



# San Diego Regional Center for the Developmentally Disabled

This is a letter that went to Service Providers on 3/12/09

4355 Ruffin Road, Suite 114, San Diego, California 92123-4307 • (858) 576-2996

March 12, 2009

Dear Service Provider:

The State of California is experiencing an unprecedented fiscal crisis. The state budget shortfall is estimated to be \$15 billion in the current fiscal year and may reach \$42 billion by June 30, 2010.

A Special Legislative Session Budget action has been approved this year to reduce regional centers' purchase of service allocations. The budget action requires the regional centers to process a mandated 3% discounted payment to service providers, effective February 1, 2009. The law states:

(a) Notwithstanding any other provision of law, in order to implement changes in the level of funding for regional center purchase of services, regional centers shall reduce payments for services and supports provided pursuant to Title 14 (commencing with Section 95000) of the Government Code and Division 4.1 (Commencing with Section 4400) and Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code. From February 1, 2009, to June 30, 2010, inclusive, regional centers shall reduce all payments for these services and supports paid from purchase of services funds for services delivered on or after February 1, 2009, by 3 percent, unless the regional center demonstrates that a nonreduced payment is necessary to protect the health and safety of the individual for whom the services and supports are proposed to be purchased, and the State Department of Developmental Services has granted prior written approval.

(b) Regional centers shall not reduce payments pursuant to subdivision (a) for the following: (1) Supported employment services with rates set by Section 4860 of the Welfare and Institutions Code. (2) Services with "usual and customary" rates established pursuant to Section 57210 of Title 17 of the California Code of Regulations. (3) Payments to offset reductions in Supplemental Security Income/State Supplementary Payment (SSI/SSP) benefits for consumers receiving supported and independent living services.

In order to implement the mandated payment reductions, the Department of Developmental Services directed regional centers to temporarily reduce reimbursement rates by 3%. Your reimbursement has been processed by the regional center with a 3% reduction in your rate for the services you provided on or after February 1, 2009. This reduction will be in effect until June 30, 2010.

I know that these are extremely difficult times and that your rates were woefully inadequate even before the 3% reduction; but I am also acutely aware of the critical importance of the services that you provide to one of California's most vulnerable populations. My staff and I will continue to work with you to identify as much efficiency as we can to lessen your burden as much as possible. Thank you for what you do, you are greatly appreciated by consumers, families, and by the Board of Directors and staff of the San Diego Regional Center (SDRC).

If you have any questions regarding the 3% mandated purchase of service rate reduction, please call Ed Kenney, Director, SDRC Business Services Department.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carlos Flores', with a long horizontal flourish extending to the right.

Carlos Flores  
Executive Director

xc: SDRC Board of Directors  
Dan Clark  
Judy Wallace-Patton  
Lynne Gregory, Ph.D.  
Mike Bell  
Bob Baldo, ARCA