I. Call to Order & Introductions

Michelle Heid, VAC chair, called the meeting to order at 9:37 a.m. when a quorum was present. Michelle wished everyone a happy new year and then introductions were made.

II. Public Input

Terence Carson, of Strategic Technology Solutions, announced that his company provides viable solutions to get service providers into HIPAA compliance and ongoing support to keep them up to date with any changes. Any service providers interested should contact him directly at tcarson@investapex.com.

III. Consent Items

A. Approval of Agenda

M/S/C (D. Lucas/K. Laurino) To approve the agenda as presented.
B. Approval of Minutes from the November 2nd VAC Meeting

Section VI.F. was incomplete and therefore stricken from the minutes.

M/S/C (S. Jackson/M. Feldman) To approve the minutes as modified.

IV. Executive Director's Report

Ruth Janka, deputy director, gave the following reports in George Stevens’ absence:

A. Federal Tax Plan: Many of the proposals that were most likely to hurt people with developmental disabilities and their families were dropped. These included the proposal to end a tax credit that helped hire people with disabilities, and repealing the medical expense deduction. Fortunately, none of these ideas survived. The biggest issue that does have potential impact is called “paygo” short for pay-as-you-go. This is a budget rule that requires the balancing of the budget when there is a bill that increases expenditures in one area, or cuts taxes. This is usually done by a combination of tax increases and lower spending. Among the many, many programs currently set to be cut is Medicare. It provides billions of dollars for important social services, including disability services in California.

B. State Budget: The governor is expected to release his proposed state budget for FY 2018-19 sometime in mid-January. However, the real work will after the May Revise is released.

C. Purchase of Services (POS) Disparity Proposals: The Department of Developmental Services (DDS) has extended the timeline for completing their review of the proposals from December 21st to January 5th. Ruth reported on what some of the proposals contained, which included a lot of community outreach. NLACRC submitted proposals to provide cultural competency training to staff and service providers, and to continue our social media outreach and legislative educator project. The centers Family Empowerment Team in Action (FETA) continues to operate and is in its second year.

D. Respite Services: The 90 hour cap on respite services was lifted effective January 1st and the center has implemented a new assessment process. Hours will be assessed for needs of the family on a monthly basis, not a quarterly basis, and unused hours will not accrue. Additional family support needs will be addressed as they arise; families will not be asked to sacrifice monthly support in favor of using a block of hours to travel away from the home.

E. Self-Determination: Nancy Bargmann, director of DDS, reported that DDS and the Center for Medicaid and Medicare Services (CMS) have held 5
conference calls since July to discuss the federal waiver. In November, DDS submitted responses to the last of the questions asked by CMS in regard to the waiver. According to Ms. Bargmann, DDS and CMS were scheduled to hold their next conference call yesterday to discuss the likelihood of California going back “on the clock” for formal consideration of the program. Ms. Bargmann also reported that the state is in the process of working through various implementation details such as fiscal management service advances, training for independent facilitators, assuring health and safety as it relates to non-vendored providers, and quality assurance. There are currently 800 individuals on the list for consideration of the program. NLACRC has submitted a list of approximately 150 interested individuals for participation in the program to DDS. Also, NLACRC will be holding 3 informational meetings in January for interested members of our community.

1. Tuesday, January 16th, at 10:00 a.m. & 6:30 p.m. (Santa Clarita office)
2. Tuesday, January 23rd, at 10:00 a.m. & 6:30 p.m. (Chatsworth office)
3. Wednesday, January 31st, at 10:00 a.m. & 6:30 p.m. (Lancaster office)

If In order to be added to the list of potential self-determination program participants, you must attend an informational meeting.

F. Behavioral Health Treatment (BHT): We currently have about 63 individuals with fee for service MediCal, the majority of which are receiving BHT, who need to transition to managed health care plans. Our clinical department is currently gathering clinical recommendations from the respective service providers to establish that services are clinically indicated to continue (insurance needs to establish “medical necessity” in order to fund).

G. 2018 Performance Contract: NLACRC has received approval from DDS on our 2018 performance contract. Trailer bill language required regional centers to include annual performance objectives, in their 2018 performance contracts, that are necessary to ensure that regional centers comply with applicable state laws and regulations, including implementation of the Employment First policy, which may include:

1. Establishing local partnership agreements between regional centers, the Department of Rehabilitation, and local education agencies.
2. Provision of information to consumers re: Employment First policy, opportunities for employment and available services and supports.

