



**REGIONAL CENTER OF THE EAST BAY  
Board of Directors' Meeting**

Monday, March 25, 2013, 7:00 p.m.  
500 Davis Street, San Leandro, CA

**MINUTES**

Final Approved 4/22/13

**RCEB BOARD MEMBERS PRESENT:**

Anne Struthers, President  
Mike Kuller, Treasurer  
Rose Coleman, Secretary

Nyron Battles, CAC Chairperson  
Cecilia Corral  
Sister Marygrace, PVAC

**MEMBERS ABSENT:**

Ronald Clay (Excused)  
Kathy Hebert, Vice President (Excused)  
Chi Lee (Excused)  
Hilda Mariscal (Excused)

Donald Morris (Excused)  
Gwen Nash-Butler (Excused)  
Mike Treppa  
Steve Whitgob(Excused)

**STAFF PRESENT:**

Jim Burton, Executive Director  
Francine Davis, Director of Community Services  
Terri Jones, Director of Human Resources  
Lisa Kleinbub, Director of Health & Behavioral Services  
Nancy Kubota, Director of Finance & Administration  
Pam Thomas, Director of Consumer Services  
Cathy Crum, Accounting  
Antonia Heinrich, Accounting  
Rhonda Kimble-Kelly, Case Manager  
Meredith Rosenberg, Case Manager  
Dan Seda, Case Manager  
Michi Toy, Executive Secretary

**GUESTS PRESENT:**

Cleo Manspeaker  
John Rodriguez, CCDDC  
Maria Rodriguez

Rocio Smith  
Sandi Soliday, ACDDC  
Todd Struthers

### **CALL TO ORDER**

President, Anne Struthers, called to order the informal discussion held at the Regional Center of the East Bay at 7:03 PM. Quorum was not met. Self introductions were made.

### **CONSENT AGENDA / MINUTES**

The approval of the February 25, 2013 board meeting minutes will be an action item at the next board meeting.

### **PUBLIC COMMENT**

Cleo Manspeaker expressed her happiness with her independent living situation and acknowledges RCEB, Bethesda Lutheran, and C.O.M.P.A.S.S. LLC, for making that possible.

## **COMMITTEE REPORTS**

### **EXECUTIVE COMMITTEE:** Anne Struthers

Ms. Struthers reported that the two Department of Developmental Services contracts; the D-2 and C-9 were approved at the Executive Committee meeting on March 13, 2013 and will be returned to DDS. Ratification of both contracts will be at the next board meeting.

Ms. Struthers asked Pam Thomas, Director of Consumer Services to review RCEB's Annual Performance Report. Ms. Thomas distributed and reviewed the report, with particular highlights to the following:

### **Annual Report of Strategic Plan Objectives** – Pam Thomas

Local Public Policy Outcomes- Strictly optional measures

1. Ms. Thomas informed the board of a few conferences that RCEB co-sponsored; notably the well attended 2012 Congresso Familiar Conference, and the STAR Parent Conference on Autism and Resource.
2. RCEB also partnered with different organizations and provided several transition fairs that benefitted the consumer's transition from high school to college.
3. Due to the rapid growth of consumers diagnosed with autism, RCEB's Autism Resource Team focused on developing new resources to support the families. During 2012, RCEB developed five new ABA programs as well as capacity increases in other programs.

### **Performance Report**

- Ms. Thomas informed the group that this yearly report from the Department of Developmental Services (DDS) indicates who we serve and how, as well as how well our regional center is doing. Ms. Thomas summarized the report, which shows that RCEB performed better than the previous year.

### Annual Review of RCEB bylaws

The board members were sent a copy of the bylaws, and the Executive Committee had reviewed them and will be further evaluating it at the next Executive Committee meeting. Approval of the bylaws will be an action item at the next board meeting.

