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## AB-162 Developmental services. (2023-2024)

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### Assembly Bill No. 162

#### CHAPTER 47

An act to amend Sections 95004 and 95020 of the Government Code, and to amend Sections 4512, 4519.10, 4620.3, 4646, 4684, 4685.7, 4688.22, and 4699.3 of, to add Section 4648.13 to, to add Chapter 4.1 (commencing with Section 4580) to Division 4.5 of, and to repeal Sections 4783, 4785, 4785.1, and 4785.2 of, the Welfare and Institutions Code, relating to developmental services, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[ Approved by Governor July 02, 2024. Filed with Secretary of State July 02, 2024. ]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 162, Committee on Budget. Developmental services.

(1) Existing law establishes within the California Health and Human Services Agency a State Department of Developmental Services (department) and sets forth its powers and duties, including, but not limited to, the administration and oversight of community programs providing services to consumers with developmental disabilities and their families. Existing law, the Lanterman Developmental Disabilities Services Act (act), requires the department to contract with regional centers to provide services and supports to individuals with developmental disabilities and their families.

This bill would require the Secretary of California Health and Human Services Agency (secretary), in coordination with the department, to lead the development and implementation of a master plan for developmental services for the state. The bill would require other state entities that interact with the department to be included in discussions with the master plan, as applicable. The bill also would require the secretary and the Director of Developmental Services to work with other state agencies, as necessary, to identify policies, efficiencies, and strategies necessary to implement the master plan, as specified. The bill would also require the secretary to submit to the Governor and the Legislature an initial report summarizing the recommended components of the master plan, as well as annual master plan implementation updates, as specified. The bill would clarify that any funding needed to support program enhancements proposed in the master plan would be subject to an appropriation by the Legislature for those purposes.

(2) Existing law requires the department to submit, on or before March 1, 2019, a rate study to specified committees of the Legislature regarding community-based services for individuals with developmental disabilities. Existing law requires the department to implement rate increases between April 1, 2022, and July 1, 2024, to raise service providers' rates to the fully funded rate reflected in the rate models included in that rate study. Existing law requires the department, commencing January 1, 2023, through the end of the 2023–24 fiscal year, to adjust rates to equal  $\frac{1}{2}$  of the difference between rates in effect March 31, 2022, and the fully funded rate model for each provider. Existing law requires the department, commencing July 1, 2024, to implement the fully funded rate models, as specified.

This bill would extend the above rate adjustment period from the end of the 2023–24 fiscal year through December 31, 2024, and would extend the date for implementation of the fully funded rate models to January 1, 2025.

Existing law requires the department to implement a hold harmless policy, as specified, for providers whose rates exceed rate model recommendations, to freeze a provider's existing rates until June 30, 2026, and then to adjust the provider's rates to equal the rates for other providers in the provider's service category and region. Existing law requires the department, beginning July 1, 2024, to implement a similar hold harmless policy for providers whose rates in effect on January 1, 2023, exceed 90% of the rate model.

This bill instead would begin implementation of the latter hold harmless policy on January 1, 2025.

(3) The act requires the department to contract with regional centers for the provision of community services and supports for persons with developmental disabilities and their families. Existing law, until June 30, 2024, requires a meeting regarding the provision of services and supports by the regional center, including a meeting to develop or revise a consumer's individual program plan (IPP), to be held by remote electronic communications if requested by the consumer or, if appropriate, if requested by the consumer's parents, legal guardian, conservator, or authorized representative.

Under existing law, the California Early Intervention Services Act, direct services for eligible infants and toddlers and their families are provided by regional centers and local educational agencies. Existing law requires an eligible infant or toddler receiving services to have an individualized family service plan (IFSP) and requires that parents be fully informed of their rights, including the right to invite another person, including a family member or an advocate or peer parent, to accompany them to any or all IFSP meetings. Existing law, until June 30, 2024, requires, at the request of the parent or legal guardian, an IFSP meeting to be held by remote electronic communications.

This bill would indefinitely extend the requirements that, if requested, IPP and IFSP meetings be held by remote electronic communications. By extending a requirement for local educational agencies, this bill would impose a state-mandated local program. The bill also would require a regional center that has not held an in-person meeting, or completed any other in-person meeting or visit in the previous 12 months for an IPP or 6 months for an IFSP, to hold an in-person meeting or other meeting, as prescribed. The bill would prohibit that in-person meeting requirement from impeding, delaying, or preventing the timely development or revision of an IFSP or IPP, or the timely authorization or receipt of services and supports.

The bill would also require the in-person meeting requirement to remain in effect pending a review by the department, to be completed and provided to the Legislature by May 14, 2026, and in coordination with stakeholders, regarding implementation of these provisions, including whether and to what extent the in-person requirements are effective in assisting the infant or toddler in meeting the goals stated in the IFSP, among other specified information. The bill would also require the department to provide an update to the Legislature on the status of the review by no later than January 10, 2026.

(4) Existing law requires the department to conduct fiscal audits of regional centers.

This bill would authorize the department and regional centers to utilize probability sampling and statistical extrapolation when conducting fiscal audits of service providers under specified conditions.

Existing law requires the department to establish, and regional centers to administer, an entry-level training and internship program for individuals interested in becoming direct support professionals, as specified.

This bill would specify that the establishment and administration of that program is subject to an appropriation by the Legislature.

(5) Existing law establishes the Family Cost Participation Program, which requires the department to develop and establish a Family Cost Participation Schedule consisting of a sliding scale for families with an annual gross income of not less than 400% of the federal poverty guideline, as specified, to be used by regional centers to assess the parents' cost participation for providing respite, daycare, and camping services to their children under 18 years of age who have developmental disabilities and who, among other eligibility criteria, are not eligible for Medi-Cal. Existing law also requires a regional center to assess an annual family program fee, as specified, from parents whose adjusted gross family income is at or above 400% of the federal poverty level and who have a child meeting prescribed requirements, including receiving specified services from a regional center. Existing law requires regional centers to suspend, until June 30, 2024, existing and new assessments and reassessments of the cost participation and existing and new assessments, reassessments, and collections of the annual family program fee.

This bill would repeal those provisions relating to regional center fees and would make technical and conforming changes.

(6) Existing law defines "developmental disability" as a disability that originates before an individual attains 18 years of age, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for the individual. Under existing law, "developmental disability" includes intellectual disability, cerebral palsy, epilepsy, and autism, among other conditions, as specified. Under existing law, if a child who is under 5 years of age is not otherwise eligible for regional center services under that

definition, the child is provisionally eligible for regional center services if the child has a disability that is not solely physical in nature and has significant functional limitations, as specified.

Under this bill, a child who is under 5 years of age would be provisionally eligible for regional center services if the child has a disability that is not solely physical in nature and has significant functional limitations, as specified, without regard to whether the child is not otherwise eligible for regional center services under the definition of “developmental disability.”

Existing law requires the regional center, after an infant or toddler has been determined eligible for early intervention services, to determine if the child is also provisionally eligible for regional center services.

This bill would instead authorize a regional center to concurrently assess an infant or toddler who has been determined eligible for early intervention services to determine whether the infant or toddler is provisionally eligible for regional center services.

Existing law requires a regional center to assess an infant or toddler who has been determined eligible for early intervention services, at least 90 days before they turn 3 years of age, for purposes of determining their ongoing eligibility for regional center services. If the regional center determines that the child does not have a developmental disability, existing law requires the regional center to determine if the child is provisionally eligible for regional center services.

This bill would instead require a regional center to assess a child who qualifies for early intervention services but has not been found to have a developmental disability or to be provisionally eligible, at least 90 days before they turn 3 years of age, for purposes of determining their eligibility for regional center services.

(7) The act authorizes the department to implement the provision of social recreation services, camping services, and nonmedical therapies by means of written directives or similar instructions, including the provision of those services as participant-directed services.

This bill would require regional centers to use certain principles when purchasing those services, including that consumers receive services and supports in settings that are typical of those in which persons without disabilities engage in social recreation, camping, or nonmedical therapies. The bill would prohibit regional center purchase-of-service policies and related procedures from imposing certain restrictions or conditions on those services.

The bill would require, by October 1, 2024, regional centers to designate one or more employees to serve as a point of contact regarding access to those services and any related policies, procedures, or written directives, as specified. The bill would require, by January 1, 2025, regional centers to adopt procedures aimed at increasing the availability of vendors and expediting vendorizations accordingly. The bill would require, by March 1, 2025, regional center staff to complete training about those services, as specified.

The bill would require the department, as part of its quarterly briefings to the Legislature, to provide certain information on the status of implementation of these provisions. The bill would make changes to related legislative findings.

(8) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(9) The Budget Act of 2021 made appropriations for the support of state government for the 2021–22 fiscal year.

This bill would reappropriate specified amounts from the Budget Act of 2021 to extend the period to liquidate encumbrances of those funds to June 30, 2025.

(10) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: yes

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## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 95004 of the Government Code, as amended by Section 1 of Chapter 25 of the Statutes of 2012, is amended to read:

**95004.** The early intervention services specified in this title shall be provided as follows:

(a) Direct services for eligible infants and toddlers and their families shall be provided pursuant to the existing regional center system under the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and the existing local education agency system under appropriate sections of Part 30

(commencing with Section 56000) of Division 4 of Title 2 of the Education Code and regulations adopted pursuant thereto, and Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431 et seq.).

(b) (1) In providing services under this title, regional centers shall comply with the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code), and its implementing regulations (Division 2 (commencing with Section 50201) of Title 17 of the California Code of Regulations), including, but not limited to, those provisions relating to vendorization and ratesetting, except if compliance with those provisions would result in any delays in the provision of early intervention, or otherwise conflict with this title and the regulations implementing this title (Chapter 2 (commencing with Section 52000) of Division 2 of Title 17 of the California Code of Regulations), or Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431 et seq.), and applicable federal regulations contained in Part 303 (commencing with Section 303.1) of Title 34 of the Code of Federal Regulations. Notwithstanding any other law or regulation, private health insurance for medical services or a health care service plan identified in the individualized family service plan, other than for evaluation and assessment, shall be used in compliance with applicable federal and state law and regulation.

