Regional Center of the East Bay

REGIONAL CENTER OF THE EAST BAY

Board of Directors Meeting

Monday, May 18, 2020

Virtual Meeting

Approved 6/22/2020

RCEB BOARD MEMBERS PRESENT:

Kathy Hebert, President
Lilian Ansari, Vice President
Evangeline Iyemura, Treasurer
Stephen Whitgob, Budget & Finance Committee
Renee Perls, Secretary
Morena Grimaldi, Diversity & Equity Chair
Dinah Shapiro, CAC Chair
Sister Marygrace Puchac, PVAC
Brian Blaisch
Yesenia Fantham
Gwen Nash-Butler
Caroline Ortiz
Chloe Page
Frank Paré
Carmen Quinones
Lisa Soloway
Linda Stevens

ABSENT:

Teresita DeJesus
Gerald Tamayo, Budget & Finance Committee

STAFF PRESENT:

Lisa Kleinbub, Executive Director
Lynn Nguyen, Director of Finance & Administration
Lucy Rivello, Director of Health and Behavioral Services
Steve Robinson, Director of Community Services
Ronke Sodipo, Director of Client Services
Kiera Swan, Director of Human Resources/Support Services
Chris Hanson, Associate Director of Client Services
Evelyn Hoskins, Associate Director of Federal Programs
Elvia Osorio-Rodriguez, Associate Director of Client Services
Herb Hastings, Client Advocate
Michi Toy, Executive Assistant

GUESTS:

Patricia Albeño
Sheraden Nicholau/SCDD
Ben Chen/ACDDC
Sandi Soliday/ACDDC
Jeri Pietrelli
Melissa Robinson/DDS
Rosa Valledor

CALL TO ORDER

Board President, Kathy Hebert called the regularly scheduled meeting of the Regional Center of the East Bay to order at 7:00 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 May 18, 2020 agenda as presented." [Ansari/Soloway] Unanimous

M/S/C "The Board moves to approve the April 27, 2020 minutes as presented." [Ansari/Puchac] Unanimous.

PUBLIC COMMENT

No public comments were expressed at this time.

COMMITTEE REPORTS

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Executive Committee: Kathy Hebert

Acronyms

CPP	Community Placement Plan
CRDP	Community Resource Development Plan
CCH	Community Care Home
EBSH	Enhanced Behavioral Support Home

CONTRACT APPROVALS

Community Placement Plan [CPP]

Brilliant Corners

This contract represents RCEB's CPP Safety Net start-up funds to develop a CCH and EBSH for children dually enrolled in foster care, and a CCH for children in RCEB's catchment area.

Term: 6/01/2020 – 6/30/2022
$1.3M from Regular CPP Funds

$1.0M from General Fund
Total Capacity: 4 individuals/home
Total Amount: $2,300,000.00

M/S/C "The board moves to approve RCEB's CPP start-up funds for Brilliant Corners to purchase and renovate 3 properties, 2 CCH's and 1 EBSH crisis homes as presented." [Soloway/Ansari] Unanimous. The motion was adopted.

Portia Bell Hume Behavioral Health Center
This contract represents RCEB CPP start-up funds to develop a specialty mental health clinic for adults with co-occurring mental health conditions and an intellectual or developmental disability.

Term: 6/01/2020 – 6/30/2022
$400K from Regular CPP Funds
Total Amount: $400K

M/S/C "The board moves to approve the RCEB's CPP Start-up funds for Portia Bell Hume Behavioral Health Center as presented." [Page/Blaisch] Unanimous. The motion was adopted.

Satellite Affordable Housing Associates [SAHA]
This housing agreement represents CPP/CRDP start-up funds for the contractor to set aside 12 rental apartments to consumers with extremely low/very low income as defined by California Health & Safety Code section 50105 in a housing project in Berkeley.

Term: 6/01/2020 – 3/31/2022
Total Amount: $1.5M
Total Units: Eight 1-bedroom and four 2-bedroom apartments

M/S/C "The board moves to approve the Satellite Affordable Housing Associates [SAHA] housing agreement as presented." [Stevens/Iyemura] Unanimous. The motion was adopted.

Questions were asked by the Board on all the housing contracts and addressed by Ms. Kleinbub and Mr. Robinson. It was explained that the vendors go through an extensive Request for Proposal [RFP] process and the contracts are examined and approved by both DDS's and RCEB's attorneys prior to presenting them to the Board.

Budget & Finance Committee: Evangeline Iyemura

Purchase of Service (POS)

Through May 2020, 82% of our fiscal year 19-20 POS expenditures are in base, which is comparable to the 83% at this time last year. Currently, we are projecting a deficit of $5.3M for NON-CPP POS expenditures, which is a slight decrease of $80k compared to previous month's projections.

