



EASTERN LOS ANGELES REGIONAL CENTER

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**Minutes of Board of Directors Meeting
April 10, 2012
Approved May 8, 2012**

Present:

Terry Munoz, President
Felicitas, Navera, Secretary
Robert Hazard, Treasurer
Olga Sarabia
Jiang Guo
Deborah Gallardo
Marvin Brown
Theresa Chen
Tammy Bachrach, VAC Rep.

Staff Present:

Gloria Wong, Executive Director
Rosalie Estrada, Executive Assistant
Carmen Vasquez, Manager
Early Start Unit

Absent:

Elton Lui (excused)
Pat Gomez, (excused)
Joe Utar (excused)
Miguel Lugo

Guests:

Refer to Sign-In Sheet

Terry Munoz, President, called the meeting to order at 6:12 P.M.

I Welcome and Roll Call

Terry Munoz, President, welcomed all present. Roll call was taken and a quorum was present in order to conduct business.

**II Introductions &
III Opening Round**

Terry Munoz asked the Board of Directors to introduce themselves and share a positive experience.

IV Community Input

There was no community input.

V Approval of Board of Directors Meeting Minutes of March 13, 2012

M/S/C (Jiang Guo/Robert Hazard) To approve the Board of Directors Meeting Minutes of March 13, 2012 as corrected. Unanimous.

Debbie Gallardo suggested the paperwork given out at the Board meetings be recycled.

VI Executive Director's Report

→Gloria Wong reminded the Board and those present in the audience the October Board Meeting has been changed. The meeting will take place on October 2nd; the October 9th meeting was cancelled, as Gloria will be on vacation. This information is being circulated at the advisory committee meetings and will be posted on the internet as well as at the ELARC Reception Area. The notice will also be included on all future BOD meeting notices.

→Gloria reported the Trailer Bill Language requires regional centers to change the auditing firm, which performs the annually required independent audit of the agency financial statement, every five years. Windes & McClaughry, based in Los Angeles area has been conducting the yearly audits for ELARC over many years. ELARC has selected Lautze & Lautze, a firm located in San Francisco to conduct future financial audits in order to comply with Trailer Bill Language (TBL) changes. They do have experience with the regional center system and have done audits for regional centers in Northern California area. Lautze & Lautze was selected because of their extensive background and expertise with the Regional Center system; additionally they submitted the least costly bid. Terry Munoz and Gloria Wong will be signing off on the letter retaining their services.

→A Request for Proposals (RFP) Alert Bulletin dated April 10, 2012 was distributed. The bulletin has been posted on ELARC's website and was posted in the ELARC reception area on Monday, April 9, 2012. The RFP is for the development of two specialized residential facilities for adults. The grant award allocation is for \$300,000.00 for each home, up to \$100,000 for service provider start-up costs and \$200,000.00 for property renovation. There will be a mandatory orientation on April 30th for interested individuals. The due date for the proposal is May 24, 2012. The review and approval of grant award(s) over \$250,000.00 will be presented to the Board of Directors by June 12, 2012. A committee is being developed to review and rank the proposals to determine who will be nominated to receive the start-up funds grant. As per agency policy, any awards above \$250,000 will require Board approval to effectuate the contract.

Gloria reported ELARC will release another RFP 2011/12 within the next few days. The RFP will also be posted on the ELARC website and an announcement will also be posted in the ELARC office reception area. The RFP is for housing acquisition. ELARC will be seeking proposals for two properties to be purchased by a non-profit housing corporation as a lease to a residential provider(s) with conditionally approved Community Placement (CPP) Start-up Funds. The grant award allocation is \$200,000.00 for each home, up to \$200,000. for the purchase of property and related costs.

In the past, a board member has participated with the in-house committee in reviewing and ranking the RFP's received. A copy of the RFP was circulated for review. If any board members are interested in participating on the review committee, please contact Rosalie Estrada. Typically, the review can take approximately three weeks.

Each home will house four consumers for a total eight consumers.

→As mentioned at the March meeting, Gloria Wong reported Elton Lui has not been present at board meetings as his son was involved in a critical automobile accident and his son is in critical condition. Our very best wishes and prayers have been extended to Elton.

→Pat Gomez is not present as she is on vacation in Madrid, Spain.

A. Budget Status 2011-12

1. POS Monthly SOAR Report

The Monthly SOAR Report was distributed. The SOAR is due on the 10th of every month to DDS. The current deficit ranges from \$18 million to \$19 million. The deficit has been slightly reduced as the C-3 allocation was received and is reflected in the SOAR. ELARC received \$3.3 million in an allocation for purchase of services. DDS still has \$71 million which has not yet been allocated. There remains a statewide deficit of approximately \$300 million. DDS expects to receive about \$50 million from First Five organization. DDS is confident they will be able to obtain the needed funds to eliminate the projected deficit.