(2) When compliance with this subdivision would result in any delays in the provision of early intervention services for the provision of any of these services, the department may authorize a regional center to use a special service code that allows immediate procurement of the service.

(c) The use of private health insurance or a health care service plan to pay for early intervention services under Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1431 et seq.) shall not:

(1) Count towards or result in a loss of benefits due to the annual or lifetime health insurance or health care service plan coverage caps for the infant or toddler with a disability, the parent, or the child's family members who are covered under that health insurance policy or health care service plan contract.

(2) Negatively affect the availability of health coverage for the infant or toddler with a disability, the parent, or the child's family members who are covered under that health insurance policy or health care service plan contract, or result in a discontinuance of the health insurance policy or the health care service plan contract or coverage under the health insurance policy or health care service plan contract for these individuals.

(3) Be the basis for increasing the health insurance or health care service plan premium of the infant or toddler with a disability, the parent, or the child's family members covered under that health insurance policy or health care service plan contract.

(d) Services shall be provided by family resource centers that provide, but are not limited to, parent-to-parent support, information dissemination and referral, public awareness, family professional collaboration activities, and transition assistance for families.

(e) Existing obligations of the state to provide these services at state expense shall not be expanded.

(f) It is the intent of the Legislature that services be provided in accordance with Sections 303.124, 303.126, and 303.527 of Title 34 of the Code of Federal Regulations.

**SEC. 2.** Section 95020 of the Government Code is amended to read:

**95020.** (a) An eligible infant or toddler shall have an individualized family service plan. The individualized family service plan shall be used in place of an individual program plan required pursuant to Sections 4646 and 4646.5 of the Welfare and Institutions Code, the individualized education program required pursuant to Section 56340 of the Education Code, or any other applicable service plan.

(b) For an infant or toddler who has been evaluated for the first time, a meeting to share the results of the evaluation, to determine eligibility and, for children who are eligible, to develop the initial individualized family service plan shall be conducted within 45 calendar days of receipt of the written referral. Evaluation results and determination of eligibility may be shared in a meeting with the family prior to the individualized family service plan. Written parent consent, or consent by a legal guardian, to evaluate and assess shall be obtained within the 45-day timeline. A regional center, local educational agency, or the designee of one of those entities shall initiate and conduct this meeting. Families shall be afforded the opportunity to participate in all decisions regarding eligibility and services. During intake and assessment, but no later than the individualized family service plan meeting, the parents, legal guardian, or conservator shall provide copies of any health benefit cards under which the consumer is eligible to receive health benefits, including, but not limited to, private health insurance, a health care service plan, Medi-Cal, Medicare, and TRICARE. If the individual, or, if appropriate, the parents, legal guardians, or conservators, do not have any benefits, the regional center shall not use that fact to negatively impact the services that the individual may or may not receive from the regional center.

(c) (1) Parents and legal guardians shall be fully informed of their rights, including the right to invite another person, including a family member or an advocate or peer parent, or any or all of them, to accompany them to any or all individualized family service

plan meetings. Notwithstanding any other law, at the request of the parent or legal guardian, an individualized family service plan meeting shall be held by remote electronic communications.

(2) (A) If a regional center has not held an in-person individualized family service plan meeting or completed any other in-person meeting or visit in the previous six months, the regional center shall hold an in-person individualized family service plan meeting, or other meeting, or visit at a location and at a time that is convenient for, and reflects the preference of, the parent, legal guardian, or authorized representative. This requirement on the part of the regional center shall not impede, delay, or prevent the timely development or revision of an individualized family service plan, or the timely authorization or receipt of services and supports.

(B) The in-person meeting requirement established in this subparagraph shall remain in effect pending the department's review, in coordination with stakeholders, of implementation of this subdivision, as amended by the act that added this paragraph. The review shall include the development of recommendations that may include, but not be limited to, whether and to what extent the in-person requirements are effective in assisting the infant or toddler in meeting the goals stated in the individual family service plan, in positively facilitating and improving service access and equity, and in helping to build relationships between service coordinators and parents, legal guardians, or authorized representatives. The department shall, after consulting with and receiving input from stakeholders, provide an update to the Legislature on the status of the review no later than January 10, 2026, and shall provide, with any additional consultation and documented input from stakeholders, the completed review to the Legislature no later than May 14, 2026.

(3) With parental consent, or consent by a legal guardian, a referral shall be made to the local family resource center or network. A request for consent shall be offered to the parents or the legal guardian at the initial individualized family service plan meeting and at any subsequent individualized family service plan meeting, if consent was not previously obtained.

(d) The individualized family service plan shall be in writing and shall address all of the following:

(1) A statement of the infant's or toddler's present levels of physical development including vision, hearing, and health status, cognitive development, communication development, social and emotional development, and adaptive developments.

(2) With the concurrence of the family, a statement of the family's concerns, priorities, and resources related to meeting the special developmental needs of the eligible infant or toddler.

(3) A statement of the major outcomes expected to be achieved for the infant or toddler and family where services for the family are related to meeting the special developmental needs of the eligible infant or toddler.

(4) The criteria, procedures, and timelines used to determine the degree to which progress toward achieving the outcomes is being made and whether modifications or revisions are necessary.

(5) (A) A statement of the specific early intervention services necessary to meet the unique needs of the infant or toddler as identified in paragraph (3), including, but not limited to, the frequency, intensity, location, duration, and method of delivering the services, including by remote electronic communications, and ways of providing services in natural generic environments, including group training for parents and legal guardians on behavioral intervention techniques in lieu of some or all of the in-home parent and legal guardian training component of the behavior intervention services, and purchase of neighborhood preschool services and needed qualified personnel in lieu of infant development programs.

(B) Effective July 1, 2009, at the time of development, review, or modification of an infant's or toddler's individualized family service plan, the regional center shall consider both of the following:

(i) The use of group training for parents and legal guardians on behavior intervention techniques, in lieu of some or all of the in-home parent and legal guardian training component of the behavior intervention services.

(ii) The purchase of neighborhood preschool services and needed qualified personnel, in lieu of infant development programs.

(6) A statement of the agency responsible for providing the identified services.

(7) The name of the service coordinator who shall be responsible for facilitating implementation of the plan and coordinating with other agencies and persons.

(8) The steps to be taken to ensure transition of the infant or toddler upon reaching three years of age to other appropriate services. These may include, as appropriate, special education or other services offered in natural environments.

(9) The projected dates for the initiation of services in paragraph (5) and the anticipated duration of those services.

(e) Each service identified in the individualized family service plan shall be designated as one of three types:

(1) An early intervention service, as defined in subsection (4) of Section 1432 of Title 20 of the United States Code, and applicable regulations, that is provided or purchased through the regional center, local educational agency, or other participating agency. The State Department of Health Care Services and the State Department of Social Services shall provide services in accordance with state and federal law and applicable regulations, and up to the level of funding as appropriated by the Legislature. Early intervention services identified in an individualized family service plan that exceed the funding, statutory, and regulatory requirements of these departments shall be provided or purchased by regional centers or local educational agencies under subdivisions (b) and (c) of Section 95014. The State Department of Health Care Services and the State Department of Social Services shall not be required to provide early intervention services over their existing funding, statutory, and regulatory requirements.

(2) Another service, other than those specified in paragraph (1), that the eligible infant or toddler or their family may receive from other state programs, subject to the eligibility standards of those programs.

(3) A referral to a nonrequired service that may be provided to an eligible infant or toddler or their family. Nonrequired services are those services that are not defined as early intervention services or do not relate to meeting the special developmental needs of an eligible infant or toddler related to the disability, but that may be helpful to the family. The granting or denial of nonrequired services by a public or private agency is not subject to appeal under this title. Notwithstanding any other law or regulation to the contrary, effective July 1, 2009, with the exception of durable medical equipment, regional centers shall not purchase nonrequired services, but may refer a family to a nonrequired service that may be available to an eligible infant or toddler or their family.

(f) An annual review, and other periodic reviews, of the individualized family service plan for an infant or toddler and the infant's or toddler's family shall be conducted to determine the degree of progress that is being made in achieving the outcomes specified in the plan and whether modification or revision of the outcomes or services is necessary. The frequency, participants, purpose, and required processes for annual and periodic reviews shall be consistent with the statutes and regulations under Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) and this title, and shall be specified in regulations adopted pursuant to Section 95028. At the time of the review, the parents, legal guardian, or conservator shall provide copies of any health benefit cards under which the consumer is eligible to receive health benefits, including, but not limited to, private health insurance, a health care service plan, Medi-Cal, Medicare, and TRICARE. If the parents, legal guardian, or conservator have no such benefit cards, the regional center shall not use that fact to negatively impact the services that the individual may or may not receive from the regional center.

(g) (1) A regional center shall communicate and provide written materials in the family's native language during the assessment, evaluation, and planning process for the individualized family service plan, as required by Part C of the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) and implementing regulations, and as required by Sections 11135 to 11139, inclusive, and implementing regulations, including providing alternative communication services pursuant to Sections 11161 and 11162 of Title 2 of the California Code of Regulations.

(2) The family's native language shall be documented in the individualized family service plan.

**SEC. 3.** Section 4512 of the Welfare and Institutions Code is amended to read:

**4512.** As used in this division:

(a) (1) "Developmental disability" means a disability that originates before an individual attains 18 years of age, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. As defined by the Director of Developmental Services, in consultation with the Superintendent of Public Instruction, this term shall include intellectual disability, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to intellectual disability or to require treatment similar to that required for individuals with an intellectual disability, but shall not include other handicapping conditions that are solely physical in nature.

(2) (A) A child who is under five years of age shall be provisionally eligible for regional center services if the child has a disability that is not solely physical in nature and has significant functional limitations in at least two of the following areas of major life activity, as determined by a regional center and as appropriate to the age of the child:

(i) Self-care.

