
SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2023 - 2024 Regular

Bill No: AB 121 **Hearing Date:** June 26, 2023
Author: Committee on Budget
Version: June 24, 2023 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Elizabeth Schmitt

Subject: Developmental services

Summary: Provides for statutory changes necessary to enact developmental services related provisions of the Budget Act of 2023.

Background: As part of the 2023-24 budget package, this bill makes statutory changes to implement the budget act.

Proposed Law: This bill includes the following provisions:

- 1) **Transition of Federal Education Grant Funding to Department of State Hospitals.** Finalizes the process of transitioning the administration and oversight of federal education grants in Department of State Hospital (DSH) facilities from Department of Developmental Services (DDS), allowing DSH to receive all state and federal education funding directly, rather than passing through DDS.
- 2) **Limited Examination and Appointment Program (LEAP).** Permanently extends the LEAP program, which permits individuals with developmental disabilities to choose to complete a written examination or readiness evaluation, or to complete an internship, in order to meet qualifications for state service.
- 3) **Extension of Remote Option for Individual Program Plan (IPP) Meetings.** Extends the option for a consumer and their family to request a remote IPP meeting or individualized family service plan meeting through June 30, 2024.
- 4) **Parent Participation in Applied Behavioral Analysis (ABA) Therapy.** Prohibits a regional center from denying or delaying the provision of ABA or intensive behavioral intervention services for children due to the lack of parent participation.
- 5) **Special Incident Reporting.** Requires DDS to report to the Legislature annually on the status of the department's efforts to improve oversight of special incidents and respond to special incident trends regarding individuals with developmental disabilities served by regional centers.
- 6) **Provisional Eligibility for Children Ages 0-2.** Expands provisional eligibility for Lanterman Developmental Disabilities Services Act (Lanterman Act) to include children from birth through two years of age. The 2021 Budget Act expanded eligibility for regional center services for children three or four years of age. This change makes provisional eligibility inclusive of all children four years of age or under.

- 7) **Regional Center Purchase of Service Data.** Requires DDS to post data relating to purchase of service authorization, utilization, and expenditure across various demographics on a statewide aggregate basis. Requires the department to provide trend analysis on the changes observed in this data over time, and requires the department and regional centers to post this information. Requires the department to maximize transparency whenever possible, including aggregation by region. Requires the department to consult with stakeholders twice a year to review purchase of services data and identify barriers to equitable access to services and supports among individuals and develop recommendations to help reduce disparities in purchase of service expenditures. Requires purchase of service data to be deidentified in a manner that maximizes transparency.
- 8) **Adjusting Rate Models to Reflect Increases to the Minimum Wage.** Requires developmental services rate models to be updated to account for current and subsequent changes to the statewide minimum wage.
- 9) **Rate Model Quality Incentives.** Requires DDS to implement a hold harmless policy for providers whose rates in effect on January 1, 2023 exceed 90 percent of the rate model, until June 30, 2026. Requires a provider to be eligible for a quality incentive payment that, when added to their base rate, equals the fully funded rate model. Allows the department to establish quality measures or benchmarks in the initial years of the quality incentive program that focus on building capacity, developing reporting systems, gathering baseline data, and similar activities while working towards meaningful outcome measures at the individual consumer level for all services. Specifies that beginning in 2024-25, there will be an opportunity for eligible providers to earn full quality incentive payments through one or more measures. Requires the department to determine each provider's quality incentive payment percentage prior to the start of the fiscal year by measuring the provider's performance against the quality measure or benchmarks for the most recently available reporting period.
- 10) **Update on Progress Implementing a Person-centered, Outcomes-based System.** Requires DDS to provide a status update to the Legislature regarding progress toward implementing rate reform and creating an enhanced person-centered, outcomes-based system. This update includes the definition of compliance with the federal home- and community-based services final rule effective March 17, 2014 and data on providers within each service category that have not yet achieved compliance with the federal final rule, among other provisions.
- 11) **Access to Generic services.** Requires regional centers to purchase medical services identified in the individualized family service plan if the service is not available within 60 days through the family's health insurance or Medi-Cal. Requires a regional center to purchase medical services during any plan delays, including the appeals process.
- 12) **Social Recreation Services.** Prohibits a regional center from requiring an individual with an intellectual or developmental disability (IDD) or their family from doing any of the following: (a) exhaust In-Home Supportive Services, (b) exchange respite hours or any other service or support, or (c) pay a copayment, in order to receive social recreation services. Allows DDS to implement the provision of social recreation

services, camping services, and nonmedical therapies through participant-directed services. States legislative intent for social recreation services, camping services, and nonmedical therapies to include, but not be limited to, specialized recreation, art, dance, and music, and that these services be made widely available to individuals with developmental disabilities, not only for socialization, but to lead the lives they want in the community.

- 13) **Rate Study Update: Family Home Agencies.** Clarifies the current rate structure for family home agency services are based on the rate for Community Care Facilities licensed for four beds or fewer.
- 14) **Regional Center Family Fees.** Implements a one-year extension of regional center family fee assessments, including the Family Cost Participation Program and the Annual Family Program Fee, through June 30, 2024.
- 15) **Employment First Office.** Requires the State Council on Developmental Disabilities (SCDD) to form a standing Employment First Committee, responsible for identifying the respective roles and responsibilities of state and local agencies in enhancing integrated and gainful employment opportunities for people with IDD, identifying strategies for increasing integrated employment, identifying sources of employment data, and recommending goals and policy changes for increasing integrated employment. Beginning July 1, 2024, establishes the Office of Employment First. The Office's mission is to coordinate the Employment First Policy, in order to reduce redundancy, ensure coordination of all employment support services across all agencies and departments, avoid fragmentation of services, guide strategic planning, and promote racial equity toward employment for individuals with IDD.
- 16) **Canyon Springs Admissions.** Extends the deadline for the prohibition of admission to Canyon Springs Community Facility from June 30, 2023 to June 30, 2024, or when the opening of completed and licensed complex needs homes identified in the safety net plan and approved for development in the Budget Act of 2023 occurs, whichever is sooner.
- 17) **Coordinated Family Support Services Pilot Program.** Continues implementation of the Coordinated Family Support Services Pilot Program.

Fiscal Effect: Provides an appropriation of \$10.8 million General Fund to the Department of Developmental Services to continue implementation of the Coordinated Family Support Services Program.

Support: None on file.

Opposed: None on file.

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