

**THE DEPARTMENT OF DEVELOPMENTAL SERVICES**

ATTN: Ernie Cruz & Aaron Christian  
1600 9<sup>th</sup> STREET  
SACRAMENTO, CA 95814

10/11/2022

Mr.Cruz & Mr. Christian,

Alta California Regional Center (ACRC) has continued tireless efforts to recruit and maintain quality licensed psychologist vendors to provide Intellectual and/or Autism evaluations. These evaluations are essential in the review for regional center eligibility. While ACRC does maintain staff psychologists, the referral volume far exceeds the evaluation capacity of our staff. With a recent average of 149 monthly client applicant referrals, we depend on having qualified psychologist vendors available to provide these evaluations. At this time, we continue to have vendors notify ACRC that they are reducing their availability or are no longer able to offer any evaluation timeslots to ACRC due to the more competitive rates from insurance and private pay clients. This has drastically impeded our ability to meet our required timelines for the client intake process, delaying eligibility determinations and subsequently access to needed services and supports for which they would otherwise be entitled.

Alta California Regional Center is submitting an AB 637 proposal to develop an innovative means of providing these necessary services. ACRC's request falls under the proposal type "service contracts with providers" in accordance with Welfare and Institutions Code § 4669.2(a)(3). We are requesting approval to move forward with a standardized rate for service with all vendored psychologists under service codes 115, 116, 117 and 056 that exceeds the statewide median rate for service. We formally request a waiver to Welfare and Institution code § 4691.9(a) to establish rates for psychological evaluations for existing vendors and new vendor applicants. Thank you for your time and consideration of this proposal.

Sincerely,



SignNow e-signature ID: f1a12121f7...  
10/10/2022 23:32:59 UTC

Lori Banales  
Executive Director  
Alta California Regional Center

AB 637/1543  
Proposal Submission Checklist

A complete proposal submission includes:

**Cover Letter**

- page 0 Regional Center Letterhead.
- page 0 Dated.
- page 0 Signed by regional center director or designee.
- page 0 Proposal type identified. See page 1.
- page 0 Presentation of proposal (brief).
- page 0 Specific statute and/or regulation for which the waiver is needed.

**Public Hearing and Stakeholder Consultation**

- page 2 Published and dated Notice of Hearing. *See §4669.75(b) for required content.*
- page 3 Copies of written comments.
- page 7 Summary of oral comments.
- pages 3-7 Regional center responses to comments.
- page 7 Other evidence of stakeholder organization support or opposition.

**Supporting Information and Materials**

Detailed presentation of proposal (if necessary to complement cover letter) addressing the following:

- page 8 The proposal must not cause reductions in service.
- page 9 The proposal must be cost effective from the perspective of overall State costs.
- page 9 The proposal will be implemented within the regional centers' existing funding allocation.
- page 8 The proposal must specify how the consumers' right to freedom of choice, in choosing a qualified care provider, will be assured.
- page 8 Explanation of the rate methodology, if the proposal includes negotiated levels of payment to providers through a contract.

## PUBLIC HEARING

The notice of public hearing was provided at least 10 days prior to meeting date held on 9/23/2022 and met requirements outlined in W&IC 4669.75. The notice provided below was sent out on 9/8/2022. It is important to note that the fiscal projections were calculated prior to the release of the new 2022 median rates. The public notice included an estimated increase of \$1,025,000 in expenditures if this proposal is approved. However, if all vendored providers received the current median rate, that amount would be closer to an estimated \$985,000 increase in expenditures with the approval of this request. For consistency, this proposal references the prior (2020) median rates and fiscal impact from those allotments.

Alta California Regional Center will be holding a virtual public hearing on 9/23/2022 at 12:30pm to discuss a proposal to waive the use of the statewide median rate pursuant to Welfare and Institution Code § 4691.9(a) for ACRC's vendored psychologists in an effort to increase availability of these providers. This will afford ACRC the ability to complete timely eligibility reviews for client applicants. ACRC believes that waiving this statute will increase provider availability and, as a result, quicken the timeline for eligibility determination for client/family access to regional center services. ACRC estimates this waiver would increase purchase of service spending by roughly \$1,025,000 per year directly related to psychological evaluations. Please join us on 9/23/2022 at 12:30pm to review this proposal. ACRC will be accepting oral and written comments through 10/7/2022. You may send these comments to Community Services Specialist Nicole Smith at [nsmith@altaregional.org](mailto:nsmith@altaregional.org) or (916) 978-6267.

