,476,000
Reimbursement Total	-\$32,529,000	-\$5,929,000	-\$5,154,000	-\$11,083,000	\$8,396,000	-\$2,687,000	-\$684,000	\$10,000,000	-\$25,900,000	-\$25,900,000
Medi-Cal Reimbursements	-32,529,000	-5,929,000	-5,154,000	-11,083,000	5,462,000	-5,621,000	-203,000	10,000,000	-28,353,000	-28,353,000
Other Reimbursements	0	0	0	0	2,934,000	2,934,000	-481,000	0	2,453,000	2,453,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lottery Education Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Funding	\$0	-\$10,842,000	-\$8,947,000	-\$19,789,000	\$15,005,000	-\$4,784,000	-\$779,000	\$0	-\$5,563,000	-\$5,563,000
SCHEDULING DETAIL										
A	B	C	D	E	F	G	H	I	J	
TOTAL FUNDING	\$0	-\$10,842,000	-\$8,947,000	-\$19,789,000	\$15,005,000	-\$4,784,000	-\$779,000	\$0	-\$5,563,000	-\$5,563,000
General Fund (0001)	\$32,529,000	-\$4,913,000	-\$3,793,000	-\$8,706,000	\$6,609,000	-\$2,097,000	-\$95,000	-\$10,000,000	\$20,337,000	\$20,337,000
Item 002	0	0	0	0	0	0	0	0	0	0
Item 003	32,529,000	-4,903,000	-3,793,000	-8,696,000	6,609,000	-2,087,000	-95,000	-10,000,000	20,347,000	20,347,000
Item 004	0	-10,000	0	-10,000	0	-10,000	0	0	-10,000	-10,000
Item 005	0	0	0	0	0	0	0	0	0	0
Item 017	0	0	0	0	0	0	0	0	0	0
Reimbursements (0995)	-\$32,529,000	-\$5,929,000	-\$5,154,000	-\$11,083,000	\$8,396,000	-\$2,687,000	-\$684,000	\$10,000,000	-\$25,900,000	-\$25,900,000
Item 002	0	0	0	0	0	0	0	0	0	0
Item 003	-32,529,000	-5,948,000	-5,154,000	-11,102,000	8,396,000	-2,706,000	-684,000	10,000,000	-25,919,000	-25,919,000
Item 004	0	19,000	0	19,000	0	19,000	0	0	19,000	19,000
Item 017	0	0	0	0	0	0	0	0	0	0
Federal Funds (0890)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Item 003	0	0	0	0	0	0	0	0	0	0
Lottery Education Fund (0817)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Item 503	0	0	0	0	0	0	0	0	0	0

EXECUTIVE SUMMARY**CURRENT YEAR 2010-11 TO BUDGET YEAR 2011-12**

	2011-12 November Estimate CY 2010-11	2011-12 November Estimate BY 2011-12	Change from CY 2010-11 to BY 2011-12
Program 20 Total	\$607,565,000	\$618,127,000	\$10,562,000
Positions	6,210.6	5,922.0	-288.6
Average In-Center Population	1,979	1,783	-196
Funding Sources			
General Fund Total	\$282,785,000	\$323,992,000	\$41,207,000
General Fund Match	208,039,000	266,386,000	58,347,000
General Fund Other	74,746,000	57,606,000	-17,140,000
Reimbursement Total	\$323,879,000	\$293,233,000	-\$30,646,000
Medi-Cal Reimbursements	298,995,000	265,896,000	-33,099,000
Other Reimbursements	24,884,000	27,337,000	2,453,000
Federal Funds	\$529,000	\$530,000	\$1,000
Lottery Education Fund	\$372,000	\$372,000	\$0
Total Funding	\$607,565,000	\$618,127,000	\$10,562,000

PRIOR YEAR 2009-10

DEVELOPMENTAL CENTERS DETAILED FUNDING SUMMARY

	Enacted Budget PY 2009-10	2010-11 Governor's Budget PY 2009-10	Adjustments			2010-11 May Revision Request PY 2009-10	Proposed Final Budget PY 2009-10	Change from Governor's Budget PY 2009-10	Change from Enacted Budget for PY 2009-10
			CS 3.90 Furlough Re-adjustment (EO 09/10-73)	Renovated Central Plant Adjustment (EO 09/10-87)	CS 15.30 IT Expenditure Reporting (EO 10/11-03)				
Program 20 Total	\$673,252,000	\$603,834,000	-\$4,590,000	\$126,000	-\$55,000	\$0	\$599,315,000	-\$4,519,000	-\$73,937,000
Positions	6,757.6	6,523.8	0.0	0.0	0.0	0.0	6,523.8	0.0	-233.8
Average In-Center Population	2,220	2,151	0	0	0	0	2,151	0	-69
Funding Sources									
General Fund Total	\$291,726,000	\$261,058,000	-\$2,029,000	\$62,000	-\$19,000	\$0	\$259,072,000	-\$1,986,000	-\$32,654,000
General Fund Match	218,469,000	189,590,000	-2,029,000	62,000	-19,000	0	187,604,000	-1,986,000	-30,865,000
General Fund Other	73,257,000	71,468,000	0	0	0	0	71,468,000	0	-1,789,000
Reimbursement Total	\$380,560,000	\$341,849,000	-\$2,561,000	\$64,000	-\$36,000	\$0	\$339,316,000	-\$2,533,000	-\$41,244,000
Medi-Cal Reimbursements	355,677,000	316,966,000	-2,561,000	64,000	-36,000	0	314,433,000	-2,533,000	-41,244,000
Other Reimbursements	24,883,000	24,883,000	0	0	0	0	24,883,000	0	0
Federal Funds	518,000	517,000	0	0	0	0	517,000	0	-1,000
Lottery Education Fund	448,000	410,000	0	0	0	0	410,000	0	-38,000
Total Funding	\$673,252,000	\$603,834,000	-\$4,590,000	\$126,000	-\$55,000	\$0	\$599,315,000	-\$4,519,000	-\$73,937,000

Position Summary

CURRENT YEAR 2010-11					
TOTALS	LEVEL-OF-CARE			NON LOC	
	PROF	NURSING	TOTAL		
2010-11 Authorized Positions	6,237.6	357.0	2,168.5	2,525.5	3,712.1
Workforce Cap Plan					
Porterville, Eliminate Security Guards	-27.0	0.0	0.0	0.0	-27.0
November Estimate					
Program Updates					
Staffing Adjustment: Level of Care	0.0	0.0	0.0	0.0	0.0
Staffing Adjustment: Non-Level of Care	0.0	0.0	0.0	0.0	0.0
Lanterman Closure Update	0.0	0.0	0.0	0.0	0.0
Agnews Closure Update	0.0	0.0	0.0	0.0	0.0
Total, Program Updates	0.0	0.0	0.0	0.0	0.0
November Estimate Totals	0.0	0.0	0.0	0.0	0.0
Governor's Budget Totals	6,210.6	357.0	2,168.5	2,525.5	3,685.1
Total Adjustments	-27.0	0.0	0.0	0.0	-27.0

BUDGET YEAR 2011-12					
TOTALS	LEVEL-OF-CARE			NON LOC	
	PROF	NURSING	TOTAL		
2010-11 Authorized Positions	6,237.6	357.0	2,168.5	2,525.5	3,712.1
Workforce Cap Plan					
Porterville, Eliminate Security Guards	-27.0	0.0	0.0	0.0	-27.0
November Estimate					
Program Updates					
Staffing Adjustment: Level of Care	-169.5	-26.0	-143.5	-169.5	0.0
Staffing Adjustment: Non-Level of Care	-200.6	0.0	0.0	0.0	-200.6
Lanterman Closure Update /1	88.0	3.0	46.0	49.0	39.0
Agnews Closure Update	-6.5	0.0	0.0	0.0	-6.5
Total, Program Updates	-288.6	-23.0	-97.5	-120.5	-168.1
November Estimate Totals	-288.6	-23.0	-97.5	-120.5	-168.1
Governor's Budget Totals	5,922.0	334.0	2,071.0	2,405.0	3,517.0
Total Adjustments	-315.6	-23.0	-97.5	-120.5	-195.1

Assumptions:

/1 These positions are being redirected from the reductions taken in the population-based Staffing Adjustment at Lanterman Developmental Center for Level of Care and Non-Level of Care.

Executive Highlights

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EXECUTIVE HIGHLIGHTS

OVERVIEW

The Department of Developmental Services (DDS) provides 24/7 residential services to its consumers at four Developmental Centers (DCs) and one small state-operated Community Facility. In addition, health and medical services are offered through the outpatient clinic at Agnews Developmental Center which closed residential services in March 2009. The Department continues to project an overall decline in DC population as residents move into community settings. The DCs also face increased repairs and upgrades due to infrastructure needs to meet regulatory changes and address aging buildings.

In 2010-11, the DC estimate reflects a decrease of \$38.5 million (\$32.1 million GF) compared to the enacted budget primarily as a result of reduced cost from changes in collective bargaining contracts, and the Workforce Cap. The Department continues with the implementation of closure activities and objectives contained in the Lanterman Developmental Center (LDC) Closure Plan presented on April 1, 2010. The initiation of most activities was delayed until October 2010, until enactment of the Budget Act of 2010 and the associated trailer bill.

In 2011-12, the DC estimate reflects a decrease of \$28.0 million (\$9.1 million GF increase) compared to the enacted budget primarily due to changes in collective bargaining contracts (including elimination of furloughs), the Workforce Cap, population decreases, and the sunset of federal stimulus funding.

NEW MAJOR ASSUMPTIONS

The 2011-12 November Estimate does not include any new major assumptions for CY 2010-11 and BY 2011-12.

