



## **Section IV: Developing an Individualized Supported Living Service Design**

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 **Internal Revenue Service** DEPARTMENT OF THE TREASURY **The Digital Daily**

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## Section IV:

# Developing an Individualized Supported Living Service Design

### Why should I have to write a service design for SLS?

This is a good question, and one that many people ask. After all, you will not be an “agency” providing supported living services to a wide range of people. Your ultimate goal in being a vendor is simply to provide the best opportunity for a quality life, with the appropriate individualized services and supports, to one person that you care about (possibly two, if friends have chosen to live together). Those of us who are parents often feel that we already know what our son or daughter wants and needs, as well as the standard of quality we expect. Especially if the individual is anxious to move, writing a service design for SLS can seem time-consuming, intimidating, and unnecessary. The tasks involved just in setting up the services, finding housing, identifying support staff, and coordinating a move-in may feel overwhelming by themselves. Why add to the work at hand by writing something that will just sit in the regional center’s file?

### Writing a service design is a good idea because...

- **The process is helpful to everyone.**  
The process of developing each of the areas of a service design for SLS is a valuable tool in the planning of services and supports. It provides a chance for the vendor, individual, and circle of support to have conversations about a number of things that might not come up right away, but would have to be dealt with eventually. Who will actually be the first one called in an emergency? Who will fill in when a personal attendant calls in sick at the last minute? How will you train new staff, and who will do it? Thinking through all of the “what if’s” that should be addressed during the development of the individual’s service design gives everyone a much more concrete idea of how it will all fit together, and can help to avoid panic when the unexpected occurs.
- **It can be your road map.**  
A well-written service design, together with the individual’s IPP, will provide a sound road map, especially when life becomes unpredictable. It can be

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very helpful, and even comforting, to be able to look at the service design for ideas when things move in a way you did not anticipate. Going back to the original mission statement, values and expected outcomes can be valuable periodically to remind you of the purpose and intent of all of this work. It will help you assess how far the individual and you have come, and where you are going. If nothing else, it is rewarding to see that you are on the right track.

- **It helps to ensure continuity of service.**

Although most of us are pretty confident that we will be here tomorrow, the truth is that we never know what tomorrow will bring. What if you decided to go on a long vacation, or had to be out of town tending to an ill or elderly relative? Or, if you become seriously ill for an extended period, or are injured in an accident? Despite our resolve to be immortal, anything could happen. What if you just get tired of overseeing things and want to hand off more responsibility to someone you hire? For a multitude of reasons, having a service design to refer to can be instrumental in providing a continuity of services and supports. The service design (minus the budget, of course) is even a good training tool to share with new support staff and new circle of support members, to help them have a better understanding of the individual, supported living, and their own roles.

- **It reassures the regional center.**

Regional center staff tend to have more confidence in your ability as a vendor if you are able to write a clear, concise service design that makes sense. It helps them to see that you have approached supported living from an organized, thoughtful and individual-centered perspective. Even if you have had a long relationship with the regional center as a parent or other family member, your role as a vendor is much more complex. A quality service design may also provide an assist when you are negotiating the budget. Extraneous expenditures and unexpected costs can sometimes be the result of poor planning. If the regional center can see in writing that you have a well thought out plan, including the necessary contingency planning and cost controls, they will feel more secure in meeting their own responsibility to the individual, as well as meeting the goal of cost-effectiveness. Individual

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SLS vendors are definitely in a partnership with both the individual and their regional center. Trust is the basis for a stronger and more responsive collaborative relationship between you and the regional center. When this is in place, it is much easier to call on the regional center to help handle life's little crises when they do arise.

- **The SLS Regulations say so.**

The SLS Regulations specify that SLS vendors must submit a service design to the regional center for approval. However, there is a provision that allows regional centers to waive this requirement for single household, or individual, vendors. Refer to the SLS Regulations, Article 4, Section 58630 (d). Although it may seem attractive at first glance to skip writing the service design, it is not advisable. Remember that having a well-thought-out service design will be a guide post for the vendor as well as the circle of support when things go awry or become confusing.

### **A few more words about the SLS service design...**

SLS agencies serving more than one individual have one service design for the entire agency, and then develop an annual ISP, or Individual Service Plan, for each individual. The ISP, which should coordinate with the IPP, explains how the agency will meet the unique goals and service and support needs of the individual individual.

When the vendor is providing SLS for one person, or two or three people living in the same home, an ISP is typically unnecessary and not required. However, the IPP and the service design must then be strong enough to carry the full array of information detailing the goals, desires, strengths and needs of the individual; what services and supports will be delivered; how and by whom the plan will be implemented; periodic evaluation and individual satisfaction measures; and, the expected outcomes.