### **BUDGET AND FINANCE COMMITTEE:** Mike Kuller

#### Purchase of Service (POS)

- All the regional centers received the highly anticipated D-2 amendment this month. Unfortunately, there were no Community Placement Plan Continuation (CPPC) or Deflection funds of \$2M. We will continue to include these anticipated funds in our financial report; funds which we expect to receive in a future amendment.
- The D-2 amendment of \$1.9M was issued by DDS as “projected growth allocation” funds.
- Last month, RCEB’s current Sufficiency of Allocation Report (SOAR) projected a mid-range insufficiency of approximately \$22.4M. With the D-2 amendment of \$1.9M and the projected CPPC and Deflection funds, our revised POS insufficiency is now approximately \$19.5M. Even with the release of the D-2 amendment, 20 of the 21 regional centers are still projecting insufficiencies in their POS projections.
- At this time, we do not know when we will receive the D-3 allocation and subsequent amendments to fund insufficiencies in Purchase of Service.

#### Operations

- RCEB continues to project a balanced operations budget. RCEB has been carefully recruiting and hiring to ensure that the vacant positions are being filled with excellent staff as quickly as possible. Within the past month, we have hired 16 new staff; most of them case managers. By filling these positions, we will be able to meet compliance with caseload ratio mandates and better serve our consumers and families.

#### Cash Flow Status

- The Department of Developmental Services (DDS) is experiencing cash flow issues at the state level due to delays in federal reimbursement; therefore, regional centers are only receiving partial warrants. The regional centers received approximately 82% of January’s reimbursement, and are awaiting February’s reimbursement as well. These partial payments will create cash flow problems for all regional centers until full federal reimbursement are received by the State.

- RCEB currently has an active \$46.4M line of credit in place until September 28, 2013. However, we cannot borrow beyond the limits of our State contract and claim receivables. If the DDS does not provide regional centers with full and
- timely reimbursements, it is possible we will need to access our LOC before the end of the fiscal year.
- Mr. Kuller stated that the Board as well as the Executive Committee will be periodically updated on the cash flow status.

**MEMBERSHIP DEVELOPMENT COMMITTEE:** Anne Struthers

- Ms. Anne Struthers was pleased to announce the nomination of Maria Rodriguez to be on our board of directors. We may have a ballot vote at our next meeting.

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

- The PVAC meeting was on March 8<sup>th</sup>, where the introductory question was “How do you handle stress?” Followed by, “Easter is coming, do you like chocolates or Peeps?” The humorous sharing of people’s activities and opinions was a good way for everyone to get to know their peers.
- Sister Marygrace informed everyone that the presentation given by Francine Davis, Director of Community Services, and Victor Vergara, Information Systems Support Analyst, was very useful for vendors to know how to use the new Service Provider Portal. The portal will launch in June, and will inevitably be a good working tool for them.
- The successful Legislative Town Hall Meeting on February 8<sup>th</sup> at the Oakland State building was also a topic discussed at the PVAC meeting. Sister Marygrace commented on how the consumers were the ones that spearheaded and organized the event, which delivered the message in a new and fresh way.

**CONSUMER ADVISORY COMMITTEE:** Nyron Battles / Rose Coleman

- At the March 11<sup>th</sup> CAC meeting, they discussed starting a new newsletter. Therefore, they will take pictures of each of the members at the next CAC meeting, and include that in the new newsletter.
- Ms. Coleman added that the State budget was also discussed as well as the People First Statewide Gathering that will take place in San Jose in June.

CALENDAR OF EVENTS:

- The next CAC meeting will be on April 8th.
- 18<sup>th</sup> Annual Statewide Self-Advocacy Conference, May 3-4<sup>th</sup> in Sacramento
- People 1<sup>st</sup> Conference, June 28-30<sup>th</sup> in San Jose

