



Regional Center of the East Bay
REGIONAL CENTER OF THE EAST BAY

Board of Directors Meeting

Monday, March 25, 2019
500 Davis Street, San Leandro
Approved 4/22/19

RCEB BOARD MEMBERS PRESENT:

Kathy Hebert, President
Lilian Ansari, Vice President
Evangeline Iyemura, Treasurer
Nyron Battles, Secretary
Brian Blaisch
Morena Grimaldi, Diversity & Equity Chair
Sister Marygrace Puchac, PVAC
Linda Stevens
Steven Whitgob

ABSENT [excused]:

Chloe Page
Dinah Shapiro
Gerald Tamayo

STAFF PRESENT:

Lisa Kleinbub, Executive Director
Terri Jones, Director of Human Resources
Lucy Rivello, Director of Health & Behavioral Services
Steve Robinson, Director of Community Services
Lynn Nguyen, Director of Finance & Administration
Ronke Sodipo, Director of Client Services
Christine Hanson, Associate Director of Adult Services
Priscilla Gomez, Transportation Manager
Maria DeSantis, Case Manager
Bret Hatcher, Case Manager
Julie Whiskeyman, Case Manager
Michi Toy, Executive Assistant

GUESTS:

Vi Ibarra, CCCDDC
Sheraden Nicholau, SCDD Bay Area
Frank Paré
Pam Perls
Reneé Perls

Reneé Perls
Jeri Pietrelli
Lisa Soloway

CALL TO ORDER

Board President, Kathy Hebert called the regularly scheduled meeting of the Regional Center of the East Bay to order at 7:03 p.m.

WELCOME AND INTRODUCTIONS

Self-introductions were made and a quorum was present.

CONSENT AGENDA / MINUTES

M/S/C “The Board moves to approve the March 25, 2019 agenda as presented.”
[Battles/Whitgob] Unanimous

M/S/C “The Board moves to approve the February 25, 2019 minutes as presented.”
[Stevens/Puchac] Unanimous

PUBLIC COMMENT

No public comments

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Kathy Hebert

CONTRACT APPROVALS

Department of Developmental Services E-2 Contract Amendment

Ms. Hebert distributed DDS’s E-2 contract amendment documents indicating an increase of \$7,906,523 in OPS/POS Regular & CPP Agnews and DC Closure and Safety Net. RCEB’s CFO Ms. Nguyen outlined details of the contract.

M/S/C “The board moves to approve the Department of Developmental Services E-2 Contract Amendment as presented.” [Battles/Whitgob] Unanimous The motion was adopted.

Department of Developmental Services D-4 Contract Amendment

DDS’s D-4 contract amendment documents were also distributed as informational only. This contract does not need board approval since it is less than \$250K. The D-4 has a \$128,664 increase in OPS CPP and Regular and DC closure, combined with a decrease of \$828,413 in POS deallocation making the contract total \$(699,749).

BUDGET AND FINANCE COMMITTEE

Budget and Finance Report for March 25, 2019 – Evangeline Iyemura

Purchase of Service

Through February 2018, 65% of our fiscal year 2018-19 POS expenditures are in base. At this time, we are projecting a deficit ranging from approximately \$3M (best case) to \$4.6M (worse case) for NON-CPP POS Expenditures. This is a decrease of \$.3M (best case) and \$.5M (worse case) over the previous month's projections.

Currently, 14 Regional Centers including RCEB, are reporting a deficit in their POS projections. Statewide, the projected deficit is at \$38M (best case) and a high of \$62M (worse case). This is a decrease of \$3.8M (best case) and \$8M (worse case).

Even with the additional funding from the E-2 allocation, we continue to project a deficit of \$3.2M for CPP POS Expenditures. We continue to work with the Department to request additional CPP funding.

Operations

In the revised E-2 amendment, RCEB received \$100,000 ABX2-1 funding for a project to reduce disparities. This is restricted to the specific proposed project.

We continue to report a balanced operations budget for the current fiscal year 2018-19. As of March 2019, we have 59% of expenditures in base, which is comparable to last year's OPS expenditures of 58% at this time.

