

North Los Angeles County Regional Center
Vendor Advisory Committee Meeting Minutes

May 5, 2016

Present: Fredlyn Berger, Deborah Cutter, Mariela Feldman, Cynthia Fernandez, Eleshia Johnson, Staci Jordan, Ken Lane, Marina Pink, Scott Shepard, Wayne Tashjian, and Dolly Wauls - Committee Members
Rebecca Lienhard, Dana Andrews, Don Lucas, and Joel Smollett - Guests
George Stevens, Liliana Windover, Arsho Garlanian, Yolanda Bosch, Kim Rolfes, Arpi Arabian, and Kimberly McNeill – Staff

Absent: Michelle Heid, Jonathan Istrin, and Kristin Laurino

I. Call to Order & Introductions

Scott Shepard called the meeting to order, in Michelle Heid's absence, at 9:35 a.m. Introductions were made.

II. Public Input - There was no public input.

III. Consent Items

A. Approval of Agenda

M/S/C (W. Tashjian/D. Cutter) To approve the agenda as presented.

B. Approval of Minutes from the April 7th VAC Meeting

M/S/C (W. Tashjian/S. Jordan) To approve the minutes as presented.

IV. Executive Director's Report

George Stevens gave the following reports:

- A. ABX2 1: George reported that the center received an e-mail from the Department of Developmental Services (DDS) providing the regional center with electronic copies of the vendor surveys that have been received related to ABX2 1. DDS is requesting the center to certify to the best of the regional center's knowledge that the survey results accurately reflect the services provided by each surveyed provider. Kim reported that out of 2,000 surveys sent, DDS received only 700. The challenge we have is that the data collected is information not collected by the regional center. We need to figure out

how to respond to DDS, once we do, we will share that information with the VAC.

- B. Housing: George reported that over the next year the center will struggle to develop some housing options for our consumers and families.
- C. Behavioral Services: We were able to get clarification from DDS that not all adaptive skills will be transitioned to managed care. The only individuals who will transition to managed care are the ones who have a combination of behavior and adaptive skills services.
- D. Caseload Ratios: The center was not able to meet its caseload ratios, therefore we will hold 2 public meetings scheduled on May 23th at 6:00 pm in our Antelope Valley Office and the second one on May 24th at 6:00 pm in our San Fernando Office. George reported that this is a State problem and it has to do with lack of funding. The center is not going to change how we report our ratios to DDS to make them look better.
- E. Supported Living Services (SLS) Providers. George wanted to thank SLS providers for the opportunity to meet with them on May 3rd to discuss the cost of providing SLS. We will put together some numbers and analyze why the costs are going up. DDS contacted the center regarding its concerns about the center's increasing costs for SLS.

V. **Chief Financial Officer's Report** (Kim Rolfes)

A. Financial Reports:

1. FY 2015-16: The center's operations budget is currently \$40,930,831. The purchase of service (POS) budget is \$328,714,780 with a projected deficit of \$13,010,708 (in the worst case). Regarding our cash flow, we have received sufficient cash reimbursements. At this point, we do not anticipate having to borrow any funds from our credit line.
2. FY 2014-15: We are still showing a POS deficit. The State is currently working on an amendment and additional allocation would be sent in the near future.
3. FY 2013-14: This fiscal year is now officially closed. Our accounting department has sent out notices alerting our providers that they can no longer submit bills for FY 2013-14 and receive reimbursement.

B. Fiscal Audits:

1. Social Security Audit: We received a letter from the Social Security Administration. They regularly review payees to ensure that they are fully complying with their responsibilities. NLACRC is the payee for our consumers who live in intermediate and community care facilities. The audit review took place on May 2nd and 3rd.
2. California State Auditor: The center also received a letter from the California State Auditor which is responsible for conducting audits requested by the Legislature and approved by the Joint Legislative Audit Committee informing us that they will be conducting an audit of the in-home respite services programs. They will be coming to the center to review these records. The center will contact the in-home respite programs selected for this review. We are waiting to hear from the state audit regarding the date for this audit.