**EXECUTIVE DIRECTOR'S REPORT:** Jim Burton

- Ms. Anne Struther's announced that Mr. Burton had become a grandfather of an 8 pound, 11 ounce baby boy, and that everyone is healthy. Congratulations were expressed around the room.
- Mr. Burton informed everyone of the death of Julius F. Gaillard, the former Executive Director of Golden Gate Regional Center (GGRC), who passed away unexpectedly from a heart attack on March 9<sup>th</sup>. Mr. Gaillard ("J") had a long and inspiring history (29 years) in the Regional Center community prior to his retirement in 2003, and continued as an advocate for those with developmental disabilities as well as with at-risk urban youth. Mr. Gaillard was Mr. Burton's mentor for 25 years, as well as a close and personal friend. A public celebration of life is forthcoming.
- Mr. Burton also advised everyone that RCEB is working on a memorial for another well respected man, Ralph Griffin, who passed away in December of 2011. Mr. Griffin served as President of the board of directors not only for the Association of Regional Center Agency (ARCA), but for RCEB's board as well. Our conference room will be named after Mr. Griffin, and the dedication ceremony will be prior to the start of our May 20<sup>th</sup> board meeting.
- Mr. Burton provided an update on board member Gwen Nash-Butler's status as she suffered a stroke on February 16<sup>th</sup> and is currently in a rehabilitation center. Ms. Butler is improving and getting stronger every day and we look forward to her return to the board and CAC.

**State Budget/Hearings**

- The March State Budget hearings were rescheduled to April 11<sup>th</sup> for the Senate, and April 17<sup>th</sup> for the Assembly. Due to the fact that there are no new cuts being proposed and few State budget issues, it is not expected that there will be a lot of discussion in those areas, but it is foreseeable that Sonoma Developmental Center (SDC) and the Lanterman Developmental Center closure will be big issues on the agenda.
- The Annual Family Program Fee (AFPF) of \$150-\$200 per family was scheduled to sunset on June 30<sup>th</sup>, but the State is proposing to make it permanent. Another very complicated issue likely to be discussed at the hearings are the insurance payments; co-pays, deductibles, and co-insurance for families who are now accessing health insurance to pay for behavioral services.

**Lawsuits Affecting Cash Flow**

In-Home Support Services (IHSS)

- Mr. Burton informed the board that IHSS settled a lawsuit that has been on-going for a very long time. The administration had proposed a permanent 20% reduction in IHSS hours, and the settlement was for a temporary 8% cut in July 2013. Anticipated in the budget was 3.6%, so this was an additional 4.4%. In July 2014, the cut to IHSS hours will be 7%, which is 3.4% on top of the 3.6% current cut.

#### Intermediate Care Facilities (ICF's)

- The wide range of ICF's are funded through MediCal funding; 50% through Federal government and 50% from State government through health services. An unsuccessful lawsuit was filed to prevent a rate reduction to ICF's, which resulted in a possible 10% cut, depending on several factors used in the calculation.
- RCEB contracts with more than 50 six-bed ICF's; where the majority are habilitative and the others are nursing facilities.

Further details will be provided once more is known about this impact on rates.

#### Grassroots Day

- RCEB participated in Grassroots Day at the Capitol in Sacramento this year. Attending the program were Mr. Burton, Anne Struthers, and new board member, Cecilia Corral. Mr. Burton thanked the attendants for meeting and participating in discussions with all the legislators at the event.

#### RCEB Budget

- In addition to Mr. Kuller's report tonight, RCEB is still are operating at a Purchase of Service insufficiency of around \$19M - \$20M. The contract amendment amount that we received from DDS was only \$2M; however, the State still has approximately \$45M to allocate. The Regional Centers are projecting around a deficiency of \$200M with what has been currently received.
- RCEB is continuing to report the monthly insufficiencies to the State, while we honor our consumer's Individual Program Plan (IPP) purchases.
- A major reason for the shortage of cash flow is due to the Federal Government's pending approval of the Government Code Section 1915(I) waiver and payment to the State. This waiver has been pending for around 1-1/2 years. If approved, retroactive (September 2010) funds of around a half a billion dollars will flow to the regional center system for prior fiscal years. \$133.6M is anticipated in revenues for the 2012/2013 regional center budget. Until then, cash flow problems will arise and we may need to borrow from our LOC mid June.