The "Percent of Caseload Growth" chart was distributed and reviewed.

DDS has recognized most of the regional centers have had consumer growth, ELARC has been impacted by this growth. As a result the original underprojection resulted in an underfunding of caseload growth for current fiscal year. The Governor's budget release of the budget for 2012-13 includes an adjustment of \$3.6 million for current year. DDS is awaiting final legislative approval to release these critically needed funds

to Regional Center. Last fiscal year the consumer growth plummeted mainly due to the early start changes.

The overall Status 1 (Early Start) and 2 growth is at a rate of 4.97% to date, last year the growth was at 2.49%. The graph depicts how the Early Start Unit grew by only 1.1% last fiscal year and this fiscal year there is a 15.3% growth factor to date.

Carmen Vasquez, Early Start Manager, shared with the Board the Early Start Unit is involved in doing a lot of outreach and education with hospitals, neonatal intensive care units, individual physicians, and pediatricians. The unit is also doing mass mailings in order to keep individuals updated on Trailer Bill Language. Many were under the impression last year the Early Start program had been abolished, regional centers were no longer taking referrals, and it has taken over a year to educate the community.

Carmen Vasquez also reported another big component for the increase in referrals is the Department of Children and Family Services (DCFS). ELARC has been working closely with DCFS for the past seven years and a Memorandum of Understanding (MOU) was developed. The MOU will allow the regional center to process the referrals from DCFS with appropriate documentation.

Gloria reported due to the severe budget cuts positions have been frozen as staff leave the agency. DDS and the Legislature recognize there has been under-funding for caseload growth to the Regional Centers. There is approximately \$3.6 million yet to be allocated by DDS for staff and caseload growth.

New Purchases Comparison graph was distributed and reviewed. In the “rollover” for fiscal year 2010/11 there was \$88 million rolled over and for the current fiscal year, 2011/12, \$96 million. ELARC started the new fiscal year with more financial commitments at the start of the fiscal year. “Rollovers” are authorizations with a full year commitment to a given service, versus a time limited approval.

→ Cash Flow: Gloria reported the State of California has not received the revenues which they expected and federal dollars have not come in as quickly as was anticipated. Ultimately the State of California has a cash flow problem.

Regional Centers submit on a monthly basis its claims to the Department of Developmental Services. The Regional Centers do not receive at the start of the fiscal year their full allocation, but rather only receive 25% of the preliminary allocation. About four years ago another change was made to the 25% of the allocation, DDS now allocates the 25% of the money in thirds, one-third in July, another one-third in August and the remainder of the 25% is issued in September.

Claims are submitted on a monthly basis and paid 30 days after the fact. In January claims were submitted to DDS, who was already experiencing cash flow problems, and they informed the regional centers that they would only be receiving 60% of the amount submitted on the claims. The February claim was submitted at the end of March and to date have not heard from DDS, but anticipate DDS will be in contact with the regional centers allocating only a percentage of the full claim.

A survey has been completed by staff as to where ELARC stands should DDS continue to not fully fund claims. ELARC will have sufficient funds through April 30th. ELARC continues to have a line of credit which is active with our bank for \$11 million which can be used should the need arise. It is hoped that the full amount of the February claim will be received, and if it is received, it will carry the regional center until May 12th, which is the first payment of the month and the largest payment. The February claim is expected this week.

2. Contract Amendment (C-3)

The Fiscal Year 2011-12 C-3 Contract Amendment was received in the amount of \$204,000 operating expenses under rent category.

3. Budget Performance Report: Operations

The Budget Performance Report for Operations was distributed.

As noted on the Budget Performance Report, the deficit did change to a surplus, \$99,513, as a result of the C-3 received.

Gloria reported there are categories of the operation budget which are dedicated funds. There is a general fund and three accounts which are exclusive to a particular area, and the funds can not be shifted to the general funds. The three categories are the Clinical Team which has a surplus of \$63,911, the Community Placement Plan which is currently reporting a deficit but DDS holds on to the funding to ensure the regional center has met the placement numbers. Prevention also has a dedicated fund and currently reports a deficit of \$345,606 as a result of the cuts in funding and ELARC is sustaining this category with general funds. DDS is still holding on to the \$3.6 million to be allocated to regional centers due to caseload growth and it is unknown how much will be allocated to ELARC.