REVISED MAJOR ASSUMPTIONS

The 2011-12 November Estimate does not include any revised major assumptions for CY 2010-11 and BY 2011-12.

PROGRAM UPDATES

Staffing adjustment, No change for CY 2010-11 and a decrease of \$4.8 million for BY 2011-12:

CY 2010-11: No change in current year population. Budget assumes 1,979 in Average In-Center population.

BY 2011-12: The November Estimate reflects a decrease of 196 consumers compared to the 2010-11 enacted budget (from 1,979 to 1,783). This projected decrease in DC population is primarily due to the closure activities at the Lanterman Developmental Center (Lanterman) and the related placement of DC residents into the community.

Standards used to determine staffing levels suggest, based on the population change, a net reduction of 370.1 positions (169.5 LOC and 200.6 NLOC) and a decrease of \$19.8 million (\$8.7 million GF) compared to the 2010 Enacted Budget. The existing staffing standards in place for all Developmental Centers (DC), including Lanterman, are based upon a number of factors including population, square footage, services needed and maintenance of structures. These standards are designed for day to day operations but do not support the extensive needs a DC closure will require both in the delivery of services to residents at Lanterman, the transition of residents out of Lanterman and the ongoing maintenance required to operate the facility. Therefore, DDS will retain 88.0 (49.0 LOC and 39.0 NLOC) positions and \$15.0 million (\$6.6 million GF) for closure activities listed below in the Program Update for Lanterman Closure. Consistent with the Lanterman Closure Plan, this maximizes the use of existing resources for the closure and continued operation within the available funds at Lanterman; therefore, only 131.0 authorized positions will be reduced at Lanterman. As a result, the net request for staffing results in a decrease of 282.1 positions (120.5 LOC and 161.6 NLOC) and a decrease of \$4.8 million (\$2.1 million GF). (See Lanterman Closure Update below for details.)

CY: No Change from Enacted Budget

BY: -282.1 positions and -\$4.8 million (-\$2.1 million GF)

Lanterman Developmental Center Closure Update:

The Department of Developmental Services (DDS) submitted to the Legislature a plan for the closure of Lanterman Developmental Center (Lanterman) in April 2010. The associated budget language was approved via the budget process of October 2010 and as a result the closure will be a significant factor in the DDS's fiscal assumptions. Consistent with the Lanterman Closure Plan, these assumptions are built upon maximizing the use of existing resources at Lanterman to effectuate the closure and continue operations through closure. DDS will retain staffing and resources, where necessary, to address closure considerations as the process moves forward.

Effective July 1, 2011, this update redirects 88.0 positions (49.0 LOC and 39.0 NLOC) and \$15.0 million (\$6.6 million GF) for closure-related staffing at Lanterman, which will be realized from the Level-of-Care and Non Level-of-Care population-driven staffing adjustments at Lanterman. The proposed positions are necessary to

ensure a safe and successful transition of residents during the closure process. However, no additional funding is being requested, as Lanterman's population-driven reductions are retained to cover these positions and other activities related to closure.

Closure-related staffing needs have been identified at Lanterman in these areas:

- **Level of Care:** During a closure process there is an ongoing need to provide staffing to ensure the quality of care to residents while maintaining a fiscally responsible process. During the Agnews Developmental Center (ADC) closure, the consolidation process generated many moves that were required of residents, which threatened the stability of services and increased the risk of transfer trauma. The Department has committed to residents and families of LDC that a strategic planning effort will be implemented to reduce the overall number of moves any one resident may incur prior to leaving LDC. In order to meet this commitment, and continue to ensure the health and safety of Lanterman residents, staff will be retained (beyond staffing standards) to support this effort.
- **Administration Transition and Closure Activities** have been identified that will support each of the closure activities associated with the corresponding administrative functions including overall coordination of efforts between Regional Centers, community providers and DC staff; confidential records disposition; resident property transfer; property maintenance and upkeep; and employee separations, including activities associated with retirements, layoffs or transfers of employees.
- **Resident Transition** activities to ensure a safe transition for each resident will require staffing to support the Regional Resource Development Project (RRDP) as closure activities increase the number of residents transitioning from a DC at any given time. Costs are expected in areas such as cross training for community staff, staff escorts for transportation and transitioning of residents, and resident transition-related expenses.

The DDS is also committed to the Lanterman employees and will be providing support, training and assistance in locating new employment. It is expected that there will be an increase in retirements, voluntary separations and potential layoffs, all of which will result in costs related to cash-outs and unemployment insurance.

As the closure process moves forward, the DDS assumptions for the Primary Care Clinic, State Staff in the Community and the Warm Shutdown will be included in future DC Estimates.

Agnews Developmental Center Closure Update:

The Department of General Services (DGS) continues to work towards the sale of the Agnews Developmental Center (Agnews) property located in San Jose. The land was included as part of the approved surplus land bill and was placed on the market in January 2010. At this time there are two interested parties including the Santa Clara Unified School District (SCUSD). In November 2010, voters in SCUSD approved a ballot measure to allow it to pursue this purchase.

Currently, the staffing needs at Agnews have encompassed a number of different functions including those associated with operations of the Primary Care Clinic, the State Staff in the Community, the Warm Shutdown and the Regional Resource Development Project of the Bay Area (RPBA). With the pending sale of the property, the resource needs at ADC will be limited to the RPBA (5.0 positions), Administration of the State Staff in the Community Program (5.0 positions), and permanent positions associated with ongoing workload generated as a result of the closure (3.0 positions). Reductions in these functions including Primary Care and Warm Shut Down are addressed as a component of the Department's Workforce Cap Reduction (Pages A-2 and A-4) as referenced in the Executive Highlights as well as in this Estimate (Page A-5).

BY 2011-12: -\$779,000 (-\$95,000 GF).

Medi-Cal Funding Adjustment (fund shift):

The Department is adjusting its reimbursement authority in CY 2010-11 and BY 2011-12 based on a recent change to the federal funding associated with the operation of the state Developmental Centers (DC) and the state-operated small facility.

In CY 2010-11, the increase in federal reimbursements results from the extension of the American Recovery and Reinvestment Act (ARRA) funding through June 30, 2011. Originally, the ARRA allowed for an increase in the Federal Medical Assistance Percentage (FMAP) that was to expire on December 31, 2010. This estimate includes the extension ARRA's enhanced FMAP provisions to 59.71 percent (from 55.80 percent) through the end of the current year (\$20.5 million), which will relieve pressure on the General Fund.

In BY 2011-12, ARRA funding will have expired, and FMAP will return to its pre-ARRA rate of 50 percent for the entire year, necessitating a \$32.5 million General Fund backfill.

Porterville Developmental Center Medicaid Certification (fund shift):

The Department is adjusting its reimbursement authority in BY 2011-12 based on its assumption that a portion of the Porterville Developmental Center's Secure Treatment Program will become certified to receive FFP through the Medi-Cal Program. This will result in a decrease of \$10 million of General Fund authority and a corresponding increase of \$10 million of Reimbursement authority.

FUTURE FISCAL ISSUES

United States Department of Justice (USDOJ) Civil Rights for Institutionalized Persons Act (CRIPA) Remedial Agreement

Over a period of more than six years, the United States Department of Justice (USDOJ) has conducted investigations of Sonoma and Lanterman Developmental Centers and has issued findings pursuant to Civil Rights for Institutionalized Persons Act (CRIPA). The Department of Developmental Services (DDS) is engaged in settlement negotiations with the USDOJ to resolve the investigations.

Assembly Bill 2212, Fuentes. Minors: mental competency.

Assembly Bill 2212, Chapter 671 of the Statutes of 2010, requires the court to appoint an expert to evaluate whether a minor who is accused of a crime and has certain disabilities and, if so, whether the disabilities impair the minor's competency to stand trial. When the court determines that the minor is incompetent to stand trial because of the disability, the court could judicially admit the minor to a developmental center. Porterville Developmental Center is the only state developmental center that has a secure treatment program for adolescents. The bill took effect on January 1, 2011.

Population

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SYSTEMWIDE POPULATION

Current Year 2010-11				
	2010-11 Enacted Budget CY 2010-11	2011-12 November Estimate CY 2010-11	Change from Enacted to November Estimate CY 2010-11	Percentage Annual Change
Beginning Population, July 1, 2010	2,092	2,092	0	0%
Admissions /1	92	92	0	0%
Placements /2	-256	-256	0	0%
Deaths	-58	-58	0	0%
Ending Population, June 30, 2011	1,870	1,870	0	0%
Average Population	2,000	2,000	0	0%
On Leave	-21	-21	0	0%
Total Average In-Center Population	1,979	1,979	0	0%
<i>DC Population Detail:</i>				
Canyon Springs	56	56	0	0%
Fairview	413	413	0	0%
Lanterman	340	340	0	0%
Porterville /1	557	557	0	0%
Sonoma	613	613	0	0%
Total Average In-Center Population	1,979	1,979	0	0%

/1 CY Admissions are under stated by 20 due to an error in 2010-11 May Revision.

/2 Assumes 239 as designated by the Community Placement Plan (CPP) and 17 Non-CPP miscellaneous placements.

