NORTH BAY REGIONAL CENTER

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Bob Hamilton
Executive Director

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To NBRC clients, families, vendors, staff, and friends;

As recipients of California State funding the news is dire with regard to how we will continue to move forward providing supports and services to people with developmental disabilities. But fear cannot prevent us from acting upon the decisions and mandates that we will need to respond to in the coming months. The State now faces unprecedented budgetary action to control costs that are predicted to exceed the 2009-10 approved budget by $23 billion. This is due to the decrease in revenue caused by the recession and the failure to pass Propositions 1A through 1E ballot measures at the May special election. The governor has released his May revision budget plan and the Legislature is now holding public hearings to consider alternatives. All have pledged to complete this process in June in order to avoid a cash crisis in July.

DDS has already provided proposals, as required by Legislators in their February budget, to reduce regional center funding by $100 million, through proposed program changes. The current budget plan includes a reduction of an additional $234 million to regional centers, in the form of an increase to the Department of Developmental Services' required "Savings Target". These combined cuts of $334 million for 2009-2010 are equivalent to the anticipated growth in the regional center expenditures due to increased population and service needs. This does not include the "3% discount" to rates paid to providers and the 3% reduction to regional center operations budget which took effect on February 1, 2009.

Even though NBRC is forecasting a POS budget deficit for the end of this fiscal year, we are grateful that DDS has instructed us to continue to fund needed services, The Department has also encouraged us to find every way possible to conserve resources. NBRC will continue to support and fund those mandated services while looking at internal process to ensure that maximum efficiencies are in place. Our system has long been criticized as being "out-of-control" and expenditures have outstripped client growth. *In response to our community's needs and requests, this year, NBRC experienced a 16% growth in POS spending and a 3.7% increase in client population.*

Beyond the anticipated reductions to DDS, there are a number of massive reductions in other health and human services that preserve the health and safety of people with developmental disabilities such as: IHSS, Medi-Cal, Medi-Cal optional benefits, Medi-Cal funded Adult Day Health Care programs, and SSI/SSP. The May 2009 Revise as released by the Administration proposed the following cuts to IHSS:

- **$301.5 million IHSS Cost Containment.** This proposal would target services to the most vulnerable beneficiaries. Specifically, effective October 1, 2009, individuals who require minimal physical assistance from another person to perform an activity would no longer receive domestic and related services, and individuals needing only supervision from another person to perform an activity would no longer be eligible for IHSS services.

Additionally, the budget trailer bill for the recently signed budget bill, added Section 14131.10 of the Welfare and Institutions Code to exclude several optional benefits categories from coverage under the Med-Cal program to be implemented on July 1, 2009; these include:

- Acupuncture services
- Adult dental services
- Audiology services
- Chiropractic services
- Incontinence creams and washes products
- Optometric and optician services
- Podiatric services
- Psychology services
- Speech Therapy services

It is evident that we will all have to get by on less in the coming year as a community, and as citizens of California we will be adjusting to the radical changes in our economy and in how the State conducts its business. To preserve the entitlement we need to demonstrate that we can be responsible with our resources and that our system responds to needs and interventions with restraint and fairness so that perception of privilege is replaced with responsible stewardship. It is imperative that those services that are most vital to supporting clients and families are protected by need driven practice. We are asking clients, parents, and vendors to reassess their own natural supports and resources as we move into a new economic reality.

All NBRC stakeholders will be affected, and we encourage everyone to remain up-to-date on the budget news and to participate in the process to the fullest extent possible. NBRC will continue to provide updates to the community as more information and direction is received.

I am calling upon your strength, unity, and determination in facing these challenges together.

Respectfully Yours,

Bob Hamilton
Executive Director