



NORTH LOS ANGELES COUNTY

REGIONAL CENTER

15400 Sherman Way, Suite 170 • Van Nuys, CA 91406-4211
Main Number (818) 778-1900 • Fax (818) 756-6130

Date: **July 1, 2016**

New Provider Rate Information Effective July 1, 2016

DIRECT CARE ENHANCEMENT RATE AND ADMINISTRATIVE COST INCREASE INFORMATION

1. DDS Set Rates: Direct Care Enhancement Rate Increase and Administrative Cost Rate Increase, pursuant to WIC, section 4691.10 and 4691.11

A. Work Activity Program (“WAP”), includes service code 954:

Effective July 1, 2016, all WAPs will be eligible for both the Direct Care Enhancement Rate increase and the Administrative Cost increase. DDS will revise the rates for all WAPs and DDS will provide both the WAP and regional centers with a copy of the revised rate letter.

B. Community-Based Day Program (“CBDP”), includes service codes 505, 510, 515, 525, and 805:

Effective July 1, 2016, all CBDPs will be eligible for both the Direct Care Enhancement Rate increase and the Administrative Cost increase. DDS will revise the rates for all CBDPs and DDS will provide both the CBDP and regional centers with a copy of the revised rate letter.

2. Statutory or Regulatory Set Rates: Direct Care Enhancement Rate Increase and Administrative Cost Increase, pursuant to WIC, section 4691.10 and 4691.11

A. Supported Employment Programs (“SEP”), includes service code 950 and 952, pursuant to WIC, Section 4691.10 and 4691.11:

Effective July 1, 2016, the new hourly rate for all SEPs will increase from \$30.82 per hour to \$36.57 per hour. The new SEP rate will be reflected on the July 2016 invoices from NLACRC.



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- B. Non-Mobile Supplemental Staffing, includes service codes 505, 510, 515, and 525, pursuant to CCR, Title 17, Section 57530:

Effective July 1, 2016, the new hourly rate for Supplemental Rate for Community-Based Day Programs serving non-mobile consumers will increase from \$1.20 per consumer per hour to \$1.34 per consumer per hour (from \$7.20 per consumer per day to \$8.04 per consumer per day). The new non-mobile supplemental staffing rate of \$1.34 per consumer per hour (\$8.04 per consumer per day) will be reflected on invoices from NLACRC after receipt of DDS's revised rate letter for CBDPs. The rate increase will be retroactive to July 1, 2016.

- C. Financial Management Service Fiscal/Employer Agent ("FMS FEA"), includes service code 490, pursuant to CCR, Title 17, Section 58888(b)(1):

Effective July 1, 2016, the new monthly rates for FMS FEA will increase as follows:

Service Description	Prior Rate As of June 30, 2016	New Rate effective July 1, 2016
One Participant-Directed Service	\$45.00 per consumer per month	\$45.88 per consumer per month
Two or Three Participant-Directed Services	\$70.00 per consumer per month	\$71.37 per consumer per month
Four or More Participant-Directed Services	\$95.00 per consumer per month	\$96.86 per consumer per month

The new FMS FEA rates, as reported above, will be reflected on the July 2016 invoices from NLACRC,

- D. Financial Management Service Co-Employer ("FMS Co-Employer"), service code 491, pursuant to CCR, Title 17, Section 58888(b)(2):

Effective July 1, 2016, the new monthly rate for FMS Co-Employer will increase from \$95.00 per consumer per month to \$96.86 per consumer per month. The new FMS Co-Employer rate of \$96.86 per consumer per month will be reflected on the July 2016 invoices from NLACRC,



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- E. Participant Directed Community-Based Training Service (“PD-CBTS”), Service code 475, pursuant to CCR, Title 17, Section 58888(a)(5):

Effective July 1, 2016, the new hourly rate for PD-CBTS will increase from \$13.47 per consumer per hour to \$14.99 per consumer per hour. The new PD-CBTS rate of \$14.99 per consumer per hour will be reflected on the July 2016 invoices from NLACRC.

3. **Alternative Residential Model (“ARM”)/Community Care Residential Facility Rates: Direct Care Enhancement Rate Increase and Administrative Cost Increase, pursuant to WIC, section 4691.10 and 4691.11 includes service codes 905, 910, 915, and 920**

Effective July 1, 2016, the ARM rates for all community care residential facilities will be increased according to each facility’s established ARM service level and vendored capacity as of June 30, 2016. NLACRC has enclosed a copy of the new monthly ARM rates effective July 1, 2016. The new ARM rate for your facility will be reflected on your July 2016 invoices from NLACRC.