(ii) Receptive and expressive language.

(iii) Learning.

(iv) Mobility.

(v) Self-direction.

(B) To be provisionally eligible, a child is not required to have one of the developmental disabilities listed in paragraph (1).

(3) (A) An infant or toddler referred for early intervention services from the regional center pursuant to the California Early Intervention Services Act (Title 14 (commencing with Section 95000) of the Government Code) may be concurrently assessed, if appropriate, to determine whether the infant or toddler is provisionally eligible for regional center services under paragraph (2) or eligible for regional center services under paragraph (1).

(B) If the regional center determines that the infant or toddler qualifies for early intervention services from the regional center pursuant to the California Early Intervention Services Act (Title 14 (commencing with Section 95000) of the Government Code) but has not been found to have a developmental disability as defined in paragraph (1) or to be provisionally eligible as defined in paragraph (2), the regional center shall assess the child at least 90 days prior to the date that they turn three years of age for purposes of determining their eligibility for regional center services under this section. If the regional center determines the child is not eligible, the regional center shall give adequate notice pursuant to Section 4701.

(4) A child who is provisionally eligible pursuant to paragraph (2) shall be reassessed at least 90 days before turning five years of age. The child shall meet the definition set forth in paragraph (1) to continue to be eligible for regional center services at five years of age.

(5) Regional center services for a child who was provisionally eligible pursuant to paragraph (2) and who does not meet the definition in paragraph (1) shall end when the child is five years of age unless an appeal was filed pursuant to Section 4715.

(b) "Services and supports for persons with developmental disabilities" means specialized services and supports or special adaptations of generic services and supports directed toward the alleviation of a developmental disability or toward the social, personal, physical, or economic habilitation or rehabilitation of an individual with a developmental disability, or toward the achievement and maintenance of an independent, productive, and normal life. The determination of which services and supports are necessary for each consumer shall be made through the individual program plan process. The determination shall be made on the basis of the needs and preferences of the consumer or, when appropriate, the consumer's family, and shall include consideration of a range of service options proposed by individual program plan participants, the effectiveness of each option in meeting the goals stated in the individual program plan, and the cost-effectiveness of each option. Services and supports listed in the individual program plan may include, but are not limited to, diagnosis, evaluation, treatment, personal care, daycare, domiciliary care, special living arrangements, physical, occupational, and speech therapy, training, education, supported and sheltered employment, mental health services, recreation, counseling of the individual with a developmental disability and of the individual's family, protective and other social and sociolegal services, information and referral services, follow-along services, adaptive equipment and supplies, advocacy assistance, including self-advocacy training, facilitation and peer advocates, assessment, assistance in locating a home, childcare, behavior training and behavior modification programs, camping, community integration services, community support, daily living skills training, emergency and crisis intervention, facilitating circles of support, habilitation, homemaker services, infant stimulation programs, paid roommates, paid neighbors, respite, short-term out-of-home care, social skills training, specialized medical and dental care, telehealth services and supports, as described in Section 2290.5 of the Business and Professions Code, supported living arrangements, technical and financial assistance, travel training, training for parents of children with developmental disabilities, training for parents with developmental disabilities, vouchers, and transportation services necessary to ensure delivery of services to persons with developmental disabilities. This subdivision does not expand or authorize a new or different service or support for any consumer unless that service or support is contained in the consumer's individual program plan.

(c) Notwithstanding subdivisions (a) and (b), for any organization or agency receiving federal financial participation under the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000, Chapter 144 (commencing with Section 15001) of Title 42 of the United States Code, as amended, "developmental disability" and "services for persons with developmental disabilities" mean the terms as defined in the federal act to the extent required by federal law.

(d) "Consumer" means a person who has a disability that meets the definition of developmental disability set forth in subdivision (a).

(e) "Natural supports" means personal associations and relationships typically developed in the community that enhance the quality and security of life for people, including, but not limited to, family relationships, friendships reflecting the diversity of the neighborhood and the community, associations with fellow students or employees in regular classrooms and workplaces, and associations developed through participation in clubs, organizations, and other civic activities.

(f) "Circle of support" means a committed group of community members, who may include family members, meeting regularly with an individual with developmental disabilities in order to share experiences, promote autonomy and community involvement, and assist the individual in establishing and maintaining natural supports. A circle of support generally includes a plurality of members

who neither provide nor receive services or supports for persons with developmental disabilities and who do not receive payment for participation in the circle of support.

(g) "Facilitation" means the use of modified or adapted materials, special instructions, equipment, or personal assistance by an individual, such as assistance with communications, that will enable a consumer to understand and participate to the maximum extent possible in the decisions and choices that affect the individual's life.

(h) "Family support services" means services and supports that are provided to a child with developmental disabilities or the child's family and that contribute to the ability of the family to reside together.

(i) "Voucher" means any authorized alternative form of service delivery in which the consumer or family member is provided with a payment, coupon, chit, or other form of authorization that enables the consumer or family member to choose a particular service provider.

(j) "Planning team" means the individual with developmental disabilities, the parents or legally appointed guardian of a minor consumer or the legally appointed conservator of an adult consumer, the authorized representative, including those appointed pursuant to subdivision (a) of Section 4541, one or more regional center representatives, including the designated regional center service coordinator pursuant to subdivision (b) of Section 4640.7, any individual, including a service provider, invited by the consumer, the parents or legally appointed guardian of a minor consumer or the legally appointed conservator of an adult consumer, or the authorized representative, including those appointed pursuant to subdivision (a) of Section 4541, and including a minor's, dependent's, or ward's court-appointed developmental services decisionmaker appointed pursuant to Section 319, 361, or 726.

(k) "Stakeholder organizations" means statewide organizations representing the interests of consumers, family members, service providers, and statewide advocacy organizations.

(l) (1) "Substantial disability" means the existence of significant functional limitations in three or more of the following areas of major life activity, as determined by a regional center, and as appropriate to the age of the person:

(A) Self-care.

(B) Receptive and expressive language.

(C) Learning.

(D) Mobility.

(E) Self-direction.

(F) Capacity for independent living.

(G) Economic self-sufficiency.

(2) A reassessment of substantial disability for purposes of continuing eligibility shall utilize the same criteria under which the individual was originally made eligible.

(m) "Native language" means the language normally used or the preferred language identified by the individual and, when appropriate, the individual's parent, legal guardian or conservator, or authorized representative.

(n) "Authorized representative" means an individual appointed by the State Council on Developmental Disabilities pursuant to subdivision (a) of Section 4541 or who is an authorized representative, as defined in Section 4701.

**SEC. 4.** Section 4519.10 of the Welfare and Institutions Code is amended to read:

**4519.10.** (a) The Legislature finds and declares all of the following:

(1) The current service provider rate structure in the system administered by the State Department of Developmental Services lacks transparency, remains complex, is not tied to person-centered outcomes, and varies across providers who provide the same service in the same region.

(2) In 2016, the Legislature funded a rate study to address the sustainability, quality, and transparency of community-based services for individuals with developmental disabilities.

(3) The department, with the help of a consultant, completed the rate study in 2019 and subsequently submitted the study's findings and recommendations to the Legislature. Among other things, the study recommended all of the following:

(A) Within each service category, rate models that include components that may be regularly updated.



(B) Regional differentials to account for regional variance in the cost of living and doing business.

(C) Enhanced rates for services delivered in other languages, including American Sign Language.

(D) An optional add-on for direct service professional levels and wage differentials based on training and demonstrated competency.

(E) The consolidation of certain service codes.

(4) The rate study's fiscal impact analysis indicated that full implementation of these rate models would cost an additional one billion one hundred million dollars (\$1,100,000,000) from the General Fund, or one billion eight hundred million dollars (\$1,800,000,000) of total funds, in the 2019–20 fiscal year.

(5) The recommendations from the rate study and the associated rate models have not been implemented, even as rate study findings informed supplemental rate increases for many service categories in the 2019–20 fiscal year and three additional service categories in the 2020–21 fiscal year.

(6) For Medi-Cal eligible consumers, the department receives federal Medicaid reimbursements to support home- and community-based services provided to those consumers.

(7) Direct service professionals employed by service providers are critical to the quality and provision of services and supports to individuals with intellectual and developmental disabilities.

(8) A prevailing need and challenge within the developmental services system is moving from a compliance-based system to an outcomes-based system. Outcome measures must reinforce the system's core values of meeting individual needs based on person-centered planning. The implementation of rates, pursuant to this section, should support this person-centered transformation through consideration of incentive payments, alternative payment models, alternative service delivery, lessons learned from the COVID-19 pandemic period, person-centered and culturally and linguistically sensitive and competent approaches, training of direct service professionals, compliance with the federal home- and community-based services rule set to take effect on March 17, 2023, and methods for assessing and reporting outcomes.

(9) To improve consumer outcomes and experiences and measure overall system performance, four goals should guide rate reform:

(A) Consumer experience.

(B) Equity.

(C) Quality and outcomes.

(D) System efficiencies.

(b) Therefore, it is the intent of the Legislature to phase in funding and policies beginning in the 2021–22 fiscal year to implement rate reform, which shall include a quality incentive program, create an enhanced person-centered, outcomes-based system, and complete this transformation by July 1, 2025.

(c) (1) (A) Commencing April 1, 2022, the department shall implement a rate increase for service providers that equals one-quarter of the difference between current rates and the fully funded rate model for each provider.

(B) Commencing January 1, 2023, and continuing through December 31, 2024, the department shall adjust rates to equal one-half of the difference between rates in effect March 31, 2022, and the fully funded rate model for each provider, and additional funding shall be available for the quality incentive program described in subdivision (e).

(i) Notwithstanding any other law or regulation, it is the intent of the Legislature that the majority of the rate increase described in this subparagraph for the 2022–23 fiscal year be used for the purpose of enhancing wages and benefits for staff who spend a minimum of 75 percent of their time providing direct services to consumers.