Also, NLACRC is participating in a collaborative group with LAUSD, multiple LA County regional centers and the Department of Rehabilitation to establish a local partnership agreement in the San Fernando Valley, and is
participating in similar collaborations in the Santa Clarita and Antelope Valleys. Additionally, NLACRC has updated its Individual Program Planning Guide to include parameters for planning for competitive employment and paid internships, with staff training to follow shortly.

V. Chief Financial Officer’s Report (Kim Rolfes)

A. The ABLE Act: On December 19, 2014, President Barack Obama signed into law the Achieving a Better Life Experience (ABLE) Act of 2013. The ABLE Act allows the creation of tax-advantaged savings accounts for individuals with disabilities, which them and their families to put aside up to $14,000 a year to be used for a wide variety of disability-related costs, including living expenses. The most important shift is that money in these accounts won’t count against the $2,000 asset limit, so their benefits won’t be threatened. The account’s earnings are allowed to accumulate tax-free, and the withdrawals, provided they are applied to qualifying disability expenses, are tax-free. Several states have already established their ABLE accounts and California is in the process of getting its program, called CalABLE, up and running and through its second Request for Proposals (RFP) process has selected a program manager. This means CalABLE could be implemented as early as the middle of 2018.

B. Financial Report: NLACRC’s budget for FY 2017-18 is just over $442 million. After completing our first Purchase Expenditure Projection (PEP) for DDS, we have determined that we are projecting a deficit in our purchase of service budget of about $27.3 million. However, we are an entitlement program and so we will continue to fund needed services as identified in our consumers’ IPPs, and will expect DDS to cover expenses that exceed our budget.

C. Caseload: NLACRC is now serving over 25,000 consumers and the number of our intakes is up 107% over last fiscal year.

D. Business Associate Agreements: Due to increased HIPAA requirements in our contract with DDS we reviewed the business associate agreements we have with our service providers and will be making the following changes:

1. We are changing the email address that service providers should use when reporting a breach to: privacy@nlacrc.org. This is being done so that the incoming emails can be monitored by more than 1 staff person. We need to act on any incoming reports quickly as we have only 72 hours to report them to DDS.
2. The requirement that our service providers give their staff a training on HIPAA requirements on an annual basis.

E. Zero Tolerance Policy: NLACRC mailed out its policy to all service providers in November. Please review this policy with your staff.

F. FY 2016-17 Annual Statements: The statements were mailed out to consumers and families in November.

G. FY 2016-17 POS Expenditure Report: Regional centers are required to post their POS expenditure reports on their websites by December 31st for the prior fiscal year. NLACRC’s report has been posted on our website.

H. Administrative Expenditures and Personnel Classifications Reports: These reports have also been recently posted on our website.

I. 1099 Forms: Are being mailed out next week.

J. FY 2015-16: DDS is closing this fiscal year so service providers must submit any remaining bills they have from that fiscal year ASAP. Once DDS closes the year, no more bills will be paid from that period. Our accounting department is sending out notices to alert our providers.

K. Antelope Valley Office – Water Damage: Staff returned to the AV office after the New Year’s holiday to find that the reception area was completely flooded due to a broken pipe.

L. Report on Recent Wildfires: There were 4 local wildfires in December; 36 programs had to close due to evacuations or smoke. We had 2,812 consumers, 40 programs, and 85 employee residences near or in the evacuation areas. We used our Everbridge emergency contact system for the first time to contact our consumers and providers. All programs were back in operation by December 11th.

M. Minimum Wage Increase: The state increased its minimum wage to $11/hour on January 1st. Providers that have a rate set by DDS can request an unanticipated rate increase to cover the difference, but the request must be submitted by March 31st. Providers with negotiated rates can submit their requests for an unanticipated rate increase to NLACRC by March 1st.

N. ARM Rates: We recently sent notices out about the ARM rate which had an increase effective January 1st.

O. Board Meeting: NLACRC’s next board meeting will be held at 6:30 p.m. on Wednesday, January 10th, at the center’s branch office in Santa Clarita.
VI. Community Services Director’s Report (Yolanda Bosch)

A. Laws & Regulations: The community services department does its best to provide assistance to service providers, however, providers are responsible for knowing what laws and regulations apply to their businesses and to comply with them.

