

Board of Directors' Meeting

January 26, 2004

Presiding: Mike Treppa

Board Members

Present: Mario Alvarez  
Bill Dycus  
Chi Keung Lee  
Sister Marygrace  
Anne Struthers  
Theresa Woo  
Rose Coleman  
Tom Florin  
Dick Long  
Claudia Sladen  
Steve Whitgob

Board Members

Excused: Carl Jones  
Carmen Quinones  
Patricia Puncsak

Staff Present:

Jim Burton  
Susan Driggs  
Sheryl Kuhn  
Gabriel Rogin  
Francine Davis  
Nancy Kubota  
Sandy Pimperton

Guests Present:

Nyron Battles  
Diana Jorgensen  
Henry Linker  
Rocio Smith  
Barbara Garcia  
Eva Linker  
Cleo Manspeaker  
Todd Struthers

CALL TO ORDER

President, Mike Treppa called to order the regularly scheduled business meeting of the Regional Center of the East Bay at 7:02 p.m. Self-introductions were made.

CONSENT AGENDA

M/S/C "The Board moves to approve the consent agenda as presented."  
(Struthers/Long) Unanimous.

## PUBLIC COMMENT

Francine Davis announced that today was Rocio Smith's birthday and everyone present joined in wishing her a very happy birthday.

## COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Mike Treppa

Mr. Treppa introduced Ms. Woo and Dr. Lee and welcomed them to the Board of Directors. Members were asked to review the Master Calendar and Work Plan for 2004 included in their packets. These two documents will guide the work of the Board for the coming year. Mr. Treppa reported that the Executive Committee had reviewed current committee assignments and he will be contacting board members to discuss their committee participation for this year.

BUDGET AND FINANCE COMMITTEE: Dick Long

Mr. Long reminded members that the 2002/2003 audit report was distributed last month for review. The report was very favorable for RCEB and members were asked to consider acceptance of the document. He again thanked Ms. Kubota and her staff for their fine work in monitoring the fiscal status of the agency.

M/S/C            "The Board moves to accept the audit report for fiscal year 2002/2003 as presented." (Treppa/Long) The motion carried with one abstention.

Mr. Long distributed and reviewed the financial status report for the period ended December 2003. The Operations Budget continues to be very close to balanced and we anticipate a balanced budget in Purchase of Service at year-end.

MEMBERSHIP DEVELOPMENT COMMITTEE: Mario Alvarez

Mr. Alvarez reported that the membership numbers continue to be somewhat fluid. With the addition of Ms. Woo and Dr. Lee this evening the Board has fourteen active members and one member on leave. The Membership Development Committee will continue their recruitment efforts with a focus on increasing family member participation. Mr. Alvarez also reported that Carl Jones has decided to leave the Board due to personal obligations. Five members are completing their first term of service and all have agreed to continue for a second term. Mr. Alvarez placed into nomination for a second term of service the names of William Dycus, Thomas Florin, Richard Long, Anne Struthers and Stephen Whitgob. Election will be held at the February 23<sup>rd</sup> meeting of the Board of Directors.

## BUDGET UPDATE: Jim Burton

Mr. Burton distributed and reviewed highlights of the budget and growth information for California's developmental disabilities service system prepared by Rocio Smith. This information provides a clear outline of why expenditures in this system have increased while continuing to be extremely cost effective.

Mr. Burton reviewed the Governor's November budget reduction proposals and the community's remarkable response efforts during the holiday season. The Governor did rescind all of these proposals as a result of this historic effort on the part of families, consumers and advocates and the Lanterman Act has been preserved for the moment. All were reminded that the Governor's most recent budget proposals must still be approved by the Legislature and that many things can change between January and June. We do anticipate that the current year budget for the developmental disabilities system will remain the same through the fiscal year end. The mid year proposal is still in place for IHSS and they are still facing massive cuts. Medi-Cal is still threatened with an additional 10% provider rate reduction but these are being delayed as a result of the legal action surrounding last year's 5% rate reduction.

Mr. Burton acknowledged that for fiscal year 2004/2005 \$134 million has been added for caseload growth. Members were also cautioned that this amount is actually a little less than half of what was received in the current year. Additional funding totaling \$127 million is being provided for the transfer of the Habilitation program to regional centers but no allocation is being provided for regional center staffing to support this program transfer. The governor has also proposed a \$100 million State General Fund unallocated reduction to the POS budget. The final loss will be \$130-140 million in total reductions to reach this amount with the loss of Federal matching funds. Upon close review it is clear that these were not carefully thought through recommendations.

