STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 07/23)

Fiscal Year	Business Unit Number	Department
2025-2026	4300	Department of Developmental Services

Hyperion Budget Request Name	Relevant Program or Subprogram
4300-057-BCP-2025-MR	4149001 Program Administration

Budget Request Title
Federal Access Rule

Budget Request Summary
The Department of Developmental Services requests $1.9 million ($1.6 million General Fund) and one-year limited term resources equivalent to 9 positions in 2025-26 to support increased workload related to compliance with new federal Home and Community-Based Services Access Rule requirements.

Requires Legislation (submit required legislation with the BCP)	Code Section(s) to be Added/Amended/Repealed
☐ Trailer Bill Language ☒ Budget Bill Language ☐ N/A	N/A

Does this BCP contain information technology (IT) components? ☒ Yes ☐ No *If yes, departmental Chief Information Officer must sign.*	Department CIO Jim Switzgable	Date 5/14/2025

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.

Project No. N/A **Project Approval Document:** N/A

Approval Date: N/A **Total Project Cost:** N/A

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Dana Simon	5/14/2025	Steven Pavlov	5/14/2025
Department Director	**Date**	**Agency Secretary**	**Date**
Pete Cervinka	5/14/2025	Debra Cooper for Kim Johnson, Secretary	5/14/2025

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

Principal Program Budget Analyst	Date submitted to the Legislature
Christopher Odneal	5/14/2025

A. Problem Statement

The Department of Developmental Services requests $1.9 million ($1.6 million General Fund) and one-year limited term resources equivalent to 9 positions in 2025-26 to support increased workload related to compliance with new federal Home and Community-Based Services Access Rule (Access Rule) requirements. This request also includes provisional language allowing Item 4300-001-0001 to be decreased if the Access Rule is repealed or rescinded.

The final Access Rule, released by the Centers for Medicare and Medicaid Services on April 22, 2024, mandates states to meet specific regulations relating to the administration of their Section 1915 federal authorities. The effective dates of these requirements began July 9, 2024, with new requirements relating to rate changes, and extend through 2032. Beginning in 2026, the Department will be subject to additional phased-in federal reporting requirements for certain quality measures and will need to demonstrate compliance with regulations regarding the handling of grievances. In 2027, the Department will need to meet new website transparency requirements and will be required to have completed updates to its processes for the management of critical incidents, including increased coordination with other state departments. Between 2028 and 2030, the Department will need to begin reporting on the percent of rates for specified services that are paid to direct service providers, and ultimately demonstrate that Direct Service Professionals receive a minimum of 80 percent of the rate the state pays for specified services. In 2032, the state will be expected to monitor and report on all of the quality measures required by the Centers for Medicare and Medicaid Services.

To meet the requirements of the Access Rule, the Department must begin work immediately to address the new federal grievance/complaint process requirements. Currently, the Department's complaints are handled by the Office of Community Appeals and Resolutions. The Access Rule requires a new grievance process for individuals who believe their Individual Program Plan (IPP) was not developed in a person-centered way, or that their residential setting is not compliant with the Home and Community-Based Services Access Rule.

Office of Community Appeals and Resolutions Resource History

(Dollars in thousands)

Program Budget	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Authorized Expenditures	$410	$338	$408	$661	$911
Actual Expenditures	$371	$377	$292	$723	TBD
Revenues	N/A	N/A	N/A	N/A	N/A
Authorized Positions	5.5	4.5	5.0	8.0	11.0
Filled Positions	5.3	4.6	3.3	8.7	TBD
Vacancies	0.2	-0.1	1.7	-0.7	TBD

Information Technology Division Resource History

(Dollars in thousands)

Program Budget	2020-21	2021-22	2022-23	2023-24	2024-25
Authorized Expenditures	$7,088	$7,649	$8,822	$11,021	$11,025
Actual Expenditures	$6,659	$7,094	$8,110	$10,838	TBD
Revenues	N/A	N/A	N/A	N/A	N/A
Authorized Positions	76.0	77.0	88.0	106.0	104.0
Filled Positions	71.3	64.8	73.7	98.0	TBD
Vacancies	4.7	12.2	14.3	8.0	TBD

B. Justification

Near-term Access Rule requirements require establishment of a grievance process to address situations surrounding Medicaid recipient dissatisfaction with any component of their IPP implementation. The IPP is a written document that is created between the individual eligible for regional center services and their planning team. This document outlines the individual's personal goals and future plans and aligns services and supports to meet them.