Cash Flow status

The agency is currently maintaining a stable cash flow. To date, we have been receiving full reimbursement for our claims through January.

Staff recently received documents to re-establish our Line of Credit for Fiscal Year 2018-19. Union Bank agrees to renew our Line of Credit of \$25M for 6 months from April through September with commitment fees of .20% (2/10th of a percent or \$25,000) to retain and/or access the line. As you may recall, last year we had a \$35M line of credit. Staff decided to reduce the line to \$25M based on lower need and to save on bank fees. The interest rate on the loan will be prime rate (currently at 5.5% compared to 4.5% for last year at this time).

Staff recommends that the Board approve the line of credit as presented.

M/S/C "The Budget and Finance Committee motions to approve the 6 month line of credit of \$25M from April to September with bank fees of .20%."
[Whitgob/Battles] Unanimous The motion was adopted.

Questions regarding the high interest rate we need to pay for the Line of Credit were asked and addressed by Ms. Kleinbub and elaborated on by Ms. Iyemura and Kathy Hebert.

MEMBERSHIP DEVELOPMENT COMMITTEE: Kathy Hebert

Board Member Nomination

In February, the Membership Development Committee interviewed three board applicants. In following with our Board ByLaws, Section 5.5 Election, *Directors shall be elected at the meeting of the Board of Directors of the Corporation following the meeting of the Board at which the Director was nominated.* Ms. Hebert nominated the three individuals interviewed, as well as a returning former board member totaling four new member prospects at this March board meeting and an election will commence at the April board meeting.

Board Election

At our last board meeting in February, Ms. Hebert nominated both Frank Paré and Lisa Soloway to serve as board members; therefore, a board election was conducted this evening. The ballots were distributed to the Board members and tallied by Lilian Ansari with the result being a unanimous vote for both nominees to serve on the board effective this meeting.

ByLaw Update Vote

In order to be in compliance with Welfare & Institutions Code 4622, our board must represent the community that we serve. The criteria encompasses several areas such as geographic and ethnic characteristics, legal, management, public relations, DD representation, etc. RCEB has received a wide range of qualified applicants who fulfill those categories.

Ms. Hebert presented the suggested ByLaw change of increasing the maximum number of Board of Directors from 17 to 20 individuals. This was discussed by the Executive Committee on March 13th and was also sent to the board members in their March board packets. The following changes were brought forth to vote on this evening:

M/S/C “Motion to increase the maximum number of Board of Directors from 17 to 20 individuals updated in the ByLaws as presented.” [Battles/Puchac] Unanimous
The motion was adopted

Questions were asked and answered by Ms. Hebert.

PROVIDER/VENDOR ADVISORY COMMITTEE [PVAC]: Sister Marygrace Puchac

The PVAC meeting was on March 8th where the entire meeting focused on DDS’s vendor rate study. The discussion was lead by Michael Pereira, Executive Director at Ala Costa Center. The service providers were very thankful for all the work that went into this study; as it took two years to complete and is 2,000 pages. Due to the numerous details and multiple items to cover, the group organized a separate meeting a week later to go over the many details in the study that needed clarification and discussion. There were a few particulars in the study that many were interested in; direct service hourly wages, benefits, attendance, facility, administration, and program operations. Inevitably in a large study like this, there are a lot of assumptions and challenges. One example is when the hourly wage was considered, 55% of the service personnel were considered caretakers vs. professionals. Benefits assumption appeared to be low and

Workman's Compensation was based on experience mods that did not reflect the experience of our providers. Sister Marygrace broadly covered the remaining details. The group is very open to input from the families and communities.

CONSUMER ADVISORY COMMITTEE [CAC]: Nyron Battles

Mr. Battles summarized the Monday, March 11th CAC meeting. A new guest was welcomed to the meeting and Ms. Kleinbub reported that there will be budget hearings where the main topic will be on the Ask of an 8% down payment on service provider rates. Also discussed was the CalFresh enrollment beginning on June 1st for a July 1st effective date. The Grassroots event on April 3rd was also touched on as well as the challenges that people experience with transportation. The next CAC meeting will be on April 8, 2019.

