



Significant Funding Inequities Persist for Children of Color within California's System of Services for People with Developmental Disabilities

California provides specialized supports and services to persons with developmental disabilities through a network of 21 regional center agencies charged with promoting the most independent and productive lives possible for these individuals, referred to as “consumers” or “clients.” Regional center services are intended to be available to all consumers without regard to race, ethnicity, language, income level, or geographic location. For more than 25 years, however, research studies and consumer advocates have raised concerns about disparities in service access for clients from different racial, ethnic, and linguistic groups.

The California Department of Developmental Services (DDS) and the 21 regional centers with which it contracts are required to collect and publish data on purchase of services (POS) authorization, expenditure and utilization, broken down by consumers’ age, race/ethnicity language, and other factors. With the availability of this published data, inequities within the regional center system are not in dispute.

Despite increased attention in recent years regarding funding inequities within California's developmental services system, a new report by Public Counsel confirms systemic discrimination continues to plague the system.¹ Findings of this report include the following:

- Most regional centers that authorize the lowest amounts for services are those with larger Hispanic and Black/African-American populations. In 2017-2018, eight out of the ten regional centers with *higher*-than average percentages of Hispanic and Black/African-American consumers had *lower*-than-average per capita authorizations. Conversely, eight of out of the eleven regional centers with *lower*-than average percentages of Hispanic and Black/African-American consumers had *higher*-than-average per capita authorizations.
- DDS’ method of allocating funding to the regional centers perpetuates these POS disparities. Regional centers that historically have authorized more POS generally continue to outpace the others, while regional centers that historically have authorized fewer POS do not appear to be narrowing this gap.

¹ A full copy of this report, including appendices and endnote references, is available on Public Counsel’s website at: <http://www.publiccounsel.org/stories?id=0273>.

- At each of the 21 regional centers in the state, Hispanic children average significantly less funding than White children. In 2017-2018, White children receiving services had at least \$5,000 more in per capita expenditures than Hispanic children receiving services in four regional centers, and in another eleven regional centers the gap was at least \$3,000 more. Even at the most equitable regional center under this analysis, White children still averaged over \$1,000 more in expenditures than Hispanic children. Hispanic children at one regional center received only 47% of what White children received.
- There are also significant gaps in authorized services between English-speaking and Spanish-speaking children within nearly every regional center. In 2017-2018, nineteen out of the 21 regional centers had higher per capita authorizations for their English-speaking consumers, with the largest funding gap of \$3,856 higher. Eleven regional centers had at least a \$1,000 difference between English and Spanish speaking consumers.
- DDS and the regional centers are not in compliance with the statutory data reporting requirements. The data still is not being compiled in a uniform manner and many of the regional centers' data reports are incomplete, inaccurate, and inaccessible to the public.

Public Counsel's report recommends the following proposals to ensure equal access to these state-funded programs and services:

- Enact legislation to replace DDS' current funding formula, which DDS previously has admitted is flawed, and require DDS to resume development of its abandoned client-needs-based funding model, which would be based on objective criteria to adequately meet each client's needs.
- Enact legislation to restore critical suspended services and to repeal other services restrictions that were imposed during the budget crisis ten years ago to the detriment families of color.
- Enact legislation to require each regional center, with oversight from the Department of Fair Employment and Housing, to develop, maintain, and publish language access service plans to identify its language capacities and needs for ensuring non-discriminatory processes in the provision of intake, assessment, and purchase and provision of services.
- Enact legislation to commission an independent study to thoroughly examine the efficacy of disparity reduction efforts funded over the past three years and redirect disparity reduction efforts based on the study's findings, if appropriate.

- Convene a legislative hearing to revisit the dozens of proposals, made in 2012 by a legislative taskforce but never acted upon, on disparity issues for potential remedial legislation.
- Enact legislation to enforce the regional centers' compliance with data reporting and other public disclosures requirements by tying compliance to the regional centers' performance contracts with DDS.
- Require regional centers, as part of their contractual obligations with DDS, to review all cases where consumers are receiving no purchase of services, classify the reasons for this deprivation, and report findings to DDS for public dissemination.

Public Counsel's report confirms that funding disparities among and within the regional centers continue to be prevalent. Although DDS and the regional centers have taken some steps to reduce these disparities in recent years, this report calls for a deeper and broader approach. The report urges the legislature to enact legislation that will meaningfully provide equal access to services and calls for the replacement of DDS' current funding formula with an objective client-needs-based model that does not perpetuate historic inequities.



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