Nearly 500,000 individuals receive developmental services from regional centers and about 70 percent report they had input to their IPP. This leaves the potential for tens of thousands of grievances to be filed through the new process. To respond to these grievances, Department staff will need to coordinate with regional centers and individuals receiving developmental services, conduct research, and resolve each grievance within 90 calendar days from the date the Department receives the grievance. To handle this projected workload increase, the Office of Community Appeals and Resolutions will need support equivalent to 1Assistant Deputy Director and an Investigatory Unit including 1 Staff Services Manager (SSM) II (supervisory), 4 SSM I (Specialists) to conduct investigations, and 1 Executive Assistant.

In addition, the Department will need resources equivalent to 2 Information Technology Specialists (ITS) II positions. Of the two IT position equivalents, one will be a combined Project Manager and Business Analyst to collect and document requirements, engage contracted programmers to develop the application and subsequent enhancements, develop test plans and training materials, organize the testing effort and lead the training. The other will be the Platform Administrator and will administer the environment, manage the testing environment, promote the test environment to production, maintain the security requirements and manage the bi-directional transfer of data between the data warehouse and the application. The Department also is requesting $500,000 for ServiceNow contractor programming costs. The Department will maximize federal financial participation that may be available for system development.

2025-26 one-time resources assume a phase-in period (nine months) for the positions equivalent to the Investigatory Unit staff and full-year costs assumed for the positions equivalent to the management and information technology positions, as well as the contract costs.

C. Departmentwide and Statewide Considerations

Compliance with federal standards is necessary to maintain federal match through the Medicaid program. Timely due process is a legal requirement for recipients of Medi-Cal services.

D. Outcomes and Accountability

The requested resources will allow for initial and ongoing support of implementation to comply with the HCBS Access Rule.

E. Implementation Plan

The Office of Community Appeals and Resolutions will recruit and fill these positions following their approval and will assign incoming workload to these new positions to enable collection and handling of HCBS complaints. The Department will continue to collect data and monitor workload, impacts, and equitable access and utilization by individuals and families.

F. Supplemental Information

Attachment A – Workload Analysis (Position Equivalency Descriptions)

Attachment B – Provisional Language

Attachment A

WORKLOAD ANALYSIS
Office of Community Appeals and Resolutions

1.0 CEA, A - Assistant Deputy Director

Tasks and Activities	Annual Hours	FTE
Supports the Deputy Director in managing the Section; assists in establishing, implementing and monitoring strategic Branch and Department's priorities; provides leadership, management and policy direction to the Branch; plans, directs and oversees Branch activities; supervises the Section Chief.	600	
Works collaboratively and proactively with all Department's divisions to track changes in statute, regulation and Department policy and identify associated impacts.	400	
Communicates with management to clarify requirements in statute, regulation and Department policy; to understand ambiguous or conflicting perspectives on requirements; and to establish transparency in the Department process.	300	
Raises complex issues with the Deputy Director timely to permit efficient, accurate and consistent completion of draft and final reports; drafts policy recommendations to Department Legal and Program staff and coordinates development of final recommendations for Department Executive Management.	200	
Reviews and approves the most complex plans or methodologies; consults with program staff; drafts reports and communicates findings to inform management and stakeholders of changes in plans and methodologies; coordinates review as necessary of draft and final reports by other staff.	200	
Recruits, hires and mentors staff and performs personnel actions, including employee performance evaluations; builds teams and expertise needed to successfully complete projects.	100	
Total	**1,800**	**1.0**

