



VALLEY MOUNTAIN REGIONAL CENTER  
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July 12, 2011

To: All VMRC Employees

From: Dick Jacobs

Re: Fiscal Year 2011-12 Budget

While the State of California passed a budget in June, we have not received our preliminary allocation or other information from DDS on what budget cuts will mean for Valley Mountain Regional Center, nor how trailer bill language will be implemented. However, there are some important indicators that we all need to be aware of.

**Examples of what we do know:**

- There will be significant cuts to regional center Operations, and those cuts will almost certainly reduce our ability to respond in a timely way to families and consumers. We learned last week that at least two regional centers have already announced furlough days for the current year and another has increased its monthly furlough requirement to twelve hours per month.
- The 4.25% continuing rate reduction will now affect virtually all vendors, but we cannot predict how this will impact consumers because most providers have been simply absorbing it.
- Parents of minors will have to provide, and service coordinators and intake staff will have to obtain health insurance cards.
- Some families will be assessed a “program fee”, but we’re not certain which families or exactly how much.
- “At-risk” infants will be referred to the Family Resource Network for prevention services rather than being served by the regional center.
- Adults receiving Supported Living Services (SLS) will receive additional scrutiny including special evaluations that services coordinators will have to arrange when the consumer’s SLS costs exceed the state-wide or regional center mean.

- A “transportation access plan” will be required of consumer receiving contracted transportation services, but we don’t know what specific information those transportation access plans will require.
- There are “transparency” requirements for posting of vendor contract and audit information on DDS and regional center websites. However, we do not know how private providers will react if they are required to disclose proprietary information. We have already received a request to sign a non-disclosure agreement with a large vendor that we declined because the law requires disclosure. A large number of consumers statewide will be impacted if that vendor then chooses not to do business with us. In addition, some vendors who do not already have regular audits may choose to discontinue their relationship with us as opposed to absorbing the cost of an audit.

We’re working in a serious information vacuum since DDS has not yet provided definitive guidance on implementing the trailer bill language in SB74 and AB104. Beyond that, the actual allocation computations are made by State personnel and contain significant variables that could make matters better or worse. We currently anticipate receiving that information in mid to late August.

We appreciate your patience during these challenging times. We will do our best to convey any clarifications and new information to you in a timely fashion.