One of the key benefits of supported living is the flexibility to continually evolve and change to meet the individual's changing desires and needs in a natural, unique way. Most of the time, service designs allow for anticipated personal growth, as well as other changes that are more in the area of new goals. These types of

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changes are usually not substantial enough to warrant a full re-write of the existing service design, as long as the IPP is reflective of changing goals. However, in the event that the service and support needs have changed substantially, updating the service design may be necessary to accurately reflect the nature of the services and supports. For example, when an individual experiences significant health problems and requires ongoing nursing or other more extensive medical care, an updated service design should be submitted to ensure that everyone is informed and understands the nature of the services required, and a plan is in place to provide these supports.

Some regional centers may ask single household vendors to update their service designs on a more regular basis. If this requirement varies greatly from what is expected of other SLS agency vendors, talk with your regional center about the information they really need or want to see. There may be some other alternative that would actually provide them the more specific information they are looking for, such as an annual update, amendment or progress report, but would not entail the hours necessary to fully re-write the service design. Similarly, contracts and budgets can usually be renewed without the need for intensive re-writes of the service design when both parties understand what the critical points of discussion and agreement are.

Communication is a wonderful thing. It can go a long way toward saving expensive time, resources and relationships.

The remainder of this section has more specific information on writing the SLS service design. Remember that SLS service designs for individual individuals should be unique, and not be “cookie-cutter” versions of someone else’s service design. The guidelines on the following pages simply give you a place to start and a reference. For the service design components listed in the SLS Regulations, see Article 4, Section 58631 for more detail.

## Example SLS Service Design Outline Single Household Vendor

- I. Mission Statement**
  - A. Values and Philosophy
  - B. Goals for SLS Service
  - C. Long-Term Vision
  
- II. Implementation of Supported Living Services Philosophy**
  - A. Supporting Individuals in Self-Determination
  - B. Necessary and Appropriate Services and Supports
  - C. Relationship, Social & Community Supports
    - 1. Typical home environment
    - 2. Community access; accessing generic & natural supports
    - 3. Circles of support and relationships
  - D. Ongoing Monitoring
    - 1. IPP changes reflecting supports
    - 2. Services & supports responsive to individual needs and preferences
    - 3. Health & safety maximized
  - E. Supported Living Services Training for Individuals
  
- III. Service Policies and Procedures**
  - A. Internal Grievance Procedures
  - B. Record Keeping
  - C. Evaluation
    - 1. Individual Satisfaction
    - 2. Regional center Performance Evaluation
  
- IV. Human Resource Development**
  - A. Personnel Standards, Hiring Criteria and Recruitment
  - B. Screening Procedures and Practices
  - C. Retention of Qualified Staff
  - D. Orientation for Paid and Unpaid Staff
  - E. Continuing Training and In-service

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## V. Budget for Determining Rates

- A. Administrative Rate
- B. Direct Service Rate

## VI. Attachments

- A. Organizational Chart (see "Examples" section of manual)
- B. Supported Living Process Diagram (see "Forms" section of manual)
- C. Training Checklist & Evaluation (see "Forms" section)
- D. California Mandated Reporter Form (see "Forms" section)
- E. Regional center Special Incident Report Form (see "Forms" section)
- F. Individual Satisfaction Vendor (SLS) Evaluation (see "Examples" section)
- G. Individual Satisfaction Employee Evaluation (see "Examples" section)
- H. SLS Vendor Employee Evaluation (see "Examples" section)
- I. Vendor Grievance Procedure (see "Examples" section)
- J. Examples of training materials for staff, individuals and others
- K. Other [Specify]

## Mission Statement

Your SLS service design begins with a Mission Statement. This includes a description of your vision, values and philosophy about supported living and providing services. Give a brief overview of what you believe about people having the supports they need to live in their own homes, why you want to provide those supports, and how you believe you can assist the person to live as he/she chooses. If you will be your own vendor, tell why you want to live in your own home, and why you want to be your own service provider.

1. My values about people living in their own homes and making their own choices include:

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2. My main purpose (reason) in providing supported living services is

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3. My goals for providing supported living services are \_\_\_\_\_

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4. I want to provide supported living services for \_\_\_\_\_ because

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5. My long-term vision for providing supported living services is \_\_\_\_\_

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## Implementation of SLS Philosophy

### A. Supporting individuals in self-determination

Describe how you will support and assist the person to:

- develop skills for making informed choices & decisions
- have daily opportunities to make choices & decisions
- act on his/her decisions & choices, including follow-through
- freely communicate preferences, needs & choices in any way he/she chooses
- identify and plan for his/her short-term and long-term goals
- involve a circle of support for planning, support & friendships
- have support persons that understand & value self-determination
- become an effective and vocal self-advocate
- know and act on his/her rights and responsibilities
- have control over his/her life

### B. Necessary and appropriate services and supports

This is a good place to include key background information and an overview of the person and his/her current situation. Much of the day-to-day information about the person, individual preferences, strengths, needs and goals will be discussed in this section. Some person-centered planning with the circle of support should already have occurred in order to confirm that the person wants supported living, and has chosen this person to be his/her vendor. Address issues such as how you will assist the person in locating a home & furnishings to start out, accessing low-cost and generic services, how you will provide support to make decisions about whether to live with a house mate (now or later), how you will help find house mates and other staff, and how you will assist the person in managing his or her staff, including resolving difficult issues of disagreement. For example, will you utilize a facilitator, house manager or coordinator to assist in supervising staff and implementing SLS? If so, how will this work? Will you be including this position in your proposed budget? Are you clear about this position's job description? What will you do if the individual

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chooses a different house mate, or chooses another house mate receiving SLS from a different vendor? Because people's lives flex and change, the service design should describe how you will be responsive to changes requested by the individual?

