

DEVELOPMENTAL SERVICES TASK FORCE: STRENGTHENING THE COMMUNITY SYSTEM

**Wednesday, October 8, 2014
10:00 to 4:00 pm**

**California Department of Health Care Services
1700 K Street, First Floor Conference Room
Sacramento, CA 95814**

MEETING SUMMARY

Diana S. Dooley, Secretary of the California Health and Human Services Agency (CHHS), opened the second meeting of the Developmental Services Task Force (Task Force) by welcoming the members and introducing the five new members announced in a Press Release on September 30, 2014 (available on the CHHS website). Based on the first meeting on July 24, 2014, the representation of the Task Force has been expanded in very specific ways. Secretary Dooley expressed her appreciation for everyone's participation, commitment and contributions, and looks forward to getting acquainted and working together.

After introduction of all of the members in attendance, Secretary Dooley reflected on the work of the previous Task Force on the Future of Developmental Centers (Developmental Centers Task Force), when one year ago its work was coming to closure. Many of the recommendations became part of the budget for 2014-15, and work is progressing. Now, this Task Force will be addressing community services, as reflected in the Plan for the Future of Developmental Centers in California, Recommendation 6. The scope is much larger and will take longer, but the work is no less important.

Efforts to implement the Developmental Centers Task Force's recommendations were reviewed by Nancy Bargmann, Deputy Director, Community Services Division, Department of Developmental Services (DDS). Work is in progress to address additional recommendations as approved through the budget process. Three interactive workgroups were held in Southern, Central and Northern California. The Department of Social Services participated as well, so two State departments were benefitting from the input. Significant dialog and information were received on the following topics:

- Implementation of the two new models of care--the enhanced behavioral supports homes and the community crisis homes;

- Resident transitions from developmental centers;
- The Community State Staff program; and
- Acute crisis services at Fairview and Sonoma Developmental Centers.

DDS is using the information to develop emergency regulations for the new model homes. Also, a workgroup has been established to address the development of rates for the homes. There will be a summary of the information from the three workgroups released in the next few weeks, and the documents will be available on the DDS website. Stakeholder input will be an essential part of the ongoing process.

Action Item. No specific notice had been sent out to the Task Force members in advance of the three workgroup meetings on recommendations related to the future of the developmental centers. There was a request and a commitment to provide this information in the future.

The primary focus of the meeting was six subject areas identified for Task Force consideration based on the July 24, 2014, meeting. In this meeting the discussion focused on whether these six subject areas are the right six and what path we should follow. Santi J. Rogers, Director of DDS, walked the members through a handout that identified the six subject areas for consideration and discussion, including topics of possible focus within the subject areas. He described the subject areas as six dynamic buckets, any one of which can be a lifetime of study and application. The Secretary noted that the scope will take some time. Since it cannot all be done at once, the topics need to be prioritized and sequenced.

The discussions that proceeded focused on the six subject areas, suggesting modifications to the subjects and scope, stressing urgent areas, identifying guiding principles and topics that affect all of the areas, and further identifying data needs. The information has been organized accordingly, below.

Guiding Principles

The Task Force expressed strong interest in capturing the principles that should be fundamentally included in every subject area and used as a goal or guide when considering changes to the community system. Also, it was recognized that some topics, such as the 2014 Centers for Medicare and Medicaid Services (CMS) regulations on Home and Community Based Services (HCBS), will necessarily have an impact on each area. Specifically, the overarching principles and topics for consideration under each subject area are:

1. The Lanterman Developmental Disabilities Services Act guarantees regional center services for the life of the consumer, thereby creating an entitlement program in California.