Budget Year 2011-12				
	2010-11 Enacted Budget CY 2010-11	2011-12 November Estimate BY 2011-12	Change from Enacted to November Estimate BY 2011-12	Percentage Annual Change
Beginning Population, July 1, 2011	2,092	1,870	-222	-11%
Admissions /3	92	109	17	-3%
Placements /4	-256	-226	30	-12%
Deaths	-58	-62	-4	7%
Ending Population, June 30, 2012	1,870	1,691	-179	-10%
Average Population	2,000	1,798	-202	-10%
On Leave	-21	-15	6	-29%
Total Average In-Center Population	1,979	1,783	-196	-10%
<i>DC Population Detail:</i>				
Canyon Springs	56	55	-1	-2%
Fairview	413	386	-27	-7%
Lanterman	340	235	-105	-31%
Porterville	557	532	-25	-5%
Sonoma	613	575	-38	-6%
Total Average In-Center Population	1,979	1,783	-196	-10%

/3 Increase in 2011-12 admissions is over stated due to the 20 under reported admissions in 2010-11. Based on the 2010-11 corrected admissions of 112 to the 2011-12 projected admissions of 109, the percentage of annual change is a decrease of 3 percent.

/4 Assumes 197 as designated by the Community Placement Plan (CPP) and 29 Non-CPP miscellaneous placements.

SYSTEMWIDE POPULATION

Current Year 2010-11 to Budget Year 2011-12				
	2011-12 November Estimate CY 2010-11	2011-12 November Estimate BY 2011-12	Change from CY 2010-11 to BY 2011-12	Percentage Change
Beginning Population, July 1st	2,092	1,870	-222	-11%
Admissions /5	92	109	17	-3%
Placements	-256	-226	30	-12%
Deaths	-58	-62	-4	7%
Ending Population, June 30th	1,870	1,691	-179	-10%
Average Population	2,000	1,798	-202	-10%
On Leave	-21	-15	6	-29%
Total Average In-Center Population	1,979	1,783	-196	-10%
<i>DC Population Detail:</i>				
Canyon Springs	56	55	-1	-2%
Fairview	413	386	-27	-7%
Lanterman	340	235	-105	-31%
Porterville	557	532	-25	-5%
Sonoma	613	575	-38	-6%
Total Average In-Center Population	1,979	1,783	-196	-10%

Assumptions/Methodology:

Increase in 2011-12 admissions is over stated due to the 20 under reported admissions in 2010-11. Based on the 2010-11 /5 corrected admissions of 112 to the 2011-12 projected admissions of 109, the percentage of annual change is a decrease of 3 percent.

Placements: Historical data indicate that more placements occur in the second half of the fiscal year due to resource development (new providers/beds) in the community. The average in-center population estimate is weighted to account for this factor.

**CLIENT DEVELOPMENT EVALUATION REPORT (CDER) MIX PERCENTAGE
(SYSTEMWIDE)**

Preferred Programs:	CMC 1	PD 2	AUT 3	SENS 4	CD 5	BEH 6	HAB 7	SOC 8	P&S 9
2010-11 May Revision (Based on BY 2010-11)	39.4%	9.4%	11.0%	-1.3%	0.0%	42.3%	-2.7%	0.7%	1.3%
2011-12 November Estimate (Based on BY 2011-12)	38.3%	10.9%	12.5%	-1.3%	0.0%	41.4%	-2.9%	0.4%	0.7%
Difference	-1.1%	1.5%	1.5%	0.0%	0.0%	-0.9%	-0.2%	-0.3%	-0.5%

Program Type
 CMC: Continuing Medical Care
 PD: Physical Development
 AUT: Autism
 SENS: Sensory Development
 CD: Child Development

BEH: Behavior Development
 HAB: Habilitation
 SOC: Social Development
 P&S: Physical and Social Development

Statements of Change

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Program Update Staffing Adjustments

DESCRIPTION:

Staffing includes personal services and operating expenses for level-of-care (LOC) and non-level-of-care (NLOC) facility staff.

KEY DATA/ASSUMPTIONS: CY 2010-11 BY 2011-12

POPULATION:

- Population data is from the Client Development Evaluation Report.
- **Developmental Center (DC) Average Population (Enacted Budget)**

	2,000	2,000
Leave Beds	-21	-21
Net In-Center Population	1,979	1,979
- **2011-12 November Estimate Population**

	2,000	1,798
Leave Beds	-21	-15
Net In-Center Population Change	1,979	1,783
- **Change from Enacted Budget**

	0	-196
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METHODOLOGY:

Personal Services:

	<u>CY</u>	<u>BY</u>		
• Staffing Adjustments	0.0	-370.1	\$0	-\$19,789,000
• Level-of-Care	0.0	-169.5	\$0	-\$10,842,000
• Non-Level-of-Care	0.0	-200.6	\$0	-\$8,947,000

LDC RETENTION:

• Staffing Adjustments	0.0	88.0	\$0	\$15,005,000
• Level-of-Care	0.0	49.0	\$0	\$3,857,000
• Non-Level-of-Care	0.0	39.0	\$0	\$3,006,000
• Other Closure Activities	0.0	0.0	\$0	\$8,142,000

Retained Funding: The funding for these positions will be taken from the LDC Staffing Population Adjustment for both LOC and NLOC.

STAFFING:

• Total Staffing Need	0.0	-282.1	\$0	-\$4,784,000
• Level-of-Care	0.0	-71.5	\$0	-\$2,621,059
• Non-Level-of-Care	0.0	-79.6	\$0	-\$2,162,941
• LDC (LOC and NLOC)	0.0	-131.0	\$0	\$0

REASON FOR CHANGE:

Changes are based on updated population and CDER data for all facilities except Lanterman.

Program Update Continued Staffing Adjustments

FUNDING:

The funding for staff expenditures is based on the estimated Medi-Cal eligibility of the residents in each facility. Federal Financial Participation is estimated using the federal medical assistance percentage rate provided by the Department of Health Care Services.

TOTAL EXPENDITURES:	<u>\$0</u>	<u>-\$4,784,000</u>
General Fund Total	\$0	-\$2,097,000
<i>General Fund Match</i>	<i>0</i>	<i>-5,621,000</i>
<i>General Fund Other</i>	<i>0</i>	<i>3,524,000</i>
Reimbursements Total	\$0	-\$2,687,000
<i>Medi-Cal Reimbursements</i>	<i>0</i>	<i>-5,621,000</i>
<i>Other Reimbursements</i>	<i>0</i>	<i>2,934,000</i>

- See Pages D-2.1 and D-3.1 for LOC staffing cost detail
- See Pages D-2.2 and D-3.2 through D-3.4 for NLOC staffing cost detail

Program Update
Staffing Population Adjustments
Level-of-Care Staffing
CURRENT YEAR 2010-11

	2010 Enacted Budget	2011-12 November Estimate	Net Change	Fiscal Impact		
	1,979	1,979	0		003	004
PROFESSIONAL:						
Medical	38.0	38.0	0.0	\$0	\$0	\$0
Psychology	77.0	77.0	0.0	0	0	0
Social Work	63.0	63.0	0.0	0	0	0
Rehab Therapy	73.0	73.0	0.0	0	0	0
Phys./Occ. Therapy	0.0	0.0	0.0	0	0	0
Education	106.0	106.0	0.0	0	0	0
Speech	0.0	0.0	0.0	0	0	0
Subtotal, Professional	357.0	357.0	0.0	\$0	\$0	\$0
NURSING:	2,168.5	2,168.5	0.0	0	0	0
Subtotal : LOC Permanent	2,525.5	2,525.5	0.0	\$0	\$0	\$0
TEMPORARY HELP						
Physical Therapy (PT)/Occupational Therapy (OT)				\$0	\$0	\$0
Speech Therapy (ST)				0	0	0
Subtotal, Temporary Help				\$0	\$0	\$0
Subtotal, Salaries and Wages				\$0	\$0	\$0
STAFF BENEFITS						
OASDI/Medicare				\$0	\$0	\$0
Health				0	0	0
Retirement				0	0	0
Subtotal, Staff Benefits				\$0	\$0	\$0
TOTAL, PERSONAL SERVICES				\$0	\$0	\$0
OPERATING EXPENSE & EQUIPMENT						
OT/PT Contract Services				\$0	\$0	\$0
ST Contract Services				0	0	0
Foodstuffs	\$1,829			0	0	0
Drugs, Lab & Supply	\$1,371			0	0	0
Clothing	\$586			0	0	0
TOTAL, OPERATING EXPENSE & EQUIPMENT				\$0	\$0	\$0
Subtotal Request				\$0	\$0	\$0
TOTAL REQUEST				\$0	\$0	\$0
ROUNDING				\$0	\$0	\$0
TOTAL FUNDING				\$0	\$0	\$0
General Fund				\$0	\$0	\$0
General Fund Match				0	0	0
General Fund Other				0	0	0
Reimbursements				\$0	\$0	\$0
Medi-Cal Reimbursements				0	0	0

Program Update
Staffing Population Adjustments
Non-Level-of-Care Staffing

CURRENT YEAR 2010-11

Enacted Budget Average In-Center Pop	1,979.0	Net Position Change	Net Change in Costs
November Estimate In-Center Population	1,783.0		
Net Change	-196.0		

ADMINISTRATION

\$0

CLINICAL SERVICES

\$0

SUPPORT SERVICES

\$0

PLANT OPERATIONS

\$0

Subtotal, Salaries and Wages

0.0

\$0

STAFF BENEFITS

OASDI/Medicare

\$0

Health

0

Retirement

0

Subtotal, Staff Benefits

\$0

TOTAL, PERSONAL SERVICES

0.0

\$0

ROUNDING

\$0

TOTAL FUNDING

\$0

General Fund

\$0

General Fund Match

0

General Fund Other

0

Reimbursements

\$0

Medi-Cal Reimbursements

0

Program Update
Staffing Population Adjustments
Level-of-Care Staffing
BUDGET YEAR 2011-12