(ii) Commencing January 1, 2023, a provider shall not spend a smaller percentage of the rate increase on direct care staff wages and benefit costs than the corresponding percentage included for direct care staff wages and benefit costs in the rate models for each specific service.

(iii) A provider granted a rate increase pursuant to this section shall maintain documentation, subject to audit by the department or regional center, that the portion of the rate increase identified in this subparagraph was used to increase wages, salaries, or benefits of eligible staff members spending a minimum of 75 percent of their time providing direct services to consumers at least at the same percentage as provided in the rate models.

(iv) For the purpose of this subparagraph, "direct services" are services, supports, care, supervision, or assistance provided by staff directly to a consumer to address the consumer's needs, as identified in the individual program plan, and includes staff's participation in training and other activities directly related to providing services to consumers, as well as program preparation functions as defined in Section 54302 of Title 17 of the California Code of Regulations.

(v) Commencing July 1, 2023, a vendor shall be in compliance with the home- and community-based final rule, effective March 17, 2014, or implementing a corrective action plan, to be eligible for the quality incentive program described in subdivision (e).

(C) (i) Commencing January 1, 2025, the department shall implement the fully funded rate models. The fully funded rate models shall be implemented using two payment components, a base rate equaling 90 percent of the rate model, and a quality incentive payment, equaling up to 10 percent of the rate model, to be implemented through the quality incentive program described in subdivision (e).

(ii) Notwithstanding any other law, commencing July 1, 2024, the rate models shall be updated to account for the current and any subsequent changes to the statewide minimum wage, as established by Section 1182.12 of the Labor Code, or other relevant statute.

(2) (A) Effective January 1, 2025, it is the intent of the Legislature that rates be uniform within service categories and adjusted for geographic cost differentials, including differentials in wages, the cost of travel, and the cost of real estate.

(B) Providers who were not identified as requiring a rate increase in the rate study are not eligible for rate adjustments pursuant to paragraph (1).

(d) (1) Beginning in the 2021–22 fiscal year, the department shall implement a hold harmless policy for providers whose rates exceed rate model recommendations. The policy shall freeze a provider's existing rates until June 30, 2026, after which time the provider's rates shall be adjusted to equal the rates for other providers in the provider's service category and region.

(2) Beginning January 1, 2025, the department shall also implement a hold harmless policy for providers whose rates in effect on January 1, 2023, exceed 90 percent of the rate model. The policy shall freeze a provider's base rate at the rate in effect on January 1, 2023, until June 30, 2026, after which time the provider's base rates shall be adjusted to equal the base rates for other providers in the provider's service category and region. The provider shall be eligible for a quality incentive payment that, when added to their base rate, equals the fully funded rate model.

(3) Notwithstanding paragraphs (1) and (2), the department may adjust rates as a result of reviews or audits.

(e) In conjunction with implementing rate reform, the department shall implement a quality incentive program in order to improve consumer outcomes, service provider performance, and the quality of services.

(1) (A) The department shall, with input from stakeholders, develop quality measures or benchmarks, or both, for consumer outcomes and regional center and service provider performance. Given the time necessary to identify and develop the measures or benchmarks described in this paragraph, the department may establish quality measures or benchmarks, or both, 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. Measures or benchmarks, or both, shall initially include process- and performance-related measures for service providers and, by the conclusion of the 2025–26 fiscal year, shall also evolve to include outcome measures at the individual consumer level. In developing the proposed measures or benchmarks, or both, the department shall do all of the following:

(i) Gather public input through regularly held public meetings that are accessible both virtually and by telephone. Public meeting agendas and meeting materials shall be posted at least three days in advance of any meeting and shared by various means, including internet website updates, focus groups, and other communication.

(ii) Provide documents, which may include, but are not limited to, updates, concept papers, interim reports, proposals, and performance and quality measures and benchmarks, and revisions to these materials, to the Legislature and post these materials on an internet website for public comment at least 30 days, as required by the Centers for Medicare and Medicaid Services, prior to submitting a request for federal funding.

(iii) Seek input from subject matter experts to understand options for outcomes-based system structures using person-centered planning and alternative payment models.

(B) (i) On or before April 1, 2022, proposed quality measures or benchmarks, or both, shall be provided to the Legislature and posted for public comment, as described in subparagraph (A). After the department has considered public comments and modified the proposed quality measures or benchmarks, or both, as needed, the measures or benchmarks, or both, shall be finalized and implemented in the 2022–23 fiscal year.

(ii) On or before April 1 of any subsequent year in which the department proposes new or revised quality measures or benchmarks, or both, the proposed measures or benchmarks, or both, shall be provided to the Legislature and posted for public comment, as described in subparagraph (A). After the department has considered public comments and modified the proposed quality measures or benchmarks, or both, as needed, the measures or benchmarks, or both, shall be finalized and implemented in the upcoming fiscal year.

(C) Beginning in the 2024–25 fiscal year, there will be opportunity for eligible providers to earn full quality incentive payments through one or more measures.

(2) (A) The department shall develop a quality incentive payment structure for providers meeting the quality measures or benchmarks, or both, developed pursuant to paragraph (1). The department shall issue written directives to define the way quality incentive payments will be made to service providers based on quality measures or benchmarks, or both, developed and implemented under this subdivision.

(B) The department shall determine each provider's quality incentive payment percentage prior to the start of the fiscal year, with the exception of the 2024–25 fiscal year, by measuring the provider's performance against the quality measures or benchmarks for the most recently available reporting period. The department shall provide a written communication to the fiscal and policy committees of the Legislature that reports on the total amount of quality incentive payments estimated to be paid to providers pursuant to this section. This written communication shall be made as soon as is practicable, but no later than 60 days after the quality incentive payment percentages are determined and the providers are informed of their payments.

(f) On or before March 1, 2024, the department shall provide a status update to the Legislature regarding progress toward implementing rate reform and creating an enhanced person-centered, outcomes-based system. The status update may include, but is not limited to, information about all of the following:

(1) Additional changes that may be necessary to effectively implement rate reform, including adding and amending statutes, regulations, and other departmental policies.

(2) Compliance with rules of the federal Medicaid program, including the home- and community-based services final rule effective on March 17, 2014, and state compliance consistent with the current federal guidance, including all of the following:

(A) A definition of what it means to be compliant with the rules of the federal Medicaid program.

(B) Whether there are certain service categories that are unlikely to achieve compliance due to the structure of the service, and, if so, which categories this includes.

(C) Data about the total number of providers within each service category and the estimated number of providers that have not yet achieved compliance.

(3) Program and system improvement efforts made as a result of the state's home- and community-based services additional federal funding, including the one-time investment implemented beginning in the 2021–22 state fiscal year, including a description of how the department will build on the investments.

(g) For purposes of this section, "rate model" means a rate model included in the rate study submitted to the Legislature pursuant to Section 4519.8.

(h) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this section by means of written directives or similar instructions until regulations are adopted, which shall occur no later than June 30, 2028.

(i) Implementation of this section is contingent upon the approval of federal funding.

**SEC. 5.** Chapter 4.1 (commencing with Section 4580) is added to Division 4.5 of the Welfare and Institutions Code, to read:

#### **CHAPTER 4.1. Master Plan for Developmental Services in California**

**4580.** (a) The Legislature finds and declares all of the following:

(1) More than 460,000 Californians who have intellectual and developmental disabilities are currently served at the State Department of Developmental Services' 21 regional centers. Since 2019, the number of Californians served by the state's developmental services system has grown by 31 percent, with significant growth among young people of color under 22 years of age who have an autism diagnosis.

(2) The experiences and outcomes of Californians served by the state's developmental services system impact not only people with disabilities, but also their families and local communities.

(3) California is the only state in the nation that provides developmental services and supports as an entitlement, with an intentional focus on home- and community-based services.

(4) Over the last decade, California and the federal government have prioritized the inclusion of people with intellectual and developmental disabilities in their communities, while avoiding institutional settings.

(5) Individuals receiving services through California's developmental services system are often deeply connected to other health and social systems. Across the state, people with intellectual and developmental disabilities and their families rely on services provided through multiple state and local entities, including, but not limited to, the State Department of Developmental Services, the State Department of Health Care Services, the California Department of Aging, the State Department of Social Services, the Department of Rehabilitation, and the State Department of Education.

(6) Multiple entities have issued reports identifying opportunities for improving consumer experiences and the provision of developmental services, including the California State Auditor's Office in 2021 and the Little Hoover Commission in 2023.

(7) These reports and other research studies have identified the following:

(A) There are wide racial, ethnic, and geographic disparities in the access to services provided in the developmental services system, as measured by purchase of service spending.

(B) Consumer experiences vary significantly across the 21 regional centers, reflecting variation in policies and processes across the regional centers.

(C) There are challenges faced by individuals and families navigating programs or systems that provide "generic" services and that are required to be accessed by consumers before receiving funded services through a regional center.

(D) For several years, staffing models have led to many regional centers assigning more consumers to each service coordinator than authorized by statutory staffing requirements, which has limited the abilities of service coordinators to assist individuals and families in accessing services.

(8) The Secretary of California Health and Human Services appointed members of the Master Plan for Developmental Services Committee for a one-year term, with the intent that they collectively deliver a master plan by March of 2025.

(9) In 2024, the California Health and Human Services Agency will engage in outreach activities such as roundtable discussions and focus groups in communities across the state to learn about the lived experiences of individuals with intellectual and developmental disabilities, their families, and system partners.

(b) It is the intent of the Legislature in enacting this chapter that a Master Plan for Developmental Services is developed that strengthens accessibility, quality, and equity of the developmental services system for all system consumers and their families, regardless of their language spoken, demographic group, geographic region, or socioeconomic status, and improves the accountability and transparency of the systems supporting them.

**4581.** (a) The Secretary of California Health and Human Services, in coordination with the State Department of Developmental Services, shall lead the development and implementation of the master plan for developmental services referenced in Governor Gavin Newsom's January 2024 Budget proposal and in the subsequent proclamation by the Governor that declared March 2024 as Developmental Disabilities Awareness Month.

