

AMENDED IN SENATE APRIL 15, 2013

AMENDED IN SENATE APRIL 9, 2013

**SENATE BILL**

**No. 577**

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**Introduced by Senator Pavley**

February 22, 2013

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An act to amend Sections 4850, 4851, 4854, and 4860 of, to add Section 4868.5 to, and to add and repeal Section 4870 of, the Welfare and Institutions Code, relating to ~~autism~~ *developmental disabilities*.

LEGISLATIVE COUNSEL'S DIGEST

SB 577, as amended, Pavley. ~~Autism—services: and other developmental disabilities: pilot program: employment.~~

The Lanterman Developmental Disabilities Services Act authorizes the State Department of Developmental Services to contract with regional centers to provide services and support to individuals with developmental disabilities, including autism. Existing law governs the habilitation services provided for adult consumers of regional ~~services centers~~, including work activity programs, as described, and establishes an hourly rate for supported employment services provided to consumers receiving individualized services.

This bill would require ~~the State Department of Developmental Services to establish a pilot program for young adults with autism to help them find pathways to financial independence through work. The bill would require the pilot program to develop and implement a new model for providing employment services to autistic individuals and to create financial incentives for employment service providers, as specified, among other requirements. The bill would require a job exploration and discovery plan, as specified, to be developed if job exploration and discovery services are determined to be a necessary~~

step to achieve a supported employment outcome. The bill would establish an hourly rate for job exploration and discovery services of \$40 per hour for a maximum of 75 hours per calendar quarter for all services identified and provided in the plan.

*This bill would require the State Department of Developmental Services to establish a pilot program for young adults with autism and other developmental disabilities to help them find pathways to financial independence through work. The bill would require the pilot program to develop and implement a new model for providing employment services to these individuals and to create financial incentives for employment service providers, as specified, among other requirements.*

The bill would also establish, ~~only until January 1, 2019~~ July 1, 2018, a pilot program operative in specified regional ~~catchment areas~~ centers, pursuant to which the State Department of Developmental Services would be authorized to allocate moneys for the support of programs provided by the participating regional ~~catchment areas~~ centers to promote the employment of ~~developmentally disabled~~ persons with autism and developmental disabilities. The bill would require the State Department of Developmental Services and the Department of Finance to establish, on or before July 1, 2014, the Employment Growth Fund for these purposes, as specified. The fund would consist of moneys appropriated by the Legislature from cost savings resulting from the reduced amount of support payments made to ~~developmentally disabled~~ persons with autism and developmental disabilities who earn wages from gainful employment attained as a result of their participation in the pilot ~~project~~ program, as specified. The bill would impose specified duties on the State Department of Developmental Services relating to the pilot program, including preparing an annual report and designing and implementing an evaluation of the pilot program, as specified.

The bill would also set forth related legislative findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

1 (a) *Individuals with developmental disabilities have to struggle*  
2 *to find gainful employment. Unemployment amongst the*  
3 *developmentally disabled population is approximately 80 percent.*

4 (b) *Within the developmentally disabled community, autism is*  
5 *the fastest growing population, making up approximately 50*  
6 *percent of the annual new caseload of regional centers in some*  
7 *parts of the state.*

8 (a)

9 (c) One in three adults with autism do not have paid work  
10 experience or a college or technical education seven years after  
11 leaving the K-12 school system.

12 (b)

13 (d) In order to increase the self-sufficiency of young adults with  
14 autism *and other developmental disabilities*, including increased  
15 earning capacity and reduced government benefit support, it is  
16 important that the state implement a program to provide  
17 individualized skills assessment, social cue training, and specific  
18 support to ensure their academic and employment success.

19 (e)

20 (e) The Governor and the Legislature must address the growing  
21 need for new models of assessment, career training, and expanding  
22 employment opportunities and support options for young adults  
23 with autism *and other developmental disabilities* between 18 and  
24 30 years of age. If this population is left without purposefully  
25 designed pathways into employment, these young adults will  
26 remain at high risk of public dependency throughout the course  
27 of their lives.