	2010 Enacted Budget	2011-12 November Estimate	Net Change	Fiscal Impact	003	004
		1,979	1,783	-196		
PROFESSIONAL:						
Medical	38.0	35.0	-3.0	-\$299,024	-\$299,024	\$0
Psychology	77.0	71.0	-6.0	-490,548	-490,548	0
Social Work	63.0	60.0	-3.0	-127,167	-127,167	0
Rehab Therapy	73.0	68.0	-5.0	-239,838	-239,838	0
Phys./Occ. Therapy	0.0	0.0	0.0	0	0	0
Education	106.0	97.0	-9.0	-362,688	0	-362,688
Speech	0.0	0.0	0.0	0	0	0
Subtotal, Professional	357.0	331.0	-26.0	-\$1,519,265	-\$1,156,577	-\$362,688
NURSING:	2,168.5	2,025.0	-143.5	-8,058,960	-8,058,960	0
Subtotal : LOC Permanent	2,525.5	2,356.0	-169.5	-\$9,578,225	-\$9,215,537	-\$362,688
TEMPORARY HELP						
Physical Therapy (PT)/Occupational Therapy (OT)				-\$177,937	-\$177,937	\$0
Speech Therapy (ST)				-66,692	0	-66,692
Subtotal, Temporary Help				-\$244,629	-\$177,937	-\$66,692
Subtotal, Salaries and Wages				-\$9,822,854	-\$9,393,474	-\$429,380
STAFF BENEFITS						
OASDI/Medicare				-\$659,835	-\$630,074	-\$29,761
Health				-1,207,497	-1,143,143	-64,354
Retirement				-1,577,794	-1,508,712	-69,082
Subtotal, Staff Benefits				-\$3,445,126	-\$3,281,929	-\$163,197
TOTAL, PERSONAL SERVICES				-\$13,267,980	-\$12,675,403	-\$592,577
OPERATING EXPENSE & EQUIPMENT						
OT/PT Contract Services				-\$541,101	-\$541,101	\$0
ST Contract Services				601,274	0	601,274
Foodstuffs	\$1,829			-358,484	-358,484	0
Drugs, Lab & Supply	\$1,371			-268,716	-268,716	0
Clothing	\$586			-114,856	-114,856	0
TOTAL, OPERATING EXPENSE & EQUIPMENT				-\$681,883	-\$1,283,157	\$601,274
Subtotal Request				-\$13,949,863	-\$13,958,560	\$8,697
Retained Funding: Workforce Cap Staffing Adjustment to be reduced through pending Executive Order tied to Control Section 3.90			0.0	\$3,108,050	\$3,108,050	\$0
TOTAL REQUEST			-169.5	-\$10,841,813	-\$10,850,510	\$8,697
ROUNDING				-\$10,842,000	-\$10,851,000	\$9,000
TOTAL FUNDING				-\$10,842,000	-\$10,851,000	\$9,000
General Fund				-\$4,913,000	-\$4,903,000	-\$10,000
General Fund Match				-5,929,000	-5,948,000	19,000
General Fund Other				1,016,000	1,045,000	-29,000
Reimbursements				-\$5,929,000	-\$5,948,000	\$19,000
Medi-Cal Reimbursements				-5,929,000	-5,948,000	19,000

Program Update
Staffing Population Adjustments
Non-Level-of-Care Staffing
BUDGET YEAR 2011-12

Enacted Budget Average In-Center Pop	1,979.0	Net Position Change	Net Change in Costs
November Estimate In-Center Population	1,783.0		
Net Change	-196.0		

ADMINISTRATION

OT/OA	-4.0	-125,948
HEALTH RECD TECH II/I-OT	-10.0	-369,710
ACCT TECH/CLERK/OT	-6.0	-200,436
PERS SERV SPEC II (Transactions)	-1.0	-34,424
PERS SERV SPEC (Position Control)	1.0	34,424
PERS SERV SPEC I	-1.0	-34,424
TELE OPA	3.0	90,492
NURSE/PSYC TECH INSTR	-1.0	-66,587
OFFICE TECH/OA	-1.0	-31,487
PEACE OFFICER I/SECURITY OFFICER	2.2	83,068
HPO II	-4.3	-215,495
HPO I /CUSTODY OFFICER	5.0	228,550
OFFICE TECHNICIAN	-1.0	-35,218
TOTAL ADMINISTRATION	<u>-18.1</u>	<u>-\$677,195</u>

CLINICAL SERVICES

PROGRAM DIRECTOR DS	-2.0	-160,956
PROG ASST DS	-1.0	-66,520
NURSING COORDINATOR	-2.0	-140,318
RESIDENCE MANAGERS (RNIII/Unit Sup)	-1.0	-60,706
SHIFT SUP (Unit SUP/RNII/SPT)	-14.0	-745,878
HEALTH SERVICES SPECIALIST	-8.0	-520,312
OT/OA	-2.5	-78,718
PROGRAM ASSISTANT	-2.0	-133,040
ASST CHIEF CP-EDUC/VOC/AD ED	-1.0	-70,767
PSYCHIATRIC TECH (Escorts)	-12.0	-481,524
PSYCH. TECH. (Active Treatment)	-31.0	-1,243,937
PHARMACIST I/PHARM ASST	-5.0	-266,320
DENTIST	-3.0	-278,346
DENTAL ASSISTANT	-1.0	-31,858
PUBLIC HEALTH NURSE	2.0	130,078
OT/OA	-1.0	-31,487
CLINIC LAB TECHNOLOGIST	-1.0	-53,132
OFFICE ASST GEN	-2.0	-54,878
COMMUNITY PROG SPEC II	-1.0	-58,212
COMMUNITY PROG SPEC I	-3.0	-127,662
STDS COMPLIANCE COOR	-1.0	-67,036
IPC	-11.0	-425,678

Program Update
Staffing Population Adjustments
Non-Level-of-Care Staffing
BUDGET YEAR 2011-12

Enacted Budget Average In-Center Pop		1,979.0	Net Position Change	Net Change in Costs
November Estimate In-Center Population		1,783.0		
Net Change		-196.0		
MIN DATA SET COORD. (RN)			-4.0	-246,288
OA/OT/MST			-1.0	-31,487
ASSISTIVE TECHNOLOGY SPEC I/II/TRAINEE			-1.0	-39,816
NURSE PRACTITIONER			-2.0	-165,534
RN/LVN/PSYCH TECH			-2.0	-96,130
RESP CARE PRACTITIONER			0.5	20,176
OT/OA			-2.0	-62,974
MEDICAL SUPPLY TECH			1.0	28,484
TOTAL CLINICAL SERVICES			-114.0	-\$5,560,776
SUPPORT SERVICES				
WAREHOUSE WRK/STOCK CRK			-1.0	-35,040
PRINTING TRADES SPEC			-1.0	-30,085
OT/OA			-1.0	-31,487
FAC ENV AUDIT TECH			-2.0	-66,256
CLINICAL DIETITIAN			-4.0	-175,696
SUPVNG COOK II			-1.0	-43,619
MATERIALS & STORES SPEC			2.0	76,126
FOOD SERVICE SUPER I			-3.0	-98,073
FSW I/II-PRODUCTION			-7.5	-212,340
FSW I/II-PRESENTATION			-39.0	-1,104,168
OT/OA/ACCT CLK			-6.0	-188,922
SERVICE ASSISTANT			-0.5	-12,999
LAUNDRY WORKER/ASST/LABORER			-2.0	-65,938
AEO I			-1.0	-40,365
TOTAL SUPPORT SERVICES			-67.0	-\$2,028,862
PLANT OPERATIONS				
ENERGY RES SPEC/ANYST			-0.5	-29,106
PAINTER II/II/APPR			1.0	42,144
BLDG MAINT WORKER			1.0	42,151
LEAD GROUNDSKEEPER /GRDS			-4.0	-145,320
ELECTRICIAN III/II/APPR			1.0	43,361
TOTAL PLANT OPERATIONS			-1.5	-\$46,770
Sub-Total, Salaries and Wages			-200.6	-\$8,313,603

Program Update
Staffing Population Adjustments
Non-Level-of-Care Staffing
BUDGET YEAR 2011-12

Enacted Budget Average In-Center Pop	1,979.0	Net Position Change	Net Change in Costs
November Estimate In-Center Population	1,783.0		
Net Change	-196.0		

STAFF BENEFITS

OASDI/Medicare	-\$579,660
Health	-1,247,439
Retirement	-1,349,031
Sub-Total, Staff Benefits	<u>-\$3,176,130</u>

TOTAL, PERSONAL SERVICES -200.6 -\$11,489,733

Retained Funding: Workforce Cap Staffing Adjustment to
be reduced through pending Executive Order tied to
Control Section 3.90

0.0 \$2,542,950

ROUNDED -\$8,947,000

General Fund	-\$3,793,000
General Fund Match	-5,154,000
General Fund Other	-1,182,000
Medi-Cal Reimbursements	-5,154,000

Program Update

Lanterman Developmental Center Closure Plan

DESCRIPTION:

The DDS submitted to the Legislature a plan for the closure of Lanterman Developmental Center (LDC) in April 2010. The associated Trailer Bill Language (TBL) was approved via the budget process of October 2010 and as a result the closure will be a significant factor in the DDS's fiscal assumptions. These assumptions are built upon maximizing the use of existing resources at Lanterman to effectuate the closure and continue operations through closure. Additionally, where necessary the DDS will retain staffing and resources to address closure considerations as the process moves forward.

The information contained in this update includes retention of positions at Lanterman Developmental Center (LDC) that will be needed to ensure a safe and successful transition of residents during the closure process. The costs of these closure-related staffing positions and necessary services will be funded from existing resources. Costs will be updated in subsequent budget estimates until the closure of LDC is completed.