(b) Other state entities that interact with the State Department of Developmental Services shall be included in discussions with the Master Plan for Developmental Services Committee as applicable. These entities shall include, but not be limited to, the State Department of Health Care Services, the State Department of Social Services, the Department of Rehabilitation, the California Department of Aging, the State Department of Education, and the agencies listed in subdivision (f).

(c) The Secretary of California Health and Human Services shall solicit input through the committee, or through other means, from individuals with intellectual and developmental disabilities and their families, professionals in the developmental services field, and a broad range of subject matter experts.

(d) When the California Health and Human Services Agency convenes meetings of the master plan committee, the information and materials about the work of the master plan committee shall be posted on the California Health and Human Services Agency's internet website in a timely manner.

(e) By March 15, 2025, the Secretary of California Health and Human Services shall submit an initial report to the Governor and the Legislature that summarizes the recommended components of the master plan resulting from the master plan committee advisory process, the community roundtable discussions, and the public comment received.

(f) The secretary and the director shall work with other state agencies and departments, as necessary, to identify policies, efficiencies, and strategies necessary to implement the master plan, which may include any of the following:

- (1) The California Health and Human Services Agency.
- (2) The Government Operations Agency.
- (3) The State Department of Education.
- (4) The Labor and Workforce Development Agency.
- (5) The Transportation Agency.
- (6) The Business, Consumer Services, and Housing Agency.
- (7) The Behavioral Health Services Oversight and Accountability Commission.
- (8) The office of the Treasurer.

(g) The workgroup shall solicit input from stakeholders and gather information on the experiences of Californians with intellectual and developmental disabilities and their families in the implementation process of the master plan.

(h) The Secretary of California Health and Human Services shall submit master plan implementation updates to the Governor and the Legislature annually beginning March 15, 2026, to March 15, 2036, inclusive. The updates shall include, but are not limited to, identification of any statutory changes, funding requirements, and changes to the department's new case management system considered necessary to effectively implement the plan.

(i) Any funding needed to support program enhancements proposed in the master plan is subject to an appropriation by the Legislature for those purposes.

(j) A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

**SEC. 6.** Section 4620.3 of the Welfare and Institutions Code is amended to read:

**4620.3.** (a) To provide more uniformity and consistency in the administrative practices and services of regional centers throughout the state, promote appropriateness of services, maximize efficiency of funding, address the state budget deficit, ensure consistency with Lanterman Act values, maintain the entitlement to services, and improve cost-effectiveness, the department, in collaboration with stakeholders, shall develop best practices for the administrative management of regional centers and for regional centers to use when purchasing services for consumers and families.

(b) In developing regional center administrative management best practices, the department shall consider the establishment of policies and procedures to ensure prudent fiscal and program management by regional centers; effective and efficient use of public resources; consistent practices to maximize the use of federal funds; detection and prevention of fraud, waste, and abuse; and proper contracting protocols.

(c) In developing purchase of services best practices, the department shall consider eligibility for the service; duration of service necessary to meet objectives set in an individual program plan; frequency and efficacy of the service necessary to meet objectives in an individual program plan; impact on community integration; service providers' qualifications and performance; rates; parental and consumer responsibilities pursuant to Sections 4646.4, 4659, 4677, and 4784 of this code and Section 95004 of the Government Code; and self-directed service options.

(d) The department shall ensure that implementation of best practices that impact individual services and supports are made through the individual program planning process provided for in this division or an individualized family service plan pursuant to Section 95020 of the Government Code, and that consumers and families are notified of any exceptions or exemptions to the best practices and their appeal rights established in Section 4701.

(e) Purchase of services best practices developed pursuant to this section may vary by service category and may do all of the following:

- (1) Establish criteria determining the type, scope, amount, duration, location, and intensity of services and supports purchased by regional centers for consumers and their families.
- (2) Modify payment rates.
- (3) Reflect family and consumer responsibilities, pursuant to Sections 4646.4, 4659, 4677, and 4784 of this code and Section 95004 of the Government Code.

(f) Purchase of services best practices shall include provisions for exceptions to ensure the health and safety of the consumer or to avoid out-of-home placement or institutionalization.

(g) Best practices developed pursuant to this section shall not do either of the following:

(1) Endanger a consumer's health or safety.

(2) Compromise the state's ability to meet its commitments to the federal Centers for Medicare and Medicaid Services for participation in the Home and Community-Based Services Waiver or other federal funding of services for persons with developmental disabilities.

(h) The department shall submit the proposed best practices to the fiscal and applicable policy committees of the Legislature by no later than May 15, 2011. This submission shall include a description of the process followed to collaborate with system stakeholders; the anticipated impact of the best practices, coupled with prior reductions on consumers, families, and providers; estimated cost savings associated with each practice; and draft statutory language necessary to implement the best practices. Implementation of the best practices shall take effect only upon subsequent legislative enactment.

**SEC. 7.** Section 4646 of the Welfare and Institutions Code is amended to read:

**4646.** (a) It is the intent of the Legislature that the individual program plan and provision of services and supports by the regional center system is centered on the individual and the family of the individual with developmental disabilities and takes into account the needs and preferences of the individual and the family, if appropriate. It is further the intent of the Legislature that the individual program plan be developed using a person-centered approach that reflects the needs and preferences of the consumer, and, as appropriate, their family. The services and supports provided by the regional center should assist each consumer in achieving their personal outcomes and life goals and promote inclusion in their community. It is the further intent of the Legislature to ensure that the provision of services to consumers and their families be effective in meeting the goals stated in the individual program plan, reflect the preferences and choices of the consumer, and reflect the cost-effective use of public resources.

(b) The individual program plan is developed through a process of individualized needs determination. The individual with developmental disabilities and, if appropriate, the individual's parents, legal guardian or conservator, or authorized representative, shall have the opportunity to actively participate in the development of the plan.

(c) An individual program plan shall be developed for any person who, following intake and assessment, is found to be eligible for regional center services. These plans shall be completed within 60 days of the completion of the assessment. At the time of intake, the regional center shall inform the consumer and, if appropriate, the consumer's parents, legal guardian or conservator, or authorized representative, of the services available through the state council and the protection and advocacy agency designated by the Governor pursuant to federal law, and shall provide the address and telephone numbers of those agencies.

(d) Individual program plans shall be prepared jointly by the planning team. Decisions concerning the consumer's goals, objectives, and services and supports that will be included in the consumer's individual program plan and purchased by the regional center or obtained from generic agencies shall be made by agreement between the regional center representative and the consumer or, if appropriate, the parents, legal guardian, conservator, or authorized representative at the program plan meeting.

(e) Regional centers shall comply with the request of a consumer or, if appropriate, the request of the consumer's parents, legal guardian, conservator, or authorized representative, that a designated representative receive written notice of all meetings to develop or revise the individual program plan and of all notices sent to the consumer pursuant to Section 4710. The designated representative may be a parent or family member.

(f) (1) Notwithstanding any other law, a meeting regarding the provision of services and supports by the regional center, including a meeting to develop or revise the individual program plan, shall be held by remote electronic communications if requested by the consumer or, if appropriate, if requested by the consumer's parents, legal guardian, conservator, or authorized representative.

(2) (A) If the regional center has not held an in-person individual program plan meeting or completed any other in-person meeting or visit with the consumer in the previous 12 months, the regional center shall hold an in-person individual program plan meeting or other meeting or visit at a location and at a time that is convenient for, and reflects the preference of, the consumer, and, as appropriate, their parent, legal guardian, conservator, or authorized representative. This requirement on the part of the regional center shall not impede, delay, or prevent the timely development or revision of an individual program plan, or the timely authorization or receipt of services and supports.

(B) The in-person meeting requirement established in this paragraph shall remain in effect pending the department's review, in coordination with stakeholders, of implementation of this subdivision, as amended by the act that added this paragraph. The review shall include the development of recommendations that may include, but not be limited to, whether and to what

extent the in-person requirements are effective in assisting the consumer in meeting the goals stated in the individual program plan, in positively facilitating and improving service access and equity, and in helping to build relationships between service coordinators and parents, legal guardians, conservators, or authorized representatives. The department shall, after consulting with and receiving input from stakeholders, provide an update to the Legislature on the status of the review no later than January 10, 2026 and shall provide, with any additional consultation and documented input from stakeholders, the completed review to the Legislature no later than May 14, 2026.

(g) At the conclusion of an individual program plan meeting, an authorized representative of the regional center shall provide to the consumer, in written or electronic format, a list of the agreed-upon services and supports, and, if known, the projected start date, the frequency and duration of the services and supports, and the provider. The authorized representative of the regional center shall sign the list of agreed-upon services and supports at that time. The consumer, or if appropriate, the consumer's parent, legal guardian, conservator, or authorized representative shall sign the list of agreed-upon services and supports prior to its implementation. The consumer, or if appropriate, the consumer's parent, legal guardian, conservator, or authorized representative, may elect to delay receipt of the list of agreed-upon services and supports pending final agreement, as described in subdivision (h). If the consumer, or if appropriate, the consumer's parent, legal guardian, conservator, or authorized representative, elects to delay the receipt of the list of agreed-upon services and supports for 15 days, the list shall be provided in the preferred language of the consumer, or of the consumer's parent, legal guardian, or authorized representative.

(h) If a final agreement regarding the services and supports to be provided to the consumer cannot be reached at a program plan meeting, then a subsequent program plan meeting shall be convened within 15 days, or later at the request of the consumer or, if appropriate, the parents, legal guardian, conservator, or authorized representative or if agreed to by the planning team. The list of the agreed-upon services and supports described in subdivision (g) and signed by the authorized representative of the regional center shall be provided, in writing or electronically, at the conclusion of the subsequent program plan meeting, and shall be provided in the preferred language of the consumer, or of the consumer's parent, legal guardian, conservator, or authorized representative. Additional program plan meetings may be held with the agreement of the regional center representative and the consumer or, if appropriate, the parents, legal guardian, conservator, or authorized representative.

