

EASTERN LOS ANGELES REGIONAL CENTER

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ELARC Board of Directors Meeting

April 9, 2013

Approved May 14, 2013

Present:

Terry Munoz, President
Felicitas Navera, Secretary
Theresa Chen, Treasurer
Jiang Guo
Armando Villegas, VAC Representative

Staff Present:

Gloria Wong, Executive Director
Felipe Hernandez, Chief of
Consumer Services
Rosalie Estrada, Executive Asst.

Absent:

Deborah Gallardo (excused)
Robert Hazard (excused)
Roman Castro (excused)

Guests:

Refer to Sign-In Sheet

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I. Welcome & Roll Call

The ELARC Board of Directors meeting was called to order at 6:09 P.M. by Terry Munoz, President. A quorum was not present, therefore action items were deferred and will be placed on the May board meeting agenda for necessary action.

II Introductions

The board members introduced themselves.

III Community Input

There was no community Input

IV Opening Round – Board of Directors

The board members were was asked to share a positive experience.

V Approval of Board of Directors Meeting Minutes

A. Minutes of March 12, 2013 (Deferred)

VI Executive Director's Report (Gloria Wong)

A. Budget Update

1. Current Fiscal Year: 2012-13

- **Monthly SOAR Report**
- **Cash Flow Update**

The SOAR (Sufficiency of Allocation Report) report takes into consideration actual POS (Purchase of Services) expenditures through January 2013. It is due to the Department of Developmental Services on the 10th of every month. ELARC is currently looking at deficit ranging from a low of \$11,737,614 to a high of \$12,165,119.

Gloria Wong reported the D-2 amendment was due January 15, 2013, but ELARC did not receive notice of the amendment until March 12th. The allocation is reflected as an adjustment in the February SOAR. A copy of the D-2 Contract Amendment was shared with the Board.

At this time it is unknown when DDS will act on the balance of the projected deficit. The Governor's May Revise is due May 15, 2013 and it may contain adjustments for the current fiscal year. Based on the most recent contract amendment ELARC is projecting to exhaust POS funds by May 31, 2013. This projection takes into account utilizing ELARC's current \$13 million line of credit. In large part, according to DDS, the reason for the delayed contract amendments is due to the pending renewal of the contract with various federal government programs which goes to fund the Regional Center system. Upon approval, the federal funding will be retroactive, in the meantime the result is a cash-flow problem for regional centers.

Gloria reported there are some regional centers who are running out of money before ELARC and some may have already sent letters to families and vendors notifying them the regional center will not have the funds to continue services beyond a particular date.

An update on the budget situation will be provided at the May Board Meeting.

→ Budget Performance Report (OPS)

In the Operations Budget for fiscal year 2012-13, there is a deficit of approximately \$276,426 which includes the D-2 allocation of approximately \$400,000. Last month, a \$600,000 deficit was reported. There remains a sizeable pending allocation for operations from DDS.

2. Fiscal Year 2011-12

The C-9 amendment to the 2011-'12 fiscal year was signed by Terry Munoz, Board

President and there is still an outstanding deficit in POS of approximately \$80,000.

3. Governor's Proposed Budget for FY 2013-14

The Governor's budget for FY 2013-14 was distributed. The position paper will be finalized at the next ARCA meeting.

Budget hearings are taking place in April. On April 11th, the Senate Sub-Committee #3 on Health & Human Services will be conducting a budget hearing. On April 17th the Assembly Sub-Committee #1 on Health & Human Services will be conducting their budget review. Once an agreement is made between the Senate and Assembly, it will go to a full vote by the full body to determine the final budget proposal. Regional Centers are hopeful there will not be delay in the passage of the budget. There is strong support for the restoration of the 1 ¼% reduction for vendors and regional center operations.

ARCA is taking a very assertive role as it relates to the Early Start program. ARCA's position is to fully restore the Early Start program back into the regional center system. Information is being circulated to families who would be able to attend the hearings and speak to the value of returning Early Start project to the regional centers.

Hearings will also focus on the Lanterman Developmental Center closure. ELARC anticipates ten consumers will be moved into the community by the end of the fiscal year. The balance of ELARC consumers will be moved by the end of next fiscal year. Once the placements are completed, the Board will be briefed on the resources which have been developed for ELARC consumers.

Gloria reported there still is some community opposition to the development of a home in San Gabriel. The construction renovation phase has been completed. The result is an upgraded and enhanced property. The impressive result will serve as an added crucial resource for the developmental center consumers and families.

B. ELARC Purchase of Service Data Report

- 1. Public Meeting Notice &**
- 2. E-Newsletter Notice**

A copy of the flyers announcing our public meetings (English/Spanish/Chinese) for the presentation of the ELARC Purchase of Service Data Report were included for the Board in the meeting packets. Regional Centers must conduct public meetings to review data. ELARC is conducting two public meetings, on April 10th one at 10:00 A.M. in the Boardroom and the other at 6:00 P.M. at Parnell Park in Whittier.

Welfare and Institutions Code Section 4519.5 also requires regional centers to post data relating to purchase of service authorization, utilization and expenditures by each regional center with respect to consumer age, race or ethnicity by March 31, 2013.