The existing staffing standards in place for all Developmental Centers (DC) including LDC is based upon a number of factors including population, square footage, services needed and maintenance of structures. These standards are designed for day to day operations but do not support the extensive needs a DC closure will require both in the delivery of services to residents at LDC, the transition of residents out of LDC and the ongoing maintenance required to operate the facility. The LDC will continue to be required to maintain the facility, and services, in a manner that meets all applicable licensing and certification standards as well as the health and safety of all residents and staff throughout the closure process.

The closure of a DC is an extensive process of ensuring safe transitions for residents and staff, proper disposition of confidential documents and records and the maintenance and disposal of property and the land prior to the final sale or disposition of the property. Staffing needs have been identified in these areas as follows:

- **Level of Care:** During a closure process there is an ongoing evaluation of staffing and support needs including a consolidation of living environments to ensure the quality of care to residents while maintaining a fiscally responsible process. During the Agnews Developmental Center (ADC) closure the consolidation process generated many moves that were required of residents, which threatened the stability of services and increased the risk of transfer trauma. The Department has committed to residents and families of LDC that a strategic planning effort will be implemented to reduce the overall number of moves any one resident may incur prior to leaving LDC. To meet this commitment, and continue to ensure the health and safety of LDC residents, staff will be retained to support this effort.
- **Administration Transition and Closure Activities** have been identified that will support each of the closure activities associated with the corresponding administrative functions including overall coordination of efforts between Regional Centers, Community Providers and DC staff, confidential records disposition, resident property transfer, property maintenance and upkeep, employee separations including activities associated with retirements, layoffs or transfers of all employees.
- **Resident Transition** activities to ensure a safe transition for each resident will require staffing to support the Regional Resource Development Project (RRDP) as closure activities increase the number of residents transitioning from a DC at any given time. Costs are expected in areas such as to cross training for community staff, staff escorts for transportation and transitioning of residents, and resident transition related expenses. These become critical elements to a successful transition as they ensure the continuity of care is provided once the resident leaves the DC. Additional support is needed in assuring the local health care plans and the Regional Center staff has all of the necessary information and training to ensure the transition of health care services.

The Department is also committed to the employees of LDC and will be providing support, training and assistance in locating new employment. It is expected, as occurred in the ADC closure, that there will be an increase in retirements, voluntary separations and potential lay offs all of which will result in costs related to cash outs and unemployment insurance.

It is expected in future fiscal assumptions and updates that the Primary Care Clinic, Warm Shutdown, and Community State Staff needs will grow as the closure process moves forward.

The estimated impact of \$15.0 million is based on the fiscal information contained in this Program Update and will be updated as necessary once plans become more detailed. No new funding is needed as the costs identified would be retained from LDC's staffing reductions and operating costs driven by the declining population. (See the charts on pages D-4.4 through D-4.7 for additional details.)

ASSUMPTIONS/METHODOLOGY:

	<u>CY 2010-11</u>	<u>BY 2011-12</u>
<i>Personal Services</i>	\$0	\$14,530,000
<i>Operating Expense</i>	0	475,000
TOTAL EXPENDITURES	\$0	\$15,005,000
TOTAL POSITIONS	0.0	88.0

REASON FOR CHANGE:

Standards are designed for day to day operations but do not support the extensive need a DC closure will require both in the delivery of services to residents at LDC, the transition of residents out of LDC and the ongoing maintenance required to operate the facility.

TOTAL EXPENDITURES:

	<u>CY 2010-11</u>	<u>BY 2011-12</u>
TOTAL FUNDING	\$0	\$15,005,000
General Fund	\$0	\$6,609,000
<i>General Fund Match</i>	0	5,462,000
<i>General Fund Other</i>	0	1,147,000
Reimbursements	\$0	\$8,396,000
<i>Medi-Cal Reimbursements</i>	0	5,462,000
<i>Reimbursements Other</i>	0	2,934,000
TOTAL POSITIONS	0.0	88.0

IMPLEMENTATION DATE

July 1, 2011

Program Update

**LANTERMAN DEVELOPMENTAL CENTER CLOSURE PLAN
STAFFING SUMMARY
BUDGET YEAR 2011-12**

Lanterman Staffing: -105 In-Center Pop Adj	LDC Population Driven Staffing Without Retention			Retention By LDC Closure Issues							Total Request	
	LOC	NLOC	Total	Closure-Related Staff			State Staff			Staff Support		Total
				LOC	NLOC	Total	NLOC	Temp Help Support ¹	Total			
Personal Services	-\$7,514,000	-\$6,776,000	-\$14,290,000	\$3,857,000	\$2,943,000	\$6,800,000	\$63,000	\$2,934,000	\$2,997,000	\$4,733,000	\$14,530,000	\$240,000
<i>Positions</i>	-98.0	-121.0	-219.0	49.0	38.0	87.0	1.0	0.0	1.0		88.0	-131.0
Operating Expenses & Equipment	-715,000		-715,000	475,000		475,000			0	0	475,000	-240,000
Total Request	-\$8,229,000	-\$6,776,000	-\$15,005,000	\$4,332,000	\$2,943,000	\$7,275,000	\$63,000	\$2,934,000	\$2,997,000	\$4,733,000	\$15,005,000	\$0
<i>General Fund</i>	-4,504,000	-3,709,000	-8,213,000	2,372,000	1,611,000	3,983,000	35,000	0	35,000	2,591,000	6,609,000	-1,604,000
<i>Reimbursements</i>	-3,725,000	-3,067,000	-6,792,000	1,960,000	1,332,000	3,292,000	28,000	2,934,000	2,962,000	2,142,000	8,396,000	1,604,000

Assumptions:

¹ Includes 39.0 (non-add) temp help State Staff employees working in the community.

In accordance with Plan for the Closure of Lanterman Developmental Center, the Department believes it can manage the closure of LDC within existing levels of funding.

Program Update
Lanterman Developmental Center Closure Plan
STAFFING DETAIL: CLOSURE-RELATED STAFFING, LEVEL OF CARE AND NON-LEVEL CARE
BUDGET YEAR 2011-12

2010-11 Enacted Budget In-Center Population	340	Net Position Change	Net Change in Costs
2011-12 November Estimate In-Center Population	235		
Net Change	-105		

LEVEL OF CARE

REHAB THERAPIST	1.0	\$72,768
PSYCHOLOGIST	2.0	204,120
NURSING	46.0	2,583,360
Total, Level of Care	49.0	\$2,860,248

NON-LEVEL OF CARE

ADMINISTRATION TRANSITION AND CLOSURE ACTIVITIES

ASSOC INFO SYSTEMS ANALYST-SPEC	1.0	\$70,764
OFFICE TECHN/OFFICE ASSIST	1.0	36,540
HEALTH RECORDS TECH II/ HEALTH RECORDS TECH I/OT	4.0	165,864
AUTOMOTIVE EQUIPMENT OPERATOR I	2.0	87,840
AUTOMOTIVE EQUIPMENT OPERATOR II	1.0	48,144
CEA I	1.0	160,572
RESEARCH ANALYST II	1.0	67,392
NURSE CONSULTANT II	1.0	83,892
COMMUNITY PROGRAM SPECIALIST II	1.0	64,176
ASSOCIATE PERSONNEL ANALYST	1.0	64,176
Sub-Total, Administration (NLOC)	14.0	\$849,360

TRANSITION AND PLACEMENT SUPPORT ACTIVITIES

UNIT SUPERVISOR	1.0	\$65,340
REGISTERED NURSE/LVN/PT	2.0	91,320
PSYCHIATRIC TECH	12.0	574,128
IPC	2.0	87,792
CLINICAL LAB TECHNOLOGIST	1.0	64,320
STDS COMPLIANCE COORDINATOR	1.0	73,368
MINI DATA SET COORDINATOR	2.0	163,296
PHARM I/PHARM ASSIST	2.0	119,712
PROGRAM ASSISTANT	1.0	72,828
Sub-Total, Clinical Services (NLOC)	24.0	\$1,312,104

Total, Non-Level of Care

38.0 **\$2,161,464**

Subtotal, Salaries and Wages

87.0 **\$5,021,712**

STAFF BENEFITS

OASDI/Medicare 7.04%	\$353,529
Health 16.32%	612,157
Retirement 16.18%	812,513

Subtotal, Staff Benefits **\$1,778,199**

Subtotal, Personal Services **\$6,799,911**

OPERATING EXPENSE & EQUIPMENT

OT/PT/ST	\$475,000
Total, OE&E	87.0 \$475,000

Total, Personal Services **87.0** **\$7,274,911**

ROUNDING \$7,275,000

TOTAL, REQUEST **87.0** **\$7,275,000**

FUNDING

General Fund	\$3,983,000
General Fund Match	3,292,000
General Fund Other	691,000
Reimbursements	\$3,292,000
Medi-Cal Reimbursements	3,292,000

Program Update

**Lanterman Developmental Center Closure Plan
STAFFING DETAIL: STATE STAFF IN THE COMMUNITY (PHASE I)
BUDGET YEAR 2011-12**