- C. Move of NLACRC's Main Office: Kim reported that visitors will be able to access the center 2 ways, either entering directly into the NLACRC lobby from Prairie Street or entering from Oakdale Avenue through the front of the building. However, if you enter through the front of the building, you will be required to sign in and provide identification. Demolition of existing space began on April 1st. Forty parking spaces will be designated for NLACRC's visitors; staff will have a separate parking area. The actual move should begin in September and completely done by the end of October.

VI. Community Services Director's Report (Yolanda Bosch)

- A. DDS ABX2 1 Surveys: Yolanda reminded providers who received a survey to please complete and return them to DDS. DDS will be using this information to figure it out how to spend the \$169 million in funding related to the bill.
- B. Changes to Vendor Audit Report Requirements: Pursuant to ABX2 1, a vendor that receives payments from one or more regional center must contract with an independent accounting firm to obtain an independent audit in accordance with the following:
1. If the amount received from regional center payments during the provider's fiscal year is more than or equal to \$500,000 but less than \$2 million, the provider shall obtain an independent review report of its financial statements for the period.

2. If the amount received from regional center payments during the vendor's fiscal year is equal to or more than \$2 million, the vendor shall obtain an independent audit of its financial statements for the period.

The amended requirement will become effective June 9, 2016. Any vendor to whom the current requirements apply and whose fiscal year ends prior to the effective date of the amended requirements is responsible to submit an independent review or audit report to the regional center at the completion of their fiscal year. A vendor to whom the amended criteria applies, and whose fiscal year ends after the effective date of the amended criteria, must submit an independent review or audit report to the regional center

- C. Minimum Wage & Provider Rate Increases: Yolanda asked our providers to return their amended payment agreements as soon as possible in order to implement the new rate increases. Our goal is to have all the agreements by June 30th in order to start the implementation on July 1st. Kim reported that in October 2017, DDS will request all the providers to explain how they are utilizing these dollars. The failure to report this information to DDS will result in a decrease on their rates. These funds have to be used for wages and benefits only.
- D. Family Home Agencies (FHAs) Audit Review: Yolanda reported that every 2 years the FHAs are audited by DDS. This year's audit review will take place from November 7-11, 2016.
- E. Self-Determination Program: Yolanda reported that DDS is currently addressing questions that the Center for Medicaid and Medicare Services (CMS) has regarding the waiver. George stated that the waiver has to be consistent with the CMS final rules, in terms of setting. There has been some discussion regarding modifying the settings in order to get the waiver approved sooner. It was also reported that Tennessee is the only state that has had its transition plan approved by CMS. More information to come.
- F. Transportation: The center is currently transitioning from Southland Transit to Student Transportation of America in order to provide transportation services in the Antelope Valley. The transition should be completed by July 1st.
- G. Residential Providers: Yolanda reported that the center is in desperate need of residential providers. If you know of anyone who is interested in becoming residential provider please have them contact Erica Beall or Yolanda Bosch.

VII. Committee Business

- A. Resignation of Annie Cox from the VAC (Michelle): Annie Cox had to resign from her position on the VAC.
- B. Report on April 6th Advocacy Meeting (Michelle): Deferred as Michelle Heid was not present.
- C. Report on April 7th Budget Hearing (Michelle) Deferred as Michelle Heid was not present.
- D. Discussion and Recommended Position on AB 2855 (Frazier) Charitable Solicitations/Financial Disclosures:

Scott Shepard reported that Government and Community Relations Committee requested that the VAC discuss AB 2855 and recommend a position on it to them. This bill is related to charity, solicitation, and financial disclosures which would require non-profit organizations to be transparent disclosing information if they are doing fundraising which required having a website and disclose all this information. After discussion, the VAC agreed that providers do not have the funds to implement this bill and will recommend that the board take an oppose position on this bill.

M/S/C (F. Berger/K. Lane) To recommend to the Government & Community Relations Committee to recommend that the Board of Trustee oppose AB 2855 (Frazier).