(i) An authorized representative of the regional center and the consumer or, if appropriate, the consumer's parent, legal guardian, conservator, or authorized representative shall sign the individual program plan and the list of the agreed-upon services and supports prior to its implementation. If the consumer or, if appropriate, the consumer's parent, legal guardian, conservator, or authorized representative, does not agree with all components of the individual program plan, the consumer may indicate that disagreement on the plan. Disagreement with specific plan components shall not prohibit the implementation of services and supports agreed to by the consumer or, if appropriate, the consumer's parent, legal guardian, conservator, or authorized representative. If the consumer or, if appropriate, the consumer's parent, legal guardian, conservator, or authorized representative, does not agree with the plan in whole or in part, the consumer shall be sent written notice of their appeal rights, as required by Sections 4701 and 4710.

(j) (1) A regional center shall communicate in the consumer's preferred language, or, if appropriate, the preferred language of the consumer's family, legal guardian, conservator, or authorized representative, during the planning process for the individual program plan, including during the program plan meeting, and including providing alternative communication services, as required by Sections 11135 to 11139, inclusive, of the Government Code and implementing regulations.

(2) A regional center shall provide alternative communication services, including providing copies of the list of services and supports, and the individual program plan in the preferred language of the consumer or the consumer's family, legal guardian, conservator, or authorized representative, or both, as required by Sections 11135 to 11139, inclusive, of the Government Code and implementing regulations.

(3) The preferred language of the consumer or the consumer's family, legal guardian, conservator, or authorized representative, or both, shall be documented in the individual program plan.

**SEC. 8.** Section 4648.13 is added to the Welfare and Institutions Code, to read:

**4648.13.** (a) For the purposes of this section, the following definitions apply:

(1) "Probability sample or sampling" means a standard statistical methodology by which a sample is selected based on the mathematical theory of probability regarding the occurrence of random events.

(2) "Statistical extrapolation" means the methodology whereby an unknown value can be estimated by projecting the results of a probability sample to the universe from which the sample was drawn with a calculated precision.

(b) The State Department of Developmental Services and regional centers may utilize probability sampling and statistical extrapolation when conducting fiscal audits of service providers.

(c) Probability sampling shall be done using methodologies that are well-accepted by statisticians.

(d) Whenever the results of a probability sample are extrapolated, the audit report shall include a clear description of all the following:

(1) The universe from which the sample was drawn.

(2) The sample size and method used to select the sample.

(3) The formulas and calculation procedures used to determine the dollar amount at issue.

(4) The confidence level associated with the precision of the extrapolation.

**SEC. 9.** Section 4684 of the Welfare and Institutions Code is amended to read:

**4684.** (a) Notwithstanding any other law, the cost of providing 24-hour out-of-home nonmedical care and supervision in community care facilities licensed or approved pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code shall be funded by the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program pursuant to Section 11464, for children who are both AFDC-FC recipients and regional center consumers.

(b) The cost of providing adoption assistance benefits shall be funded by the Adoption Assistance Program (AAP) under Section 16121, for children who are both AAP recipients and regional center consumers.

(c) (1) For regional center consumers who are recipients of AFDC-FC benefits, regional centers shall purchase or secure the services that are contained in the child's Individualized Family Service Plan (IFSP) or Individual Program Plan (IPP) but that are not allowable under federal or state AFDC-FC provisions.

(2) For regional center consumers who are recipients of AAP benefits, regional centers shall purchase or secure the services that are contained in the child's IFSP or IPP.

(3) For regional center consumers receiving services under paragraph (1) or (2), these services shall be separately purchased or secured by the regional center, pursuant to Sections 4646 to 4648, inclusive, Section 4685, and Sections 95018 and 95020 of the Government Code.

(4) Regional centers shall accept referrals for evaluations of AFDC-FC-eligible children and children receiving AAP benefits for the purpose of determining eligibility for regional center services, pursuant to Section 4642. Regional centers shall assist county welfare and probation departments in identifying appropriate placement resources for children who are recipients of AFDC-FC and who are eligible for regional center services.

(d) (1) For purposes of this section, children who are recipients of AFDC-FC and regional center services who are residing with a relative or nonrelative extended family member pursuant to paragraph (2) of subdivision (f) of Section 319 or Section 362.7, or a facility defined in paragraph (5) or (6) of subdivision (a) of Section 1502 of the Health and Safety Code that is not vendored by the regional center as a residential facility, shall not be prohibited from receiving services defined in paragraph (38) of subdivision (a) of Section 54302 of Title 17 of the California Code of Regulations.

(2) AFDC-FC and AAP benefits shall be for care and supervision, as defined in subdivision (b) of Section 11460, and the regional centers shall separately purchase or secure other services contained in the child's IFSP or IPP pursuant to Section 4646 to 4648, inclusive, Section 4685, and Sections 95018 and 95020 of the Government Code. Notwithstanding any other law or regulation, the receipt of AFDC-FC or AAP benefits shall not be cause to deny any other services that a child or family for which the child or family is otherwise eligible pursuant to this division.

(e) This section shall apply to all recipients of AFDC-FC and AAP benefits, including those with rates established prior to the effective date of the act that adds this subdivision, pursuant to Sections 11464 and 16121.

(f) Regulations adopted by the department pursuant to this section shall be adopted as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for the purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare.

**SEC. 10.** Section 4685.7 of the Welfare and Institutions Code is amended to read:

**4685.7.** (a) Contingent upon approval of a federal waiver, the Self-Directed Services Program (SDS Program) is hereby established and shall be available in every regional center catchment area to provide participants, within an individual budget, greater control over needed services and supports. The Self-Directed Services Program shall be consistent with the requirements



set forth in this section. In order to provide opportunities to participate in the program, the department shall adopt regulations, consistent with federal law, to implement the procedures set forth in this section.

(b) For purposes of this section, all of the following definitions shall apply:

(1) "Financial management services" means a service or function that assists the participant to manage and direct the distribution of funds contained in the individual budget. This may include, but is not limited to, bill paying services and activities that facilitate the employment of service workers by the participant, including, but not limited to, federal, state, and local tax withholding payments, unemployment compensation fees, setting of wages and benefits, wage settlements, fiscal accounting, and expenditure reports. The department shall establish specific qualifications that shall be required of a financial management services provider.

(2) "Supports brokerage" means a service or function that assists participants in making informed decisions about the individual budget, and assists in locating, accessing and coordinating services consistent with and reflecting a participant's needs and preferences. The service is available to assist in identifying immediate and long-term needs, developing options to meet those needs, participating in the person-centered planning process and development of the individual program plan, and obtaining identified supports and services.

(3) "Supports broker" means a person, selected and directed by the participant, who fulfills the supports brokerage service or function and assists the participant in the SDS Program. Specific qualifications shall be established by the department and required of a supports broker provider.

(4) "Waiver" means a waiver of federal law pursuant to Section 1396n of Title 42 of the United States Code.

(5) "Independence Plus Self-Directed (IPSD) Waiver Program" or "Self-Directed Waiver Program" means a federal waiver to the state's Medicaid plan to allow a person with developmental disabilities who needs or requires long-term supports and services, and, when appropriate, the person's family, greater opportunity to control their own health and well-being by utilization of self-directed services.

(6) (A) "Self-directed services" or "SDS" means a voluntary delivery system consisting of a defined and comprehensive mix of services and supports, selected and directed by a participant, in order to meet all or some of the objectives in their individual program plan. Self-directed services are designed to assist the participant to achieve personally defined outcomes in inclusive community settings.

(B) Self-directed services shall include, but are not limited to, all of the following:

(i) Home health aide services.

(ii) Supported employment and prevocational services.

(iii) Respite services.

(iv) Supports broker functions and services.

(v) Financial management services and functions.

(vi) Environmental accessibility adaptations.

(vii) Skilled nursing.

(viii) Transportation.

(ix) Specialized medical equipment and supplies.

(x) Personal emergency response system.

(xi) Integrative therapies.

(xii) Vehicle adaptations.

(xiii) Communication support.

(xiv) Crises intervention.

(xv) Nutritional consultation.

(xvi) Behavior intervention services.

(xvii) Specialized therapeutic services.

(xviii) Family assistance and support.

(xix) Housing access supports.

(xx) Community living supports, including, but not limited to, socialization, personal skill development, community participation, recreation, leisure, home and personal care.

(xxi) Advocacy services.

(xxii) Individual training and education.

(xxiii) Participant-designated goods and services.

(xxiv) Training and education transition services.

(C) The department shall include all of the services and supports listed in this paragraph in the IPSP Waiver Program application. Notwithstanding this paragraph, only services and supports included in an approved IPSP Waiver shall be funded through the SDS Program.

(7) "Advocacy services" means services and supports that facilitate the participant in exercising their legal, civil, and service rights to gain access to generic services and benefits that the participant is entitled to receive. Advocacy services shall only be provided when other sources of similar assistance are not available to the participant, and when advocacy is directed towards obtaining generic services.

(8) "Individual budget" means the amount of funding available to the participant for the purchase of services and supports necessary to implement an individual program plan. The individual budget shall be constructed using a fair, equitable, and transparent methodology.

(9) "Risk pool" means an account that is available for use in addressing the unanticipated needs of participants in the SDS Program.

(10) "Participant" means an individual, and, when appropriate, their parents, legal guardian or conservator, or authorized representative, who have been deemed eligible for, and have voluntarily agreed to participate in, the SDS Program.

(c) Participation in the SDS Program is fully voluntary. A participant may choose to participate in, and may choose to leave, the SDS Program at any time. A regional center may not require participation in the SDS Program as a condition of eligibility for, or the delivery of, services and supports otherwise available under this division.

(d) The department shall develop informational materials about the SDS Program. The department shall ensure that regional centers are trained in the principles of SDS, the mechanics of the SDS Program, and the rights of consumers and families as candidates for, and participants, in the SDS Program. Regional centers shall conduct local meetings or forums to provide regional center consumers and families with information about the SDS Program. All consumers and families who express an interest in participating in the SDS program shall receive an in-depth orientation conducted by the regional center prior to enrollment in the program.