Attachment A

WORKLOAD ANALYSIS
Office of Community Appeals and Resolutions
1.0 Staff Services Manager (SSM) II

Tasks and Activities	Annual Hours	FTE
Provides full supervisory responsibilities for the unit staff over informal and formal dispute resolution processes, including service and eligibility appeals, clients' rights complaints and appeals, Early Start complaints, citizen complaints, and whistleblower complaints. Leads and supervises all other activities of the unit including staff performance evaluations and reviews. Monitors and directs work with the Department of General Services' Office of Administrative Hearings (OAH) for mediations and hearings in the service and eligibility appeal process. Provides a high level of assistance and direction to OAH through the contract and ongoing coordination regarding its processes, data collection, and communication with appellants and regional centers. Corresponds with individuals and families, regional centers, and internal or external departments and agencies to obtain relevant information.	800	
Provides expertise in formal and informal dispute resolution methods and practices. Works closely and collaboratively with other Department divisions and state departments to gather information to enhance understanding of programs, consumer outcomes, issue resolutions, and budget impacts. Leads and supervises the design of data collection, reporting, and visualization processes and tools used to monitor and forecast the impact of ongoing process improvements for appeals and complaints.	500	
Provides ongoing training and development of the unit's employees to assure the highest level of quality and consistency in designing and managing communications about complex and sensitive issues regarding appeals and complaints. Review, approve, and advance staff recommendations to address individual and systemic issues and concerns regarding dispute resolutions.	300	
Responsible for oversight of how requests and resolutions are handled throughout the appeal and complaint process, identifying trends, and making recommendations to the Division Chief and/or Deputy Director for practice and policy changes to improve dispute resolution processes and the experiences of individuals and families. Responds timely and accurately to statutory mandates regarding data reporting that falls within the unit's responsibilities. Coordinates engagement with external stakeholders regarding all aspects of appeal and complaint processes. Performs HR functions equivalent to a first level supervisor.	200	
Total	**1,800**	**1.0**

Attachment A

WORKLOAD ANALYSIS
Office of Community Appeals and Resolutions
4.0 SSM I (Specialist)

Tasks and Activities	Annual Hours	FTE
Responsible for the triage, evidence collection, and full investigation of informal and formal dispute resolution processes, including appeals and complaints. Provides a high level of assistance and reporting to management and/or Executive Management on all phases of the case investigations, including formal reporting and written responses. Monitors and has oversight of regional centers' first-level investigations, which includes working with Executive Management at the regional centers. Responds timely and accurately to statutory mandates regarding data reporting that falls within the unit's responsibilities.	2,520	
Provides expertise in formal and informal dispute resolution methods and practices. Works closely and collaboratively with management and/or Executive Management within the Department and other state departments to gather information to enhance understanding of programs, consumer outcomes, issue resolutions, and budget impacts. Leads and manages the design of the data collection, reporting, and visualization processes and tools used to monitor appeal and complaint processes. Makes recommendations to the Division Chief and/or Deputy Director for practice and policy changes to improve dispute resolution processes and the experiences of individuals and families.	1,800	
Provides training and development of the unit's employees to support the highest level of quality and consistency. Develops and manages communications about complex and sensitive issues regarding complaints and appeals.	1,800	
Coordinates engagement with regional centers and external stakeholders regarding appeal and complaint processes. Develops, memorializes, and maintains written desk references for complaint and appeal processes. Manages complex investigative and administrative tracking systems related to the complaints and appeals processes.	1,080	
Total	**7,200**	**4.0**

Attachment A

WORKLOAD ANALYSIS
Office of Community Appeals and Resolutions
1.0 Executive Assistant