As reported in the previous month, we continue to project $18.6M in additional costs due to Covid-19, which includes Health and Safety needs for additional staffing and overtime hours for Supported Living providers and residential homes, increased respite and personal assistance due to school and day program closures, and PPE and supplies. Since DDS has not provided an additional allocation for Covid-19 costs, RCEB is projecting a total overall deficit of $23.9M.

For the Statewide system, 21 regional centers are projecting total additional costs of $117M due to Covid-19. With the existing budget allocation, the statewide system is reporting in an overall deficit of $79M.

Operations

As of April 2020, the Staff continues to report a projected balanced budget for the current fiscal year 19-20 with 77% of expenditures in base through April.

This projection included additional Covid-19 costs of $139k as reported last month for increased technology, a stipend to staff to support working remotely, additional janitorial costs, and the bank fees related to the line of credit.

Line of Credit

Staff recently received documents to re-establish our Line of Credit for Fiscal Year 19-20. Union Bank agrees to renew our Line of Credit of $40M for 4 months from June 2020 through September 2020 with commitment fees of .20% (2/10th of a percent or $26,667) to retain and/or access the line. This is an increase of $15M from last year's $25M line of credit due to increased spending as a result of SB81 rates increase and additional Covid-19 costs. The interest rate on the loan will be prime rate (currently at 3.25% compared to 5.5% for last year at this time). In addition to the committed line of credit, Union Bank also agrees to issue an uncommitted Line of Credit of $40M from October 2020 to May 2021 at zero fees. However, under the uncommitted line of credit, the lender does not obligate to make any loan and will make loan based on its sole discretion.

Staff recommended that the Executive Committee of the Board on May 13th approve both the committed and uncommitted line of credit as presented.

Cash Flow Status

The Agency had adequate cash to pay for April services in May. DDS plans to pay 50% of April claims in the first week of June. For May and June claims, DDS plans to pay only 10% and then offset the remaining balances in July and August. At this time, we project that RCEB will have adequate cash to pay for May services in June. This is similar to what was done in the past.

Currently, DDS stated that they do not know if there will be a delay in sending out the advances for FY 20-21 due to the uncertainty of the tax revenues collected. The Board is advised that there is a possibility that we may need to access our $40M line of credit in July if we don't receive the advances before paying for June services in July. The Staff will continue to monitor the Agency's cash flows at the end of the fiscal year and will draw on the line of credit as needed.

Questions were asked by the board and addressed by Ms. Nguyen, and also confirmed that the Line of Credit does not need board approval as it was approved by the Executive Committee.

Membership Development Committee: Kathy Hebert
Ms. Hebert stated that we are stable with a full board of 19 members.

Provider/Vendor Advisory Committee [PVAC]: Sister Marygrace Puchac
The PVAC members met virtually on May 8th where the tone of the meeting was focused on discussion, information, and listening. The reality that providers face during this SIP, is that many of the programs take place in buildings that are now empty, and the current billing is an absence funded billing, and many of the providers are wondering how long this will continue. Sister Marygrace referred to a May 7th DDS Directive relating to payments to non-residential services during the COVID-19 State of Emergency, stating that providers are to seek and apply for all available COVID-19 funding before receiving absence funds to regional centers, and that an application is available via a payroll and emergency program. Many of the service providers are confused because there are so many unanswered questions, as PVAC members will be working on finding solutions.

The meeting also touched on the various ways that the service providers are creatively outreaching to their clients via many different methods, such as via Zoom videoconferencing, art, exercise and Zumba classes with their clients, distribution of activity packets, Birthday and Thinking-of-You cards, and other creative outreaching activities to keep in touch with and to protect the people that we serve and their families.

Consumer Advisory Committee [CAC]: Dinah Shapiro
Ms. Shapiro stated that the committee met virtually on April 13th where the topic for that evening was once again on COVID-19. Ms. Shapiro stated that they also talked about the IRS stimulus checks and how it doesn't count as income if you receive SSI.

Diversity & Equity Committee: Morena Grimaldi
This committee met virtually before this board meeting, and welcomed a guest speaker from Enriching Lives, Victor Goswami who updated the committee on the program that is funded by the RCEB disparity funds. Enriching Lives is a Family Home Agency [FHA] that provides support to individuals living in a family home setting. This particular project in Contra Costa County is for consumers whose primary language is Cantonese/Vietnamese or ASL.

Service updates were also given, and included how the SIP has affected the individuals and the families, their various needs and challenges and how those concerns are being addressed as well as activities that are new, especially activities needing technology. The next Diversity & Equity meeting will meet virtually on July 27, 2020.