4. \$100 Million “Trigger Cuts”: DDS Action Plan

Regional Centers have been informed that the additional \$100 million “Trigger Cuts” will not affect them, but DDS has formalized their position on how to make up the \$100 million cuts. DDS has identified various ways to achieve the \$100 million cut. They

include: downsizing; funding reduction which would yield a \$1.0 million general fund savings; gap funding for a savings of \$0.3 million; Denti-Cal a savings of \$4.3 million; CPP start-up delays for a savings of \$5.1 million; additional Home and Community Based Waiver funding for a savings of \$20.0 million.

5. Medicaid Waiver Contract Renewal

Correspondence was received from DDS informing regional centers the Medicaid Waiver contract has been extended, renewed and approved. The contract expired with the Federal government approximately four months ago. The regional center system is expected to receive approximately \$20 million. The services for which regional centers can bill for have been expanded substantially. It is anticipated in the Governor's proposed budget that it will generate a substantial amount of money, about \$1 billion projection in federal funds for the regional center system. The Governor has already calculated the \$1 billion in the budget.

6. Title 17 Amendment to Regulations: Medicaid Integrity Vendorization Requirements

Title 17, Amendment to Regulations re: Medicaid Integrity Vendorization Requirements has been posted on the ELARC website and was sent to regional center board presidents by DDS. The amendment is part of the contract renewal with the federal government. Regulations require the regional centers to enhance the review process by staff for new vendors.

7. Stakeholder Groups

DDS conducted six stakeholder group meetings throughout California made up of given representatives which included family members, consumers, vendors, advocates to obtain public input on the proposed 2012/13 fiscal year budget which will have a \$200 million reduction. DDS will have the ultimate decision on how they will make up the \$200 million. DDS will make their decision public in draft form before presenting it to the Assembly and Senate Budget Committee. Budget hearings will be taking place through out the month of April.

Some of the suggestions received from the stakeholder meetings to reduce expenses in the 2012/13 budget year: (1) increase federal financial participation (waiver dollars); (2) implement statewide self-determination; (3) lift the 4/25% reduction to the regional center system (regional centers and vendors).

B. 2012-13 Governor's Proposed Budget

1. Budget Hearings

Gloria reported the hearings began in March and will continue with both the Assembly and Senate.

2. ARCA Correspondence

Correspondence from ARCA to the Chair of the Senate Budget and Fiscal Review, Subcommittee #3 dated March 23, 2012 was shared with the Board. ARCA also sent a letter to the Assembly Budget and Fiscal Review Committee.

ARCA opposes the Governor's proposed \$200 million reduction to the DDS budget and supports the sunset of the 4.25% reductions.

A copy of the ARCA Position Statement re: Governor's Proposed Budget for Fiscal year 2012 was shared with the Board.

The LAO (Legislative Analyst's Office) is an independent entity that does not have ties to any party and are simply charged with doing an analysis of the budget and report back to the Legislature. They are supporting the \$200 million reduction to the regional center system and are also recommending not restoring the 4.25% payment reduction. The LAO is also recommending the regional centers begin doing financial assessments of all families, as form of means testing before receiving services.

The Governor is scheduled to release the May Revise on May 15th.

C. Building Capacity for Person Centered Thinking

A publication which was developed primarily by Tri-Counties Regional Center (TCRC) was shared with the Board. Person Centered Thinking is an approach which is about skills to be used at the time of the Individual Program Plan (IPP), learning how the consumer wants to live at home, at work or in the community and developing a plan to make it happen. There is a heavy emphasis on training of services coordinators. ELARC has not received grant money for this concept but TCRC did receive a grant and they have conducted service coordinator training at their site. ELARC had staff participate in the training.

ELARC is mentioned on page 20 of the report.

Tammy Bachrach, Vendor Representative indicated she thoroughly enjoyed reading the publication and stated Liz Rodgers, ELARC staff, is “awesome” and does great training on Person Centered Thinking and indicated it would be helpful if Liz or Mark Starford could provide training to the Board on People First language. Gloria agreed and will look into scheduling a training.

D. “Way Forward” Project Update

Gloria reported the committee is working on a survey monkey and is still in draft form and hopes the survey will be ready sometime in May. The Southern California Regional Center Directors will be meeting on Thursday, April 12th and the survey will be discussed. Thirteen regional centers thus far are participating in the development of the survey. The intent is to seek input on the future of regional center in light of the financial challenges faced by the current system. The survey will gather information from the general community which will assist in developing a position paper.

Participation on the survey will be by invite only and will be anonymous.

VII Consumer Services Report

Felipe Hernandez was not present as he is on vacation. Carmen Vasquez, Manager of the Early Start Unit was present and reported the following:

The State is looking at the federal rates in order to update the State rates to be in compliance with Federal regulations.

