

DEPARTMENT OF DEVELOPMENTAL SERVICES

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



July 28, 2016

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: GUIDELINES FOR IMPLEMENTATION OF PAID INTERNSHIP PROGRAM

A. PURPOSE

Welfare and Institutions Code (WIC) was amended to add section 4870 (enclosed) to encourage competitive integrated employment (CIE) for individuals with developmental disabilities (consumers). CIE is full- or part-time work for which an individual is paid minimum wage or greater in a setting with others who do not have disabilities. Section 4870 authorizes funding to the Department of Developmental Services (Department) for a paid internship program. The purpose of the program is to increase the vocational skills and abilities of consumers who choose, via the Individual Program Plan (IPP) process, to participate in an internship. Goals of this program include the acquisition of experience and skills for future paid employment, or for the internship itself to lead to full- or part-time paid employment in the same job. This correspondence provides guidance for the implementation of the paid internship program. The guidelines were developed as a collaborative effort, with input from various stakeholders, as a result of two statewide meetings and other means.

B. IMPLEMENTATION

Internships are predicated on the person-centered planning process. Regional centers are responsible for informing consumers and the community about the paid internship program.

Guidelines for the paid internship program are as follows:

1. Regional centers should work with service providers to provide outreach to consumers, families, schools, potential employers and any other entities to facilitate the success of the internship program.
2. Internship wages will be, at least, state or local minimum wage. [WIC 4868(d)(l)]

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3. Consumers 18-22 years of age, who are in school and interested in participating in the paid internship program, may be eligible; however, regional centers must comply with WIC Section 4648.55.
4. Beginning July 1, 2016, regional centers shall provide each consumer eligible to work with information about the option of participating in a paid internship. For those consumers who choose an internship, the IPP will describe the consumer's goal for the internship. [WIC 4869(a)(1-6)]
5. Regional centers shall make information available to service providers wishing to participate in the paid internship program.
 - The suffix "PIP" will be added to existing service codes as a sub-code (e.g., 952-PIP).
 - The Department will issue a technical bulletin regarding the use of this sub-code.
 - Regional centers shall approve addendums to service providers' program designs describing the services and supports created to assist consumers in achieving the person-centered goal of paid internships.
6. Internship funds may be available for consumers for a variety of models, including self-employment enterprises and apprenticeships, and other business opportunities that can lead to future paid employment. All businesses participating in the paid internship program must operate in compliance with California State laws.
7. There is no minimum or maximum hour requirement; however, there is a cap on funding as specified below.

C. FUNDING

Regional centers will be reimbursed for internship payments through the regular claiming process. The employer of record, as detailed below, will be reimbursed by the regional center after verifying payment to the intern. The maximum funding for payment of an internship is \$10,400 per year, per consumer. [WIC 4870(a)(1)] Multiple paid internships may be possible, as determined through the IPP process.

The intern is paid by the employer of record, established in one of the following ways:

1. By employer (paid internship entity):
 - The employer is responsible for paying payroll and mandated employer costs.
 - The employer bills, and is reimbursed by, the service provider placing and supporting the individual in the paid internship.
 - The service provider bills the regional center.
2. By Financial Management Service (FMS):
 - The employer provides the FMS with an accounting of wages and associated mandated employer costs.
 - The FMS acts as the employer of record and is responsible for payroll and mandated employer costs.
 - The FMS bills, and is reimbursed by, the regional center.
3. By service provider:
 - The employer provides the service provider placing and supporting the individual in the internship with an accounting of wages and associated mandated employer costs.
 - The service provider pays the individual for wages and associated mandated employer costs as represented by the employer.
 - The service provider bills, and is reimbursed by, the regional center.

The Department may amend the above funding mechanisms based on experience gained through implementation of the internship program.