B. Jennifer Sturm: Has transferred from case management to community services as the department’s new contract and compliance manager.

C. Gas Tax: A 12 cent per gallon tax increase took effect in November and certain providers can apply for an unanticipated rate increase to cover it.

D. Independent Audits/Reviews: Service providers are now required to submit their audits to us 9 months after the end of their fiscal year. In the past, we were able to offer extensions. New rules have been put into place which no longer allows us to extend the deadlines. Service providers whose annual budgets are over $500,000 must submit an independent review and providers whose annual budgets are over $2 million, must submit an independent audit. We currently have 60 providers who are delinquent on submitting their reviews/audits. The board’s Administrative Affairs Committee supported our request to offer these providers “technical assistance” and grant them additional time to help them get their reviews/audits done. This is a one-time action for the center and will be an audit finding for us. Next year, providers must submit their reviews/audits within the required timeline.

E. Annual Self-Evaluations: We currently have 27 providers who have not submitted their self-evaluations, which were due November 30th. Yolanda confirmed that a CARF accreditation could take the place of the self-evaluation.

F. No Service for 2 Years: As the center does every year, letters have been sent to those providers who have not had their services utilized for the last 2 years letting them know that we will de-vendor them unless they tell us otherwise.

G. DS 1891 Forms: The new 2-year cycle began January 1st. Providers must update their 1891 forms and can be easily done using the center’s portal. Please contact Stephanie Margaret with any questions at smargaret@nlacrc.org.

H. Service Provider Newsletter: The next issue of the center’s newsletter will be going out at the end of this month. Please contact the community services department with any information you would like included.
Evelyn McOmie gave the following reports:

I. **Home & Community-Based Services (HCBS):** Proposals to receive part of the $15 million offered to help providers come into compliance with the CMS final rule are due to NLACRC by tomorrow at 5:00 p.m.

J. **Competitive Integrated Employment (CIE) & the Paid Internship Program (PIP):** We are in the process of providing training to case management this month on the process for implementing these 2 programs.

K. **Train the Trainer:** LA County will provide a training to providers who provide employment services for our consumers on Tuesday, January 23rd. If you are interested in participating, please take a flier and sign up on Eventbrite.

L. **Residential Providers Trainings:** In February, the 2018 training plan for residential providers/staff will be rolled out in order for staff to attend training and receive continuing education units; 8 trainings will be held. More to come.

M. **Residential Services Orientation:** Will be held March 26th through May 21st.

N. **Community Care Licensing (CCL):** Title 22 Regulation updates are available now on the CCL webpage. We encourage all licensed vendors to navigate the webpage and become familiar with all of the recent updates.

**VII. Committee Business**

A. **Legislative Update (Michelle Heid)**

1. **CMS Proposals:** As reported earlier, proposals to receive funding in order to better comply with the CMS final rule are due to NLACRC by 5:00 p.m. tomorrow. Unfortunately, proposal development had to be done during the holidays, but Michelle encouraged providers to submit proposals to hopefully receive some of the available funding. For ideas, go to DDS’s website and see what proposals they approved last year.

2. **Meeting at DDS Tomorrow:** DDS is holding a meeting tomorrow in Sacramento to meet with VAC chairs and regional center staff to get input on their health and safety waiver process. Michelle welcomes any input to share at that meeting.
3. **Service Provider Rate Study**: The Developmental Services Task Force has been meeting to develop a rate study for California and their meetings are open to the public and public comments are heard. Michelle usually attends these meetings and is one of the few guests. Representatives from DDS attend the task force meetings and in December, Burns & Associates were present to give a presentation and answer questions about the rate study as well.

4. **Local Minimum Wage Increases**: Michelle asked if the VAC would support encouraging the NLACRC Board of Trustees to contact DDS to support funding to cover the local minimum wage increases.

   **M/S/C** (S. Jackson/B. Erio) To ask the Board of Trustees to write a letter to DDS emphasizing the importance of providing additional funding to providers to cover the local minimum wage increases.

5. **Questions/Comments/Input?** As chair of the VAC, Michelle welcomes any questions, comments, or input from her fellow providers. Please send e-mails to: MHeid@ABPathways.com.

**VIII. Reports from the VAC Priority Issue Work Groups**

A. **Early Start Services** (Fredlyn Berger) – *Fredlyn was not present to give a report.*

B. **School Age Services** (Mariela Feldman): The group discussed the transition plan for children to return to regional centers for their behavioral services once they turn 21. They would like to work with the adult services group on this.