Additionally, the Governor has proposed the continuation of all reductions that were put in place this year. Purchase of Service Standards have again been proposed and a draft should be available for review in early March. We do not expect that these standards will be tied to a specific dollar amount but need to remain aware that they will put at risk every service identified in an IPP.

Parental co-payments were required in the budget act for 2003 and are scheduled to begin 7/1/04. These charges will be directed toward families with children aged 3 through 17. We do not have specifics on who will administer this program or how it will be implemented in July. The Administration is also looking at accessing consumers' special needs trust funds to pay for services.

The Governor's budget proposal also includes a \$6.5 million reduction in regional center operations. This will be a \$38.5 million total reduction inclusive of the current year cuts carried forward.

A significant issue for our entire system will be the proposed cuts to IHSS. The mid-year proposals are still in place and next year's budget proposals are even more extreme. Mr. Burton noted that these services are so inter-layered with our services that any changes will dramatically impact our consumers and families. It is imperative that advocacy efforts be focused on the proposed IHSS reductions and we should begin now to prepare for the upcoming hearings.

Several ideas are already under consideration for fiscal year 2005/2006. These include expansion of the parental fees to parents of children from birth to three years of age, a proposal to standardize provider rates and the implementation of self-directed services. We are not seeing a lot of new proposals to capture federal revenues and with the cuts to the DDS budget we will be losing many of the talented people who were experienced at securing federal funding. State developmental centers have lost very little in comparison to what all other state agencies have experienced. They received a reduction of only 31 staff positions out of a total of 8500.

Mr. Burton reminded everyone that consumers and families did an extraordinary job of turning around the Governor's proposals in December but this is only the first step in an extended challenge. We will need to remain watchful and be prepared for all that lies ahead. It will be important to stay focused on IHSS right now and we expect hearings to begin in February. The Legislative Analyst's report is also due out in February. Draft POS Standards should be available in March and hearings will begin on our issues. Parental co-payment regulations will be ready in April and the Bay Area Plan for the closure of Agnews Developmental Center is due on April 1<sup>st</sup>.

Rose Coleman expressed concern about the impact on consumers of the proposed IHSS reductions. Mr. Burton noted that we should be very concerned and it is time to get involved. While the Legislature does not appear to be supportive of these proposals, the Governor continues to change and add to the proposals so vigilance is critical. Our representatives in Sacramento have no real understanding of what kind of fear people go through trying to determine what impact these proposals will have on their lives. We must all work together and continue our efforts to educate our representatives.

#### SUPPORTS AND SERVICES COMMITTEE: Mike Treppa

Mr. Treppa reported that RCEB will continue their work on Purchase of Service Policies until statewide standards are implemented. The committee had suspended their efforts last year when statewide standards were previously under consideration. Members were referred to their packets and reminded that the two policies being considered this evening had been presented for a first reading prior to the suspension of the committee's work.

M/S/C “The Board moves to approve the policy *Residential Services for Adults* and the policy *Residential Placement of Children* as presented.” (Long/Struthers) Unanimous.

Mr. Treppa requested that members review the draft policy *Independent Living Skills Program* and be prepared to consider approval at the February meeting of the Board.

Mr. Burton reported that the policies approved by the Board in early 2002 were re-submitted to DDS and have now been reviewed. Most of these policies have been approved and three are being returned with minor revisions requested by DDS.

#### PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace

Sister Marygrace reported that the December meeting of her group opened with sharing things for which they were grateful. Sister Marygrace reported that there were many expressions of appreciation for the spirit of community that has developed for us locally. There were also expressions of concern that we must ensure that the Governor remains aware and responsive to our needs. Members also continued their discussion of the worker’s compensation challenge. Bill Sorrell, Will Sanford and Jamie Skye were nominated for PVAC membership by the Steering Committee and elected at the December meeting of the group.

The January 9<sup>th</sup> meeting was brief due to the release of the Governor’s budget on that date. It was agreed that the PVAC by-laws would be forwarded to the Executive Committee for the Board’s review of by-laws in March. This meeting also included an extensive discussion of the vacancies in our board and care facilities.