Public Meeting for Psych Vendor AB 637  
Hosted by ACRC 1

<https://altaregional.webex.com/altaregional/j.php?MTID=m21f65b1ea6df18a4b41211d5cdc4be98>

Friday, Sep 23, 2022 12:30 pm | 30 minutes | (UTC-07:00) Pacific Time (US & Canada)

Meeting number: 2490 064 9547

Password: byVi7EbnQ22

Join by video system

Dial [24900649547@altaregional.webex.com](tel:24900649547@altaregional.webex.com)

You can also dial 173.243.2.68 and enter your meeting number.

Join by phone

1-844-621-3956 United States Toll Free

Access code: 249 006 49547

COPIES OF WRITTEN COMMENTS AND REGIONAL CENTER RESPONSES TO COMMENTS:

#1 [Community Member]:

Hi I am not sure I understand-is this proposal going to eliminate psychological assessments during the eligibility process and if so would that affect my denial

ACRC Response to #1: No, this proposal would not have an impact on your eligibility determination.

#2 [Community Member]:

Dear Alta,

The main problem with you paying for these services is that there is little or less incentive for psychologist to actually write a report in defending clients and this discrepancy would most definitely be showing it's self in court cases.

In the past SCDD has shown it's concerns on RC's paying for these services as it tends to effect the way some psychologist write up there evaluation yet that's followed by there just isn't a way to tell if the psychologist was or wasn't being honest in the report or if the RC paying them had an effect.

That said I do know that info was left out of my last evaluation that RC in San Jose payed for and I do know that with me it was in my best interest to STOP actually talking to my psychologist as she only focused on feelings vs actions or reporting others unsafe behavior. All she had to do was a wellfair check and 0 did.... Not the San Andreas RC or my Psychologist it took a 4rd party.

This was just complet neglect by both as the stereotype thinking tends to be one has \_\_\_\_ challenges so how do we that the client really knows? My challenges stopped them from doing anything and / or paperwork.

You add that to the mix of phycologist being payed by any RC and it's a dark mess that doesn't need to happen...

That said....

I agree that something needs to be done about the wait times yet I don't feel like this is the right way.

A volunteer program were there is 0 money exchanged directly to the phycology vs a program might be better for the clients. Something like DR's without borders is a great example yet if the RC needs to be sure to add in something about complaining as the RC should be able to address situations and if a client doesn't like one phsychologist or has a preference that should be respected within this program as well as best as possible.

Thank you for your time and giving me the chance to speak.

Very respectfully,

██████████

ACRC Response to #2: Thank you for your comment, which will be added to the notes on public comment and will be forwarded on for final review.

#3 [Vendored Psychologist]:

To Whom it May Concern:

My name is ██████████, PhD. Thank you for taking the time to consider this matter.

I perform autism assessments in my private practice both for private pay clients as well as with clients through my contracts with ██████████ and Alta California Regional center. I perform identical assessments regardless of the referral source. The rate of reimbursement from Alta California is very significantly lower than any of my other referral sources. I receive a flat fee of \$2500 per assessment both from private pay clients as well as for clients referred by the ██████████ medical group. Although I have long been very loyal to Alta California regional center, as a business person I have chosen to significantly reduce the amount of Alta clients I see each week due to the lower reimbursement rate. As a result, I now see six ██████████ clients per week and only one Alta client per week. I would be happy to see equal numbers of Alta clients if the reimbursement rate were comparable.

Thank you,

ACRC Response to #3: Thank you for your email. Yes, I will add this to the public comment section for the meeting. Thank you for taking the time to participate in the capacity for which you are able.

#4 [Community Member]:

I strongly support the ACRC proposed solution to change its reimbursement rate and provide 3 tiers of compensation to psychologists that provide vendored psychological evaluations. These psychological evaluations form the foundation of ACRC intake assessments of intellectual disability and ASD. Given that ACRC vendored psychologists are cutting back on the proportion of ACRC client assessments that they can accept due to reimbursement rates that have not kept up with inflation (AKA competitive rates), and ACRC intake timeframes are below standard as a result, closing the provider gap is of the utmost importance.

Additionally the 3 tiers of compensation will eliminate the need for a costly, burdensome and lengthy Health and Safety waiver process for individual providers that would otherwise be required to obtain the needed additional compensation for more complex psychological evaluations of more disabled individuals. Instead, the regional center will tier compensation up front based upon the complexity of needs of the assessed individual. This seems like a more efficient and less burdensome model that will help providers and clients alike, and enable the regional center to meet its intake benchmarks.

Sincerely,

██████████  
family advocate

ACRC Response to #4: Thank you for your comment, it will be added to the proposal we will be submitting to DDS. We appreciate the support to try to help meet the needs of our community.