This is also where you will describe the primary part of the person's daily routines and activities, as well as the support plan for providing daily services. Include specific information about who will support the individual and what types of support will be given for personal assistance with grooming, bathing, dressing, and other personal care tasks, household chores, other typical maintenance, meal planning and cooking, budgeting, managing money daily and saving for special needs or desires, medical and other personal appointments, and the myriad other issues we all handle in a typical day. Include an example of a typical monthly schedule. Will you be providing SLS for all times the person needs supports, or will he or she have a job or attend a day program? If so, will the individual use public transportation, a contracted specialized transportation service, or be transported by personal attendants or house mates? Is this a service you will provide as part of SLS, or will that be separate?

What about communication and visits with friends and family, and other supports necessary to develop and maintain meaningful relationships with people one cares about? What kinds of social and recreational opportunities and activities are important to the person, and how will you support participation? Tell how you plan to assist the person by facilitating new experiences. How will you encourage the person to become an active self-advocate? How do you envision providing these supports? Who will actually do these things, and what are the mechanics of ensuring opportunity and freedom together with exercising rights and responsibilities?

A well-thought out and well-written SLS service design for an individual can actually take the place of the more formal "assessment" document(s) typically used by agencies. The individual service design also, in effect, functions as the person's ISP (Individual Service Plan). If there are two individuals, this could be accomplished by incorporating different sections for the differing preferences, needs and goals into a single comprehensive plan; or, by writing one primary

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document covering the more general information and attaching two individual documents to the service design providing the specific personal information, including differing preferences, goals, and service & support needs.

One important note to remember when there are two (or three) people who have decided to live together is to ensure that each person is treated, respected and supported as an individual. Living together does not mean that preferences, needs, strengths, goals or even many activities will be the same. Plan for and ensure that individual choices, services and supports are available as necessary.

To summarize, describe how you will:

- communicate with the person, in ways that he/she chooses, to find out what he/she wants and needs
- use person-centered planning and an ongoing circle of support to determine the person's preferred goals, objectives, and desired personal outcomes
- identify the person's typical patterns of daily life (or preferred daily activities) and the services and supports the person will need to achieve this
- decide the specific types, levels, amounts and hours of services & supports the person will need in his/her daily activities, and create a plan to meet these specific needs
- explain and document these service preferences and needs
- implement the service and support plan (make it happen)
- provide a full array of comprehensive services and supports

In-Home Supportive Services (IHSS), hourly support services provided through each county's Social Services Department and based upon an individual's daily needs and financial need, may be available. If the person has not already become eligible for IHSS, the vendor (or a circle member) should contact IHSS to schedule an assessment appointment. IHSS hours must also be factored into this equation, both in the service area and in the budget area. How will IHSS be utilized and coordinated with SLS? If the person already has IHSS services, you will have a better idea of how many IHSS hours will be available. However, IHSS will re-assess the person when SLS goes into effect. The number of IHSS hours authorized may be different in SLS than in the type of situation in which

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the person is currently residing; for example, no IHSS is in place if the person is living in a licensed facility, but even a person living in his or her parents' home will have a change in the number of IHSS hours assessed when moving into a place of his or her own.

In this section, you will want to look at the types of services that IHSS pays for, and see how you can utilize those before using regional center hours. This is because IHSS is considered to be the “generic service”, and must be used before regional center funding. Staff paid through IHSS are actually “statutory employees”, and the state pays Workers’ Compensation insurance for these hours. Technically, IHSS employees are not employees of the vendor while they are working IHSS hours. In actuality, IHSS hours are a transaction between the individual and IHSS; the vendor is technically not a party to this arrangement. This can be, understandably, confusing for staff and the vendor. To further complicate the issue, the IHSS rate of pay is frequently lower than what the SLS vendor would pay. Some counties are still paying only minimum wage, while others may be paying \$9.50 per hour because their workers are unionized. Because of the federal participation in most of IHSS funding, the vendor is technically not allowed to supplement the IHSS rate. There are some services for which IHSS pays that are allowable to supplement, but these are by far the minority (“advance pay” situations, for example). Because of the technical and unique nature of this issue, and the individualized needs of each individual, it is too complex to fully explore in this manual. However, if you have questions about IHSS, it is recommended that you contact your local IHSS office, regional center, Protection and Advocacy, Inc., a supported living consultant and/or an experienced supported living vendor for more information. CIRCL, the California Supported Living Network (both referenced in Section III), and Protection and Advocacy have access to individuals from whom you can receive technical assistance. Protection and Advocacy also has excellent information on IHSS on their website at [www.pai-ca.org](http://www.pai-ca.org).

