Caseload Ratio Public Meeting

TUESDAY, MAY 22, 2018
6:30 P.M. TO 8:00 P.M.
NLACRC, 9200 OAKDALE AVENUE,
CHATSWORTH, CA 91311

Mission Statement

North Los Angeles County Regional Center, with integrity and transparency, provides lifelong partnerships and planning to persons with developmental disabilities by promoting their civil and personal rights, providing comprehensive information, advocating in cooperation with consumers, promoting and providing quality services, and supporting full participation of consumers and families in all aspects of community life.

NLACRC's Commitment to our Community

NLACRC is committed to meeting the needs of those it serves regardless of age, race or ethnicity, diagnosis, or where people live.

Purpose of Public Meeting

Welfare & Institutions Code, §4640.6

- Establishes service coordinator-to-consumer ratios to ensure that regional center staffing patterns demonstrate direct service coordination are the highest priority.

- Regional centers must report to the Department of Developmental Services ("DDS') on service coordinator-to-consumer ratios in March of each fiscal year

- NLACRC's service coordinator-to-consumer ratios in March 2018 **did not** meet the required service coordinator-to-consumer ratios.

March 2018
Caseload Ratio Report

NLACRC **did not** meet the following required service coordinator to consumer ratios :

1) consumers enrolled on the Home and Community-Based Services Waiver;

2) consumers who are under three years of age;

3) consumers who have moved from the developmental centers to the community since April 14, 1993, and who have lived continuously in the community for more than 24 months;

4) consumers who have not moved from the developmental centers to the community since April 14, 1993, and who are not under the age of three nor on the Home and Community-Based Services Waiver.

March 2018
Caseload Ratio Report

NLACRC **did** meet the following required service coordinator to consumer ratios :

1) consumers who have moved from the developmental centers to the community since April 14, 1993, and who have lived in the community between 12 and 24 months;

2) consumers who have moved from the developmental centers to the community since April 14, 1993, and who have lived continuously in the community for within the last 12 months

Purpose of Public Meeting

- DDS shall provide technical assistance and require a plan of correction when the required service coordinator-to-consumer ratios are not maintained by the regional center for two consecutive reporting periods

- Plans of correction must be developed following input from the state council, local organizations representing consumers, family members, regional center employees, including recognized labor organizations, service providers and other interested parties.

Purpose of Public meeting

- DDS recommends regional centers to hold a minimum of at least one public meeting
- Regional center to post notice at least ten (10) days prior to the public meeting.
  - An email blast was sent to over 10,000 individuals on May 4, 16 and 18, 2018 and was posted on the NLACRC web site home page and calendar.
- The report of the outcome of the public meeting and recommendations to comply with required service coordinator-to-consumer ratios will be included in NLACRC's plan of correction
- As of this date we have not received notification from DDS that our caseloads are out of compliance. Upon receipt of the letter from DDS, we are required to hold a public meeting and provide our plan of correction.

Historical perspective for caseload ratios

Section 4640.6(c) of the Welfare and Institutions Code, also known as the Lanterman Developmental Disabilities Services Act, establishes caseload ratios by residence type and/or program

Residence or Program	Caseload Ratio
Developmental Center (DC)	1:62
Community from DC (within last 12 months)	1:45
Early Start and Medicaid Waiver (MW)	1:62

Effective January 1, 2004	
Community for 12 mos. from DC since 1993	1:62
Developmental Center	1:66
Mixed caseload of Early Start, MW and others	1:62, no more than 84 (more than 60 days)

Caseload Ratio means the number of consumers per Consumer Services Coordinator

Historical perspective for caseload ratios

Caseload configurations as of March 1, 2018

Type of Consumer	Number of Consumers	# CSCs assigned	Caseload Ratio	# CSCs Required	# CSCs Needed
Early Start (1:62)	3,457	54.05	1:64	55	1
Medicaid Waiver (1:62)	8,743	98.48	1:88.8	141.01	42.53
Moved from DC since ’93 Com < 24 months (1:62)	96	2	1:73.7	2.50	.50
Moved from DC since “93 Com between 12 and 24 months (1:62)	11	.22	1:62	.40	.18
Moved from DC with the last 12 months (1:45)	6	.18	1:45	.31	.13
All Others (1:66)	12,240	130.72	1:93.6	197.43	66.70

Historical perspective for caseload ratios as of March 1, 2018

If NLACRC configured caseloads based on the current statutory ratio requirements….

