

SBX 2-1 (Beall)
Financial Sustainability
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BACKGROUND

Service providers are the backbone of the developmental disabilities system. Without them, thousands of people with developmental disabilities would be in institutional care. Over 280,000 people with developmental disabilities rely on services from 21 California Regional Centers and their 65,000 service providers.

Years of budget cut-backs have decimated the community-based developmental disability services system, closing homes and programs that served tens of thousands. The latest Fact Book published by the Department of Developmental Services reports a 30 percent drop in the care system's network of service vendors during the past six years.

NEED FOR THE BILL

California spending on persons with developmental disabilities is lowest in the nation. We have the highest caseload ratios in the country and some of the lowest provider rates.

Since 2009, over \$1 billion has been slashed from California's developmental disability services programs through restrictions on payments, across-the-board reductions, mandated holidays, suspension of services and other cuts. At the same time, the community system grew by more than 40,000 consumers.

The system is in crisis. Without a rate increase, the provider system will collapse. In three years, 435 community care homes have closed. This figure does not include unlicensed settings such as supportive living and independent living homes. Doing nothing puts the lives of California's most vulnerable and poor in jeopardy.

SB X2-1 will increase rates for regional centers and purchase of service vendors. In addition, it requires the Department of Developmental Services to craft a financial sustainability plan to ensure that the community-based developmental services system effectively serves all its clients.

THIS BILL

SBX2 1 mandates:

- Provides a 10% increase in the funding paid to a regional center and purchase-of-service vendors;
- Requires funding to enable the regional center and the regional center's purchase-of-service vendors to fund certain costs related to minimum wage requirements; and
- Requires the Department of Developmental Services to develop a 10-year financial sustainability plan.

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KEY CONTACTS

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