#### CONSUMER ADVISORY COMMITTEE: Bill Dycus

Mr. Dycus reported that Steven Baruch attended their most recent meeting to continue working on how to determine who will attend the Self Advocacy Conference this year. It was decided that we would try to send representatives from various community agencies including People First, Area Board V and the RCEB Consumer Advisory Committee. In order to maximize the number of people who can attend, the CAC members agreed to require that all those funded by RCEB should share some of the cost. The actual amount of the co-payment has not been determined. Mr. Dycus also reported that the CAC members are preparing an article for the RCEB newsletter.

#### EXECUTIVE DIRECTOR’S REPORT: Jim Burton

Mr. Burton reported that our service providers are continuing to struggle with our outdated rate system. We lost another provider in December due to rate issues.

We are also very concerned about The Independent Way. This programs was established many years ago and their rates are very low. We have been working with them but they have now reached the point where it is necessary for them to take action regarding their Union City site. We anticipate that they will give notice to a number of their consumers and we will assist them with this very difficult transition.

Mr. Burton informed the Board that DDS had conducted a special on-site Medicaid Waiver review in December. This review was done to assess our compliance in conducting quarterly meetings with consumers living in community out-of-home settings. This review found us to be in 99% compliance for completing these visits. Mr. Burton thanked Sheryl Kuhn and her staff for their outstanding efforts to bring RCEB into compliance. Mr. Burton noted that this is truly a remarkable accomplishment when considering that RCEB has added more consumers to the Waiver in the last two years than have ever been added by any regional center. RCEB now has nothing hanging over our heads in terms of special reviews.

Mr. Burton reported that the Bay Area Plan had held a public hearing on December 13<sup>th</sup> and found that the majority of parents of consumers residing at Agnews Developmental Center are strongly opposed to the proposed closure. The final plan will go to the Legislature in April and it is expected to continue to be a very controversial issue. Mr. Burton stated that RCEB has been a very active participant in the development of the plan and it is expected to provide outstanding community living arrangements to the consumers who now reside at Agnews. State developmental center costs now average \$200,000 per year and it is expected that the final decision on the proposed closure will be based on the budget. Mr. Burton reported that we have very creative and innovative proposals and much work has gone into this plan. The Bay Area Plan has been a remarkably strong regional effort but it will continue to be controversial. Carol Bohnsack has been appointed the Director of the Bay Area Plan and will be working at RCEB. Ms. Bohnsack brings to this position a wealth of experience, knowledge and commitment.

Mr. Burton updated the Board on recent issues. The Habilitation transfer is being opposed by CRA but we do not know if their challenge will be successful. The Morohoshi decision relative to vicarious liability has been appealed and the California Supreme Court has unanimously agreed to hear the case. The court found in favor of the defendants in the Sanchez lawsuit. This case was filed seeking parity between SDC employees and direct care staff in the community. There has always been a huge inequity between the two systems so this decision was very disappointing. Plans for the implementation of parental fees are not yet available for review but Mr. Burton stated that it will very important for the stakeholders in this process to be the parents. We will also need to start preparing for the release of the POS Standards in March. This particular proposal has tremendous potential to create hardships for consumers and

families. CADDIS, the new computer system for all regional centers, is scheduled for implementation at the end of February. The two pilot projects are reportedly experiencing problems and we will not know if we will proceed until February 17<sup>th</sup>. RCEB will continue efforts to prepare for the conversion and will make our best effort to implement the new system but we remain concerned that the project is still encountering significant problems at this point.

ARCA REPORT: Anne Struthers

Ms. Struthers reported that the ARCA representatives met last week and their main topic of discussion was impending parental co-payments and enrollment fees. Representatives have been asked to share their Boards' reactions and concerns with the ARCA body. Ms. Struthers also reported that the meeting included an extended budget discussion and many of those details were covered earlier in Mr. Burton's presentation. ARCA members also had an excellent presentation by Bob Geddings, Executive Director of the National Association of State Directors of Developmental Disabilities Services. Mr. Geddings' presentation focused on the national perspective of the challenging issues being faced by the state of California.

Mr. Burton thanked Ms. Struthers and Mr. Battles for their representation of RCEB in the ARCA process.

ADJOURNMENT

Following a closed session to discuss real estate negotiations and labor contract negotiations, the meeting was adjourned at 9:25 p.m.

Respectfully submitted,

Rose Coleman  
Secretary  
RCEB Board of Directors