# Rates and Self Determination

#### Rate Determination

Rates are developed based on three categories:

- Rates determined by the Department of Developmental Services, commonly referred to State-set rates.
- 2. Negotiated Rates are determined through a review of actual operational costs that are submitted and developed directly with the regional center.
- Schedule of Maximum Allowances- rates that are established by Medi-Cal for services that could or would be provided through managed care.

#### **DDS Set Rates**

- Rates are established directly with DDS once vendored by the regional center.
- Services include:
  - Alternative Residential Model (ARM)
  - Day Programs (Activity Center, Adult Development Center, Behavior Management)
  - Work Activity Programs
  - Infant Development Programs
  - ☐ In-Home Respite Services
  - Independent Living
  - Social Recreational

Source: <a href="https://www.dds.ca.gov/rc/vendor-provider/vendorization-process/vendor-rates/">https://www.dds.ca.gov/rc/vendor-provider/vendor-provider/vendor-process/vendor-rates/</a>

## **Negotiated Rates**

Rates are negotiated directly with the regional center.

- Must be in accordance with § 57300
- Vendors must provide costs associated with providing the services.
  - Direct Service Costs (4691.10) These may include wages for staff who spend 75% or more time providing direct services, payroll costs, applicable taxes, insurances, and benefits.
  - Administrative Costs(4629.7) These may include salaries for staff who do not provide direct services, facility or office costs, repair/maintenance, training, taxes, interest, and depreciation.

Regional Centers are required to use "median rates" as the upper limit in negotiations.

(please see the median rates)

### Schedule of Maximum Allowances

- Commonly referred to as "SMA Rates" are rates used for services that are established by Medi-Cal and provide the same service.
- If a service is also provided under the Medi-Cal program, then regional center may provide no more than the rate established by Medi-Cal for the same service

Medi-Cal: https://files.medi-cal.ca.gov/Rates/RatesHome.aspx

Service code	Service Name
702	Adult Day Health Center
706	Audiology
707	Speech Pathology
715	Dentistry
725	Durable Medical Equipment Dealer
742	Licensed Vocational Nurse
744	Registered Nurse
765	Pharmaceutical Services
772	Physical Therapy
773	Occupational Therapy
780	Psychiatrist
856	Home Health Aide
930	Intermediate Care Facility (ICF/DD-H)
935	Intermediate Care Facility (ICF/DD-N)
940	Nursing Facility

#### Other Rates

#### **Supported Employment Programs –**

these rates are reflected in Welfare and Institutions Code 4860 (a) and (b) (effective 1 /1/2020)

Supported Employment Group - Service code 950

the hourly rate shall be \$39.57

Supported Employment Individual - Service Code 952

• the hourly rate shall be \$39.35

## **Tips**

- Use the resources outlined in the presentation to help guide negotiations when negotiating rate of pay for staff under the Self Determination Program.
- Be mindful of the budget and be sure to project costs for the entire year.
- Be mindful of the minimum wage for the area, both State and local ordinances.

## Important Resources and Links

DDS Rate Process Overview: <a href="https://www.dds.ca.gov/rc/vendor-provider/vendorization-process/vendor-rates/">https://www.dds.ca.gov/rc/vendor-provider/vendor-process/vendor-rates/</a>

Rates set by DDS: <a href="https://www.dds.ca.gov/rc/vendor-provider/vendorization-process/vendor-rates/">https://www.dds.ca.gov/rc/vendor-provider/vendor-process/vendor-rates/</a>

Schedule of Maximum Allowances (SMA) <a href="https://files.medi-cal.ca.gov/Rates/RatesHome.aspx">https://files.medi-cal.ca.gov/Rates/RatesHome.aspx</a>

Supported Employment Rates: <u>WIC § 4860</u> https://www.dds.ca.gov/rc/vendor-provider/vendorizationprocess/vendor-rates/

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Questions?