#5 [Vendored Psychologist]:

I am a vendored psychologist currently in private practice. I have been working with regional centers completing evaluations for approximately 14 years. I consider myself very loyal to the regional center system, and believe strongly in its mission and goals. However, as I transitioned full-time to a private practice, I had to make some difficult business decisions. I make \$2500 flat rate per evaluation through ██████████, which is over 3 times more than I would make doing the same evaluation for ACRC. In addition, the evaluations sent through ██████ tend to require less time, due to less complexity and very few records to review. Regional Center evaluations tend to be more complicated and time-consuming, and also come with the possibility of needing to testify at a fair hearing. So essentially, when doing an evaluation for ACRC, I am getting paid substantially less to do more work. As a person running a business, one can easily see how this does not work.

I currently do approximately 4-5 evaluations per week. With the current rate structure, I will give ACRC 1-2 slots per month, and then the rest will go to other higher paying referral sources. I would be happy to share those slots evenly among referral sources, if the rate of pay was more comparable.

When I see a family through ██████ that is also going through the intake process with ACRC, I am thrilled because I know my report will help serve that goal. I have been hearing from more and more families lately about how long they have waited for their evaluations through ACRC, and for their eligibility to be determined. They are frustrated, and express hopelessness that their child will never get necessary services.

We are in a time where every system is strained. Everyone is trying their best to do more with less. However, if ACRC is able to become more competitive with other community referral sources, I have no doubts that they will see a marked increase in the number of vendor slots for psychological evaluations.

Please feel free to contact me with any other questions. Thank you!

ACRC Response to #5: Thank you for sharing your public comment. This will be added to the proposal that will be sent to DDS for review. We are happy to hear that you are in support of this proposal and that, if approved, it would drastically increase your availability to serve ACRC client applicants directly.

#6 [Vendored Psychologist]:

Good evening,

Thank you for holding the public meeting today discussing possible rate increases for psychological evaluation vendors. I have been a vendor of Alta California Regional

Center for several years and for a long time was the lowest paid psychologist vendor. I have colleagues who have reduced their hours at Alta and have started offering private pay evaluations or evaluations for private insurances ( [REDACTED] ) and are getting up to 3 times as much pay for the same evaluations I conduct for Alta California Regional Center. I have considered applying to be a vendor for outside companies if they are offering such a competitive rate for the same type of evaluation I already conduct.

If Alta California Regional Center is approved to increase their flat rate vendor fees to between \$2000 and \$3000, I would consider not applying to other companies and would also increase my availability for Alta clients. It would be beneficial for Alta to have vendors paid at an equitable rate to the community and would help reduce wait times for families.

Sincerely,

[REDACTED], Psy.D.  
Clinical Psychologist PSY [REDACTED]

ACRC Response to #6: Thank you for taking the time to provide your feedback on our waiver proposal. I am happy to hear that you would be able to increase your availability and dedicate your evaluation timeslots to ACRC if this proposal is approved. We appreciate your commitment to ACRC for the past 6 years and hope that we will be able to continue to maintain a mutually beneficial relationship, especially if this waiver request is approved.

#7 [Vendored Psychologist]:  
Hello,

Thank you so much for this information. I apologize that I did not get this to you sooner. I was at the CPA convention.

As for us, the reason we stopped our availability was definitely the rates. In addition, I would still like to advocate that Registered Psych Assistants (my pre and post docs under my direct supervision) should also be available to assess clients. If both of these are possible we could open 30-40 slots a month - if not more.

If ACRC's tiered rates were double (or more) we would be able to offer this immediately.

Thank you. We love serving these clients but financially it was placing us in the negative while trying to keep high quality psychologists, benefits, etc.

[REDACTED]

ACRC Response to #7: Thank you for providing your feedback. I will be adding your comment to our proposal that will be submitted to DDS for review. Our waiver request is specific to the payment for services rendered and is not addressing the licensing requirement for services provided under the 115, 116 and 117 service codes. The requirement for a licensed psychologist to provide the psychological evaluations for ACRC referrals under those service codes will

remain unchanged. However, I will provide notification to our vendors if the waiver to increase provider rates is approved.

Thank you again for taking the time to provide your feedback. We appreciate it!

#### SUMMARY OF ORAL COMMENTS AND REGIONAL CENTER RESPONSES TO COMMENTS:

At the end of the public hearing, one participant shared the following paraphrased feedback:

I commend ACRC for taking this step--Taking an innovative approach to addressing the problem head on. You have taken our client needs and organized them based on higher needs and outlined higher pay for higher needs individuals who may also qualify for health and safety waivers. I believe health and safety waivers would be more expensive than this proposal. This proposal takes higher level of needs into account from day 1.