Questions were asked and answered by Ms. Grimaldi and Ms. Kleinbub.

EXECUTIVE DIRECTOR'S REPORT - Lisa Kleinbub, Executive Director

Ms. Kleinbub stated that we are in our 10th week of SIP, which is a long time. Although a lot has changed, many things remain the same in terms of what people can and can't do at this point in time. We have seen many positive things in the developmental disability communities across California. There are very few positive cases of COVID-19. In our regional center community of 23,000 individuals served, we know of only 9 positive cases. This is a very low number especially given that many people have chronic health conditions as well as live in congregate settings. We do have a challenge in that we have 13 staff members across programs who have tested positive. It is a challenge because that staff person could be working in more than one facility, has a roommate who works at another facility, or works in supported living. In addition to school closures fortunately our day services did not have that many participants the week before SIP was in place, so that may have been a factor in our low numbers. However, COVID-19 is affecting people's mental health and ability to participate in the community. We will most likely see the reopening of day services in the near future through coordination with Community Care Licensing [CCL] and the local public health department. Many day services are in congregate settings, so we really need to make sure that they have proper PPE's, that social distancing is reinforced, as well as coordinate transportation logistics and other details. The reopening of these day services will be a very slow process and they won't look exactly the same as pre-COVID-19 days. We may be looking at shorter day programs and/or less number of days per week that they are open.

We have been receiving many Directives from DDS. Many of them are allowing for waivers of certain rules that were in place and to allow for more flexibility for the health and safety of our clients and for those who serve them. In regards to the Directive that Sister Marygrace mentioned in her PVAC report, that Directive allows our non-residential service providers to bill for absences. Therefore, since our clients have not been able to attend the programs, the programs have been allowed to bill at the rate that individuals attended their program last year. This is to allow for the programs to keep their infrastructure in place. Prior to that Directive coming out on May 7th, there had not been any clear directions on what that meant and what providers were supposed to do. The providers were already being creative with alternative programming in Day Services and ILS which entailed virtual meetings, flexibility in what was offered, contacting families regularly, etc. Then the May 7th Directive came out stating that the programs would not be paid without all those activities documented. This also included the previous months of March and April. That Directive also brought up accessing the Federal Paycheck Protection Program and a Federal Emergency Assistance Program. Most of our providers have never accessed these programs. Their payments in the future would be offset by what they brought in from those programs. The other provision that they were told, and we made this very clear in our community, is that during this State of Emergency, employees should not be laid off as they should be paid. However, there was no written Directive stating that point and they would also need documentation of that in order to maintain payment. Many of our service providers have been keeping track of their activities prior to this Directive. The provisions around accessing other federal programs are not as clear, and DDS is expected to issue FAQ's to respond to what was communicated in this Directive because it is confusing to many who are affected. The regional center gets audited by DDS for payments and they look at provider records. We may be required to take back money from providers in the future if they did not maintain documents and provide services. We also are not sure how long the retainer payments will be continued for service providers. The other Directives that have come out revolve around how we communicate with the community, updating our website for accessibility, and having our case managers contacting each client directly (we had started that when SIP occurred). Ms. Kleinbub held a virtual meeting last week in English and Spanish, for individuals and their families to update them on the regional center operations and COVID-19 along with a Q&A portion. We are planning to hold this meeting bi-monthly.

State Budget Highlights

The Governor's office released the May Revise on May 14th. Prior to that there had been indications on a $54B deficit in State dollars encompassing this fiscal year and next fiscal year. There is an opinion by the Department of Finance that the 2021-2022 year also does not look good because there is concern over how slow the recovery will be. Whether the $54B is worse case or not, the legislature will have to react and will have to work to present a budget to the Governor that reflects that amount because they are required to have a balanced budget on June 15th. One positive item in the budget is that there is funding to pay for the COVID-19 expenses this fiscal year in both POS and OPS. All regional centers were asked to come up with their best estimates in dollar amounts, so that they can ask the legislature for that money. The May Revise budget is stark and any new plans that were presented in January were removed, including the Performance Incentive Program to enhance areas of service, increased rates for Early Start and ILS services, and expansion of new models for crisis services. Going forward, most of the other reductions that are laid out in the May Revise have a caveat that if the federal government comes through with money through the Heroes Act, that these cuts may be restored but the money needs to be provided by the Feds by July 1st.