28 SEC. 2. Section 4850 of the Welfare and Institutions Code is  
29 amended to read:

30 4850. (a) The Legislature reaffirms its intent that habilitation  
31 services for adults with developmental disabilities should be  
32 planned and provided as a part of a continuum and that habilitation  
33 services should be available to enable persons with developmental  
34 disabilities to approximate the pattern of everyday living available  
35 to nondisabled people of the same age.

36 (b) The Legislature further intends that habilitation services  
37 shall be provided to adults with developmental disabilities as  
38 specified in this chapter in order to guarantee the rights stated in  
39 Section 4502.

1 (c) The Legislature further intends that in order to increase  
2 effectiveness and opportunity to gain meaningful employment  
3 opportunities, habilitation services shall also provide job  
4 exploration and discovery services to enhance and promote jobs  
5 skills, develop social skills necessary for successful employment,  
6 and provide targeted outreach to employers for individuals with  
7 developmental disabilities.

8 SEC. 3. Section 4851 of the Welfare and Institutions Code is  
9 amended to read:

10 4851. The definitions contained in this chapter shall govern  
11 the construction of this chapter, with respect to habilitation services  
12 provided through the regional center, and unless the context  
13 requires otherwise, the following terms shall have the following  
14 meanings:

15 (a) “Habilitation services” means community-based services  
16 purchased or provided for adults with developmental disabilities,  
17 including services provided under the Work Activity Program and  
18 the Supported Employment Program, to prepare and maintain them  
19 at their highest level of vocational functioning, or to prepare them  
20 for referral to vocational rehabilitation services.

21 (b) “Individual program plan” means the overall plan developed  
22 by a regional center pursuant to Section 4646.

23 (c) “Individual habilitation service plan” means the service plan  
24 developed by the habilitation service vendor to meet employment  
25 goals in the individual program plan.

26 (d) “Department” means the State Department of Developmental  
27 Services.

28 (e) “Work activity program” includes, but is not limited to,  
29 sheltered workshops or work activity centers, or community-based  
30 work activity programs certified pursuant to subdivision (f) or  
31 accredited by CARF, the Rehabilitation Accreditation Commission.

32 (f) “Certification” means certification procedures developed by  
33 the Department of Rehabilitation.

34 (g) “Work activity program day” means the period of time  
35 during which a Work Activity Program provides services to  
36 consumers.

37 (h) “Full day of service” means, for purposes of billing, a day  
38 in which the consumer attends a minimum of the declared and  
39 approved work activity program day, less 30 minutes, excluding  
40 the lunch period.

1 (i) “Half day of service” means, for purposes of billing, any day  
2 in which the consumer’s attendance does not meet the criteria for  
3 billing for a full day of service as defined in subdivision (g), and  
4 the consumer attends the work activity program not less than two  
5 hours, excluding the lunch period.

6 (j) “Supported employment program” means a program that  
7 meets the requirements of subdivisions (n) to (s), inclusive.

8 (k) “Consumer” means any adult who receives services  
9 purchased under this chapter.

10 (l) “Accreditation” means a determination of compliance with  
11 the set of standards appropriate to the delivery of services by a  
12 work activity program or supported employment program,  
13 developed by CARF, the Rehabilitation Accreditation Commission,  
14 and applied by the commission or the department.

15 (m) “CARF” means CARF the Rehabilitation Accreditation  
16 Commission.

17 (n) “Supported employment” means paid work that is integrated  
18 in the community for individuals with developmental disabilities.

19 (o) “Integrated work” means the engagement of an employee  
20 with a disability in work in a setting typically found in the  
21 community in which individuals interact with individuals without  
22 disabilities other than those who are providing services to those  
23 individuals, to the same extent that individuals without disabilities  
24 in comparable positions interact with other persons.

25 (p) “Supported employment placement” means the employment  
26 of an individual with a developmental disability by an employer  
27 in the community, directly or through contract with a supported  
28 employment program. This includes provision of ongoing support  
29 services necessary for the individual to retain employment.

30 (q) “Allowable supported employment services” means the  
31 services approved in the individual program plan and specified in  
32 the individual habilitation service plan for the purpose of achieving  
33 supported employment as an outcome, and may include any of the  
34 following:

35 (1) Job development, to the extent authorized by the regional  
36 center.