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### C. Relationship, social and community supports

Describe and give examples of how you will assist the person to:

1. Establish & maintain a typical home environment
  - a home and neighborhood chosen by the person receiving services
  - a home that truly reflects the likes, dislikes, personality and lifestyle of the individual
  
2. Access the community, generic resources & supports
  - involvement in a wide range of activities in the community and with friends
  - resources & services, including low/affordable income services: IHSS, SSI, Section 8 (housing), annual renters' rebate, utilities discounts, special needs phone equipment & services, counseling, Hospice, shopping assistance, etc.
  - social and leisure opportunities of interest to the individual
  
3. Develop, nurture and expand a circle of support, and relationships
  - ongoing circle of support gatherings
  - expand circle to include new relationships
  - establish and/or strengthen relationships with neighbors, friends, family, co-workers, others
  - relationships of mutual support and respect

### D. Ongoing monitoring

- How will you facilitate changes in the IPP to accurately reflect supports?
- Describe how you will ensure that services and supports remain responsive to the individual's needs and preferences at all times?
- Explain how you will maximize the individual's health and safety.
- What types of self-monitoring will you do?
- How will evaluation outcomes be incorporated into your service delivery to improve services and supports to the individual?

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## E. Supported Living Service (SLS) training for individuals

Describe how you will provide SLS training to the individual and to the unpaid members of the individual's circle of support. The training must include, as appropriate to each individual's preferences, all of the following:

- Philosophy of SLS;
- Individuals' rights;
- Identification and reporting of suspected abuse or exploitation of the individual;
- Internal grievance procedure(s) of the SLS vendor; and
- Strategies for building and maintaining an effective circle of support.

## Service Policies and Procedures

### A. Internal grievance procedures

Include an explanation and how you will implement it:

- How do you propose to resolve conflicts or problems?
- Describe your grievance procedure or other process to address individual concerns or complaints of personal attendants and other employees (simple is best).
- Describe your grievance procedure to address individual concerns or complaints of the person receiving services.
- Show how you will ensure that everyone knows and can access the process.

### B. Record keeping

Basically, there is nothing unusual or difficult here. The regional center simply wants to know how you will be accountable for the funding they are providing. Tell what and how you will use accepted standard accounting practices:

- It's O.K. to hire someone else to handle all or part of the payroll and accounting process - explain who and what they will do. This could include specialized payroll services, local banks with payroll services, a CPA or bookkeeper you trust, or someone in your family who is a QuickBooks Pro whiz. [Payroll service companies tend to be somewhat

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expensive for small situations like single household vendors; even the banks can cost less. Check prices carefully.]

- ❑ Talk with your regional center regarding their specific accounting processes and their expectations of you as a vendor. Include appropriate information in this section of your service design.
- ❑ Ensure that you will keep all records for at least three years after the provision of services.
- ❑ Make records available to the regional center when necessary.
  1. Service design and any amendments
  2. Accounting records, payroll, taxes, bank, household fund ledgers, other financial records
  3. Human resources/personnel, time sheets, training, grievance
  4. Service evaluation
  5. Other documentation of actual service delivery
  6. Specific records identified in SLS Regulations
- ❑ Human resources (HR) is one of the stickiest areas of being a SLS vendor. It is also the area where you have the most potential liability. Although your payroll and bookkeeping issues may seem important, your HR issues are even more so. Record keeping for HR can feel fairly complex at first, but a good HR consultant or experienced HR coordinator can put your records in order, your mind at ease and your processes in place.
- ❑ Training records, evaluation, and individual satisfaction documentation are critical to keep. As soon as you try to cut corners, you will end up paying more. It pays to do it right the first time whenever possible.

### C. Evaluation

Decide, with the person receiving services, what qualities and supports are most important to evaluate:

- Individual Satisfaction Evaluation
  - Supported living services and vendor support of individual
  - Individual personal attendants (employees)
  - Unpaid or volunteer support
  - ✓ Involve the circle of support in the individual satisfaction and evaluation processes, with the individual's permission.
- Regional center performance evaluation of vendor
  - This varies among regional centers. Check with your regional center to ensure that you know their criteria for evaluating your services as a SLS vendor.
  - ✓ Explain how you will implement changes in your services and supports based on feedback from various evaluations.

## Human Resource (“HR”, otherwise known as “Personnel”) Development

### A. Personnel standards, hiring criteria & recruitment

- Describe how the personal attendants and other staff will be chosen, with assistance, by the person receiving services.
- Outline roles, responsibilities, and employment standards.
- Detail specific levels of experience, expertise or unique training necessary in order to appropriately support the person.
- Explain where and how you will find support staff.
- Give information on proposed compensation plans for support staff, including benefits such as health/dental insurance, paid vacation, sick time, etc.
- Explain any special compensation, such as room and board for live-in personal attendants (“house mates”) in lieu of certain wages.
- How will you ensure compliance with California and federal labor laws? (For example, contracting with a human resources firm or consultant, using the California Chamber of Commerce Labor Law Digest, etc.)