DIVERSITY and EQUITY COMMITTEE: Morena Grimaldi

Ms. Grimaldi stated that the Diversity & Equity Committee met before the board meeting where they received updates from the different family support groups and they also heard about the growth of these support groups. The group also commented on community meetings held to garner input from families on what is or is not working for them. Ms. Grimaldi extended an invite to everyone to attend any of the Diversity & Equity meetings. The group is reviewing and will be updating their Mission Statement as well as looking into an online calendar where the families can be updated on meetings and events.

Detailed minutes of our monthly meetings are available on the Diversity & Equity page of our website <https://www.rceb.org/pod/agenda-minutes>. The next Diversity & Equity meeting will be on April 22, 2019 in San Leandro at 6pm.

2018 Performance Contract Year End Report – Ronke Sodipo

Ms. Sodipo distributed the draft of RCEB's 2018 Performance Contract to the board. DDS annually looks at each regional center and evaluates their performance during the calendar year. This is measured against State and local standards. Ms. Sodipo listed out the various tools that DDS uses to measure the regional center performance in achieving the goals that are set out at the beginning of the year. She also elaborated in detail, the portion of the report which described how well our regional center was doing in the 2018 calendar year in the area of housing and residency type, and what that means. She also summarized how RCEB had performed in the other categories in the report and provided some specifics in each category. A few of the highlighted categories were employment, POS expenditures by ethnicity as well as age, and POS expenditures by primary language.

Questions were asked by the board members and addressed by Ms. Kleinbub and Ms. Sodipo. Past reports are listed on our website: <https://www.rceb.org/performance>. After we receive an approval from DDS, we will post this report on our website.

EXECUTIVE DIRECTOR'S REPORT: Lisa Kleinbub, Executive Director

Rate Study

The rate study has been planned since 2016 when the ABX2 1 rate increased was passed for providers as well as for regional centers. DDS was required to complete a rate study in order to develop a methodology establishing rates for service providers that would sustain an adequate network of providers. DDS contracted with Burns & Associates, Inc. who has experience working on this type of rate study across the country. They looked at what rates would be appropriate to sustain services as well as to have enough services so that individuals would have choices when they were having their IPP's developed. Their methodology was to look at the wages of people providing the services, and in particular wage categories compiled by the Bureau of Statistics similar to people performing tasks in group homes, day services, as well as ILS and SLS. They also looked at how wages varied by different geographic areas in California. They looked at the cost of benefits for staff, worker's compensation, cost of rent statewide and locally. They analyzed how far individuals had to travel (ex. ILS/SLS travel to clients), how long that travel takes from client to client, what percentage of the day is taken up for their travel, numerous other factors impacting productivity such as time spent writing reports and time in training.

One of the main positives about this rate study is that it is our first opportunity in a long time to tie the cost of providing services to rates. You would be able to also see historically how the rates were developed, and the assumptions behind the rates. Those are some of the positives of this rate study as it is evident how the rates derived from assumed costs. This rate study is 2,183 pages of rate models and every single regional center has a different model for each of the services, taking into account the cost of wages, rentals, and transportation in each catchment area. For RCEB, our high costs center around facility costs, wage costs, and are mid-level for transportation costs. Wages are tied to the Bureau of Labor Standards for wages in metropolitan areas. RCEB has the Oakland-Hayward-Fremont metropolitan areas which was used for both of our counties.

Service providers are raising lots of questions on this rate study. Areas of question are worker's compensation rate assumptions, estimates for the cost of an employee's health insurance, and assumptions about the wage categories selected. Examples include a \$450 per month assumption for health insurance which providers find low for their experience. Another example is workers were seen as "aides" instead of someone much more skilled. In the category of Independent Living Service, where a worker is someone who trains you on how to see a doctor or how to manage your money. That individual is more than just an aide, but their wages were derived based on aide positions. Another problem was in Specialized Therapeutic Services, which allows us to pay a usual and customary rate for medical and therapy services for specialized consumers, especially in our Early Start population where a physical or speech therapist might be needed. They are proposing tie that rate to a Medi-Cal rate along with an additional 39% which is how California Children's Services [CCS] establishes rates. We do not believe that will allow a breadth of providers in our area. It doesn't take into account the areas across the State that are more expensive.