C. **Adult Services** (Jenni Moran) – *Jenni was not present to give a report.*

D. **Implementation of Legislative Changes** (Sharoll Jackson): Sharoll encouraged providers to contact Terence Carson from Strategic Technology Solutions (see Item II. above) to help them come into compliance with the new, stricter HIPAA regulations.

**IX. Report on Board Committee Meetings**

A. **Administrative Affairs** (Orli Almog): As reported earlier, this committee agreed to support the center’s decision to offer providers an extension, this year only, to help them get their independent audits/reviews done. The committee also discussed the center’s expansion to the 7th floor of the main
office in Chatsworth. The human resources report reflected that the center now has 456 of its 484 staff positions filled, 3 contracts were discussed, and the committee recommended some changes to be made to the center’s travel policy.

B. **Board of Trustees** (Michelle Heid): The next board meeting will be held at 6:30 p.m. on Wednesday, January 10th, at the center’s branch office in Santa Clarita. Michelle encouraged providers to attend the monthly board meetings to meet the board members and share any concerns with them. The board minutes and meeting packets are posted on the center’s website.

C. **Consumer Services** (Sharoll Jackson): The committee was given their monthly update on the self-determination program. The monthly community placement plan was reviewed; the center’s goal for this year to place NLACRC’s remaining 10 consumers out of developmental centers and into the community. The quarterly consumer diagnosis report showed that of the 24,515 consumers that the center serves, 9,849 have a primary diagnosis of autism.

D. **Government & Community Relations** (Sharoll Jackson): Steve Miller and Michelle Heid gave the committee an update on their legislative advocacy projects including the community needs survey. Over 1,500 surveys were completed and they are in the process of reviewing them to prioritize the issues identified and to then hold local town hall meetings to bring them to light. The committee also reviewed the Association of Regional Center Agencies’ (ARCA’s) legislative bill file and discussed bills that have an operational impact. The ARCA Legislative Committee is supporting a bill that would keep the funds from the sale of the developmental center lands in California’s developmental services budget. ARCA’s annual Grass Roots Day in Sacramento will be held Tuesday, March 20th. The committee also discussed a newly-found website called DigitalDemocracy.org, a great resource for keeping you up-to-date on any bills you are tracking.

E. **Nominating** (Deborah Cutter): Deborah was not present, but Jennifer Kaiser reported that the Nominating Committee met last night and reviewed the applications that were submitted for the VAC and Board of Trustees. There are 3 vacancies to fill on the VAC and only 1 vacancy to fill on the board. The committee will be interviewing applicants in February and March.

F. **Strategic Planning** (Bob Erio): Since FY 2008-09, there have been 238 program closures impacting 2,264 consumers. So far there have only been 6 program closures this fiscal year - all were due to the provider failing to
maintain an office in our catchment area, which is a regulatory requirement. George Stevens was to attend a meeting of the LA County community development commission on November 20th and will be giving a report on that meeting at the next SPC meeting. The committee discussed housing issues for consumers; providing consumers with supported living services is nearly impossible unless they have a job or Section 8/subsidized housing. This year, DDS required the regional centers to include measures in their performance contracts that would: 1) reduce service disparity and improve equity; and 2) collect data on consumer employment. For self-determination, NLACRC will be given 174 initial slots to be filled for the 3-year pilot program, however DDS will be responsible for making the selection about which consumers will fill those slots. Also, the State Council on Developmental Disabilities will be interviewing adult consumers this year as part of the National Core Indicators project; these interviews are voluntary and are conducted every 3 years.

X. **Open Issues for Discussion** – *No further issues were identified for discussion.*

XI. **Agenda Items for the Next Board Meeting**

The following items were identified for the VAC’s section of the January 10th board meeting agenda:

A. Minutes of the January 4th VAC Meeting  
B. Letter to the Board of Trustees Requesting Minimum Wage Support

XII. **Announcements/Information/Public Input**

A. **Next VAC Meeting**: Thursday, February 1st (break out groups will meet)

XIII. **Adjournment**

Michelle Heid adjourned the meeting at 11:28 a.m.

Submitted by,

_Jennifer Kaiser_

Jennifer Kaiser  
Executive Assistant

[vacmin.jan4.2018]