Type of Consumer	Number of Consumers	# CSCs available	Ratio
Early Start (1:62)	3,457	56	1:62
Medicaid Waiver (1:62)	8,743	141	1:62
Moved from DC since '93 Com >24 months (1:62)	96	2	1:62
Moved from DC since '93 Community between 12 and 24 months (1:62)	11	1	1:62
Moved from the DC within the last 12 months (1:45)	6	*	1:45
All Others (1:66)	12,240	84	1:146

Historical perspective for caseload ratios

Senate Bill 826

- Funds appropriated to regional centers for the purpose of hiring more service coordinators, in particular, service coordinators for Medicaid Waiver cases.
- NLACRC received funds to increase the number of service coordinators
- As of April 30 2017, NLACRC hired 17 service coordinators (new positions)

Recommendations from 2017 public meeting

RECOMMENDATION:

- **Create a formalized process to request support or help of floaters**
- **Include Officer of the Day duties and floaters into the staffing plan.**

OUTCOME:

- NLACRC announced the addition of the OD and Floater positions (11 CSC positions), which required Regional Center experience, and began our recruitment efforts. Unfortunately, we have not received interest from internal applicants for these positions. Therefore, we have decided to place the OD and Floater positions on hold. This will allow us time to look for ways to modify the positions to offer professional development opportunities to CSCs.

- In FY17-18, NLACRC has added 2 Intake CSC, 5 Early Start CSC and 20 Non-Early Start CSC positions and we are currently assessing our staffing needs for FY18-19. The Early Start and Non-Early Start CSC positions were not counted on our March 1, 2018 Caseload Ratio Report based on the reporting parameters.

Recommendations from 2017 public meeting

<u>RECOMMENDATION:</u>

- **Create a process to direct questions regarding caseload equity, beyond immediate Supervisors.**
- **Review how caseloads are assigned to seek more equitable ways of distribution.**

<u>OUTCOME:</u>

- Caseload equity is reviewed monthly by the Deputy Director with Consumer Services Directors and addressed by Supervisors.
- Monthly caseload equity reports are generated and provided to Consumer Services Directors and Supervisors.
- Executive Director and Deputy Director have implemented routine meetings with case management units to discuss issues, including caseload equity.

Recommendations from 2017 public meeting

RECOMMENDATION:

New CSC training should be program specific. For example, if a CSC is moved to another program, they should attend training specific to that program. Less overwhelming and increases ability to retain specific job function training. Ensure as much as possible that the training schedule is a good use of staff's time.

OUTCOME:

- The New Staff Orientation was created to give our CSCs with the foundational knowledge to perform their jobs. As a CSC is going through the NSO, their supervisors are responsible for providing the department and caseload specific training that correlates with the NSO.

- Early Start CSCs are also provided training through WestEd that is specific to their age group.

- Each year the Agency assesses the needs of our organization to determine the training needed to support our community and employees. Through this process we build a training schedule that optimizes staff's time and the Agency's resources.

Recommendations from 2017 public meeting

- **Recommendation:**

  Universal language of forms and documents on U-Drive and Creation of E-signature for manager approval or authorization of service.

- **Solution In Process:**

  Effective April 5, 2018: Began Piloting Electronic Document Management System ("EDMS")

  EDMS Focus:

  1) Forms: Standardization/Form Identifiers

  2) Software that automates workflows (scanning/filing) (IRIS)

     Software that retrieves records and populates forms (Therefore)

  3) eSignature: Internal/External Approvals

Recommendations from 2017 public meeting

RECOMMENDATION:

Expand SANDIS mobile pilot to include 1 to 3 CSCs in each office. The workload consumer needs vary between offices, and expanding the pilot to include more data and feedback will help drive the best outcome.

OUTCOME:

- **SANDIS Mobile Pilot Committee**

  CS Manager-Transition/Adult SFV, CS Supervisor-Adult SFV, CS Supervisor-Adult-AV, IT Director, IT Specialist

- **SANDIS Mobile Pilot Testers**

  1-Early Start CSC-SCV; 1-School Age CSC-AV; and 3 Adult CSC-SFV

- **SANDIS Mobile Pilot Period**

  June 2017 thru September 2017

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Recommendations from 2017 public meeting

Findings & Results of Pilot

- Functionality was limited, need full functionality of SANDIS to be effective
- Security was good and did not save data to device
- Mobility, iPad minis too small, need to have cell service built in