Tasks and Activities	Annual Hours	FTE
Reviews, formats, edits and prepares correspondence, reports, presentations and other written documents as directed by the Assistant Deputy Director, ensuring conformity with the Department's Written Communications Manual and that those materials are accurate, complete and prepared for management review and signature.	600	
Assists the Assistant Deputy Director and their direct reports with various administrative support duties such as preparing correspondence, scanning documents, reports and memoranda, mail distribution, and back-up support as required. Maintains confidentiality and adheres to best practices for securing documentation and maintaining compliance with the Health Insurance Portability and Accountability Act (HIPAA).	400	
Performs independent studies, surveys, and other activities to gather and analyze classification information for OCAR positions. Assists OCAR hiring supervisors/managers with writing and/or editing duty statements and justifications; development of screening criteria for application review; screening of applications; scheduling hiring interviews; and drafting memorandums and other supporting documentation. Prepares, processes, and completes confidential and sensitive requests for information.	300	
Assists in the development, maintenance and delivery of branch onboarding and knowledge management resources, using SharePoint, Teams, or other tools. Maintains a current inventory of all software or other specialized tools used by OCAR staff and works with other Divisions to procure resources or training. Prepares requests for software, equipment, and tools, as needed, for new hires.	200	
Functions as the timekeeper and Telework Liaison for the Branch. Reviews and compiles employee timesheets to forward to Human Resources. Maintains and tracks leave balances. Serves as the liaison for the Branch with business services and Human Resources. Sets up and schedules meetings, both virtual and in-person. Coordinates with Human Resources, as needed, to assure compliance with applicable Department telework policies, procedures, and guidelines.	200	
Screens and reviews incoming requests and correspondence related to requests and coordinates responses with other Department's Divisions, as needed. Creates and maintains standard operating procedures to document all steps of the complaint process. After a training period, independently handles routine responses to inquiries.	100	
Total	**1,800**	**1.0**

WORKLOAD ANALYSIS
Information Technology Division
1.0 Information Technology Specialist II
Project Manager/Business Analyst

Task	Hours	FTE
Defines, clarifies, and approves business rules, business requirements, and workflows specific to waiver processes. Liaisons with existing subject matter experts as needed to refine business documentation. Develops, updates, and maintains project documentation and project plans: action items, risks and issues, mitigation strategies, project sponsor decisions, project management plans, memos, etc.	350	
Holds regular staff meetings, project meetings, and procurement specific meetings. Assigns agenda items and status updates. Facilitates project communications via project meetings, presentations, and status reports. Schedules meetings, takes meeting minutes, prepares and reviews material, hiring contractors, staff, budgets, and project expenditures.	400	
Leads the data governance and conversion preparation team(s) to define data element descriptions and business rules specific to legacy data as well as enterprise-wide data governance.	250	
Tracks and maintains a list of changes, updates, enhancements, and ad-hoc report requests made to the existing system and updates the as-is documentation over the course of the procurement.	200	
Leads procurement activities, responds to vendor questions, reviews draft proposals, scores proposals, and evaluates final proposals, and attends product demonstrations. Completes assigned project activities, such as procurement activities, adaptive/iterative development assignments, and testing scripts and testing activities.	450	
Leads the Organizational Change Management and training team to develop materials and communicate change to stakeholders.	150	
Total	**1,800**	**1.0**

Attachment A

WORKLOAD ANALYSIS
Information Technology Division
1.0 Information Technology Specialist II
Platform Administrator

Task	Hours	FTE
Supports setup, enhancements, and maintains configurations, users, setup workflows, and notifications. Provides advanced technical support with particular concern for program specific needs.	450	
Performs the most complex data configuration and programming tasks for approved low code / no code platforms, system tools and utilities, such as performing advanced level analysis, design, coding, testing, reporting and documentation in support of automated processes, service mapping and discovery solutions. Provides first and second level implementation support for program implementation.	450	
Designs, builds and maintains interfaces to other Department-hosted and cloud-based systems, applications, and processes dependent on application processes and data. Independently works on customer requests to perform advanced level data configuration tasks using administration and configuration tools. Interacts extensively with other support staff, vendors, and customers to successfully complete the requests. Creates custom reports for analysts and management. Monitors system health.	360	
Performs software product/application installations, works closely with technical teams and customers to implement and maintain the application infrastructure/architecture. Verifies applications work on the vendor supported web browsers and operating systems. Utilizes hardware and software utility tools as necessary to maintain systems and diagnose network problems.	360	
Documents and maintains operational procedures, release management, and technical system documentation. Maintains written business solutions and application systems procedures and protocols. Provides training templates, and tools to end users and IT personnel.	180	
Total	**1,800**	**1.0**