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- How will you do future and contingency planning?
- Describe how you will ensure emergency and other critical back-up staff at all times.
- How will you address the individual's or your own concerns about employee performance outside of the evaluation process? How will you handle employee disciplinary actions?

### B. Screening procedures and practices

- Outline your employee application screening and application process.
- Explain your process for background & reference checking. The SLS Regulations do not mandate criminal background checks for SLS staff. Remember that there are many questions you may not ask prospective employees, and it is important that you research this area to avoid inadvertent violation of discrimination and labor laws. Standard background checks can provide you with important information. Because individuals who are not part of an agency are not privy to the same services as agencies for fingerprinting and background checking through the Department of Justice (DOJ), you may consider contracting with another SLS agency provider, or even a day program or similar agency, to assist you in handling these issues. Safety and security are important, as is peace of mind. Of course, whether checking through LiveScan, DOJ, or private services specializing in background checks, we all know that nothing is fool-proof. Your best day-to-day system is for the individual to have awareness and safety training, and to have a strong circle of support, including current staff and people in your family and community, who will be aware and watchful for anything that appears or sounds unusual or out of place.
- Tell how you will keep all necessary documentation.

### C. Retention of qualified staff

- Outline methods you will use to attract and retain quality personal attendants and other support staff.
- Describe any incentives or proposed incentive plans aimed at staff retention.

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### D. Mandatory orientation for paid and unpaid staff

- Show how you will provide this within the first two weeks.
  - Overview of your mission, policies, practices and SLS philosophy & values
  - IPP objectives of individual
  - Practical use of SLS to promote individual self-reliance
  - Rights and protections of individuals
  - Your internal grievance procedure(s)
  - Fair hearing provisions
  - Regional center Special Incident Reporting (SIR)
  - Mandated Reporter provisions/individual protection from abuse, neglect, financial exploitation/related documentation & reporting procedures
  - Appropriate staff conduct in establishing and maintaining personal relationships with individuals
  - Participation of individuals in a teaching, consulting or other instructional resource capacity
- ✓ This requirement may be waived by the regional center for single household vendors.

### E. Continuing training and in-service

- Develop the expertise and commitment of staff.
- Results in higher quality supports
- Employees gain a professional development benefit.
- How will you cover a range of topics? Give examples, particularly for specialized training the individual may require of his or her support staff.
- Who will provide the training?
- ✓ This requirement may be waived by the regional center for single household vendors.

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### Budget

Regional centers vary in their approaches to negotiating initial budgets, as well as any budget increases, and in billing practices. Budgets for persons receiving SLS from single household vendors vary in scope and format, but should be based primarily on the IPP of the individual, including his or her specific and unique needs, skills, strengths and goals.

Individual budgets may be developed in a variety of ways. Use the specific information within the service design, together with any other pertinent information on services you will provide or costs you will incur, and begin to build your budget item by item. An example of the types of line items to include in your SLS budget is included in the Forms and Samples section of this manual. Additional line items or costs may be negotiated with the regional center. When in doubt about whether a particular cost may be allowed, a good place to start is with the SLS Regulations.

At the minimum, make sure that you capture:

- all support staff direct costs, including personal attendants, a community support facilitator (manager-type person to oversee the home and services), and other staff as determined by the individual and vendor;
- related payroll and employee benefits costs;
- cost of rent, utilities and groceries for house mate(s), or live-in personal attendant situations where part or all of the employee's compensation is room & board in lieu of wages;
- insurances: Workers' Compensation, general liability and others that may apply to you (check with your insurance agent);
- training costs: actual materials, fees and consultants, in addition to the extra staff time for participating in training;
- out-of-pocket costs for personal attendants to accompany the individual to activities in the community;
- mileage reimbursement for staff using their own vehicles to take the individual to community activities, medical and other appointments, grocery shopping, banking, social visits to family and friends, meetings with agencies, self-advocacy meetings, and similar trips;
- costs to accompany the individual on public transportation;

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- ❑ administrative costs: see the SLS Regulations for a list of allowable costs, including administrative mileage, supplies, insurances, equipment, appropriate utilities and office rent, phones, and payment for administrative services such as your own compensation;
- ❑ necessary consultants: examples include individual-specific, such as specialized behavior and training, and administrative, such as human resources and accounting;
- ❑ health & safety costs such as pagers, cellular phone(s), fire extinguisher, etc.
- ❑ other miscellaneous costs, based on the individual situation.