The data also includes the number and percentage of consumers that are eligible for regional center services but are not receiving purchases services from the regional center.

3. 2011-12 Fiscal Year Purchase of Service Data

A revised **“ELARC 2011/12 Fiscal Year Purchase of Service (POS) Data By: Age, Race, Language, and Disability”** (revised 4/9/2013) was distributed and reviewed. A copy of Welfare and Institutions Code Section 4519.5 was also shared with the Board.

AB 1472, a Trailer Bill, went into effect as of July 1, 2012 and resulted in Welfare and Institutions Code Section (W&I Code) 4519.5. AB 1472 was developed as a result of a Senate Select Committee on Autism & Related Disorders. A hearing was held on April 30, 2012. Hearings were triggered by the release of a series of articles in the L.A. Times newspaper approximately two years ago. The articles reported a wide discrepancy in the funding of services for the various ethnic groups served by the regional centers and in the school district. The Senate Select Committee on Autism and Related Disorders was charged with assessing the article findings. Stakeholder meetings were conducted over the past year and as a result of the findings recommendations were developed on addressing the purchase of service funding discrepancy amongst the various ethnic groups. The recommendations from the stakeholder sessions were developed and as a result six bills were authored with an anticipated enactment for Fiscal Year 2013-14. These bills are SB 158, SB 208, SB 319, SB 321, SB 357, and SB 555.

W & I Code Section 4519.5 mandates the regional centers to conduct a comprehensive fiscal analysis for Fiscal Year 2011-12. Based on W & I Code Section 4519.5, the reported expenditures were broken down by ethnicity/race, diagnosis, and language of given age groups. The bill specifies the content for the report. Regional Centers are required to post the data on their websites by March 31, 2013. Additionally, community meetings to discuss the findings must take place within 90 days from the posting date of March 31, 2013. Thereafter, regional centers will be required to annually revise the report for each subsequent fiscal year. The next report will assess expenditures for fiscal year 2012-13 and the new posting date of the report will be December 31, 2013.

Gloria Wong provided highlights of the 2011-12 Fiscal Year Purchase of Services Data which has been posted on the ELARC website as mandated by W& I Code Section 4519.5. Discussion focused on the distinction between “total expenditures” (\$134,435,484) and “total authorized services” and the difference between these two amounts which results in the actual utilization (82.9%) of services for the fiscal year.

POS expenditures paid under contract are excluded from the POS data. Some of these services includes transportation and supported living services (SEP). The cost for consumers receiving SEP, under contract for ELARC is over \$2 million. Transportation services under contract is approximately \$300,000 which is not reflected on the POS

data report. Additionally there are residential services and day program services which are funded by Medi-Cal which are also not reflected in this report.

There was discussion regarding a potential remedy for dealing with Purchase of Service (POS) variances amongst the various ethnic groups which is the option of implementing "Self-Determination". Self-Determination is an alternative form of service coordination which has been in existence for approximately 15 years and was a small pilot program which never was instituted statewide. The pilot program was only available at five regional centers and there were approximately 200 regional center participants in the pilot, ELARC was one of the five. The findings report that all self-determination pilot participants were happy and enjoyed the idea of being able to select their services. The ELARC families participating in self-determination have not wanted to discontinue the pilot program. They are happy with having control of their own budget, not having to rely on existing policy and procedures. The interest in the original pilot at ELARC far exceeded the available slots. The result was the establishment of a waiting list of approximately 300 individuals. One of the drawbacks of the pilot is that regional centers were directed to not include these consumers in the Medicaid Waiver Program (federal funds). The legislature has specified that any future implementation of self-determination project will be required to ensure that it is eligible for federal funds.

SB 468 promotes self-directed services same concept as self-determination.

Senate Bill (SB) 468 is being sponsored by Autism Society of Los Angeles and by Disability Rights California. The Association of Regional Center Agencies (ARCA) is working with the Autism Society of Los Angeles and Disability Rights California to better understand the bill. One of the main concerns is the bill's emphasis on cost neutrality. If the Regional Center is looking at self-directed services as a means correcting the POS variances then cost neutrality cannot apply. SB 468, if passed, would be limited to only 1,500 individuals on a voluntary basis, and would be phased in over a three year period.

An update on SB 468 will be provided at the May Board Meeting.

VII Consumer Services Report (Felipe Hernandez, Chief of Consumer Services)

Report was deferred.

VIII Committee Reports

A. Nominating Committee

Deferred.

B. Consumer Advisory Committee

Report deferred.

C. Family Advisory Committee

Report deferred.

D. Vendor Advisory Committee

Report deferred.

E. Finance/Personnel Committee

Report deferred.

X. Miscellaneous Announcements

There were no announcements.

XI Adjournment

**M/S/C (Jiang Guo/Theresa) To adjourn the ELARC Board of Directors Meeting .
Unanimous.**

There being no further business to discuss the meeting was adjourned at 8:20 P.M.

Respectfully submitted by:

Felicitas Navera, Secretary
ELARC Board of Directors

Recorded by: Rosalie M. Estrada, Executive Assistant