2010-11 May Revision In-Center Population	340	Net Position Change	Net Change in Costs
2011-12 November Estimate In-Center Population	235		
Net Change	-105		
STATE STAFF IN THE COMMUNITY			
<u>Administration For State Staff</u>			
Acctg Techn		0.5	\$19,254
Sr Pers Spec		0.5	26,676
Subtotal, Administration For State Staff		1.0	45,930
STAFF BENEFITS			
	OASDI/Medicare		\$3,233
	Health		6,165
	Retirement		7,431
	Subtotal, Staff Benefits		\$16,829
	Total, Administration for State Staff		\$62,759
	ROUNDING		\$63,000
	Total Funding, Administration for State Staff	1.0	\$63,000
	General Fund		\$35,000
	General Fund Match		28,000
	General Fund Other		7,000
	Reimbursements		\$28,000
	Medi-Cal Reimbursements		28,000
<hr/>			
<u>Direct Support Services</u>			
	Psychiatric Tech (30.0 positions, non-add)	(30.0)	\$1,435,320
<u>Clinical Team</u>			
	Registered Nurse (9.0 positions, non-add)	(9.0)	734,832
	Subtotal, Direct Support Services and Clinical Team	0.0	\$2,170,152
STAFF BENEFITS			
	OASDI/Medicare		\$152,779
	Health		260,224
	Retirement		351,131
	Subtotal, Staff Benefits		\$764,134
	Total, Operating Expenses and Equipment		\$0
	Total, Direct Support Services and Clinical Team		\$2,934,286
	ROUNDING		\$2,934,000
	Total Funding, Direct Support Services and Clinical Team	0.0	\$2,934,000
	General Fund		\$0
	Reimbursements		\$2,934,000
	Other Reimbursements		2,934,000
<hr/>			
	TOTAL, STATE STAFF IN THE COMMUNITY	1.0	\$2,997,000
	TOTAL, REQUEST	1.0	\$2,997,000
	TOTAL, FUNDING		\$2,997,000
	General Fund		\$35,000
	General Fund Match		28,000
	General Fund Other		7,000
	Reimbursements		\$2,962,000
	Medi-Cal Reimbursements		28,000
	Other Reimbursements		2,934,000

Program Update

**Lanterman Developmental Center Closure Plan
STAFFING DETAIL: STAFF SUPPORT COSTS/RESIDENT TRANSITIONS (PHASE 1)
BUDGET YEAR 2011-12**

Staff Support Costs/Resident Transitions

1. Costs for transition, staff training, staffing escorts for transportation of residents:	
Overtime for resident transfers (based on 100 community placements):	\$175,000
Resident relocation costs (based on 100 community placements at \$9,850 each):	\$985,000
2. Staff leave balance cashout (based on actual balances of LDC Staff over age 50 with 20 years of state service)	\$1,941,600
3. Unemployment Insurance	\$1,631,700
Total, Staff Support Costs/Resident Transitions	<u>\$4,733,300</u>
ROUNDING	\$4,733,000
TOTAL FUNDING:	<u>\$4,733,000</u>
General Fund	\$2,591,000
<i>General Fund Match</i>	<i>\$2,142,000</i>
<i>General Fund Other</i>	<i>\$449,000</i>
Reimbursements	\$2,142,000
<i>Medi-Cal Reimbursements</i>	<i>\$2,142,000</i>

Program Update
Agnews Developmental Center Closure Plan

DESCRIPTION:

The Department of General Services (DGS) continues to work towards the sale of the Agnews Developmental Center (ADC) property located in San Jose. The land was included as part of the approved surplus land bill and was placed on the market in January 2010. At this time there are two interested parties including the Santa Clara Unified School District (SCUSD). In November 2010, voters in SCUSD approved a ballot measure to allow it to pursue this purchase.

Currently, the staffing needs at ADC have encompassed a number of different functions including those associated with operations of the Primary Care Clinic, the State Staff in the Community, the Warm Shutdown and the Regional Resource Development Project of the Bay Area (RPBA). With the pending sale of the property, the resource needs at ADC will be limited to the RPBA (5.0 positions), Administration of the State Staff in the Community (5.0 positions), and permanent positions associated with ongoing workload generated as a result of the closure (3.0 positions). Reductions in these functions including Primary Care and Warm Shut Down are addressed as a component of the Department's Workforce Cap Reduction (Pages A-2 and A-4) as referenced in the Executive Highlights as well as in this Estimate (Page A-5).

ASSUMPTIONS/METHODOLOGY:

	<u>CY 2010-11</u>	<u>BY 2011-12</u>
<i>Personal Services</i>	\$0	-\$565,000
<i>Staff Benefits</i>	0	-214,000
<i>Operating Expense</i>	0	0
TOTAL EXPENDITURES	\$0	-\$779,000
TOTAL POSITIONS	0.0	-6.5

FUNDING:

The activities will be funded by the General Fund and Reimbursements.

REASON FOR CHANGE:

As the property, buildings and services have changed so has the need for the all of the positions previously allocated.

Program Update
Agnews Developmental Center Closure Plan (continued)

TOTAL EXPENDITURES:	<u>CY 2010-11</u>	<u>BY 2011-12</u>
TOTAL FUNDING	\$0	-\$779,000
General Fund	\$0	-\$95,000
<i>General Fund Match</i>	<i>0</i>	<i>-95,000</i>
Reimbursements	\$0	-\$684,000
<i>Medi-Cal Reimbursements</i>	<i>0</i>	<i>-203,000</i>
<i>Reimbursements Other</i>	<i>0</i>	<i>-481,000</i>
TOTAL POSITIONS	0.0	-6.5

IMPLEMENTATION DATE

July 1, 2011

Program Update
Agnews Developmental Center Closure Plan
Staffing Detail: State Employees in the Community (Admin Staff)

BUDGET YEAR 2011-12

	Current Authorized Positions	Current Authorized Expenditure	BY 2011-12 November Est Positions	BY 2011-12 November Est Expenditure	Request Net Change Positions	Request Net Change Expenditure
SALARIES AND WAGES						
Program Director, DD	1.0	79,032	1.0	79,032	0.0	0
Nursing Coordinator	1.0	69,057	1.0	69,057	0.0	0
Senior Personnel Specialist	1.0	49,203	0.0	0	-1.0	-49,203
Associate Personnel Analyst	1.0	56,292	0.0	0	-1.0	-56,292
Accounting Technician	1.0	33,753	0.0	0	-1.0	-33,753
Office Technician	1.0	33,753	0.0	0	-1.0	-33,753
Personnel Specialist	0.0	0	1.0	56,292	1.0	56,292
Staff Services Analyst-General	0.0	0	2.0	88,224	2.0	88,224
Subtotal, Salaries and Wages	6.0	\$321,090	5.0	\$292,605	-1.0	-\$28,485
STAFF BENEFITS						
OASDI/Medicare		\$23,151		\$21,594		-\$1,557
Health		43,205		\$48,426		5,221
Retirement		49,273		\$49,500		227
Subtotal, Staff Benefits		\$115,629		\$119,520		\$3,891
TOTAL, PERSONAL SERVICES	6.0	\$436,719	5.0	\$412,125	-1.0	-\$24,594
OPERATING EQUIPMENT AND EXPENSES						
General Expense		\$6,000		\$6,000		\$0
Communications		6,000		6,000		0
Postage		6,000		6,000		0
Travel In-State		6,000		6,000		0
Training		6,000		6,000		0
Consolidated Data Centers:		12,000		12,000		0
Data Processing		6,000		6,000		0
TOTAL, OE&E		\$48,000		\$48,000		\$0
TOTAL	6.0	\$484,719	5.0	\$460,125	-1.0	-\$24,594
ROUNDING		\$485,000		\$460,000		-\$25,000
TOTAL FUNDING		\$485,000		\$461,000		-\$24,000
General Fund		\$259,000		\$252,000		-\$7,000
Reimbursements		\$226,000		\$209,000		-\$17,000

Program Update
Agnews Developmental Center Closure Plan
Staffing Detail: Primary Care Clinic

BUDGET YEAR 2011-12

	Current Authorized Positions	Current Authorized Expenditure	BY 2011-12 November Est Positions	BY 2011-12 November Est Expenditure	Request Net Change Positions	Request Net Change Expenditure
SALARIES AND WAGES						
Medical Director	1.0	249,378	1.0	249,378	0.0	0
Physician/Surgeon	1.0	173,460	0.0	0	-1.0	-173,460
Chief Dentist	1.0	227,868	1.0	227,868	0.0	0
Registered Nurse	4.0	316,498	3.0	218,340	-1.0	-98,158
Dental Assistant	2.0	115,320	1.5	86,490	-0.5	-28,830
Staff Services Analyst	1.0	41,112	1.0	44,112	0.0	3,000
Subtotal, Salaries and Wages	10.0	\$1,123,636	7.5	\$826,188	-2.5	-\$297,448
TEMP HELP		\$130,500		\$82,000		-\$48,500
OVERTIME		\$60,000		\$60,000		\$0
STAFF BENEFITS						
OASDI/Medicare		\$90,328		\$60,958		-\$29,370
Health		183,017		136,734		-46,283
Retirement		198,905		139,766		-59,139
Subtotal, Staff Benefits		\$472,250		\$337,458		-\$134,792
TOTAL, PERSONAL SERVICES	10.0	\$1,786,386	7.5	\$1,305,646	-2.5	-\$480,740
OPERATING EQUIPMENT AND EXPENSES						
General Expense		\$3,000		\$3,000		\$0
Contracts		131,846		131,846		0
Utilities		10,007		10,007		0
Vehicle Operations		60,000		60,000		0
License Renewal Fees		4,500		4,500		0
Lab & Central Supply		82,500		82,500		0
Travel		0		0		0
TOTAL, OE&E		\$291,853		\$291,853		\$0
TOTAL	10.0	\$2,078,239	7.5	\$1,597,499	-2.5	-\$480,740
ROUNDING		\$2,078,000		\$1,597,000		-\$481,000
TOTAL FUNDING		\$2,078,000		\$1,597,000		-\$481,000
General Fund		\$0		\$0		\$0
Reimbursements		\$2,078,000		\$1,597,000		-\$481,000

Program Update
Agnews Developmental Center Closure Plan
Staffing Detail: Warm Shutdown