As a point of clarification, **parents are allowed to be paid** for the services they provide as vendor or administrator. This has been a confusing issue for some regional centers. There is nothing in either law or regulation that prohibits regional centers from compensating parent vendors for their services, or allowing it as a cost in a budget for SLS. First, anyone who provides services should be paid, and if the parent is filling the role of the administrator or vendor, their services should be compensated. Anyone else who was providing the same service, even through a parent vendor, would be compensated. It is a reasonable cost associated with the administration of the supported living services. The amount of time necessary to successfully administer SLS, and the liabilities, stress and just plain work inherent in carrying the responsibilities of being a vendor and employer are not within the realm of “natural supports”. Further, parent vendors often cut back on their careers or other jobs to do this, resulting in a loss of income to them. Finally, denying compensation to one vendor for services for which the regional center compensates other similar vendors is discrimination (short version: if they pay other SLS vendors for administrative wages, fees or costs, they should pay you.)

Often, when this issue comes up, it is a case of someone telling someone who told someone that parents cannot be paid. If you are told it is their “policy”, ask to see the policy in writing. Even if there is a written policy, it may or may not be the appropriate reference for SLS, which is a unique situation when the parent is the vendor. You can always discuss your particular question or situation with the

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Executive Director of your regional center, DDS staff, or Protection & Advocacy, or SLS consultants for more specific information.

Billing to the regional center can be in the form of one single SLS rate (hourly or monthly), or split into an administrative rate and a direct service rate, depending upon negotiations with and varying policies of different regional centers.

One note to remember: In addition to the SLS Regulations, vendors must ensure compliance with California and federal labor laws. Although Supported Living Personal Attendants work under California IWC Wage Order 15, which exempts them from overtime, meal breaks and other mandatory breaks, SLS vendors are required to pay personal attendants a minimum of \$6.75 (or current minimum wage) for each hour, even if they are sleeping at the individual's home overnight. The key factor is that the employee is unable to leave at his or her discretion. Make sure that you count the overnight hours and associated payroll costs for that amount in your budget projections.

If you have questions about the Wage Order or other labor law, there are multiple state web pages that you can access for the information, in addition to availability of labor specialists by phone and in person at your local office of the Labor Commission. Of course, there are also labor law attorneys and consultants who could be part of your SLS vendor support team. The time and expense involved in educating yourself about the specifics of labor law as it relates to supported living is well worth the cost and effort, even if it is somewhat frustrating. Without any guidance, you will be much more frustrated and could potentially incur thousands of dollars in fines. This type of technical assistance should be included in your proposed budget to the regional center.

### **Contracting, Billing and Getting Paid**

#### **Vendor Contracts**

According to regulation, regional centers must have contracts with their supported living vendors. The Supported Living Services Regulations briefly state vendor-regional center contracting requirements and necessary contract components.

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Read those provisions before entering into any contract for SLS (Article 8, Sections 58670 - 58672). There is no standard contract, and different regional centers use different formats. Although nothing in this manual is intended as legal advice, here are several general points listed below when considering the content of a SLS vendor contract.

- ❑ A contract is only legally binding when both parties agree and have executed the contract with signatures and dates.
- ❑ Contracts must have a starting date and an ending date. Have a written provision that outlines how much lead-time is necessary or optimal for beginning to renegotiate your contract renewal. This will help prevent unnecessary lapses in services to the individual or payment to the vendor, as well as expired contracts that result in the regional center being out of compliance. Having time to think about and prepare reasonable contract renewals assists both parties to create a process based on actual data, and a document that best meets the needs of the individual, regional center and vendor.
- ❑ Contracts should clearly define responsibilities, benefits and penalties for both parties. They must benefit both parties.
- ❑ Compensation (the amount of the contract), and the associated terms of compensation, should be clear and understandable.
- ❑ Read the provisions of the contract carefully. Ask questions about anything you don't fully understand. If the answer to your question is still unclear, request further clarification before you commit to the contract in writing.
- ❑ Ask the regional center to document in writing all agreements the two parties have made; if they do not, document it yourself in a letter of understanding to the regional center and treat it as an addendum or attachment to the contract.
- ❑ Unless you are both the individual and the vendor, be careful about signing a contract with any provision that ties your performance as the vendor to specific goals that the individual "must" meet, especially if those goals are not in the individual's IPP. For example, one provision in a proposed contract presented to a parent vendor stipulated that the vendor's only performance objective/expected outcome was that the individual would "improve 10% in independence" each contract year!

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- ❑ Do not sign a contract with any provision that obligates the individual to do something when you have no authority to obligate him or her to anything. Unless you are the conservator, you have no legal right to obligate the individual to any contractual provision. Even if you are the conservator, the individual should be involved in any discussion or agreement regarding his or her specific obligations, and, obligations of the individual have no place in your vendor contract with the regional center unless you are both the individual and SLS vendor.
- ❑ Attempt to keep the contract as simple and straightforward as possible. Some legalese is inevitable in any contract, but having clear, concise contract provisions whenever possible can help to avoid misunderstandings, and benefits both parties in the long run.
- ❑ If you feel more comfortable, hire a contract attorney to look over the provisions of the proposed contract and offer you a legal opinion or advice before you sign it.
- ❑ Once the contract is signed, contact the regional center immediately in writing if you find you will be unable to fulfill any of the contract provisions.