- E. Annual Board Dinner: The Annual Board Dinner will be held Saturday, June 25th. Annie Cox, Jonathan Istrin, Ken Lane and Dolly Wauls will be honored at the dinner for their time served on the VAC. Invitations will be going out at the end of this month.

VIII. Reports from the VAC Priority Issue Work Groups

- A. Implementation of CMS & WIOA: Eleshia reported that is very important that we have everybody's participation and work together in order to comply with the CMS final rule. We need to define what is integrated and make sure that our consumers are fully integrated and receiving services by the March 2019 deadline. Recommendations were made to come out with a PowerPoint presentation to analyze the data provided. The Department of Rehabilitation (DOR) is still trying to figure out what to do and they are interested in

working with the regional centers. Recommendations were made to partner with DOR to discuss these issues.

- B. Implementation of the Behavioral Services Transition: Mariela reported that one of the items discussed was the transition and implementation of behavioral services to the managed care plans which it will go into effect on July 1, 2016. The center is currently sending releases to the families regarding the health plans; however we are struggling with obtaining families' responses to these consents. In addition, the managed care plans are working with providers to establish a negotiated rate. Regional centers rates are no longer applicable for this purpose.
- C. Implementation of the Self-Determination Program:
- D. Services for Adult Consumers: Scott Shepard reported that Michelle Heid was very instrumental in helping to work with our local legislators to conduct a transition fair with the regional center, the Family Focus Resource Center, and our legislators. It was really a good start and this is something we may consider doing every year.

In addition, a task force meeting was conducted with Assemblywoman Patty Lopez. A PowerPoint presentation was provided regarding CMS. We want to make legislators aware of all the changes and request their support to all the services that are being integrated.

Action: Kim Rolfes will provide a copy of her CMS presentation to the VAC.

Another discussion was to find a way to communicate with our service coordinators and inform them about what we do and what services are available for our families and consumers.

Action: George will talk with Diane Ambrose about the best way to provide information on our service providers to our service coordinators.

IX. Report on Board Committee Meetings

- A. Administration Affairs: Ken reported that the ARCA dues are \$82,530, the same amount as last year.
- B. Board of Trustees (Michelle): A report wasn't given as Michelle Heid was not present.

C. Consumer Services:

1. Service Standards: The board approved changes to 5 of the center's 11 service standards on November 10, 2015 and submitted them to DDS for approval. On March 8th, DDS approved the changes noting 2 clerical errors in one of the service standards, which have since been corrected.
2. Self-Determination Program: Eleshia provided an update regarding the Self Determination Program. We participated in a conference call with DDS regarding how the self-determination program will be managed through the regional centers' databases so that DDS can extract the data they will need. The center has hired a self-determination specialist (Evelyn Chamorro) who will provide education and outreach to parent support groups. So far, we have 81 consumers that have shown interest. We are in the process of drafting a flier that will be provided to consumers and families at each Individualized Program Plan (IPP) meeting.

D. Government & Community Relations: (Michelle) A report was not given as Michelle Heid was not present.

E. Housing: Scott Shepard stated that George has been a tremendous advocate about talking with our legislators regarding our housing needs. It is really critical that we continue reaching our legislators in order to have the ability to create more housing options.

F. Nominating: The Nominating Committee has completed their work for this fiscal year. They will be presenting their recommended nominees for the Board of Trustees, VAC, and Consumer Advisory Committee at the May 11th board meeting, elections will be held in June, and all newly elected members will begin serving July 1st.

G. Strategic Planning: Annie Cox was the VAC's representative to this committee. As she resigned from the VAC, she was not present to give a report on the meeting.

X. Agenda Items for the Next Board Meeting

The following items were identified for the VAC's section of the May 11th board meeting agenda:

- A. Minutes of the April 7th and May 5th VAC Meetings

XI. Announcements/Public Input

- A. Next Meeting: Thursday, June 2nd at 9:30 a.m. (break out groups will meet)

XII. Adjournment

Scott adjourned the meeting at 11:40 a.m.

Submitted by,

Liliana Windover

Liliana Windover
Executive Administrative Assistant

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