37 (2) Program staff time for conducting job analysis of supported  
38 employment opportunities for a specific consumer.

39 (3) Program staff time for the direct supervision or training of  
40 a consumer or consumers while they engage in integrated work

1 unless other arrangements for consumer supervision, including,  
2 but not limited to, employer supervision reimbursed by the  
3 supported employment program, are approved by the regional  
4 center.

5 (4) Community-based training in adaptive functional and social  
6 skills necessary to ensure job adjustment and retention.

7 (5) Counseling with a consumer's significant other to ensure  
8 support of a consumer in job adjustment.

9 (6) Advocacy or intervention on behalf of a consumer to resolve  
10 problems affecting the consumer's work adjustment or retention.

11 (7) Ongoing support services needed to ensure the consumer's  
12 retention of the job.

13 (r) "Group services" means job coaching in a group supported  
14 employment placement at a job coach-to-consumer ratio of not  
15 less than one-to-three nor more than one-to-eight where services  
16 to a minimum of three consumers are funded by the regional center  
17 or the Department of Rehabilitation. For consumers receiving  
18 group services, ongoing support services shall be limited to job  
19 coaching and shall be provided at the worksite.

20 (s) "Individualized services" means job coaching and other  
21 supported employment services for regional center-funded  
22 consumers in a supported employment placement at a job  
23 coach-to-consumer ratio of one-to-one, and that decrease over time  
24 until stabilization is achieved. Individualized services may be  
25 provided on or off the jobsite.

26 (t) "Job exploration and discovery" means (1) services provided  
27 to enhance employment readiness, (2) social skill development  
28 services necessary to obtain and maintain employment and to  
29 secure and support participation in internship and volunteer  
30 opportunities, (3) services to access and participate in  
31 postsecondary education or career technical education, (4) services  
32 to develop resume and interview skills, and (5) services to conduct  
33 targeted employer outreach to secure employment.

34 SEC. 4. Section 4854 of the Welfare and Institutions Code is  
35 amended to read:

36 4854. (a) In developing the individual habilitation service plan  
37 pursuant to Section 4853, the habilitation service provider shall  
38 develop specific and measurable objectives to determine whether  
39 the consumer demonstrates ability to reach or maintain individual  
40 employment goals in all of the following areas:

- 1 (1) Participation in paid work for a specified period of time.
- 2 (2) Obtaining or sustaining a specified productivity rate.
- 3 (3) Obtaining or sustaining a specified attendance level.
- 4 (4) Demonstration of appropriate behavior for a work setting.

5 (b) If job exploration and discovery services are determined to  
6 be a necessary step to achieve a supported employment outcome,  
7 a job exploration and discovery plan shall be developed.

8 SEC. 5. Section 4860 of the Welfare and Institutions Code is  
9 amended to read:

10 4860. (a) (1) The hourly rate for supported employment  
11 services provided to consumers receiving individualized services  
12 shall be thirty dollars and eighty-two cents (\$30.82).

13 (2) Job coach hours spent in travel to consumer worksites may  
14 be reimbursable for individualized services only when the job  
15 coach travels from the vendor's headquarters to the consumer's  
16 worksite or from one consumer's worksite to another, and only  
17 when the travel is one way.

18 (b) The hourly rate for group services shall be thirty dollars and  
19 eighty-two cents (\$30.82), regardless of the number of consumers  
20 served in the group. Consumers in a group shall be scheduled to  
21 start and end work at the same time, unless an exception that takes  
22 into consideration the consumer's compensated work schedule is  
23 approved in advance by the regional center. The department, in  
24 consultation with stakeholders, shall adopt regulations to define  
25 the appropriate grounds for granting these exceptions. When the  
26 number of consumers in a supported employment placement group  
27 drops to fewer than the minimum required in subdivision (r) of  
28 Section 4851, the regional center may terminate funding for the  
29 group services in that group, unless, within 90 days, the program  
30 provider adds one or more regional centers, or Department of  
31 Rehabilitation-funded supported employment consumers to the  
32 group.