### A Word (or Two) About Negotiation...

The term “negotiation” is defined in Webster’s Dictionary as:

“to deal with (some matter or affair that requires ability for its successful handling) : MANAGE b : to arrange for or bring about through conference, discussion, and compromise <negotiate a treaty>...”

One of the most widely discussed topics in any conversation about negotiated rates, such as SLS rates, is the question: What does “negotiation” mean? Here are some basic thoughts on the subject that might help both parties as you go through the process with your regional center.

- ❑ Always negotiate in good faith. Yours will be a long-term relationship, and this is not the place to burn your bridges unless you have tried to come to agreement over time and have been left no other option.

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- ❑ Listen, and give genuine consideration to what you hear. Try to put yourself in the other party's position.
- ❑ Ask what specific things are standing in the way of successful completion. Even if you think you know, clarify this. Then, ask: "If (xx issue) can be resolved, is there anything else that would still be in the way of our completing this contract?"
- ❑ Generally, the process of negotiation is seen as a voluntary process on the part of both parties. It is usually also a process presumed to be between two parties with equal power. In the best situations, each party gets the most important things that they need, and is willing to compromise, if necessary, on less critical issues. Obviously, a smooth, mutually beneficial process is the goal.

Some individuals, families, and service providers, however, believe that an imbalance of power exists in favor of the regional center. Individuals, families or vendors who come to an impasse with their regional center over services or rates (the most common issues) often complain that, because of the structure of the system and the regional center's role as the "sole source" of funding available for many services, certain regional centers have adopted a "take it or leave it" attitude.

On the other hand, regional center staff sometimes feel that they are pressured to meet unnecessarily expensive, unfair or unreasonable demands made by individuals, family members, advocates or service providers. From their perspective, they are trying to balance the needs of the entire community with the needs of the individual or agency and their budget restrictions. When this type of situation looms, be as honest as possible about what you need in order to meet the goals and objectives of the individual receiving SLS, and your performance objectives for providing quality services and individual satisfaction.

Be as creative as possible, and try not to see the issues as "personal." There may be underlying issues that have nothing to do directly with your situation, but are holding up an agreement. Try to look objectively at what each party could give, and at what each party needs to feel that the negotiation is successful. Remember

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that the longer you take to negotiate a contract, the longer the individual may have to wait for SLS.

### Vendor Number

Upon approval of your vendor application packet, the regional center will issue you a vendor number. This number will be on each Purchase of Service (POS) you receive, and on each monthly billing statement. It is important to use this number when you are checking on any technical issue related to your contract, POS, or any billing.

### Purchase of Service Authorization (POS)

Once you have come to agreement with the regional center on the appropriate SLS service plan for the individual individual, and the regional center and vendor have agreed to the terms, conditions and rate(s) within the SLS contract, the regional center will issue a "Purchase of Service" (POS) authorizing a specific level services for payment at a specific rate for each individual.

In many cases, the regional center issues an initial POS for the vendor's time in assessing the strengths and needs of the individual, then issues a separate POS for the actual ongoing Supported Living Services once the assessment is complete. Occasionally, a regional center may also issue an interim-type POS as a transition into SLS. The transition POS would be issued after the assessment and before the regular SLS. Some regional centers set a time frame, such as 90 days, for the transition. Typically, the budget for the transitional POS is a little higher than the ongoing budget would be. This allows for extra training and support necessary as new personal attendants and the individual get to know each other, as well as time for IHSS to do their (new) assessment, authorize and begin services. House meetings may also be more frequent in the first 90 days, giving everyone a chance to work out some of the "start-up issues" inherent in a new supported living arrangement. All of these extra things equate to extra personal attendant and other staff time to pay.

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*The POS is critical in the payment process.* Regional centers do not pay for services unless their accounting department has a copy of the POS! Let the regional center know immediately if you do not receive the POS showing the SLS service for the individual, with the proper authorized number of hours per month, rate per hour or rate month, depending upon your budget agreement and contract. Take special notice of the POS expiration date, and communicate with the regional center at least 30 to 60 days prior to that date so you can coordinate the renewal of the POS.

### Service Codes

Services are billed using “service codes” that are developed by the California Department of Developmental Services (DDS). There are two service codes that may apply to SLS. The first and most significant is service code 896 - Supported Living Services, which is the service code for all direct supported living services provided to the individual. It encompasses what, prior to July 1, 2001, were three separate service codes (current: “(896) Supported Living Services”; old: “(891 - 893) Personal Support”, “Training & Habilitation”, and “24-hour Emergency”). For further information, see the DDS Program Advisory dated May 24, 2000, which is included in the Appendices.

The current service code deals primarily with direct support wages and salaries, related employee benefits and other costs attributed to providing direct individual support. Obviously, this category is the largest cost center for any SLS provider. 896 may also include all related administrative costs -- including but not limited to liability and other employer insurances, vendor supplies and equipment, and other administrative costs as outlined in the SLS Regulations -- making it like a “one-stop shopping” service code.