4. **Negotiated Rates: Direct Care Enhancement Rate Increase and Administrative Cost Increase, pursuant to WIC, section 4691.10 and 4691.11 includes service codes 17, 25, 28, 48, 55, 56, 62, 63, 73, 77, 90, 91, 93, 94, 96, 102, 103, 106, 108, 109, 110, 111, 113, 114, 115, 116, 117, 405, 455, 605, 612, 613, 615, 616, 620, 625, 635, 645, 650, 670, 680, 810, 850, 851, 855**

All service providers with a negotiated rate will be eligible for both the Direct Care Enhancement Rate increase and the Administrative Cost increase based on the rate that was currently in effective June 30, 2016. NLACRC will revise the rates for all service providers with a negotiated rate and NLACRC will provide each service provider with a revised contract or amendment to execute. All revised negotiated rates will be retroactive to July 1, 2016.



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5% RATE INCREASE / DIRECT CARE ENHANCEMENT RATE INCREASE/ ADMINISTRATIVE COST INCREASE INFORMATION

1. Supported Living Services (“SLS”), pursuant to WIC, Section 4689.8(c), 4691.10 and 4691.11 includes service codes 894 and 896

Effective July 1, 2016, all SLS service providers will be eligible for the 5% increase, direct care enhancement rate increase, and the administrative cost increase based on the rate that was currently in effect on June 30, 2016. NLACRC will revise the rates for all SLS service providers and NLACRC will provide each service provider with a revised contract or amendment to execute. All revised SLS rates will be retroactive to July 1, 2016.

2. Transportation Services (“Transportation”), pursuant to WIC, Section 4691.9(e), 4691.10 and 4691.11 includes service codes 875, 880, 882, 883

Effective July 1, 2016, all transportation service providers service providers will be eligible for the 5% increase, direct care enhancement rate increase, and the administrative cost increase based on the rate that was currently in effect on June 30, 2016. NLACRC will revise the rates for all transportation service providers and NLACRC will provide each service provider with a revised contract or amendment to execute. All revised negotiated rates will be retroactive to July 1, 2016.

3. Independent Living Services (“ILS”), pursuant to WIC, Section 4691.6(l), 4691.10, and 4691.11 includes service code 520

Effective July 1, 2016, all ILS service providers will be eligible for the 5% increase, direct care enhancement rate increase, and the administrative cost increase based on the rate that was currently in effect on June 30, 2016. DDS will revise the rates for all ILS service providers and provide both the ILS service provider and regional centers with a copy of the revised ILS rate letter. Once the revised DDS rate letter is received, NLACRC will provide each service provider with a revised contract or amendment to execute. All revised negotiated rates will be retroactive to July 1, 2016.



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4. In Home Respite Service Agency (“IHRA”), pursuant to WIC, Section 4691.6(k), 4691.10 and 4691.11 includes service codes 862

Effective July 1, 2016, all IHRA service providers will be eligible for the 5% increase, direct care enhancement rate increase, and the administrative cost increase based on the rate that was currently in effect on June 30, 2016. DDS will revise the rates for all IHRAs and DDS will provide both the IHRA and regional centers with a copy of the revised IHRA rate letter for each IHRA. For those IHRA who have a negotiated rate for the parent conversion program and/or for sibling rates, once the DDS rate letter is received, NLACRC will provide each IHRA with a revised contract or amendment to execute.

- F. Voucher and Participant-Directed Respite Services, includes service code 465 (formerly service code 420), pursuant to WIC, Section 4690.5, 4691.10 and 4691.11:

Effective July 1, 2016, all Voucher and Participant-Directed Respite Service providers will be eligible for the 5% increase, direct care enhancement rate increase, and the administrative cost increase based on the rate that was currently in effect on June 30, 2016. The new hourly rate for Voucher and Participant-Directed Respite services will increase from \$13.10 per consumer per hour to \$15.23 per consumer per hour as follows:

Voucher & Participant-Directed Respite Services	Rate Amount Per Consumer Per Hour
Current Rate as of June 30, 2016	\$13.10
ABX2-1 Direct Care Enhancement Rate Increase \$13.10 x 11.25% = \$1.47	\$1.47
ABX2-1 Administrative Cost Rate Increase \$13.10 x 0.00% = \$0.00	\$0.00
5% Statutory Rate Increase \$13.10 x 5.00% = \$0.66	\$0.66
New Rate Effective July 1, 2016	\$15.23

The new Voucher and Participant-Directed Respite Services rate of \$15.23 per consumer per hour will be reflected on the July 2016 invoices from NLACRC.