Recommendations

- Re-Assess when SANDIS 7 is available
- Continue to evaluate mobile technologies
- Make SANDIS Mobile optional

Recommendations from 2017 public meeting

RECOMMENDATION:

- **Create a dedicated training department. The CSCs need more time to complete the NSO.**

OUTCOME:

- During FY17/18, NLACRC separated the Public Information and Training Departments and we promoted an employee into the Training and Development Supervisor position and are currently recruiting for a Training Specialist.
- The typical length of the New Staff Orientation for each employee is approximately six (6) months
- We are currently working with CSUN and our internal Master Trainer's to review Case Management's NSO Curriculum, the trainings that are under initial review are as follows:
  - Person Centered Planning 1 – 3
  - Title 19
  - Special Incident Reporting

Recommendations from 2017 public meeting

<u>RECOMMENDATION:</u>

Research the idea of bringing retirees in, possibly on a part-time basis, to help with the work load on uncovered caseloads.

<u>OUTCOME:</u>

- The California Public Employee's Pension Reform Act (PEPRA) which took effect in January 2013, changed the way CalPERS retirement and health benefit s are applied, and places compensation limits on members
- PEPRA has certain requirements that need to be met. These requirements include but are not limited to:
  - 180 day waiting period is required for all employees who retire from a public employer before a retiree can return to work within the same retirement system without reinstating from retirement
  - All retirees are prohibited from working more than 960 hours per calendar or fiscal year. For CalPERS it is per fiscal year.
  - Not paid any other compensation or benefits in addition to the hourly pay rate
  - The salary is an hourly pay rate that is within the salary schedule for the position

Based on the above constraints, NLACRC has found it difficult to recruit retirees to support this recommendation. NLACRC continues to evaluate the use of utilize retirees given the constraints identified above.

Regional Center Operations

- Each regional center's operations budgets are funded through a formula based in part on the number of consumers it serves.
- The formula is a "tool" to determine each regional center's funding; however each regional center is organized differently.
- The core staffing formula used to be based on state salaries and expenses, and has not been updated since the 1990's.
- Service Coordinator salaries and benefits used in the formula are significantly underfunded.

Other Challenges

- NLACRC's Operations Budget is reduced by nearly $4.5 million (8.23%)
- Nearly $3.2 million of the $4.5 million reduction is for unallocated reductions (going back to FY2001-2002) which have never been restored by the State's Legislators.

A Description	B General Operatons	C ABX2-1 Direct	D ABX2-1 Admin	E CPP Activites	F FRC Activities	G Total Operations Budget (B thru F)	H Reduction Percentage
Total Operations Budget Before Reductions	**$49,368,001**	**$3,464,384**	**$157,438**	**$933,324**	**$115,413**	**$54,038,560**	
Savings in Staff Turnover	($1,273,622)					($1,273,622)	-2.36%
Unallocated Reductions	($3,173,014)					($3,173,014)	-5.87%
Total Reductions	**($4,446,636)**	**$0**	**$0**	**$0**	**$0**	**($4,446,636)**	**-8.23%**
Net Operations Budget	**$44,921,365**	**$3,464,384**	**$157,438**	**$933,324**	**$115,413**	**$49,591,924**	

Note: "CPP" means Community Placement Plan

Note: "FRC" means Family Resource Center

Service Coordinator Funding

- For every five (5) service coordinator positions allocated to NLACRC, the allocation only funds three (3) positions.

A Description	B Monthly Allocation Per CSC	C Monthly Avg Salary Per CSC	D Monthly (Loss) Per CSC (B-C)	E %Funded
Salary	$34,032	$51,600	($17,568)	
Benefits	$8,066	$20,062	($11,996)	
Salary Savings	($421)	$0	($421)	
Total	**$41,677**	**$71,662**	**($29,985)**	**58.2%**
Benefit Rate	**23.70%**	**32.50%**	**-8.80%**	

Note: According to the Bureau of Labor Statistics, the mean annual counselor salary for the Los Angeles-Long Beach-Glendale metropolitan area is $47,600

Service Coordinator Funding

- NLACRC's allocation for service coordinators only funds 243 positions out of the 403 positions needed to meet caseload ratios
- NLACRC would need an additional allocation of **$12.1 million** dollars to hire all 403 service coordinators

Note: 294 service coordinators authorized positions as of April 30, 2018, includes the 17 service coordinators to improve caseload ratios.