Some vendors bill their administrative costs separately from the direct service costs. In those cases, the second service code is 894 - SLS Vendor Administration Services. Administration costs are then billed solely under 894; vendors may not, of course, bill administration costs under both service codes at the same time. The choice of whether to use one or two separate service codes is one that you must discuss, and sometimes negotiate, with your regional center.

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Whichever rate model is chosen and agreed upon, it is important to have clarification from your regional center as to:

- how they expect you to document your costs;
- what documentation they require at the time of monthly billing vs. documentation in your files in case of an audit;
- the preferred format for billing the regional center;
- when the actual billing is due at the regional center; and,
- when you can expect payment for services.

### Billing Process

Typically, the billing processes and timing are similar from one regional center to the next. Regional centers pay in arrears, so your start-up funds for the first several payrolls, insurance and tax costs, and other up-front costs are important to have in place.

Let's walk through a typical month.

For example, you provide services from May 1st through May 31st. Near the end of that month (May), the regional center will send a billing statement showing the individual's name (or each individual's name), the "client (individual) I.D.", dates that the service is authorized from and to, the dates for the services you will bill, and either your monthly or flat rate (per individual) or your hourly rate and space to enter the number of hours of service provided, and the appropriate totals columns. If you have two service codes (896 - SLS and 894 - SLS Administration), you will receive one billing statement for each service code.

At the end of the month, enter the proper amounts, total the columns, and sign and date the form. If you provided SLS for the entire month, enter the service dates as 05/01/(yr.) through 05/31/(yr.). Each billing statement has a two copies, the top (white) which is the original and goes in the mail to the regional center. The bottom NCR copy (yellow) is for your files. Make sure you keep an organized file of your billing statements in the event of a question or lost form.

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The billing for services provided during May must reach the regional center no later than the 5th of the following month (in this case, June 5th). It's a good idea to get into the habit of just doing it on the first day of the new month, and mailing it immediately.

You should receive your payment for services provided in May by approximately the 17th to the 20th of June. As you can see, you will be running about six to seven weeks in arrears. This is important to remember as you plan your start-up costs. Many regional centers now have the option of direct depositing your payment into your account via Electronic Funds Transfer (EFT). If available, this way is faster and easier for both you and the regional center.

One last reminder about the billing process: remember to find out ahead of time what documentation the regional center will require you to submit with your billing statement. For example, if you must submit copies of certain receipts or time sheets with your billing, it will be most efficient to have those copied and ready to attach even before you complete the billing statement. Don't assume that the documentation required by the regional center's accounting department from an agency or another parent is what they will require from you. There may be variations even within the same regional center. As you get things more organized in the first few months, introduce yourself to some of the accounting staff by phone, if not in person. Get to know each others' names and develop a friendly rapport. They will appreciate your readiness to cooperate, and having a familiar name and voice on the other end of the phone will be a great help to you if something needs checking or verification in the future.

### Other Things to Think About...

#### Bank Accounts

Have a bank account dedicated to receiving the income and paying the expenses of the SLS arrangement. It's a good idea to have a second name on the account for signature purposes, just in case of an emergency. You don't want to have unnecessary problems in the event that an emergency check needs to be authorized and you are not there, and you certainly would not want the account

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frozen if something unexpected happened to you. Do not put the individual's name on this account (unless, of course, the individual is the vendor).

Do not, under any circumstances, co-mingle your own personal money or the personal money of a individual in this account!

You might want to get a separate inexpensive credit card for your use and ease of purchasing supplies and other administrative needs for the SLS arrangement. If possible, use this card only for the SLS arrangement costs.

The individual should have a completely separate checking account of his or her own for payment of personal bills, rent, etc. (savings account is optional). An ATM card is a good idea for most people, but think carefully about the limits you and the individual will choose to put in place regarding the use of the ATM card, especially as it relates to personal attendants assisting the individual to use the card.

Remember that the individual's total liquid assets need to stay under \$2,000.00 at all times in order to qualify for SSI (Supplemental Security Income) and the SSI-related Medi-Cal, as well as IHSS. Individuals receiving SSA and/or retirement benefits of a parent also need to stay under the \$2,000.00 liquid asset limit; and, if total income exceeds the standard SSI rate for individuals living in their own homes, IHSS and/or Medi-Cal may assess the individual a "share-of-cost" for those services. Because this is a complex and individualized area too detailed for inclusion in this manual, you may want to contact Social Security Administration, IHSS/Department of Social Services in your county and Protection and Advocacy, Inc. for more detailed information.

### Tax Implications

Even if you are comfortable preparing your own personal tax return, consider having your SLS tax return prepared by a Certified Public Accountant (CPA) or other tax professional. It is well worth the relatively small investment to assure the filing is done properly. This service will pay for itself, and can be added to your SLS budget as an administration cost. As a vendor, you will receive a Form 1099 from the regional center at the end of the year. It will be important for your CPA or tax adviser to understand the nature of supported living in order to most accurately reflect your tax liability.