Every regional center's Provider Vendor Advisory Committee has established a point-person to provide information back to Burns & Associates, Inc. on questions regarding the rate study, specifically items that were not addressed correctly. The Association of Regional Center Agencies [ARCA] is putting together a letter regarding the rate study as well.

We are looking at this rate study as an opportunity to increase rates. Most of the rates in our community will increase despite the flaws that we discovered. However, we really want them to be sustainable for most services. We have a committed PVAC group who have been working together on a response to the rate study. We will be keeping a close eye on this as it progresses, but also know that it will not be all implemented at the same time. When they delivered the study, the total projected cost was \$1.6B [\$1B in State funds and \$.6B in matching funds from the Federal government]. Details on the rate study can be viewed on DDS's website: <https://www.dds.ca.gov/RateStudy/>

Questions were asked by the board members and addressed by Ms. Kleinbub.

Governor's Budget

There was an Assembly Budget Committee hearing on March 6th that looked at all the budget items and funding related to DDS and the regional centers. One of the advocacy points has been the importance of an 8% increase in provider rates as a down payment in order to keep things stable until the rate study can be implemented. There were a lot of testimony given to that point by both service providers and the community, and we are also receiving legislative support. ARCA's position also supports both the 8% increase for service providers as well as an 8% increase for case management and related positions at the regional centers. DDS was instructed before the legislature to come up with a memorandum on how to prioritize areas of the rate study so that the legislature can consider making some changes to be presented in the Governor's May Revise. Therefore, DDS has to provide a roadmap by April 22nd on how to go forward on making these changes. We are currently funded for every new case management position (56% of the cost of the new position) that we are allocated due to growth. Therefore, every time we add a position, we are losing 44% of the dollar for that position. DDS has also asked for increased positions in their headquarters and is receiving support from the legislative analyst's office, as they see those positions as justifiable due to growth. Regional centers have no increases proposed other than caseload growth. ARCA's position is that they should look at the three critical components of this service system; DDS's service delivery, our service providers, and our service coordination at the regional centers.

Another interesting topic at the budget hearing were the positions taken on disparity funding. There are some advocates at the state level who believe that there has not been adequate changes related to the projects that have been done to reduce disparities. They believe that the dollars spent did not increase Purchase of Services [POS's] have not greatly increased for underserved populations. There is a lot of conversation on getting more data and getting better numbers resulting in an increased understanding.

Grassroots Day

We have seven representatives from RCEB [Three staff and four board members representing service providers and consumers] who will be attending Grassroots Day in Sacramento on Wednesday, April 3rd to meet with our local legislators. We will be talking about issues that affect us, especially the 8% increase in provider rates, and will also bring forward positive stories and experiences that our consumers have had with employment and other successes. ARCA's Grassroots Day event also coincides with the Lanterman Coalition's Keep the Promise Capitol rally to save services. There will be a lot of people talking about our issues in the Capitol on this day.

Self-Determination

Ms. Kleinbub announced that we will have two orientations for self-determination participants from the end of April to the beginning of May. This is the first step for those selected to be able to start the process, and we are really excited about this. We have two years to pilot this program to see how it works before everyone in our service system will have access to select self-determination as a way to receive services. At our next local Self-Determination Advisory Committee, we will be reviewing orientation materials to reflect our local community before rolling it out to all our selected participants.

Community Resource Development Project

We are receiving feedback from the community regarding what resource development our community would like to see as high priorities. Last year we requested that DDS fund start-up for a number of projects. We received funds for multi-family housing, an Enhanced Behavioral Support Home [EBSH] and behavioral respite. We would like to have more projects funded next year so we are asking what is important to people. The survey and information are on our website: <https://www.rceb.org/carousel/community-resource-development-plan-crdp>

Person Centered Thinking

Ms. Kleinbub stated that all RCEB staff are going through a two-day Person Centered Thinking training as well as adapting our material for IPP's to reflect that way of thinking, which incorporates what the clients want and what is important to and for them. We will be creating a profile page in IPP's that reflect that conversation from the meetings. It will be a long process as we have many employees, and is a different way of thinking about services and supports that we provide to the clients.