2. The core component of the service delivery system is a comprehensive person-centered Individual Program Plan (IPP), also referred to as a whole person or authentic IPP, which is carefully crafted and enables choice.
3. Consumers must be empowered to make choices and receive the services and supports they need to lead more independent and productive lives in the least restrictive environment appropriate for the individual. Consumers must be at the center of any problem analysis or solution, with the objective of providing services that people want. Emphasis should be placed on consumer choice, self-determination and consumer-directed services.
4. Ensuring consumer health and safety is critical, which includes protecting individuals from harm and abuse, and providing appropriate crisis intervention and response.
5. Services must be culturally and linguistically appropriate and responsive to the consumer and his or her family.
6. Any model of care or service must receive sufficient and stable funding to be successful in accomplishing its goal and be sustainable. The adequacy of resources is an issue that permeates all aspects of the service system.
7. The tenets of community integration and access reflected in the 2014 CMS regulations for HCBS must be incorporated throughout the service system, including but not limited to consumer choice; consumer independence; consumer rights to privacy, dignity and freedom from coercion and restraint; opportunities for integrated employment; and settings that meet consumer-specific provisions based on these principles.
8. There must be fiscal accountability, transparency and fiscal responsibility in the service system, including maximizing the use of federal funding.
9. An appropriate framework for monitoring and quality assurance should be built into services.
10. Technology should be utilized.
11. Developmental center resources (land, staff and buildings) should be leveraged or made available to benefit consumers in the community.
12. Flexibility should be incorporated into the system to address choice and special circumstances, such as allowing Health and Safety exemptions.

Modifications to the Six Subject Areas

Individual Task Force members identified clarifications, additions, consolidations and revisions to the six subject areas that were presented. Based on the various comments, the six subject areas were consolidated into five, and possible topics for discussion within those subject areas have been modified, as follows:

1. Service Rates and the Rate-Setting Structure

- a. The rate structure, rate-setting methodologies and changes that are needed
- b. Service reductions and freezes, where we are today, and what services should be restored
- c. Cost-based rates versus other/progressive rate models
- d. Looking at outcomes
- e. Rate structure simplification/streamlining
- f. Predictable rate-setting
- g. Funding direct care versus administration
- h. The stability and qualifications of the workforce
- i. Consumer and family considerations
- j. How to set adequate rates and avoid “cherry-picking” consumers
- k. Factors impacting sustainability, including cash flow
- l. Encouraging new development and innovation
- m. Cost of living and geographical considerations
- n. The sufficiency of rates for services beyond the regional center system, e.g., Medi-Cal, In Home Supportive Services (IHSS), Intermediate Care Facilities
- o. Minimum wage changes including the compaction/compression issue
- p. Overtime/federal Fair Labor Standards Act
- q. Labor standards and other mandated wage changes (legislation, State wage orders, etc.)

2. Regional Center, Provider and Other Community Services

- a. Regional center services and requirements
- b. Caseload ratios, including effective case management, new workload requirements and complexities, and providing essential support
- c. The core staffing formula and regional center funding

- d. Regional center resources to connect consumers with generic services
- e. Audits of regional centers and vendors
- f. Creating efficiencies in regional center functions, where appropriate, such as standardization, automation and best practices
- g. Best practices for providing community services
- h. Best service models and where to invest
- i. Provider solvency/survivability
- j. Family supports, including respite services/respite housing
- k. Trailer bill actions that were not effective
- l. Communication improvements between the regional center and providers outside the regional center system, e.g., Managed Care, IHSS, and the Multipurpose Senior Services Program
- m. Disparities in services among regional centers
- n. Equity issues in service delivery—whether services are provided differently because of access, culture, ethnicity or language differences, a.k.a., the opportunity for services.
- o. Service trends, emerging issues and unmet needs
- p. Service reductions and freezes, where we are today, and what services should be restored
- q. Services that are needed versus services that are not needed
- r. Obstacles that prevent expansion of services and supports that are working, e.g., the median rates
- s. Licensing and vendorization processes, and vendor oversight
- t. Other barriers to services
- u. Generic services
- v. Federal funding
- w. Service changes occurring throughout CHHS departments

3. Employment and Higher Education Opportunities

- a. Meaningful opportunities for education and employment
- b. Job exploration
- c. Transition services versus what schools provide
- d. Benefits management for consumers
- e. Self-determination/consumer choice
- f. Transportation and other access issues
- g. Employment First accomplishments
- h. United States Senator Tom Harkin's minimum wage bill
- i. Increasing supported employment
- j. Changes due to the Workforce Innovation and Opportunity Act
- k. The Workforce Investment Board/boards. Include the Department of Rehabilitation as part of the discussion.