CSS Director, John Decker, thanked the participant for feedback and echoing ACRC's sentiments.

Following the public hearing date, several other ACRC vendored psychologists verbally expressed appreciation for ACRC's advocacy on this issue.

ACRC acknowledged the long-standing issue of rates for this service and expressed appreciation for their continued interest in partnering with ACRC to serve our community.

#### OTHER EVIDENCE OF STAKEHOLDER ORGANIZATION SUPPORT OR OPPOSITION:

None submitted



## SUPPORTING INFORMATION AND MATERIALS

During Fiscal Year 2022, ACRC funded roughly 623 evaluations through purchase of service funds in the amount of \$492,927.28. During the same year, ACRC received 1,791 regional center referrals and performed 667 total psychological evaluations between staff psychologists and vendored psychologists. At this time, it has become increasingly difficult to secure availability for vendored psychologists to provide Intellectual and/or Autism evaluations which are necessary in determining if an individual meets regional center eligibility requirements. Psychologists are able to provide the same service through other funding sources at roughly double the rate ACRC is able to pay for a psychological evaluation.

The ability to establish a rate for service above the statewide median rate [W&IC § 4691.9(a)] would allow ACRC to fund psychological evaluations at a competitive rate. ACRC believes that this would provide the avenue for ACRC to have a sufficient vendor network of providers with availability to complete evaluations commensurate with our influx of client referrals. This would allow ACRC to meet required timelines to determine client eligibility and effectively allow eligible individuals timely access to regional center services and supports.

An adequate network of providers may also provide an avenue for client applicants to choose a provider based on the provider location, cultural or linguistic proficiency, or other areas of preference. Currently, client choice of providers is limited by availability.

If approved, ACRC intends to establish rates with psychologist vendors who provide Intellectual and/or Autism evaluations at a competitive rate to private or other contracted means. To determine the rates needed to become a competitive funding source, ACRC surveyed all currently active vendors providing this service to identify the rates they receive for a comparable service through other contacts. Based on these preliminary vendor surveys on competitive rates for service, providers are compensated, on average, at a rate of \$2,500 for a psychological evaluation. Many of those evaluations would not be considered “complex” in nature. Due to the varying complexity of ACRC’s referrals, ACRC believes it is necessary to incentivize providing services for cases with increasing complexity. Starting with the current average payment, ACRC is proposing a tiered rate system based on the complexity of the evaluation referral. ACRC is requesting to increase the median rates for psychological evaluations under the following tiered system:

- \$2,000 for an ID and/or ASD evaluation that is not deemed to be complex in nature, requiring a minimum of 6 hours of combined face-to-face and indirect service time. ACRC expects this to be the rate for payment for individuals under the age of 3 or for whom there are minimal records and no known medical or mental health complexities that could complicate diagnosis determination.
- \$2,500 for an ID and/or ASD evaluation that requires a minimum of 8 hours of combined face-to-face and indirect service time. ACRC expects this to be the rate for payment for the majority of psychological evaluations.
- \$3,000 for an ID and/or ASD evaluation that requires a minimum of 10 hours of combined face-to-face and indirect service time that also meets one of the following criteria:
  - Is provided in a locked facility
  - Requires a multidisciplinary evaluation by more than one provider
  - Has considerable medical or mental health complexity that requires an additional observation and/or more than 4 additional hours of collateral review.

Client referrals continue to increase. Annual referrals have increased by 28.5% in the past 6 years, and are estimated to continue to rise at a rate of 3.55% each year. It is estimated that approval of this waiver request would result in expenditures of roughly \$1,579,436 during fiscal year 2024. This would be an estimated increase of \$1,025,333 from the expected expenditure if rates remain unchanged (reference attachment A below). While this fiscal increase may appear to be significant, ACRC believes that it is a necessary cost in order to address the needs of our client applicants. Furthermore, if this waiver is not approved, the alternative would be an increased need to hire regional center staff psychologists. The cost to hire enough psychologist staff to account for the evaluation needs of our regional center would be considerably higher than the costs to implement this proposal. As such, ACRC believes that approval of this request would ultimately result in a lower fiscal impact than if this issue continues to remain unaddressed. Furthermore, ACRC believes the proposed changes and increase in purchase of service expenditures can be absorbed into the existing fiscal budget. Based on historical data and our purchase of service expenditure projection (PEP), ACRC has experienced an adequate purchase of service allocation surplus in the last three fiscal years that can be used to fund psychological evaluations at a competitive rate. Our current PEP projections also appear to be able to absorb the additional funding for such services.