BUDGET YEAR 2011-12

	Current Authorized Positions	Current Authorized Expenditure	BY 2011-12 November Est Positions	BY 2011-12 November Est Expenditure	Request Net Change Positions	Request Net Change Expenditure
SALARIES AND WAGES						
OFFICE TECHNICIAN	1.0	39,168	1.0	39,168	0.0	0
DISPATCHER CLERKS	2.0	80,832	2.0	80,832	0.0	0
PEACE OFFICER	2.5	139,560	2.0	111,648	-0.5	-27,912
PEACE OFFICER II	1.0	60,696	0.0	0	-1.0	-60,696
STAFF SERVICES MANAGER I	1.0	73,524	1.0	73,524	0.0	0
AGPA	1.0	64,176	1.0	64,176	0.0	0
BUILDING MAINTENANCE WORKER	6.0	251,784	5.0	209,820	-1.0	-41,964
ELECTRICIAN I	1.0	50,412	0.0	0	-1.0	-50,412
PLUMBER I	1.0	50,412	1.0	50,412	0.0	0
CHIEF ENGINEER II	1.0	68,472	1.0	68,472	0.0	0
STATIONARY ENGINEER	4.5	265,896	4.5	265,896	0.0	0
CHIEF OF PLANT OPERATIONS III	1.0	76,572	0.5	38,286	-0.5	-38,286
LEAD AUTOMOBILE MECHANIC	1.0	43,920	0.0	0	-1.0	-43,920
CEA II	1.0	160,572	1.0	160,572	0.0	0
SR. SPECIAL INVESTIGATOR	0.0	0	1.0	46,824	1.0	46,824
ELECTRICIAN II	0.0	0	1.0	50,412	1.0	50,412
AUTO POOL MGR I	0.0	0	1.0	40,056	1.0	40,056
Subtotal, Salaries and Wages	25.0	\$1,425,996	23.0	\$1,300,098	-2.0	-\$125,898
TEMP HELP		100,000		100,000		0
OVERTIME		151,000		151,000		0
STAFF BENEFITS						
OASDI/Medicare		\$111,093		\$95,947		-\$15,146
Health		230,572		\$215,165		-15,407
Retirement		266,313		\$234,090		-32,223
Subtotal, Staff Benefits		\$607,979		\$545,202		-\$62,776
TOTAL, PERSONAL SERVICES	25.0	\$2,284,975	23.0	\$2,096,300	-2.0	-\$188,674
OPERATING EQUIPMENT AND EXPENSES						
GENERAL EXPENSES		\$75,000		\$75,000		\$0
FACILITIES OPERATIONS		30,000		30,000		0
CONTRACTS (Including Janitorial Contract)		1,203,000		1,203,000		0
VEHICLE OPERATIONS		154,000		154,000		0
UTILITIES		1,089,000		1,089,000		0
TOTAL, OE&E		\$2,551,000		\$2,551,000		\$0
TOTAL	25.0	\$4,835,975	23.0	\$4,647,300	-2.0	-\$188,674
ROUNDING		\$4,836,000		\$4,647,000		-\$189,000
TOTAL FUNDING		\$4,836,000		\$4,647,000		-\$189,000
General Fund		\$2,822,000		\$2,774,000		-\$48,000
Reimbursements		\$2,014,000		\$1,873,000		-\$141,000

Program Update
Agnews Developmental Center Closure Plan
Staffing Detail: Regional Resource Development Projects

BUDGET YEAR 2011-12

	Current Authorized Positions	Current Authorized Expenditure	BY 2011-12 November Est Positions	BY 2011-12 November Est Expenditure	Request Net Change Positions	Request Net Change Expenditure
SALARIES AND WAGES						
OFFICE TECHNICIAN	1.0	39,168	1.0	39,168	0.0	0
COMMUNITY PRGM SPEC IV	1.0	80,724	1.0	80,724	0.0	0
COMMUNITY PRGM SPEC II	4.0	256,704	3.0	192,528	-1.0	-64,176
Subtotal, Salaries and Wages	6.0	\$376,596	5.0	\$312,420	-1.0	-\$64,176
STAFF BENEFITS						
OASDI/Medicare		\$27,416		\$23,056		-\$4,360
Health		58,297		51,705		-6,592
Retirement		62,639		52,853		-9,786
Subtotal, Staff Benefits		\$148,352		\$127,614		-\$20,738
TOTAL, PERSONAL SERVICES	6.0	\$524,948	5.0	\$440,034	-1.0	-\$84,914
OPERATING EQUIPMENT AND EXPENSES						
General Expense		\$65,000		\$65,000		\$0
Communications		13,000		13,000		0
Postage		13,000		13,000		0
Travel -In State		69,000		69,000		0
Training		13,000		13,000		0
Facilities Operations		65,000		65,000		0
Vehicle Operations		46,000		46,000		0
TOTAL, OE&E		\$284,000		\$284,000		\$0
TOTAL	6.0	\$808,948	5.0	\$724,034	-1.0	-\$84,914
ROUNDING		\$809,000		\$724,000		-\$85,000
TOTAL FUNDING		\$809,000		\$724,000		-\$85,000
General Fund		\$472,000		\$432,000		-\$40,000
Reimbursements		\$337,000		\$292,000		-\$45,000

Program Update **Medi-Cal Funding Adjustment**

DESCRIPTION:

The Department is adjusting the reimbursement authority in CY 2010-11 and BY 2011-12 based on a recent change to the federal funding associated with the operation of the state Developmental Centers (DC) and the state-operated small facility.

In CY 2010-11, the increase in federal reimbursements results from the extension of the American Recovery and Reinvestment Act (ARRA) funding through June 30, 2011. Originally, the ARRA allowed for an increase in the Federal Medical Assistance Percentage (FMAP) that was to expire on December 31, 2010. This estimate includes the extension ARRA's FMAP through the end of the current year. In BY 2011-12, ARRA funding will have expired, and FMAP will return to its pre-ARRA rate of 50 percent for the entire year.

Nature of Request

For current year, this request assumes an increase in FMAP to 59.71 percent (from 55.80 percent) for the DCs and state-operated community facility, and for budget year, the request assumes a return of FMAP to the pre-ARRA rate of 50 percent. (See Attachment A for details.)

In current year, the workload associated with drawing down the enhanced FMAP can be incorporated into current administrative operations established to draw down the 50 percent FMAP. Similarly, there will be no change in workload in budget year. No programmatic changes are necessary either to obtain the additional ARRA funding in current year or to return to the 50 percent FMAP in budget year.

Background/History

The ARRA, signed into law by President Obama on February 17, 2009, included measures to modernize our nation's infrastructure, enhance energy independence, expand educational opportunities, preserve and improve affordable health care, provide tax relief, and protect those in greatest need.

The ARRA originally provided a temporary increase in the share of the Medicaid program paid by the federal government for nine calendar quarters (October 1, 2008, through December 31, 2010). Each state receives an across the board increase in FMAP of 6.2 percentage points. Further, the ARRA provided an additional increase in FMAP for states with increases in unemployment rates. California received an 11.59 percent FMAP increase: a 6.2 percent general increase plus an increase for unemployment. This increase in FMAP resulted in a decrease in California's share of cost for those individuals who are currently served under existing federal programs in DCs and/or the state-operated small facility.

Justification

The current year's budget, which the Legislature passed and the Governor signed in October 2010, incorporated the ARRA's FMAP of 55.80 percent. The Department built its budget assuming that it could draw down the ARRA funds for only half of a year. The current year request, based on the revised FMAP of 59.71 percent, will relieve pressure on the General Fund.

In budget year, FMAP will return to the pre-ARRA rate of 50 percent, necessitating a General Fund backfill.

Program Update
Medi-Cal Funding Adjustment
(Continued)

ASSUMPTIONS/METHODOLOGY:

See Attachment A. There will be no change in the Department's expenditures as a result of this program update.

Timetable

The original ARRA FMAP was 61.57 percent, which ended on December 31, 2010. The FMAP will be 58.77 percent from January 1 through March 31, 2011, and decline again for April 1 through June 30, 2011, to 56.88 percent. ARRA funding will not be available after June 2011.

FUNDING:

The budgeted FMAP rate in current year is 55.80 percent; the budgeted rate will increase to 59.71 percent. The rate in budget year will return to 50 percent effective July 1, 2011.

CHANGE FROM PRIOR ESTIMATE:

In CY 2010-11, the November Estimate assumes more ARRA funding and has been adjusted to reflect six more months of ARRA funding. In BY 2011-12, the November Estimate assumes the elimination of ARRA funding, necessitating a General Fund backfill.

TOTAL EXPENDITURES:

	<u>CY 2010-11</u>	<u>BY 2011-12</u>
TOTAL FUNDING	\$0	\$0
General Fund	-\$20,459,000	\$32,529,000
<i>General Fund Match</i>	<i>0</i>	<i>0</i>
<i>General Fund Match change attributable to ARRA</i>	<i>-20,459,000</i>	<i>32,529,000</i>
<i>General Fund Other</i>	<i>0</i>	<i>0</i>
Reimbursements	\$20,459,000	-\$32,529,000
<i>Medi-Cal Reimbursements</i>	<i>20,459,000</i>	<i>-32,529,000</i>
<i>Other Reimbursements</i>	<i>0</i>	<i>0</i>

Program Update

Medi-Cal Funding Adjustment

CY 2010-11

Current Year 2010-11 Budget Act @ 55.80% for Budgeted FMAP

Budgeted Title XIX Reimbursements ¹	\$305,381,000
Budgeted General Fund Match	240,323,000
Budgeted Title XIX, Total	<u>\$545,704,000</u>

Current Year 2010-11 Budget Act @ 59.71% for Budgeted FMAP

Proposed Title XIX Reimbursements	\$325,840,000
Proposed General Fund Match	219,864,000
Proposed Title XIX, Total	<u>\$545,704,000</u>

Total November Estimate Request, CY 2010-11 \$0

Title XIX Reimbursements (Proposed less Budgeted)	\$20,459,000
General Fund Match	-\$20,459,000

BY 2011-12

Budget Year 2011-12 as of 2010-11 Budget Act @ 55.80% for Budgeted FMAP

Budgeted Title XIX Reimbursements ¹	\$305,381,000
Budgeted General Fund Match	240,323,000
Budgeted Title XIX, Total	<u>\$545,704,000</u>

Budget Year 2011-12 with Proposed Budgeted FMAP @ 50.00%

Proposed Title XIX Reimbursements	272,852,000
Proposed General Fund Match	272,852,000
Proposed Title XIX, Total	<u>\$545,704,000</u>

Total November Estimate Request, BY 2011-12 \$0

Title XIX Reimbursements (Proposed less Budgeted)	-\$32,529,000
General Fund Match	\$32,529,000

Note:

¹ Budgeted Title XIX Reimbursements do not equal 55.80 percent of the Title XIX total, because of adjustments that occurred during FY 2009-10.