33 (c) Job coaching hours for group services shall be allocated on  
34 a prorated basis between a regional center and the Department of  
35 Rehabilitation when regional center and Department of  
36 Rehabilitation consumers are served in the same group.

37 (d) When Section 4855 applies, fees shall be authorized for the  
38 following:

39 (1) A three-hundred-sixty-dollar (\$360) fee shall be paid to the  
40 program provider upon intake of a consumer into a supported

1 employment program. No fee shall be paid if that consumer  
2 completed a supported employment intake process with that same  
3 supported employment program within the previous 12 months.

4 (2) A seven-hundred-twenty-dollar (\$720) fee shall be paid  
5 upon placement of a consumer in an integrated job, except that no  
6 fee shall be paid if that consumer is placed with another consumer  
7 or consumers assigned to the same job coach during the same hours  
8 of employment.

9 (3) A seven-hundred-twenty-dollar (\$720) fee shall be paid after  
10 a 90-day retention of a consumer in a job, except that no fee shall  
11 be paid if that consumer has been placed with another consumer  
12 or consumers, assigned to the same job coach during the same  
13 hours of employment.

14 (e) The hourly rate for job exploration and discovery services  
15 shall be forty dollars (\$40) per hour for a maximum of 75 hours  
16 per calendar quarter for all services identified and provided in the  
17 job exploration and discovery plan as developed pursuant to  
18 subdivision (b) of Section 4854.

19 (f) Notwithstanding paragraph (4) of subdivision (a) of Section  
20 4648, the regional center shall pay the supported employment  
21 program rates established by this section.

22 SEC. 6. Section 4868.5 is added to the Welfare and Institutions  
23 Code, to read:

24 4868.5. (a) The State Department of Developmental Services  
25 shall establish a pilot program for young adults with autism *and*  
26 *other developmental disabilities* to help them find pathways to  
27 financial independence through work. The program shall be  
28 developed and implemented to assist *those* individuals ~~with autism~~  
29 to obtain integrated employment outcomes that result in sufficient  
30 wages and benefits in order to decrease, over time, their  
31 dependency on public financial support.

32 (b) The pilot program described in subdivision (a) shall do all  
33 of the following:

34 (1) Develop and implement a new model for providing  
35 employment services to autistic individuals *and individuals with*  
36 *other developmental disabilities* or modify an existing model for  
37 providing those services.

38 (2) Identify existing support services that may be modified or  
39 combined with supplemental services to provide skills assessment,  
40 training, and transition services.

1 (3) Utilize available federal and state incentive programs.

2 (4) Create financial incentives for employment service providers  
3 who assist the individuals served by the pilot program to become  
4 successfully employed in jobs that pay wages that equal or exceed  
5 the Social Security Administration’s substantial gainful activity  
6 level or result in the individual obtaining employer-based health  
7 benefits.

8 (5) Develop and implement a protocol for collecting and  
9 evaluating data regarding the outcomes of autistic individuals *and*  
10 *individuals with other developmental disabilities* who participate  
11 in the pilot program.

12 SEC. 7. Section 4870 is added to the Welfare and Institutions  
13 Code, to read:

14 4870. (a) There is hereby established a pilot program in the  
15 following regional ~~catchment areas~~: *centers*: Golden Gate Regional  
16 Center, East Bay Regional Center, Alta California Regional Center,  
17 Tri-Counties Regional Center, *Orange County Regional Center*,  
18 and San Diego Regional Center. ~~The~~ *If additional regional centers*  
19 *express interest in participating in the pilot program pursuant to*  
20 *this section, the department may approve up to two additional*  
21 *regional centers.*

22 (b) *The pilot program shall include all of the following:*

23 (1) The State Department of Developmental Services and the  
24 Department of Finance shall establish, on or before July 1, 2014,  
25 the Employment Growth Fund for purposes of the pilot project.  
26 The fund shall consist of moneys appropriated by the Legislature  
27 for purposes of this section from cost savings resulting from the  
28 reduced amount of support payments made to ~~developmentally~~  
29 ~~disabled~~ *persons with autism and other developmental disabilities*  
30 who earn wages from gainful employment attained as a result of  
31 their participation in the pilot ~~project~~ *program*, as follows:

