



California's Protection & Advocacy System
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Annual Family Program Fee - Fact Sheet

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Annual Family Program Fee¹

The State Legislature required the Department of Developmental Services (DDS) to reduce its budget by 174 million dollars for fiscal year (2011-2012), in addition to the required 334 million dollar reduction effective July, 2009.² As a result, there are changes to the types and amounts of services that regional centers can purchase. This fact sheet describes the 2011 addition of the Annual Family Program Fee to the Lanterman Act. It also includes information about the exemptions to the fee, how the fee will be collected, and what to do if you do not agree with the amount of the fee charged.

How the Law Changed

The Lanterman Act previously required that parents pay for out of home placements³ and the services provided under the Family Cost Participation Program.⁴ As a result of these changes, many families of minor regional center consumers have to pay an annual fee under certain circumstances.⁵

¹ The changes are part of the Budget Trailer Bill (TBL) AB104. You may find the law at http://www.leginfo.ca.gov/pub/11-12/bill/asm/ab_0101-0150/ab_104_bill_20110630_chaptered.html.

Welfare and Institutions Code section 4782

² The new law requires DDS to obtain even greater savings if certain triggers are not met in the state budget throughout the year. Disability Rights California will discuss this on its website if the triggers are not met.

³ Welfare and Institutions Code section 4782

⁴ Welfare and Institutions Code section 4783

⁵ Welfare and Institutions Code section 4785

A. Annual Family Program Fee

The Department of Developmental Services established a new program by which it will collect fees for children receiving regional center services. Any family whose adjusted gross income is at or above 400 percent of the federal poverty rate and that meets the following criteria will be assessed an annual fee:

1. The child is eligible for regional center services under the Lanterman Act or Early Intervention Services Act;⁶
2. The child is under 18 years of age;
3. The child lives with his/her parents;
4. The child or family receives services beyond needs assessment and service coordination;
5. The child does **not** receive Medi-Cal including Medi-Cal waiver services; and,
6. The child receives services beyond those for which a copay is being assessed under the Family Cost Participation Program.⁷

If the family's adjusted gross income is less than 400 percent of the federal poverty level, there will be **no fee**. If the family's adjusted gross income is between 400 and 800 percent of the federal poverty level, there will be a fee of \$150 per family.⁸ If the family's adjusted gross income is more than 800 percent of the federal poverty level, there will be a fee of \$200 per family.

General considerations:

1. These fees are per family, regardless of the number of regional-center eligible children in the family.
2. Total adjusted gross family income means all income from both parents (even if living separately unless a court order states otherwise), including the community property portion of a stepparent's income.

⁶ The fee will apply to children age 0-2 years only if approval is given to the state by the federal government.

⁷ Welfare and Institutions Code section 4785(a); includes respite, day care, or camping costs.

⁸ Welfare and Institutions Code section 4785(b)

3. If a noncustodial parent's income cannot be obtained, then it shall not be included.

B. Exemptions

A regional center may grant an exemption to the assessment of an annual family program fee if the parents demonstrate:

1. The exemption is necessary to maintain the child in the family home;
2. The existence of an extraordinary event that impacts the parents' ability to pay the fee or the parents' ability to meet the care and supervision needs of the child; or,
3. The existence of a catastrophic loss that temporarily limits the ability of the parents to pay and creates a direct economic impact on the family. For purposes of this subdivision, catastrophic losses may include, but are not limited to: natural disasters; accidents involving, or major injuries to, an immediate family member; and extraordinary medical expenses.⁹

⁹ Welfare and Institutions Code section 4785(f)

C. Chart Showing Federal Poverty Rate

2013 HHS Poverty Guidelines¹⁰

Persons in Family	48 Contiguous States and D.C.	400%	800%
1	\$13,230	\$52,920	\$105,840
2	17,850	71,400	142,800
3	22,470	89,880	179,760
4	27,090	108,360	216,720
5	31,710	126,840	253,680
6	36,330	145,320	290,640
7	40,950	163,800	327,600
8	45,570	182,280	364,560

Note: For each additional person, add 4,620

D. Effective Date

This part of the law is effective at the time the TBL was enacted, which was July 1, 2011. However, the fee shall not be assessed until the next scheduled review or modification of your current Individual Program Plan (IPP) or at development of an initial IPP. These fees must be assessed by

¹⁰ SOURCE: *Federal Register*, Vol. 78, No. 16, January 24, 2013, pp. 5182-83 at <http://aspe.hhs.gov/poverty/13poverty.cfm>

June 30, 2012, and annually thereafter.¹¹ **Effective June 27, 2013, the provisions will not end and will be ongoing.**¹²

E. What Will Happen when the Regional Center Wants to Implement the Annual Family Program Fee?

At the IPP meeting, the regional center should give each qualifying family a form and an envelope to mail the Annual Family Program Fee to DDS. The Department of Developmental Services will report on the fees collected to each regional center quarterly.

F. What Will Happen if the Annual Family Program Fee Is Not Paid?

Non-payment of the Annual Family Program Fee **cannot** result in delayed or denied services for the child or family.¹³ If fees are not paid, the regional center will send a letter requesting payment of the fees. If fees are still not paid, DDS can pursue collections.¹⁴

G. What to Do if You Do Not Agree with the Amount of the Annual Assessment

Disability Rights California believes that if you do not agree with the amount of your family's annual assessment, you are entitled to a regional center due process hearing even though the statute enacting the fee does not specifically say this. The Lanterman Act states that any applicant for or recipient of services, or authorized representative of the applicant or recipient, who is dissatisfied with any decision or action of the (regional center) which he or she believes to be illegal, discriminatory, or not in the recipient's or applicant's best interests, shall, upon filing a request within 30 days after notification of the decision or action complained of, be afforded an opportunity for a fair hearing.¹⁵

¹¹ Welfare and Institutions Code section 4785(c)

¹² Welfare and Institutions Code section 4785.

¹³ Welfare and Institutions Code section 4785(g)

¹⁴ Welfare and Institutions Code section 4785 (d) and (e)

¹⁵ Welfare and Institutions Code section 4710.5(a)

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