Program Update

Porterville Developmental Center

Medicaid Certification

DESCRIPTION:

Porterville Developmental Center (Porterville) houses a secure treatment setting for approximately 260 individuals with developmental disabilities who have been judicially committed to a developmental center because of their behavior in the community and involvement with the criminal justice system. Although many are Medi-Cal eligible, the Department does not receive federal matching funds from the U.S. Centers for Medicare and Medicaid Services (CMS) for this Secure Treatment Program (STP) due to lack of certification for this population and as a result the sole source of funding is the General Fund. Porterville's STP contains a new Secured Treatment Area (STA) for approximately 90 consumers. The certification of the STA will save the General Fund \$10 million.

The Department is adjusting the reimbursement authority in BY 2011-12 based on its assumption that the CMS will certify the STA to receive federal medical assistance participation (FMAP).

NATURE OF REQUEST

For current year, this request assumes that the STA will not receive Medicaid certification in time to receive FMAP. For budget year, the request assumes the certification will occur by July 1, 2011, which will allow the Department to begin billing Medi-Cal for the STA's eligible consumers on that date.

In current year, there is no change in workload. In budget year, there will be an increase in Porterville's administrative workload due to the certification of the STA. Porterville's existing staff will absorb that additional workload.

BACKGROUND

Title XIX Medi-Cal Reimbursements are federal funds received for treatment and services provided to eligible consumers in the four developmental centers and community facility (DCs/CF). These Federal Financial Participation (FFP) funds require a General Fund match and are provided via the Department of Health Care Services (DHCS), the federally recognized single state agency for Medicaid.

To qualify for Medicaid reimbursement, Intermediate Care Facilities-Mental Retardation/Developmentally Disabled (ICF-MR/DD) must be certified and comply with Federal Standards (referred to as Conditions of Participation, found in Federal regulations 42 CFR 483, Sections 410-480), including Governing Body and Management, Client Protections, Facility Staffing, Active Treatment Services, Client Behavior and Facility Practices, Health Care Services, Physical Environment, and Dietetic Services.

All DCs/CF are fully licensed and certified, except for Porterville's STP, which is licensed but not certified. The CMS has denied the eligibility of persons within the STP to receive federally funded services. The STP court-ordered competency training, along with programs designed to assist offenders in returning to the local communities have less emphasis placed on services traditionally found in ICF-MR/DD. As a result, Porterville has not been eligible to receive FFP for these consumers.

For Budget Year 2011-12, Porterville is budgeted to receive approximately 25.42 percent of its funds from Medicaid (aka Medi-Cal reimbursements) based on the average in-center population of 532 consumers, but no Medicaid funds for the 260 consumers in Secure Treatment. If Porterville receives Medicaid funding for the 90 consumers in the Secure Treatment population, the General Fund relief would be approximately \$10,000,000.

There will be no change in the expenditures as a result of this program update, however more of the expenditures will be eligible for FFP resulting in General Fund savings.

Program Update
Porterville Developmental Center
Medicaid Certification (Continued)

TIMETABLE

Assume CMS certifies Porterville's STA by July 1, 2011.

TOTAL EXPENDITURES:	<u>CY 2010-11</u>	<u>BY 2011-12</u>
TOTAL FUNDING	\$0	\$0
General Fund	\$0	-\$10,000,000
<i>General Fund Match</i>	<i>0</i>	<i>-10,000,000</i>
<i>General Fund Other</i>	<i>0</i>	<i>0</i>
Reimbursements	\$0	\$10,000,000
<i>Medi-Cal Reimbursements</i>	<i>0</i>	<i>10,000,000</i>
<i>Other Reimbursements</i>	<i>0</i>	<i>0</i>

Fund Sources

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General Fund

DESCRIPTION:

The General Fund is used for two purposes: 1) as a match to Title XIX Reimbursement funds received for payment of resources/services for Medi-Cal eligible consumers (these funds are referred to as "General Fund Match") and 2) to pay for non-Medi-Cal eligible resources/services for consumers in the developmental centers (DC) and the state-operated community facility (CF). These funds are referred to as "General Fund Other."

ASSUMPTIONS/METHODOLOGY:

CY 2010-11

BY 2011-12

General Fund:

The DCs'/CF's General Fund appropriation consists of two components: (1) General Fund Match and (2) General Fund Other. Details of these components are as follows:

<ul style="list-style-type: none"> • General Fund Match: 		\$208,039,000	\$266,386,000
General Fund Match to FMAP	<u>CY 2010-11</u>	<u>BY 2011-12</u>	
Non-Proposition 98	40.29%	50.00%	205,110,000
Proposition 98	40.29%	50.00%	2,763,000
HIPAA	50.00%	50.00%	166,000

This portion of General Fund is required as a match to Medi-Cal Reimbursements received from the Department of Health Care Services (DHCS). These Reimbursements are originally funded by the federal government and passed through DHCS (the federally recognized single state agency for Medicaid). The federal financial participation costs are established by utilizing the federal medical assistance percentages (FMAP) provided by DHCS.

<ul style="list-style-type: none"> • General Fund Other 		\$74,746,000	\$57,606,000
This funding is for services provided to the DC/CF consumers who are not eligible for federal or other reimbursement funding. Funding also includes \$7,096,000 for Lease-Revenue Bonds in current year and \$7,089,000 in budget year.		74,746,000	57,606,000

- **Lottery Education Fund**
See Lottery Education Fund's page for detail.

TOTAL GENERAL FUND	\$282,785,000	\$323,992,000
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Reimbursements Title XIX Medi-Cal and Other

DESCRIPTION:

Title XIX Medi-Cal Reimbursements are funds received for services provided to eligible consumers in the developmental centers and the state-operated community facility (DC/CF). These funds require a General Fund match at the FMAP rate. Other Reimbursements are funds received for services provided to the DCs/CF residents who have no General Fund match requirements.

ASSUMPTIONS/METHODOLOGY:

CY 2010-11

BY 2011-12

Reimbursements:

The DCs'/CF's appropriation for reimbursements consists of two components: (1) Title XIX Medi-Cal and (2) Other Reimbursements. The detail of these two components follows:

<ul style="list-style-type: none"> • Title XIX/Medi-Cal 			\$298,995,000	\$265,896,000
<p>Title XIX Medi-Cal Reimbursements fund eligible services provided to residents in the DCs/CF system via the Department of Health Care Services (DHCS) (the federally recognized single state agency for Medicaid). The federal financial participation costs are established by utilizing the federal medical assistance percentages (FMAP) as provided by DHCS.</p>				
FMAP	<u>CY 2010-11</u>	<u>BY 2011-12</u>		
Non-Proposition 98	59.71%	50.00%	296,277,000	263,158,000
Proposition 98	59.71%	50.00%	2,556,000	2,575,000
HIPAA	50.00%	50.00%	162,000	163,000
<ul style="list-style-type: none"> • Reimbursements - Other 			\$24,884,000	\$27,337,000
<p>This funding is for services provided to the DC/CF consumers who are not eligible for federal or other reimbursement funding. These costs consist of miscellaneous reimbursements for such services as the Community Industries Contract, Rental Income Contracts, and State Employees in the Community.</p>				
TOTAL REIMBURSEMENTS			\$323,879,000	\$293,233,000

Federal Funds

DESCRIPTION:

The Federal Foster Grandparent Program Grant provides funds to establish person-to-person relationships between low income seniors, 60 years of age and older, and children with developmental disabilities and/or mental health issues.

ASSUMPTIONS/METHODOLOGY:

CY 2010-11

BY 2011-12

• **Foster Grandparent Program Grant**

\$529,000

\$530,000

The Foster Grandparent Program grant is used for specified operational costs, such as stipends and educational supplies in the developmental centers. This Grant also includes pass-through funding to the Department of Mental Health for services provided at Metropolitan State Hospital.

TOTAL FEDERAL FUNDS

\$529,000

\$530,000

Lottery Education Fund

DESCRIPTION:

Lottery Education Fund uses state General Fund revenues guaranteed for the support of school districts, community colleges districts, and state agencies that provide direct elementary and secondary level instructional services.

ASSUMPTIONS/METHODOLOGY:

CY 2010-11

BY 2011-12

Lottery Education Fund:

\$372,000

\$372,000

- The Lottery Education Fund is used for specified educational costs, such as training programs to establish curriculum as well as to support special needs and equipment costs in the developmental centers (DC) and state-operated community facilities (CF). Funds received are based on the DC and CF consumer average daily attendance.

TOTAL LOTTERY EDUCATION FUND

\$372,000

\$372,000