Rates and Self Determination
Rate Determination

Rates are developed based on three categories:

1. 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.

3. 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: [https://www.dds.ca.gov/rc/vendor-provider/vendorization-process/vendor-rates/](https://www.dds.ca.gov/rc/vendor-provider/vendorization-process/vendor-rates/)
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.


<table>
<thead>
<tr>
<th>Service code</th>
<th>Service Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>702</td>
<td>Adult Day Health Center</td>
</tr>
<tr>
<td>706</td>
<td>Audiology</td>
</tr>
<tr>
<td>707</td>
<td>Speech Pathology</td>
</tr>
<tr>
<td>715</td>
<td>Dentistry</td>
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<tr>
<td>725</td>
<td>Durable Medical Equipment Dealer</td>
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<tr>
<td>742</td>
<td>Licensed Vocational Nurse</td>
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<td>744</td>
<td>Registered Nurse</td>
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<tr>
<td>765</td>
<td>Pharmaceutical Services</td>
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<tr>
<td>772</td>
<td>Physical Therapy</td>
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<td>773</td>
<td>Occupational Therapy</td>
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<td>Home Health Aide</td>
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<tr>
<td>930</td>
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<td>935</td>
<td>Intermediate Care Facility (ICF/DD-N)</td>
</tr>
<tr>
<td>940</td>
<td>Nursing Facility</td>
</tr>
</tbody>
</table>
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:  https://www.dds.ca.gov/rc/vendor-provider/vendorization-process/vendor-rates/

Rates set by DDS: https://www.dds.ca.gov/rc/vendor-provider/vendorization-process/vendor-rates/


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Questions?