The biggest piece of the reauthorization is the transition planning from Part C services to Part B which are the educational services and will allow regional center more flexibility to have more transitioned early start cases. Transition services can include headstart or preschool programs.

Carmen also reported she is working actively with the Family Resource Center to transition the Prevention program to the FRC which is now the Prevention Referral Resources Services Program. Meetings have been held with Yvette Baptiste, Director of the FRC and Michelle Sepulveda to prepare in transitioning the children, ages 0 to 3 years, effective June 30th. The children are high risk with medical issues and about 13 or 14 high risk medical factors which would include the infants in the Prevention program. All the children currently in the Prevention Program will be transferred to the FRC. There are currently 40 children who will be transferred. In order to make the transition as smooth as possible for the families time has been spent educating them as to the services available at the FRC.

Carmen also reported the biggest challenge for the Early Start is asking insurances to pay for services. She reported approximately 90% of the infants referred back to their health insurance get denied. The reason for the denial is that it is not a medical necessity, and view it as a developmental delay and as a result are referred back to the Regional Center.

VIII Committee Reports

A. Vendor Advisory Committee

Tammy Bachrach, Vendor Representative, reported the VAC met this month and there was some discussion about renewing the Political Education Committee. There is a new individual heading the committee and will be meeting on a regular basis. A sub-committee of the VAC continues to work with ELARC on the development of a code of ethics. They meet on a regular basis and plans to have it ready for training to vendors in June. It will also be part of the packet for new vendors entering the system.

The VAC is planning their next couple of meetings around political action in order to educate vendors on legislative process. The VAC would also like to invite Gloria after the May Revise to share some budget information.

B. Consumer Advisory Committee

Miguel Lugo was not present therefore there was no report.

C. Family Advisory Committee

Felicitas Navera reported she attended the FAC meeting held on April 4th. There were 6 parents in Whittier and one parent in Alhambra, and indicated it was a good meeting. There was strong dialogue regarding the parent training to be conducted by Fran Goldfarb from the University of Southern California Center for Excellence in Developmental Disabilities. The first in-service is scheduled for June 6th from 6:00 P.M. to 8:00 P.M. in Santa Fe Springs. There will be translators available Spanish and Chinese. The topic will be the changes in the California State budget. Parents developed the outline and the focus area they would like covered by Fran Goldfarb. Three more sessions will be scheduled with the next to be held in Highland Park, the topic will be "Self Advocacy".

The FAC also discussed the draft policy on Adaptive Skills Training. Gloria reported the policy is being discussed with vendors, initial discussion has been with CAPC vendor.

Fely also reported Elsa Flores, parent, requested information regarding ELARC Board composition as it relates to the Lanterman Act.

Gloria Wong responded the current board composition is diversified in terms of the demographics, with Hispanic and Asian representation, and consumers and parents who are part of the board of directors. There is also representation of minors as well as adults. Both Pat Gomez and Jiang Guo have children under the age of 18. Terry Munoz has a son who just turned 18. Gloria also indicated the Lanterman Act states the board must be 50% of parents and consumers and the others can be professionals who are familiar with developmental disabilities and ELARC meets and exceeds this requirement of the Lanterman Act.

Elsa Flores, parent, stated with the latest statistics coming from the CDC regarding the rise of autism now being 1 in 88, there are no younger board members who represent the younger child who is around 5 years. Elsa also stated that every year there is new awareness and parents going through the process of having a child with autism is different than it was when some of the board members went through when their child was two years of age.

Deborah Gallardo, board member, shared when she was born her mother did not know about the disability she had when she was born. Her mother thought she was born normal and there was no assistance or education for her mom like there is now.

Olga Sarabia, board member, also shared being on the Board of Directors is not where you learn about the disabilities, but rather from trainings, meetings, and support groups.

Gloria stated families with small children are usually overwhelmed with information being shared with them. ELARC offers training sessions and supports for families. Additionally ELARC has a great relationship with the Family Resource Center (FRC) to ensure the families receive the support needed. The FRC will collaborate with the Regional Center and will assist with referrals and the school district. They also assist with mentoring families who are going through the process.

Tammy stated if there is new knowledge that is gained about autism or strategies the board should be educated about the new developments, so this may be a good component for future training for the Board.

D. Finance Committee

There was no Finance Committee Meeting held, therefore there was no report.

IX Adjourment

There being no further business to discuss the General Board Meeting Session was adjourned at 7:50 P.M.

Respectfully submitted:

Felicitas Navera, Secretary
ELARC Board of Directors

Recorded by: Rosalie M. Estrada, Executive Assistant

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