Listed are some of the very serious cuts to our system:

- $40M reduction to regional center OPS (spread out among all 21 regional centers according to the population served) which is about 6% of the OPS budget. This calculation includes consumer growth but then takes off 6%. It adds in more cost sharing for high income families [above 400% of federal poverty which is $100K/year for a family of four].
- Return to a Uniform Holiday schedule, which increases the number of days that day programs and services are not paid to operate. This is an increase from a standard 8-10 days to 14 days. Therefore, between Christmas and New Year's, providers wouldn't be paid as staff is off and consumers stay home. Usually we do fill in with other supports as needed.
- $470M rate reduction, expenditure and utilization reviews. Broken down, this is $400M in rate reduction and other expenditure reductions for our POS dollars and $70M in looking at people who are the highest cost users of regional center services.
- 7% decrease in IHSS hours.

- Elimination of the optional Adult Medi-Cal Benefits, which includes dental services and podiatry care, which were restored just last year.

In general when there have been cuts to other systems, regional centers are expected to fill in for those because we are a payer of last resort. That was not put into the language in the May Revise, however due to the essentials of the Lanterman Act it is required. There is great concern over which services will receive rate reductions, which will likely be called a payment reduction. This means that the rate theoretically doesn't get reduced since we simply pay them a smaller percentage of what the rate is. We do not know at this time which services and what percentage reduction it will be for each of those services at this time.

For the regional center operations reductions, there is language proposed that there will be no case load ratio requirement for people who are not on the Medicaid Waiver a ratio which is currently 1:66. The ratio of 1:62 for Medicaid Waiver would remain, and those not on the Medicaid Waiver would go up.

Generic resources- if you would have access to any generic resource by applying, you would have to comply or have to pay the federal cost of that service. This is tied to children who may qualify for Medi-Cal institutional deeming (if your family income is higher than MediCal limits and you are a regional center consumer), you would have to apply for Medi-Caid Waiver and institutional deeming. If you are an adult and eligible for Medi-Cal as an 18-19 year-old, you would also have to apply for those benefits. We do have some young adults who are still in school who may be eligible for Medi-Cal & SSI on their own but have not applied yet. The goal is to make sure that when we provide services, we have the ability to draw down federal funds.

These budget solutions will likely further exacerbate the number of individuals who can't access needed supports. When there is a rate reduction in high cost areas, the rate study has shown an inadequacy in maintaining and accessing needed supports and services. Case managers have not been able to maintain caseload ratios in many years. ARCA's focus is advocating at the federal level, especially by contacting the California legislators who have been around for some time and have relationships with the Republican members of the Senate who have to vote on making changes to the bills that are out there and will assist our system. Right now it seems that many of the Hero's Act bills are dead on arrival to the Senate. Currently, there are many other items in the May Revise that depend on the federal funding coming as well. They include schools, hospitals, and many others. Today the Assembly met and asked questions about the various proposals in Health & Human Services.

Questions were asked and addressed by Ms. Kleinbub.

PUBLIC COMMENT

Sandi Soliday, Alameda County Developmental Disabilities Council [ACDDC]

The Public Health Department has a new Disparity Task Force, where the information will be shared in the near future.

May 20: EBLC will meet on Wednesday at 10:00 am to discuss the impact of the Governor's May Revise on the developmental disabilities community.

May 28: Transition Team meeting from 2:00 pm - 3:30 pm. Presentation *Overview of the Transition Process.*

June 10: ACDDC Meeting- although the June awards dinner was cancelled, this is an important meeting as we will be electing Officers and board members for the next year.

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

Ms. Nicholau informed everyone of a letter they released today to local Senators and Assembly Members of the Assembly Budget sub-committees in response to all the potential major cuts and proposed restrictions stated in the May Revise and specifically to state the importance of securing federal funding for States. It's crucial to see an increase in advocacy and solid messaging from people with disabilities and their families on the importance of securing federal funding.

State Plan Survey: SCDD received more than 6,000 responses to their survey asking the community on what SCDD should focus on for the next 5 years, so that they can organize their staff resources, funding and grants. Ms. Nicholau thanked everyone for their participation in that survey which generate twice as many responses as the previous time.

May 20: Deadline for the grant cycle 43: Regional Grant Cycle of $20k for initiatives that focus on the Bay Area specifically in employment and health & safety.

May 20: Webinar training from 6:00 pm to 7:00 pm on *Fraud & Scams in the Time of COVID-19: How to Prevent them from Happening to You!*

ARCA REPORT: Lisa Kleinbub

Ms. Kleinbub stated that ARCA is focused on advocacy at the State level and is pivoting to advocacy at the federal level as well.

Executive Session – Legal Issue

MEETING ADJOURNED

The board meeting adjourned at 9:13 p.m.

The next Board Meeting will be at 7:00 PM on June 22, 2020 via Virtual Call