(e) Prior to enrollment in the SDS Program, and based on the methodologies described below, an individual, and, when appropriate, their parents, legal guardian or conservator, or authorized representative, shall be provided in writing two individual budget amounts. If the individual, and, when appropriate, their parents, legal guardian or conservator, or authorized representative, elects to become a participant in the SDS Program, the individual shall choose which of the two budget amounts provided will be used to implement their individual program plan.

(1) The methodologies and formulae for determining the two individual budget amounts shall be detailed in departmental regulations, as follows:

(A) One individual budget amount shall equal 90 percent of the annual purchase of services costs for the individual. The annual costs shall reflect the average annual costs for the previous two fiscal years for the individual.

(B) One individual budget amount shall equal 90 percent of the annual per capita purchase of service costs for the previous two fiscal years for consumers with similar characteristics, who do not receive services through the SDS Program, based on factors, including, but not limited to, age, type of residence, type of disability and ability, functional skills, and whether the individual is in transition. This budget methodology shall be constructed using data available on the State Department of Developmental Services information system.

(2) Once a participant has selected an individual budget amount, that individual budget amount shall be available to the participant each year for the purchase of self-directed services until a new individual budget amount has been determined. An individual budget amount shall be calculated no more than once in a 12-month period.

(3) As determined by the participant, the individual budget shall be distributed among the following budget categories in order to implement the IPP:

- (A) Community Living.
- (B) Health and Clinical Services.
- (C) Employment.
- (D) Training and Education.
- (E) Environment and Medical Supports.
- (F) Transportation.

(4) Annually, participants may transfer up to 10 percent of the funds originally distributed to any budget category set forth in paragraph (3), to another budget category or categories. Transfers in excess of 10 percent of the original amount allocated to any budget category may be made upon the approval of the regional center. Regional centers may only deny a transfer if necessary to protect the health and safety of the participant.

(5) The regional center shall annually ascertain from the participant whether there are any circumstances that require a change to the annual individual budget amount. The department shall detail in regulations the process by which this annual review shall be achieved.

(6) A regional center's calculation of an individual budget amount may be appealed to the executive director of the regional center, or their designee, within 30 days after receipt of the budget amount. The executive director shall issue a written decision within 10 working days. The decision of the executive director may be appealed to the Director of Developmental Services, or their designee, within 15 days of receipt of the written decision. The decision of the department is final.

(f) The department shall establish a risk pool fund to meet the unanticipated needs of participants in the SDS Program. The fund shall be administered by the department. Notwithstanding Section 13340 of the Government Code, all moneys in the fund shall be continuously appropriated to the department, without regard to fiscal years, for the purpose of funding services and supports pursuant to this subdivision.

(1) The risk pool shall be funded at the equivalent of 5 percent of the historic annual purchase of service costs for consumers participating in the SDS Program.

(2) The risk pool shall be allocated by the department to regional centers through a process specified by the department.

(3) The risk pool may be used only in the event of substantial change in a participant's service and support needs that were not known at the time the individual budget was set, including an urgent need to relocate a residence, and catastrophic injury or illness.

(4) The risk pool may be accessed by a participant more than once in a lifetime.

(g) In the first year of the SDS Program, the department shall provide for establishment of savings to the General Fund equivalent to 5 percent of the historic annual purchase of service costs for SDS program participants. In subsequent fiscal years, the department shall annually provide for establishment of savings to the General Fund equivalent to 5 percent of the annual purchase of services costs for SDS Program participants, averaged over the prior two fiscal years.

(h) A regional center may advance funds to a financial management services entity pursuant to SDS Program regulations to facilitate development of a participant's individual budget and transition into the SDS Program.

(i) Participation in the SDS Program shall be available to any regional center consumer who meets all of the following eligibility requirements:

(1) The participant is three years of age or older.

(2) The participant has a developmental disability, as defined in Section 4512.

(3) The participant does not live in a licensed long-term health care facility, as defined in paragraph (44) of subdivision (a) of Section 54302 of Title 17 of the California Code of Regulations, or a residential facility, as defined in paragraph (55) of

subdivision (a) of Section 54302 of Title 17 of the California Code of Regulations, or receive day program or habilitation services, as defined in paragraph (16) or (34) of subdivision (a) of Section 54302 of Title 17 of the California Code of Regulations, respectively. An individual, and, when appropriate, their parent, legal guardian or conservator, or authorized representative, who is not eligible to participate in the SDS Program pursuant to this paragraph may request that the regional center provide person-centered planning services in order to make arrangements for transition to the SDS Program. In that case, the regional center shall initiate person-centered planning services within 60 days of a request.

(4) The participant agrees to all of the following terms and conditions:

(A) The participant shall undergo an in-depth orientation to the SDS Program prior to enrollment.

(B) The participant shall agree to utilize the services and supports available within the SDS Program only when generic services cannot be accessed, and except for Medi-Cal state plan benefits when applicable.

(C) The participant shall consent to use only services necessary to implement their individual program plan as described in the IPSD Waiver Program, and as defined in paragraph (6) of subdivision (b), as an available service in the SDS Program, and shall agree to comply with any and all other terms and conditions for participation in the SDS Program described in this section.

(D) The participant shall manage self-directed services within the individual budget amount, chosen pursuant to subdivision (e).

(E) The participant shall utilize the services of a financial management services entity of their own choosing. A financial management services provider may either be hired or designated by the participant. A designated financial management services provider shall perform services on a nonpaid basis. An individual or a parent of an individual in the SDS Program shall provide financial management services only as a designated provider and only if the capacity to fulfill the roles and responsibilities as described in the financial management services provider qualifications can be demonstrated to the regional center.

(F) The participant shall utilize the services of a supports broker of their own choosing for the purpose of providing services and functions as described in paragraphs (2) and (3) of subdivision (b). A supports broker may either be hired or designated by the participant. A designated supports broker shall perform support brokerage services on a nonpaid basis. An individual or a parent of an individual in the SDS Program shall provide supports brokerage services or their designated representative shall provide the services only as a designated provider and only if the capacity to fulfill the role and responsibilities as described in the supports broker provider qualifications can be demonstrated to the financial management services entity.

(j) A participant who is not Medi-Cal eligible may participate in the SDS Program without IPSD Waiver Program enrollment and receive self-directed services if all other IPSD Waiver Program eligibility requirements are met.

(k) The planning team, established pursuant to subdivision (j) of Section 4512, shall utilize the person-centered planning process to develop the Individual Program Plan (IPP) for an SDS participant. The IPP shall detail the goals and objectives of the participant that are to be met through the purchase of participant selected services and supports.

(l) The participant shall implement their IPP, including choosing the services and supports allowable under this section necessary to implement the plan. A regional center may not prohibit the purchase of any service or support that is otherwise allowable under this section.

(m) An adult may designate an authorized representative to effect the implementation. The representative shall meet all of the following requirements:

(1) They shall demonstrate knowledge and understanding of the participant's needs and preferences.

(2) They shall be willing and able to comply with SDS Program requirements.

(3) They shall be at least 18 years of age.

(4) They shall be approved by the participant to act in the capacity of a representative.

(n) The participant, or their authorized representative, and the regional center case manager shall receive a monthly budget statement that describes the amount of funds allocated by budget category, the amount spent in the previous 30-day period, and the amount of funding that remains available under the participant's individual budget.

(o) If at any time during participation in the SDS Program a regional center determines that an individual is no longer eligible to continue based on the criteria described in subdivision (i), or a participant voluntarily chooses to exit the SDS Program, the

regional center shall provide for the participant's transition from the SDS Program to other services and supports. This shall include the development of a new individual program plan that reflects the services and supports necessary to meet the individual's needs. The regional center shall ensure that there is no gap in services and supports during the transition period.

(1) Upon determination of ineligibility pursuant to this subdivision, the regional center shall inform the participant in writing of their ineligibility, the reason for the determination of ineligibility, and shall provide a written notice of the fair hearing rights, as required by Section 4701.

(2) An individual determined ineligible, or an individual who voluntarily exits the SDS Program, shall be permitted to return to the SDS Program upon meeting all applicable eligibility criteria and after a minimum of 12 months' time has elapsed.

(p) A participant in the SDS Program shall have all the rights established in Chapter 7 (commencing with Section 4700), except as provided under paragraph (6) of subdivision (e).

(q) Only a financial management services provider is required to apply for vendorization in accordance with Subchapter 2 (commencing with Section 54300) of Chapter 3 of Division 2 of Title 17 of the California Code of Regulations, for the SDS Program. All other service providers shall have applicable state licenses, certifications, or other state required documentation, but are exempt from the vendorization requirements set forth in Title 17 of the California Code of Regulations. The financial management services entity shall ensure and document that all service providers meet specified requirements for any service that may be delivered to the participant.

(r) A participant in the SDS Program may request, at no charge to the participant or the regional center, criminal history background checks for persons seeking employment as a service provider and providing direct care services to the participant.

(1) Criminal history records checks pursuant to this subdivision shall be performed and administered as described in subdivision (b) and subdivisions (d) to (h), inclusive, of Section 4689.2, and Sections 4689.4 to 4689.6, inclusive, and shall apply to vendorization of providers and hiring of employees to provide services for family home agencies and family homes.

(2) The department may enter into a written agreement with the Department of Justice to implement this subdivision.

(s) Notwithstanding any provision of law, an individual receiving services and supports under the self-determination projects established pursuant to former Section 4685.5 may elect to continue to receive self-determination services within their current scope and existing procedures and parameters. Participation in a self-determination project pursuant to former Section 4685.5 may only be terminated upon a participant's voluntary election and qualification to receive services under another delivery system.

(t) Each regional center shall be responsible for implementing an SDS Program as a term of its contract under Section 4629.

(u) The department shall annually provide the following information to the policy and fiscal committees of the Legislature:

(1) Number and characteristics of participants, by regional center.