The 1915(I) waiver is a critically important source of cash flow, as well as the Medicaid waiver, which brings in hundreds of millions in funds to the State.

#### Sonoma Developmental Center

- Karen Faria will be the new Executive Director at SDC starting April 1<sup>st</sup>. Ms. Faria has a long history as an employee of SDC.
- DDS has reached a tentative agreement with the Centers for Medicaid & Medicare Services (CMS) and the California Department of Health (CDPH).

Details of that agreement will cover the next 18 months, and will focus on stabilizing the services at SDC.

Trailer Bill Language – W&I Code 4519.5

- This Welfare and Institutions Code states that the department and the regional centers shall annually collaborate to compile data relating to purchase of service authorization, utilization, and expenditures by each regional center with respect to the following: age, ethnicity, language, and disability.
- Mr. Burton distributed the draft report and went over the points. This data will be posted on our website at the end of March.

Family Home Agencies

RCEB is accepting applications for a Family Home Agency (FHA) service provider to serve both Central and East Contra Costa counties as well as the Tri-Valley area in Alameda County. The information will be posted on our website.

- Submit details of prospective FHA along with a program design as outlined in Title 17 State regulations of FHA's to Michael Conti, Senior Resource Specialist by the deadline of 5:00 p.m. on June 7<sup>th</sup>.
- Upon receipt, the Community Services Department of the Regional Center will review and evaluate all the applications. Selections will be made by August 2, 2013.
- RCEB currently has just 8 residents in this type of home arrangement, and would like to have more options for homes for our consumers.

Service Coordinator Caseload Ratios

- Mr. Burton distributed and summarized RCEB's Service Coordinator Caseload Survey with figures up to March 1, 2013. Since March 1<sup>st</sup>, we have 16 new hires, the majority being new case managers. We are actively working to hire more case managers to bring that ratio down and provide our consumers and their families with quality service. Due to ongoing State budget deficits, we have struggled to meet the mandated caseload ratios for the last few years.

Some of the more notable ratios in the report:

ITEM	REQUIRED RATIO	ACTUAL RATIO
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Consumers on Medicaid Waiver	62 : 1	80.2 : 1
Early Start (up to 3 years-old)	62 : 1	55.6 : 1
Moved from devel. Ctrs > 1 year	62 : 1	66.5 : 1
Moved from devel.Ctrs < 1 year	45 : 1	42 : 1

**Co-Pays / Deductibles**

- Health insurance funding for behavioral services has on the average been successful for a majority of our consumer’s families. Regional center’s budget took into account that we would save \$80M by transferring the responsibility of these services to health insurance.
- There is a trailer bill that was proposed to the legislature on this subject, and AB163 was introduced as an alternative way to address the issue.

**Summary**

Mr. Burton stated that there have never been so many bills presented to the legislature, as there has been this year. Many of them are very important to our community, and we will be keeping abreast and informing the board of their status.

**PUBLIC COMMENTS**

- Cleo Manspeaker will be turning 53 years-old this year and expressed how she has been a regional center consumer for most of those years.
- John Rodriguez from the Contra Costa County Developmental Disabilities Council, listed the upcoming events:
  - The 6<sup>th</sup> Annual West County Transition and Special Education Resource Fair will be on Saturday, April 27<sup>th</sup> at the Vista Hills Education Center in Richmond.
  - The 24<sup>th</sup> Annual Awards Dinner will be on Tuesday, June 4<sup>th</sup> at the Embassy Suites in Walnut Creek (across the street from the BART station), with guest speaker, Joey Travolta.

**ARCA REPORT:** Jim Burton

Most of the issues already discussed were also discussed at the recent Association of Regional Center Agencies (ARCA) meeting.

**MEETING ADJOURNED** – The meeting was adjourned at 8:35 p.m. with a moment of silence in memory of Mr. Jay Gaillard.

Next Board Meeting - 7:00pm on Monday, April 22, 2013  
 Location - 500 Davis Street – San Leandro

Respectfully submitted,

Rose Coleman  
Secretary  
RCEB Board of Directors