D. DATA COLLECTION

To ensure program accountability and achievement of program goals [WIC 4868© (3-6)], regional centers and service providers are required to report (in a format to be determined by the Department) to the Department by October 1, 2017, and each October 1 annually, the following:

1. Types of internship placements, including the setting and type of work performed;
2. Length of internships;
3. Demographic information of interns;
4. Payment amount of each intern placed, specified by wages and payroll costs, if any;

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5. Employment-related supports provided to the intern by any agency, service provider or individual;
6. Number of interns who subsequently entered paid employment, including salary, benefit information and employment start date;
7. Number of interns placed who might not have otherwise achieved placement without an internship program, including a description of what was successful; and,
8. Any additional information, as determined by the Department.

The Department will issue additional guidance to regional centers on data collection requirements in the future.

If you have questions about this correspondence, please contact Denyse Curtright at (916) 654-2208, or by electronic mail at denyse.curtright@dds.ca.gov.

Sincerely,

Original signed by

BRIAN WINFIELD
Acting Deputy Director
Community Services Division

Enclosure

cc: Regional Center Chief Counselors
Regional Center Administrators
Association of Regional Center Agencies

State of California

WELFARE AND INSTITUTIONS CODE

Section 4870

4870. (a) To encourage competitive integrated employment opportunities statewide for individuals with developmental disabilities, the department shall establish guidelines and oversee a program, to the extent funds are appropriated in the annual Budget Act for this purpose, to increase paid internship opportunities for individuals with developmental disabilities that produce outcomes consistent with the individual program plan. The department shall consult with the State Council on Developmental Disabilities, regional centers, employers, supported employment provider organizations, and clients' rights advocates, to establish a program that shall be administered by community service providers and that meets all of the following criteria:

(1) Payments for internships shall not exceed ten thousand four hundred dollars (\$10,400) per year for each individual placed in an internship.

(2) Placements shall be made into competitive, integrated work environments.

(3) Placements shall be made into internships that develop skills that will facilitate paid employment opportunities in the future.

(4) Regional centers shall increase awareness of these internships to consumers outside of current employment programs through outreach to consumers once the program is implemented, as well as during the individual program plan process.

(b) The department shall require annual reporting by regional centers and vendors that ensures program accountability and achievement of program goals. This shall include, but is not limited to, all of the following:

(1) The number of interns placed who might not otherwise have achieved the placement absent this internship program.

(2) Types of employment in which interns are placed.

(3) Length of internships.

(4) Demographic information of interns.

(5) Amount of each intern placement payment.

(6) Employment-related supports provided by another agency or individual to the intern.

(7) Number of interns who subsequently entered paid employment, including salary and benefit information.

(8) Any additional information, as determined by the department.

(c) The department shall include in its annual May Revision fiscal estimate a description of the implementation of the program, including, but not limited to, a description of the stakeholder consultation, the data described in subdivision (b), aggregated by regional center and statewide, and any recommendations for program

changes that may be necessary or desirable to maximize program effectiveness and accountability.

(d) Consistent with the individual program plan, the program shall increase sustained and appropriate competitive integrated employment placements by regional center service providers, as follows:

(1) A payment of one thousand dollars (\$1,000) shall be made to the regional center service provider that, on or after July 1, 2016, places an individual into competitive integrated employment, and the individual is still competitively employed after 30 consecutive days, as described in subdivision (o) of Section 4851 and subdivision (d) of Section 4868.

(2) An additional payment of one thousand two hundred fifty dollars (\$1,250) shall be made to the regional center service provider for an individual described in paragraph (1) who remains in competitive integrated employment for six consecutive months.

(3) An additional payment of one thousand five hundred dollars (\$1,500) shall be made to the regional center service provider for an individual described in paragraphs (1) and (2) who remains in competitive integrated employment for 12 consecutive months.

(e) Regional centers shall annually report to the department the payments for placements pursuant to subdivision (d). The information shall be reported in a format determined by the department, and shall include the number of individuals placed in internships or other employment as described in this section each year.

(f) The payments made pursuant to this section shall not be in addition to the placement payments made pursuant to subdivision (d) of Section 4860.

(g) Regional center service providers that place individuals into internships under subdivision (a) are not eligible for the employment placement incentives under this section, until the individual is transitioned into a competitive integrated employment placement that is not funded as an internship.

(Amended by Stats. 2016, Ch. 26, Sec. 16. (AB 1606) Effective June 27, 2016.)