

Alta California Regional Center
Executive Committee Meeting
Monday, January 11, 2016
Minutes

Present:

Brendan Peacock, President
Dan Lake, Vice President
Jacqueline Armstrong, Secretary
Walter Kaweski, ARCA Rep

Board Members:

Steven Sanchez (via phone)

Staff:

Phil Bonnet, Executive Director
Peter Tiedemann, Chief Operating
Officer
Lisa West, Executive Secretary

Absent: (* excused)

Anwar Safvi*, Finance Comm. Chair
Cindy Benson*, ARCA-CAC Rep

The Executive Committee met at 4:43 p.m. on Monday, January 11, 2016, in the Brenda Smith Conference Room at Alta California Regional Center to discuss: 1) State Budget Update; 2) Conflict of Interest Resolution Plan; 3) Board Development Committee Update; 4) President's Comments; 5) Executive Director's Comments; and 6) Announcements. All present provided self-introductions.

1. ***State Budget Update***

Issue: The committee needs to review the Governor's State Budget.

Discussion and Action: Mr. Tiedemann shared that Governor Brown released the proposed 2016-17 fiscal year's (FY's) State Budget last Thursday. He distributed the "Department of Developmental Services (DDS) Governor's Budget Highlights" for review.

Mr. Tiedemann provided a brief overview of the \$439 million (8.2%) increase to the statewide regional center budget:

- \$235 million for caseload growth and utilization
- \$1.6 million in regional center Operations (OPS) to fund an additional 21 Program Evaluator positions within the regional centers to ensure Home and Community Based Services (HCBS) program compliance
- \$17 million to fund additional regional center Service Coordinator (SC) positions to reduce caseload ratios and improve case management functions.
 - DDS will require regional centers to report how they expend this funding.
- \$30.8 million to develop resources to support the transition of developmental center (DC) residents into the community from Sonoma, Fairview and Porterville GTA.
- \$62.4 million in Purchase of Services (POS) to fund the minimum wage increase from \$9 to \$10 effective January 1, 2016.

- \$54.2 million in POS to implement the Fair Labor Standards Act (FLSA) to include home care workers in overtime compensation.
- \$4.5 million decrease for behavioral services that will be provided by managed care providers.
- \$46 million to fund Alternative Residential Model (ARM) rates based on a four-resident model for Community Care Facilities vendored to serve four or fewer individuals.

Mr. Tiedemann explained that part of the proposed budget includes adjustments for the current FY.

- OPS increase of \$1.6 million due to an estimated population increase of 565 clients over the enacted budget.
- POS decrease of \$45 million due to expenditure growth occurring at a slightly slower pace than previously estimated.

The budget also includes funding for new positions at DDS.

- \$2.1 million for eight new positions, and the redirection of five vacant positions, for staffing and contract resources needed to support the continued efforts for the closure of the Sonoma, Fairview and Porterville GTA.
- \$0.9 million for seven positions to establish a Fiscal and Program Research Unit. This unit will analyze how regional centers are using the POS funding. Hopefully this will help in understanding the trends.
- \$0.5 million for four positions to accommodate increased workload associated with complying with the Center for Medicaid Services' (CMS') new HCBS regulations.
- \$1 million to permanently establish and retain funding for seven limited-term auditor positions in the Vendor Audit Section.

If the Managed Care Organization (MCO) tax is approved, the state will need to prioritize where the money goes. Diana Dooley, Secretary of California's Health & Human Services Agency, and DDS have requested input from regional centers regarding which services receive the targeted increases. ACRC staff are concerned about residential services, but certainly there are other services that have needs too. Mr. Tiedemann doesn't know what priorities will come out of the statewide feedback. ACRC has different needs than other centers because we serve clients in both rural and urban areas.

These are interesting times. The Governor has made it very clear that the state will have a "rainy day" fund.

****Mr. Bonnet joined the meeting***

Mr. Bonnet just participated in an emergency Association of Regional Center Agencies (ARCA) meeting. There is concern that there has been a 6% growth in clients, but there has been a 24% increase in POS spending across the state. DDS is focusing on residential rates and caseload ratios for fear of losing federal funding.

Mr. Bonnet shared that the Acting Director of DDS and the Secretary of California's Health & Human Services Agency are concerned about regional center Boards and governance at this point. He believes that ACRC's Board of Directors deserves a lot of credit for their outstanding performance in service to our community.

- **Information only.**

Without objection, Brendan Peacock made the motion to adopt the Executive Committee meeting minutes of November 9, 2015 as submitted.

2. ***Conflict of Interest Resolution Plan***

Issue: The committee needs to discuss the conflict of interest resolution plan for Brendan Peacock.

Discussion and Action: Mr. Peacock shared that DDS sees his position at Sacramento County Office of Education (SCOE) as a conflict of interest, so he has worked with Mr. Bonnet to develop a conflict of interest resolution plan, which was distributed for review.

Mr. Peacock shared that his position is grant funded for 18 months and his tenure on the Board expires on June 30, 2017. If he were to apply for another position at SCOE once the grant expires, he would be off of the Board by then.

If anyone needs any further clarification, please contact Mr. Peacock.

- **Mr. Bonnet will contact ACRC's attorney for advice prior to the January 28th Board meeting.**

3. ***Board Development Committee (BDC) Update***

- No update was provided.

4. ***President's Comments***

- Mr. Peacock expressed appreciation to everyone for their understanding regarding the conflict of interest issue.
- He acknowledged Jon Nelson's contribution to ACRC's Board. It will be a huge job to fill the position he leaves behind. At his celebration of life in December, members of the community commented about Jon's advocacy over the years.

5. ***Executive Director's Comments***

- Last year, we received 79 Fair Hearing (FH) requests and had three cases decided by the Office of Administrative Hearings (OAH). All decisions supported ACRC's position. So far this calendar year, ACRC has received one FH request regarding services.
- After the incident at Inland Regional Center on December 2, 2015, Mr. Bonnet shared that ACRC is currently drafting an Active Shooter Training for our staff.

6. ***Announcements***

- No announcements were shared.

The next Executive Committee meeting is scheduled for **Monday, February 8, 2016**, at 5 p.m. The meeting adjourned at 5:46 p.m.

Lisa West
Executive Secretary

cc: ACRC Board of Directors
Phil Bonnet