DEPARTMENT OF DEVELOPMENTAL SERVICES
1600 NINTH STREET, Room 320, MS 3-9
SACRAMENTO, CA 95814
TTY 654-2054 (For the Hearing Impaired)
(916) 654-1958

June 12, 2017

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: CHANGE IN EFFECTIVE DATE FOR 5.82 PERCENT RATE INCREASE

As a result of new federal regulations related to the revised definition of "companionship services" under the Fair Labor Standards Act, a 5.82 percent rate increase for in-home respite agency services, personal assistance, and supported living services, was authorized in Welfare and Institutions Code (WIC) sections 4691.6(h) and 4691.9(c). Although the federal regulations were scheduled to be effective January 1, 2015, challenges in federal court delayed the effective date to October 13, 2015, while the federal Department of Labor indicated it would follow a discretionary non-enforcement policy through December 31, 2015. As noted in its November 25, 2015, letter (Enclosure A), the Department of Developmental Services (Department), informed regional centers that the rate increase for affected service providers would go forward with an effective date of December 1, 2015.

The purpose of this letter is to inform regional centers that on February 13, 2017, the Sacramento County Superior Court ruled the Department must implement the 5.82 percent rate increase effective October 13, 2015. As a result, regional centers must ensure payments to in-home respite agency, personal assistance, and supported living service providers for services provided from October 13, 2015 through November 30, 2015, reflect the revised effective date for the 5.82 percent rate increase. To assist regional centers with this effort, the Department's Application Support Team has developed a query to help identify applicable payments that need to be adjusted (see Enclosure B for more details on this query.) However, regional centers may need to obtain further information from vendors (e.g. specific days/amounts of service provided during the affected time period) to correctly calculate the amount of the payment adjustment.

A fiscal year 2015-16 contract amendment is in process for those regional centers requiring increased allocations to make these payments. If you have any questions regarding allocation amounts or the contract amendment, please contact Darla Keys at (916) 654-2255 or darla.keys@dds.ca.gov.

Regional centers should take steps to process these payment adjustments as soon as possible (within 30 days from the date of this letter.) For questions regarding this letter, please contact Jim Knight at (916) 654-2759 or by email at jim.knight@dds.ca.gov.

Sincerely,

Original signed by Jim Knight for

BRIAN WINFIELD
Deputy Director
Community Services Division

Enclosures

cc: Regional Center Chief Counselors
Regional Center Administrators
Regional Center Community Services Directors
Association of Regional Center Agencies