Strategy

- Manage regional center activities within the allocation
- Leveraging Technology to stream-line workflow processes

ABX2-1 Statute

- On March 1, 2016, Assembly Bill No. 1, (ABX2-1) was chaptered by the Secretary of State. This Assembly Bill, among other changes, added subsection (c) to WIC, Section 4639.5 which provided for (1) an increase of salary and/or benefits for regional center staff; and (2) an increase of administrative costs for regional centers and clients' rights advocates contracts.
  - Prohibits the use of funds to supplant currently scheduled salary and/or benefit increases
  - Prohibits the use of funds to reduce unfunded retirement liabilities
  - Prohibits the use of funds to provide a salary and/or benefit increase to executive staff
    - The following NLACRC's Executive Staff do not receive ABX2-1 funding: (1) Executive Director, (2) Deputy Director, (3) Chief Financial Officer, and(4) Chief Organizational Development Officer
  - Prohibits the use of funds to hire new service coordinators to reduce caseloads.

ABX2-1 Challenges

- **"Fixed" amount of funding which is dependent on an appropriation of $31.1 million by the Legislature each fiscal year**

- **Subject to DDS's allocation methodology to allocate ABX2-1 funds between regional centers.**
  - NLACRC's annual allocation could decrease or increase depending upon the allocation methodology utilized by DDS.

ABX2-1 Challenges

- **The larger our eligible workforce, the less the "ABX2-1 Add-On" will be for each employee.**

ABX2-1 Strategy

- The ABX2-1 is an “add-on” to employee wages that is adjusted each year based on the actual allocation received by NLACRC and the size of NLACRC’s workforce.

CalPERS Healthcare & Retirement Considerations

- NLACRC has contracted with CalPERS, since our incorporation on March 13, 1974, to provide both pension benefits and healthcare insurance to our employees.

- NLACRC contracts with CalPERS to provide:
  1. Healthcare Insurance for both active and retirees;
     - Healthcare Plan is a plan in which NLACRC pays for "employee/retiree only" healthcare insurance up to Blue Shield Access; and both NLACRC and the employee/retiree make healthcare insurance payments on a regular basis for the benefit of dependents or for health insurance premiums in excess of the NLACRC contribution amount for the employee/retiree only healthcare premium

  2. Retirement ("Pension") benefits
     - Pension payments are calculated according to length of service and the salary the employee earned at the time of retirement. Both NLACRC and all active employee make payments on a regular basis for employee retirement benefits

     - Pension payments on earnings are "in lieu" of making Social Security payments of 6.2% on all earnings.

CalPERS HealthCare

- Contract with CalPERS requires that retirees be provided the same healthcare insurance benefits as active employees.
  - The cost of Retiree Healthcare is paid from NLACRC's operations budget
- Annually, an actuarial valuation of NLACRC's Retiree Healthcare Benefit Cost is conducted. As of June 30, 2017, the total cost of Retiree Healthcare Benefits was $45.7 million.
  - This cost represents the cost today to continue retiree healthcare insurance benefits for both eligible employees and retirees
  - Cost assumptions include retiree census, projected future retirees, change in healthcare insurance costs, life expectancy, and return on investments.
- CalPERS offers a self-funded health plan program, California Employers' Benefit Trust Fund ("CERBT"), under IRS Section 115, dedicated to prefunding Other Post Employment Benefits ("OPEB") such as retiree health, vision, dental or life insurance benefits for all eligible California public agencies or other entities not contracted with CalPERS. However, IRS federal laws state that only governmental agencies may participate in the CERBT. Since NLACRC is private, non-profit 501(c)(3) rather than a governmental agency, IRS federal laws prohibit NLACRC from participating in the CERBT program offered by CalPERS.

NLACRC's Strategy

- **To mitigate the cost of Retiree Healthcare, NLACRC has established a Post Retirement Medical Trust ("PRMT").**
  - The objective of the PRMT is to fund the PRMT such that the PRMT will be able to pay for the cost of retiree healthcare in order to reduce/eliminate the cost of retiree healthcare costs that would have to be paid from NLACRC's operations budget.
  - To achieve this objective, NLACRC makes periodic contributions to the PRMT based on availability of operating funds

CalPERS Retirement Plan

- Effective January 1, 2013, the passage of AB 340 Pension Reform also known as Public Employee's Pension Reform Act ("PEPRA") was enacted.

