



May 18, 2020

The Honorable Richard Pan
Chair, Senate Budget Subcommittee #3 on
Health and Human Services
State Capitol, Room 5114
Sacramento, CA 95814

The Honorable Joaquin Arambula
Chair, Assembly Budget Subcommittee #1 on
Health and Human Services
State Capitol, Room 5155
Sacramento, CA 95814

Dear Senator Pan and Assemblymember Arambula,

The State Council on Developmental Disabilities writes today in regard to the May revision of the Governor's budget proposed on May 14, 2020. As we all know, services, supports and benefits are critical for people with disabilities to remain healthy, employed, educated and independent in their communities. The Council recognizes that the state of California faces a significant budget deficit that will greatly impact people with developmental disabilities who are already disproportionately affected by the crisis. The Council believes it is critical for Congress to provide the necessary emergency funds to states to avoid drastic cuts and has met with both Speaker Pelosi and Minority Leader McCarthy's offices. We have also asked people with intellectual and developmental disabilities and their families to contact Congress. We also understand California must plan for the possibility that new federal funds will not become available.

If these cuts go into effect, the state should take this opportunity to move systems forward that provide services and supports to people with disabilities. This pandemic makes apparent that we can never go back to providing services and supports as we did previously. We have both the opportunity and obligation to rethink, retool and reimagine services for people with developmental disabilities. It is time for us to better align state dollars with high-quality, individualized supports that result in preserving and enhancing the principles of independence, economic opportunity and self-determination.

The following are principles that the State Legislature should use to guide its decisions in making budget reductions to address the state deficit resulting from the COVID-19 emergency.

- **Maximize Federal Funding:** The budget calls for a savings of \$27 million (\$40 million ongoing) through maximizing federal funding for eligible services through enrollment of individuals into Medi-Cal. The Council believes this number could be substantially higher, which could offset many of the proposed cuts. The savings can only be achieved by removing the significant enrollment barriers that exist for families to enroll. The responsibility to apply should be on regional centers by requiring that regional center service coordinators substantially assist families applying for benefits. Families should not be responsible for costs if enrollment supports are not provided.
- **Prioritize Funding for Home and Community-Based Services: Possible rate cuts are an opportunity to** move the system toward compliance with the federal Home and Community Based Services (HCBS) Final Rule, which goes into effect in 2022. The Rule requires choice and inclusion and its implementation is tied to billions of federal dollars. Funding should be prioritized for services and supports that are HCBS-compliant and the funding will incentivize programs to become compliant in the future.



- **Prioritize Safety:** The Department of Developmental Services budget should continue to prioritize funding for services that prioritize safety, stability, and sustainable lives for people with developmental disabilities. Congregate settings, like day programs, cannot function in traditional ways without posing great risks to health and safety for persons with disabilities without a vaccine. These programs will not be able to reopen and provide services and supports in the same way after the pandemic.
- **Preserve In-Person Services:** The Department of Developmental Services budget should maintain the funding levels for essential in-person services, such as supported living, independent living, respite, personal assistance, tailored day, and supported employment. The budget also should provide funding to those programs that should have received increases in the rate study including Early Start Specialized Therapeutic Services, Independent Living Program and Infant Development Program. Rate reductions for these services will destabilize the services and supports that ensure the health and safety of people with developmental disabilities. During the pandemic, the state should also develop wrap-around services to support individuals living with family members who cannot access their regular programs. These services are particularly necessary to fill the gap a person will experience if their In-Home Supportive Services receive a 7 percent reduction.
- **Promote Person-Empowered Service Models:** The Department of Developmental Services budget should permanently expand and regional centers should allow for easy access to participant-directed services and the Self-Determination Program, including Employer of Record (EOR) services that allow participants to direct their daily service activities while agencies ensure compliance with employment law.
- **Maintain Critical Service Coordination:** The budget calls for a \$30 million (less than 4 percent) reduction to regional center operations. It is essential that these cuts do not impact staff that are providing critical service coordination, identification of generic resources and other supports for individuals and families.
- **Reduce Disparities in Access:** It is essential that all cuts be viewed with the lens of how they might increase the already substantial disparities that impact diverse communities. Decisions should be made with the continued goal of reducing disparities in access, outcomes, and quality for diverse communities. People with the greatest support needs must be equitably supported. Persons with disabilities and families of racial and ethnic minorities rely on services and supports such as respite and personal assistance. Cuts in the rates of these services will have a disproportionate impact on these underserved communities.

Thank you for considering our views. The State Council on Developmental Disabilities stands ready to work with you during this unprecedented time.

Regards,

Maria Marquez
Chairperson, State Council on Developmental Disabilities



Cc: Members of Assembly Subcommittee #1
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