Caseload Ratio's

We submitted our caseload ratios to DDS a couple of weeks ago. All regional centers have to submit this report indicating if they have met caseload ratios. For RCEB, the required ratio of case manager to consumer is 1:66, for our Medicaid Waiver and Early Start caseloads it is 1:62, as well as lower ratios for those who recently moved from developmental centers. We have not met almost all of the caseload ratios, which is similar to the other regional centers. Across California, we are short 691 case management positions. Therefore, the request to get an 8% increase for Regional centers to be funded so that we will be able to fill more positions. For our Early Start division, many times the consumer is getting services less than a year before they turn 3 years

old, so the 1:62 caseload ratio is even high for such fast-paced service. Originally it was 1:45. We will be getting an out-of-compliance letter from DDS where we will have to respond with a report on how we will achieve the caseload ratios. As we have done in previous years, our request will be that we need additional funds in order to hire additional case managers.

PUBLIC COMMENT

Kathy Hebert for Sandi Soliday, Alameda County Developmental Disabilities Council [ACDDC]

March 23: There were over 300 students and families attending the Transition Faire on Saturday at the College of Alameda. We were very fortunate to have great weather and great volunteers, especially all the RCEB volunteers.

April 3: There will be a Lanterman Coalition Rally in Sacramento. The Ask is an 8% across the board rate increase.

April 10: This is the next Alameda County DD Council meeting. The presentation will be about the Burns & Associates, Inc. rate study.

April 10: Directly following the ACDD Council meeting will be the next East Bay Legislative Coalition (EBLC) meeting at the Oakland Public Health Department Office.

April 26: This is the next East Bay Employment Task Force meeting at the RCEB Concord Office.

This year the annual award dinner will be in Concord, date TBA. The April DD Council newsletter will contain award nomination forms.

Vi Ibarra, Contra Costa County Developmental Disabilities Council [CCCDDC]

March 27: There will be a presentation on Supports, Services, and Oversight for Regional Center Clients involved with the Criminal Justice System presented by RCEB Case Manager Supervisor, Jeff Nagafuji and Forensic Services Specialist, Sandra Regan.

Sheraden Nicholau, State Council on Developmental Disabilities [SCDD], Bay Area Office

The assembly adopted Assemblymember Frazier's HR21 declaring March as Developmental Disabilities Month.

March 26/27: This is the Statewide Advocacy Network event where our self-advocates from a variety of organizations across the State meet to collaborate on shared projects and goals. Updates will also be given on the status of the Camp Fire recovery, as well as many presentations by various agencies.

April 18: This is the next Statewide Employment First meeting in Sacramento.

April 24: This is the next Bay Area Regional Advisory Committee meeting where collaboration is the theme. The meeting will be on Mission Street in San Francisco.

May 8: This is the next Legislative and Public Policy Committee meeting in Sacramento.

May 21: This is the next council meeting in Sacramento.

The Program Development Grant [PDG] Cycle 42 is a State-wide impact grant of \$450K which we just released and is on our website. A pre-bidders call will be set up soon so that individuals may call with questions. The Request for Proposals [RFP's] are due by June 3, 2019. The last regional grant Cycle 41 was awarded to Get Safe for a series of trainings involving law enforcement.

ARCA REPORT: Lisa Kleinbub

Ms. Kleinbub stated that ARCA met this month, with some of the key topics being the legislative/budget issues, new bills, the rate study, and Grassroots. Ms. Kleinbub also informed all that our Board President, Kathy Hebert was nominated as ARCA's Board President and will be voted on in June, to take effect in July. Ms. Hebert also announced that Ms. Kleinbub will be on ARCA's Finance Committee.

Ms. Kleinbub added that ARCA would like the regional center's input on their Strategic Plan, which will be sent out in next month's board packet for review and comments. The key items in the strategic plan are funding and sustainability of the system, inclusive communities, and flexible and sustainable service models.

MEETING ADJOURNED

The board meeting adjourned at 8:39 p.m.

The next Board Meeting will be at 7:00 PM on April 22, 2019 in **San Leandro**