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5. In-Home Respite Worker, pursuant to WIC, 4690.5, 4691.10 and 4691.11 includes service code 864:

Effective July 1, 2016, all in-home respite workers will be eligible for the 5% increase, direct care enhancement rate increase, and the administrative cost increase based on the rate that was currently in effect on June 30, 2016. The new hourly rate for In-Home Respite worker services will increase from \$13.10 per consumer per hour to \$15.23 per consumer per hour.

6. Out-Of-Home Respite Services, pursuant to WIC, WIC, 4690.5, 4691.10 and 4691.11 includes service codes 868 and 869:

Effective July 1, 2016, all Out-Of-Home Facility Respite providers will be eligible for the 5% increase, direct care enhancement rate increase, and the administrative cost increase. The new Out-Of-Home Facility Respite rate for your facility will be calculated by NLACRC utilizing the following formula:

Step One	New Arm Rate Effective July 1, 2016 / 21 days = Daily Rate CCR, Title 17, Section 57332(c)(6)(B) or (c)(9), WIC 4686.5(a)(2)
Step Two	ARM Rate Effective June 30, 2016 / 21 days x 5% Increase CCR, Title 17, Section 57332(c)(6)(B) or (c)(9), WIC 4686.5(a)(2)
Step Three	Step One + Step Two = New Out-of-Home Daily Respite Rate

The new out-of-home facility daily respite rate will be reflected on your July 2016 invoices from NLACRC.



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DIRECT CARE ENHANCEMENT RATE / ADMINISTRATIVE COST INCREASE MANDATED REPORTING INFORMATION

1. October 1, 2017 Mandated Reporting Requirement, pursuant to WIC, Section 4691.10(a)(4) and (e)

Statute requires all service providers who received the July 1, 2016 rate increase for the purpose of (i) enhancing direct care staff wages and/or benefits, pursuant to WIC, Section 4691.10(a); and (ii) for increasing administrative costs as specified in WIC, Section 4691.11, 4691.10(b) and 4629.7, to report to DDS on October 1, 2017 on how the rate increase was actually utilized by the service provider. Please be informed, that the failure of a service provider to report this information to DDS by October 1, 2017, will require that the service provider forfeit the rate increase. NLACRC highly encourages all service providers to maintain detailed records that document the utilization of the July 1, 2016 rate increases related to the Direct Care Enhancement Rate Increase and the Administrative Cost Increase. This reporting requirement is applicable to all service providers who will receive the Direct Care Enhancement Rate Increase and the Administrative Cost Increase effective July 1, 2016 as described in Sections 1 through 5, above.

A. Statutory definition of “Direct Care Enhancement Rate Increase” aka “Wages & Benefits for Direct Service Staff”, pursuant to WIC, Section 4691.10(a):

Increase for the purpose of enhancing wages and benefits for staff who spend a minimum of 75 percent of their time providing direct care services. Direct Care Services is defined to mean “services, supports, care, supervision, or assistance provided to staff directly to a consumer to address the consumer’s needs, as identified in the individual program plan (“IPP”), and include staff’s participation in training and other activities directly related to providing services to consumer, as well as program preparation functions as defined in CCR, Title 17, Section 54302.

B. Statutory Definition of “Administrative Cost” Rate Increase, pursuant to WIC, Section 4691.10(b) and 4629.7:

Increase for the purpose of costs associated with Administrative Costs include, but are not limited to, any of the following:

- (1) Salaries, wages, and employee benefits for managerial personnel whose primary purpose is administrative management of the entity, including, but not limited to directors and chief executive officers
- (2) Salaries, wages, and benefits of employees who perform administrative functions, including, but not limited to, payroll



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management, personnel functions, accounting, budgeting, and facility management

- (3) Facility and occupancy costs, directly associated with administrative functions
- (4) Maintenance and repair
- (5) Data processing and computer support services
- (6) Contract and procurement activities, except those provided by a direct service employee
- (7) Training directly associated with administrative functions
- (8) Travel directly associate with administrative functions
- (9) Licenses directly associated with administrative functions
- (10) Taxes
- (11) Interest
- (12) Property insurance
- (13) Personal liability insurance directly associated with administrative functions
- (14) Depreciation
- (15) General expenses, including, but not limited to, communication costs and supplies directly associated with administrative functions