Attachment B

Add Provision 7 to Item 4300-001-0001 as follows:

7. The Department of Finance may decrease this item by up to $1,642,000 if the Centers for Medicare and Medicaid Services' Ensuring Access to Medicaid Services Final Rule (CMS-2442-F) is rescinded or repealed. Any adjustment of this item shall be reported in writing to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee within 10 days of the date the adjustment is approved.

BCP Fiscal Detail Sheet

(Dollars in Thousands)

BCP Title: Federal Access Rule

BR Name: 4300-057-BCP-2025-MR

Budget Request Summary

Personal Services

Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Salaries and Wages Earnings - Temporary Help	0	799	0	0	0	0
Total Salaries and Wages	**$0**	**$799**	**$0**	**$0**	**$0**	**$0**
Total Staff Benefits	0	425	0	0	0	0
Total Personal Services	**$0**	**$1,224**	**$0**	**$0**	**$0**	**$0**

Operating Expenses and Equipment

Operating Expenses and Equipment	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5301 - General Expense	0	16	0	0	0	0
5302 - Printing	0	8	0	0	0	0
5304 - Communications	0	8	0	0	0	0
5306 - Postage	0	8	0	0	0	0
5320 - Travel: In-State	0	23	0	0	0	0
5322 - Training	0	8	0	0	0	0
5324 - Facilities Operation	0	62	0	0	0	0
5340 - Consulting and Professional Services - External	0	500	0	0	0	0
5346 - Information Technology	0	70	0	0	0	0
Total Operating Expenses and Equipment	**$0**	**$703**	**$0**	**$0**	**$0**	**$0**

Total Budget Request

Total Budget Request	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Budget Request	**$0**	**$1,927**	**$0**	**$0**	**$0**	**$0**

Fund Summary

Fund Source

Fund Source	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
State Operations - 0001 - General Fund	0	1,642	0	0	0	0
0995 - Reimbursements	0	285	0	0	0	0
Total State Operations Expenditures	**$0**	**$1,927**	**$0**	**$0**	**$0**	**$0**
Total All Funds	**$0**	**$1,927**	**$0**	**$0**	**$0**	**$0**

Program Summary

Program Funding

Program Funding	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
4149001 - Program Administration	0	1,927	0	0	0	0
Total All Programs	**$0**	**$1,927**	**$0**	**$0**	**$0**	**$0**

Personal Services Details

Salaries and Wages

Salaries and Wages	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
TH00 - Temporary Help	0	799	0	0	0	0
Total Salaries and Wages	**$0**	**$799**	**$0**	**$0**	**$0**	**$0**

Staff Benefits

Staff Benefits	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5150350 - Health Insurance	0	66	0	0	0	0
5150500 - OASDI	0	61	0	0	0	0
5150630 - Retirement - Public Employees - Miscellaneous	0	210	0	0	0	0
5150800 - Workers' Compensation	0	13	0	0	0	0
5150820 - Other Post-Employment Benefits (OPEB) Employer Contributions	0	24	0	0	0	0
5150900 - Staff Benefits - Other	0	51	0	0	0	0
Total Staff Benefits	**$0**	**$425**	**$0**	**$0**	**$0**	**$0**

Total Personal Services

Total Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Personal Services	**$0**	**$1,224**	**$0**	**$0**	**$0**	**$0**