- The enactment of PEPRA, under AB340, was to create a more sustainable pension system by reducing employer pension liability and increasing the amount of employee contributions toward their pension benefits.

CalPERS Pension Plan

As a result of the enactment of PEPRA, CalPERS implemented new benefit formulas and final compensation period, as well as new contribution requirements for employees hired on or after January 1, 2013 ("New Member" vs. "Classic Member")

Description	Employees Hired Prior to 1996	Employees Hired From 1996 thru January 31, 2008	Employees Hired on February 1, 2008 thru December 31, 2012	Employees Hired On or After January 1, 2013
Employee classifications	Classic Member	Classic Member	Classic Member	New Member
Benefit Formula	2% at Age 55	2% at Age 55	2% at Age 60	2% at Age 62
Final Compensation Period	1 Year Final Compensation	1 Year Final Compensation	1 Year Final Compensation	3 Year Final Compensation
Member (EE) Contribution Rate as a percentage of payroll	7.00% of reportable compensation Fixed Rate	7.00% of reportable compensation Fixed Rate	7.00% of reportable compensation Fixed Rate	6.25% of reportable compensation Variable rate
Employer Paid Member Contributions	3.50%	3.50%	3.50%	3.50% From 01/01/2013 to 9/30/2014 0.00% 10/01/2014
Compensation Caps	No Cap	$275,000	$275,000	$145,666 per year

CalPERS Pension Plan

- Annually, an actuarial valuation of NLACRC's Pension Plan is conducted.
  - This valuation represents the cost today for retirement benefits for both eligible employees and retirees
  - Cost assumptions include retiree census, projected future retirees, service years, pension increases, employee contribution rates, change in life expectancy, and return on investments.
- NLACRC currently has unfunded liability totaling $5,241,056 over the next 7 years (based on projections CalPERS made in July 2017 based on FY2015-2016 payroll data) which would have to be paid by NLACRC annually in each of these fiscal years.

	Required Contribution	Projected Future Employer Contributions (Assumes 7.375% Return for Fiscal Year 2016-17)					
Fiscal Year	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Normal Cost %	7.849%	8.3%	9.1%	9.1%	9.1%	9.1%	9.1%
UAL Payment	114,056	271,000	508,000	768,000	1,042,000	1,205,000	1,333,000

CalPERS Retirement Plan

- **The projected cost to terminate our contract with CalPERS is $60.9 million as of the valuation performed as of June 30, 2017 (based on NLACRC's payroll for FY2015-2016)**
  - The cost to terminate our CalPERS Retirement contract exceeds our entire FY2017-2018 annual operations budget by $11,290,240

- Terminating our contract with CalPERS is not a viable option.

NLACRC's Strategy

- **To mitigate the cost of Pension Benefits, CalPERS allows for employers to pay the unfunded pension liability in advance to reduce future unfunded pension liability amounts**

  - To achieve this objective, NLACRC makes payments to CalPERS to reduce the unfunded pension liability based on availability of operating funds.

Competing Strategy

- Both the reduction of retiree unfunded healthcare liability and retiree unfunded pension liability are important
  - Payment of the unfunded pension liability is a mandated scheduled payment;
  - Payment of the unfunded healthcare liability does not have a mandated scheduled payment.

- Given the choice between using available operations funds to reduce unfunded retiree healthcare liability or to reduce unfunded pension liability, reducing the unfunded pension liability will always be the priority.

Legislative Engagement

- NLACRC and Community & Legislative Educator Consultant
  - Town Hall Meeting that featured elected representatives, community advocates and regional center representatives
  - Ongoing legislative advocacy trainings in all 3 valleys to include Festival Educational
  - Candidates Forum scheduled for May 29, 2018 for AD 39 and AD 45 and in the fall of 2018 for the general elections
  - Joined the Valley Industry and Commerce Association (VICA)
- Grass Roots Visits
  - Continue meeting with legislators in Sacramento as part of ARCA Grass Roots day as well as visits throughout the year to our legislators' local district offices to keep them informed about our most critical issues
- ARCA Priorities
  - One of ARCA's priorities is to advocate for guaranteed funding required for compliance with federal, state, and local mandates

Community Feedback?

- What ideas, suggestions, or recommendations would you like to be considered for inclusion in NLACRC's Plan of Correction?
- NLACRC will accept suggestions and recommendations through Tuesday, May 29, 2018
- Email: NLAemail@nlacrc.org
- Phone: (818) 778-4416

Thank you