

In the recently enacted California Budget, providers of services for people with developmental disabilities will be paid 3% less and regional centers will also have a 3% reduction. In addition, the Budget requires an additional 100 million dollars in savings in the system. These cuts come on top of "Cost Containment Measures" that have been imposed for the past 6 years, in response to a perception of "out of control" growth in per capita expenditure. Although at first glance, the growth in expenditures in the system is significantly higher when compared with California's population growth, a closer look reveals compelling reasons why the expenditures have increased, and demonstrate that the expenditures are not only extremely cost-effective, but also among the lowest per capita in the United States.

You need to know....

Some facts about California's developmental disabilities system

Cost Containment measures have already been enacted

- A freeze in rates - which were already inadequate- for the majority of services paid for by the regional center. This freeze impacts the quality of services and turnover in staff. Some programs are receiving the same per capita payment they were receiving 10 years ago. The rate freeze has been in effect for several years
- There is no start up funding for new programs. This impacts the development of new programs including those designed to serve people with autism. This measure has been in effect several years.
- A 2008 freeze in negotiated rates means that potential new programs will be paid the lowest of the median rate for similar programs in the State or the regional center. The impact of this, although unknown at this time, will be dramatic for high cost areas, such as the Bay Area.
- A 10% cut in Supported Employment rates
- Extension of family cost participation fees to families of children under 3 years of age.
- A higher case manager-client ratio
- Tightening of eligibility requirements
- Extension of time for eligibility determination from 60 to 120 days

The following issues impact the growth in per capita expenditure in the Developmental Disabilities system:

People are served throughout a life time

- Developmental disabilities, by definition, last a lifetime. This system is unique because services and supports are provided from birth to old age.

- The needs found in each age group are also unique. Early childhood, school age, adulthood and aging all have different needs with different related costs.
- Whereas service emphasis may be preventive in early childhood, supportive in adulthood and ameliorative during aging, they are all needed to assist people with developmental disabilities to live as independent, productive and inclusive lives as possible.

Population is getting older

- The costs by age group are significantly different because the service system for developmental disabilities must rely on other services offered to the general population.
- Children tend to be served by the school system and thus the average cost of services for a person 3 to 21 years of age (without autism) is \$6,389 compared with \$18,061 for adults aged 42-61 (without autism). Almost 3 times as much!
- When a student becomes an adult, the regional centers become responsible for most services for the individual with associated increase in costs.
- The number of adults served in the developmental disabilities services system grew by 37% from 1996-2006, from 66,810 to 91,855. As young people become adults, the costs to the system will rise dramatically.
- As parents age, they become less able to care for their adult children in their home with an associated cost increase to the system.

There is an autism epidemic:

- The rate of autism nationally has skyrocketed from one in 2,500 births in the 1970s to 1 in 150 today.
- The number of people with autism in the California DD system has more than quadrupled in the last 10 years, from 7487 in 1996 to 23,502 in 2006.
- Autism is a complex developmental disability that typically appears during the first three years of life. Children and adults with autism typically have serious difficulties in verbal and non-verbal communication, social interactions, self-care, and leisure or play activities often requiring individualized and intensive supports.
- The increase in autism cannot be explained by a shift in interpretation of diagnostic criteria or by immigration into California.

- Eighty two percent of people diagnosed with autism who are regional center clients are under the age of 22.
- Over 50% of new intakes into the regional center system are people with autism.
- It costs more to serve people with autism than other developmental disabilities. The average cost to serve adults (42 -61 yrs. old) with autism in the community is \$36,614 per year compared to \$20,633 for those other disabilities.
- The proportion of adults with autism will continue to escalate as the children who are currently served by schools turn 21.
- The long-range implication of the autism epidemic is a profound and enduring impact on the affected children, their families, public services, the state budget and the overall health status of Californiacitizens.

We must realize that

Community-based services have saved the State millions of dollars annually

- The population of State-run developmental centers continues to decline dramatically. AgnewsDevelopmental Center will close its doors this year.
- Costs to serve these individuals in the community are significantly higher than average community costs, but they are significantly lower than the cost to serve the same individuals in a State-run facility.
- **The community has been successful in serving more and more individuals with significant needs in spite of the fact that there have been no cost of living adjustments to rates paid to providers since 1998.**
- California's per capita spending for people with developmental disabilities ranks 37th in the nation.

(11th overall in per capita income)

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