(2) Types and ranking of services and supports purchased under the SDS Program, by regional center.

(3) Range and average of individual budgets, by regional center.

(4) Utilization of the risk pool, including range and average individual budget augmentations and type of service, by regional centers.

(5) Information regarding consumer satisfaction under the SDS Program and, when data is available, the traditional service delivery system, by regional center.

(6) The proportion of participants who report that their choices and decisions are respected and supported.

(7) The proportion of participants who report they are able to recruit and hire qualified service providers.

(8) The number and outcome of individual budget appeals, by regional center.

(9) The number and outcome of fair hearing appeals, by regional center.

(10) The number of participants who voluntarily withdraw from participation in the SDS Program and a summary of the reasons why, by regional center.

(11) The number of participants who are subsequently determined to no longer be eligible for the SDS Program and a summary of the reasons why, by regional center.

(12) Identification of barriers to participation and recommendations for program improvements.

(13) A comparison of average annual expenditures for individuals with similar characteristics not participating in the SDS Program.

**SEC. 11.** Section 4688.22 of the Welfare and Institutions Code is amended to read:

**4688.22.** (a) The Legislature finds and declares both of the following:

(1) The Legislature places a high priority on promoting the full inclusion and independence of individuals with developmental disabilities, including through opportunities for recreation, consistent with Section 4501 and paragraphs (6) and (7) of subdivision (b) of Section 4502.

(2) As such, it is the intent of the Legislature for social recreation services, camping services, and nonmedical therapies, including, but not limited to, specialized recreation, art, dance, and music, to be among the services and supports within the meaning of subdivision (b) of Section 4512 and be made widely available to consumers, not only for socialization, but to lead the lives that they want in the community. It is further the intent of the Legislature that regional centers, when developing purchase-of-service policies and related procedures, and that the department, when reviewing regional center purchase-of-service policies and related procedures, reduce administrative barriers to the utilization of these services by consumers to the fullest possible extent.

(b) The regional centers shall use the following principles when purchasing social recreation services, camping services, and nonmedical therapies:

(1) Consumers shall receive services and supports in settings that are typical of those in which persons without disabilities engage in social recreation, camping, or nonmedical therapies.

(2) The services described in this section shall promote community inclusion by providing opportunities to build ongoing relationships through or around shared interests or activities, and shall include both of the following:

(A) Activities that directly support a consumer's ability to participate in typical social recreation or other community activities without paid support present.

(B) Activities that may identify or develop specific interests or skills, enable the consumer to engage with others around shared affinities or goals, or otherwise build informal social networks that reduce isolation, strengthen community ties, assist the consumer in advancing their own interests and well-being, and can be a source of voluntary natural supports.

(3) (A) Regional center purchase-of-service policies and related procedures shall promote access to the services described in this section for consumers who are children, for consumers who experience disparities in the receipt of regional center services, and for consumers or their representatives who are unable to afford paying for services upfront and awaiting reimbursement.

(B) Regional center purchase-of-service policies and procedures shall refer consumers and their families to existing opportunities for social recreation services and camping services by funding those services directly along with the supports they may need to access them.

(4) Regional center purchase-of-service policies and procedures related to services described in this section shall not do any of the following:

(A) Restrict funding of the services described in this section to only those that are specialized or directed toward the alleviation of a developmental disability within the meaning of subdivision (b) of Section 4512.

(B) Require the services described in this section to meet both a recreational and socialization need, or prohibit the purchase of one-on-one services, including private lessons.

(C) In order to further the legislative intent of making such services widely available to consumers, generally prohibit or disfavor purchase of these services.

(c) (1) The department shall prioritize and expedite any policies, procedures, or written directives that may be necessary to facilitate regional center efforts to increase access, collect data, or track expenditures pertaining to these services.

(2) (A) By October 1, 2024, regional centers shall designate one or more employees to serve as a point of contact for consumers, families, caregivers, and stakeholders regarding access to social recreation services, camping services, and nonmedical therapies, and any policies, procedures, or written directives related to these services. Regional centers shall

provide the department with the names and contact information of these designees by October 1, 2024, and shall provide an updated list of designees semiannually thereafter.

(B) By January 1, 2025, regional centers shall adopt procedures aimed at increasing the availability of vendors and expediting vendorizations accordingly. These efforts shall include procedures that enable services described in this section, including, but not limited to, nonmedical therapies, to be funded directly through participant-directed services, consistent with directives or other guidance issued by the department pursuant to subdivision (e), without the need for consumers, family members, or other representatives to be reimbursed after paying for services or supports upfront. Furthermore, payments for these services shall be aligned with the typical processes used by local businesses or community resources.

(d) Effective July 1, 2023, a regional center shall not require a consumer or family member to do any of the following:

(1) Exhaust services under the In-Home Supportive Services program (Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9) in order for their regional center to consider funding or to authorize purchasing social recreation services, camping services, and nonmedical therapies, including, but not limited to, specialized recreation, art, dance, and music.

(2) Exchange respite hours or any other service or support authorized by the regional center for service hours of social recreation services, camping services, or nonmedical therapies, including, but not limited to, specialized recreation, art, dance, and music, as a condition of service authorization by the regional center of social recreation services, camping services, and nonmedical therapies.

(3) Pay a copayment, or a similar shared pay arrangement aimed at offsetting costs, in order to receive social recreation services, camping services, or nonmedical therapies, including, but not limited to, specialized recreation, art, dance, and music.

(e) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement the provision of social recreation services, camping services, and nonmedical therapies, including, but not limited to, specialized recreation, art, dance, and music, by means of written directives or similar instructions consistent with this section, including, but not limited to, the provision of those services as participant-directed services.

(f) (1) (A) By March 1, 2025, regional center staff, including supervisors, program managers, appeals hearing specialists, and employees who are involved in developing and implementing purchase-of-service policies, shall complete training about the services described in this section. The training curriculum shall include, at a minimum, statutes, directives, and policies related to social recreation services, camping services, and nonmedical therapies, including, but not limited to, the requirements and legislative intent of this section.

(B) By March 1, 2025, regional centers shall make any training curriculum or materials or other information utilized as part of the training described in subparagraph (A), along with the dates that training was provided to regional center staff, available on the corresponding regional center's internet website.

(2) Training for appeals hearing officers, as required by subdivision (b) of Section 4712, shall include information about statutes, directives, and policies related to social recreation services, camping services, and nonmedical therapies, including, but not limited to, the requirements and legislative intent of this section.

(g) As part of its quarterly briefings to the Legislature pursuant to Section 4474.17, the department shall provide, at a minimum, all of the following information on the status of implementation of this section:

(1) The number, subject matter, and status or outcome of complaints, received by the Office of Community Operations or by the ombudsperson, related to consumer requests for social recreation, camp, or nonmedical therapies.

(2) The numbers and summaries of community concerns and issues obtained by the department pertaining to regional center purchase-of-service policies and procedures regarding the services and supports described in this section. These summaries shall be itemized by regional center and shall include the dates and sources of the concerns or issues.

(3) Trends in mediations, appeals, and hearing requests regarding the services and supports described in this section, including, but not limited to, trends related to the number of mediations and appeals by regional center, mediation outcomes, and nature of issues heard and decided on appeal.

(4) A summary of any technical assistance provided to regional centers or other department actions taken based on the information described in this subdivision for the purpose of ensuring and improving timely and equitable consumer access to services and supports pursuant to this section and consistent with legislative intent.

(5) All data reporting regarding the services described in this section, as required by paragraph (8) of subdivision (a) of Section 4519.5, including the total and per capita expenditure and authorization amounts by age, as applicable, according to race or ethnicity and preferred language, for all combined residence types and for consumers living in the family home.

**SEC. 12.** Section 4699.3 of the Welfare and Institutions Code is amended to read:

**4699.3.** (a) The department shall establish, and regional centers shall administer, an entry-level training and internship program for individuals interested in becoming direct support professionals, subject to an appropriation by the Legislature.

(b) It is the intent of the Legislature to enhance the quality of services received by consumers and increase the hiring and retention of direct support professionals through the creation of a training and internship program that demonstrates the career opportunities available to individuals interested in becoming direct support professionals, while providing them with the skills that they need to deliver high-quality services to consumers.

(c) The training and internship program shall do all of the following:

(1) Contract with outside agencies for recruitment outreach.

(2) Offer three-month internships that provide entry-level training and practical work experience for participants.

(3) Outline the wage and employment costs for paid internships up to 30 hours per week, to collectively cover participant wages and service provider costs.

(4) Focus on populations that reflect the state's diverse population and that do not traditionally have a pathway toward jobs in the developmental services field.

(5) Establish an entry point to the continuum of developmental services workforce development, including the training described in Section 4511.5.

(6) Create opportunities for postinternship permanent employment with service providers and allow for a five-hundred-dollar (\$500) retention stipend after six months of continuous employment and another five-hundred-dollar (\$500) stipend after one year of continuous employment.

(d) Regional centers shall track participation and report to the department on a quarterly basis on cumulative and reporting-period data about the number of participants, the number of participants hired, and the number of six-month and one-year employment stipends provided.

(e) Internships shall be available no later than June 1, 2023. A program participant may enroll in an internship on a later date.

**SEC. 13.** Section 4783 of the Welfare and Institutions Code is repealed.

**SEC. 14.** Section 4785 of the Welfare and Institutions Code is repealed.

**SEC. 15.** Section 4785.1 of the Welfare and Institutions Code is repealed.

**SEC. 16.** Section 4785.2 of the Welfare and Institutions Code is repealed.

**SEC. 17.** If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

**SEC. 18.** Notwithstanding any other law, the amount specified in the following citation is reappropriated for the purpose provided for in the appropriation and shall be available for encumbrance or expenditure until June 30, 2025:

(a) \$5,000,000 in Item 4300-001-0001, Schedule (2), Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for activities related to the State Department of Developmental Services Federal Claims Reimbursement System Project.

**SEC. 19.** This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.