32 (A) The sum of two hundred dollars (\$200) shall be allocated  
33 to the fund *from funds payable to the State Department of Health*  
34 *Care Services pursuant to the Medi-Cal program to the extent*  
35 *authorized by federal law for each Medi-Cal eligible consumer of*  
36 *regional center services for each month that he or she is enrolled*  
37 *in an employer-paid health benefit plan.*

38 (B) The sum of one thousand dollars (\$1,000) shall be allocated  
39 to the fund *from the Department of Rehabilitation*, for each  
40 consumer of regional center services who earns a monthly wage

1 that exceeds the substantial gainful activity level, as established  
2 by the federal Social Security Administration, for at least nine  
3 consecutive months *if the Department of Rehabilitation has*  
4 *received cost reimbursement in that amount from the federal*  
5 *government pursuant to the federal Ticket to Work program.* This  
6 sum shall be allocated on a one-time basis for each consumer who  
7 meets that criteria.

8 (C) The total amount allocated pursuant to paragraphs (A) and  
9 (B) shall be deposited into the fund on a quarterly basis.

10 (2) Each participating regional ~~catchment area~~ center shall  
11 submit the following information to the State Department of  
12 Developmental Services:

13 (A) Information regarding each consumer who receives  
14 Medi-Cal benefits and is subsequently enrolled in an employer-paid  
15 health benefit plan.

16 (B) Information regarding each consumer who earns a monthly  
17 wage that exceeds the substantial gainful activity level, as  
18 established by the federal Social Security Administration, for at  
19 least nine consecutive months.

20 (3) On and after July 1, 2015 the State Department of  
21 Developmental Services ~~may~~ shall allocate funds from the  
22 Employment Growth Fund for the support of programs provided  
23 ~~by the participating regional catchment areas to promote the~~  
24 ~~habilitation of developmentally disabled persons to supported~~  
25 ~~employment providers who assist consumers to attain either of the~~  
26 ~~thresholds described in subparagraph (A) or (B) of paragraph (1).~~

27 (4) The State Department of Developmental Services shall do  
28 all of the following:

29 (A) ~~Biannually~~ Annually determine the average cost of providing  
30 ~~habilitative~~ adult developmental center services to  
31 ~~developmentally disabled persons who receive services from with~~  
32 ~~developmental disabilities in the participating regional catchment~~  
33 ~~areas~~ centers participating in the pilot program and compare that  
34 average cost to the ~~statewide average~~ actual cost of providing  
35 ~~those supported employment services to consumers in the pilot~~  
36 ~~program.~~ The department, once it has determined the difference  
37 between those costs, shall allocate to the Employment Growth  
38 Fund 50 percent of the savings if the average cost of adult  
39 developmental center services is higher than the actual costs of  
40 the supported employment services provided to any consumer who

1 *meets either threshold described in subparagraph (A) or (B) of*  
2 *paragraph (1).*

3 (B) Prepare an annual report regarding the number of  
4 ~~developmentally disabled persons with developmental disabilities~~  
5 who receive ~~habilitative~~ services from the participating regional  
6 ~~catchment areas, and estimating the cost savings to the state~~  
7 ~~resulting as a result of the program, and submit the report to the~~  
8 ~~Legislature centers as a result of the pilot program and estimated~~  
9 ~~total cost savings to the state across departments as a result of the~~  
10 ~~program.~~

11 (C) Design and implement an evaluation of the pilot program.  
12 If the pilot ~~project~~ *program* results in a ~~10%~~ *10 percent* or greater  
13 average annual increase in the number of individuals who receive  
14 ~~habilitative services through the pilot project~~ *program* being placed  
15 in supported employment, the department shall submit a  
16 recommendation to the Legislature that the program be expanded  
17 statewide.

18 ~~(b)~~

19 (c) This section shall become inoperative on July 1, 2018, and,  
20 as of January 1, 2019, is repealed, unless a later enacted statute,  
21 that becomes operative on or before January 1, 2019, deletes or  
22 extends the dates on which it becomes inoperative and is repealed.