4. Medical, Dental, Mental Health and Durable Medical Equipment

- a. Safety nets for medical and mental health services
- b. Medication management and protocols
- c. Resource development by regional centers
- d. Regional center crisis support teams
- e. Increased access to psychiatric and mental health services locally
- f. Increased access to anesthesia for dental and medical procedures
- g. Increased access to developmental center resources for durable medical equipment and services
- h. Use of technology and assistive devices
- i. The impact/role of Managed Care
- j. Fully informing consumers of the benefits and limitations of Managed Care before transition

- k. Sub-acute care
- l. Medical support in residential settings
- m. Returning home from inpatient/hospital care
- n. Community best practices and migrating/scaling up services where needed
- o. Statewide Specialized Resource Services as an opportunity to coordinate medical, mental health and dental resources
- p. Services funded by the Mental Health Services Act grants

5. Housing

- a. Appropriate and stable residential options
- b. Housing availability versus needs
- c. Community Placement Plan process and involving families/consumers
- d. Successful housing models and investments
- e. Permanent housing stock
- f. Funding development
- g. Flexibility in using housing options, e.g., use of rental property for Supported Living Services
- h. Rental subsidies. Include the Departments of Housing and Community Development, and Health Care Services as part of the discussions on rental subsidy restrictions.
- i. Safety net(s), also referred to as a placement of last resort or a “zero reject” home
- j. Use of developmental center land for housing
- k. Aging consumers and families, and family supports for succession planning
- l. Impact of the CMS regulations for HCBS on residential providers and on the rate structure for housing.

Urgent Areas

There was continued interest expressed in triaging the topics and identifying areas needing urgent action. The following areas were specifically identified:

1. Making the system sustainable
2. Addressing the impact of the CMS regulations on HCBS
3. Overtime under the federal Fair Labor Standards Act
4. Minimum wage changes
5. The IHSS impact to the developmental services system
6. Medical services that support homes

Data and Informational Requests

In addition to the data inquiries and analyses identified in the July 24, 2014, meeting, the following data and materials are needed to inform the Task Force:

1. Action Item. Develop a Library of information that is easily accessible on the web that includes:
 - a. The 2014 CMS regulations on HCBS
 - b. The Association of Regional Center Agencies' reports on Regional Center Operations and Program Funding
 - c. The Bureau of State Audits' report on regional centers (2009)
 - d. The DDS Annual Report on Employment and Day Programs
2. Action Item. The Task Force needs an overview of the CMS regulations for HCBS.
3. Data are needed to quantify the utilization of and the need for housing. Are there any wait lists?
4. Benchmarks are needed for provider rates, such as looking at available cost-of-living indices. The issue is how to measure the cost of service delivery across the State.
5. Action Item. The Task Force needs information on the fundamentals of the rate setting methodologies.
6. Data are needed on the impacts/outcomes from the various reductions and freezes from 2009 forward. Was money saved?
7. What were the results from the fiscal audits?

8. Data that DDS produces, on serving persons with challenging needs, should be looked at to better understand how to address service needs when a facility cannot be locked, e.g., use of delayed egress and secure perimeters.
9. Data are needed on vendors going out of business or other sources of information to determine the health/viability of service providers.
10. What has the impact of median rates been? Determine how many providers are above or below the median rates. Determine the growth or decline in each service category since the median rates were applied. Consider how an across-the-board rate increase would affect them.
11. Look at the number of consumers on the HCBS waiver and how it is structured.
12. Data are needed regarding the forensic population and the mental health population.
13. Data are needed to analyze compliance/noncompliance with the CMS regulations on HCBS and determine what our foundational issues are.
14. Data are needed on how well programs with capitation rates are working, e.g., the Coordinated Care Initiative.
15. Data are needed from the federal Department of Labor audits in California to understand where providers are not in compliance with labor/wage provisions.

Action Item. Secretary Dooley raised the possibility of finding an outside consultant to develop a baseline assessment of the rate system.

Other data requests should be directed to either Kristopher Kent, Assistant Secretary, CHHS, at Kristopher.Kent@chhs.ca.gov, or Jim Suennen, Associate Secretary—External Affairs, CHHS, at Jim.Suennen@chhs.ca.gov.

Next Steps

The next step will be for staff to pull together today's discussion, including reorganizing the topics and capturing the data points. A timeline will be identified for the work moving forward as well as the additional resources to support the work.