

In recent years, Budget analysts have been concerned with the rapid growth of the Developmental Disabilities service system. At first glance, there is a significant discrepancy between the numbers of people served in the system when compared with California's population growth. In addition, budget watchers point to significant increases on per capita expenditure, that is, expenditures outpace caseload growth. But a closer look reveals compelling reasons why the expenditures have increased, and demonstrate that the expenditures are not only extremely cost-effective, but also among the lowest per capita in the United States.

Did You Know?

Some facts about California's developmental disabilities system

People are served throughout a life time

- Developmental disabilities, by definition, last a lifetime. This system is unique because services and supports are needed throughout the lifespan.
- The needs found in each age group are also unique. Early childhood, school age, adulthood and aging all have different needs with different related costs.
- Whereas service emphasis may be preventive in early childhood, supportive in adulthood and ameliorative during aging, they are all needed to assist people with developmental disabilities to live as independent, productive and inclusive lives as possible.

Population is getting older

- Because the service system for developmental disabilities must rely on other services offered to the general population, there is a significant difference in costs by age group.
- Children tend to be served by the school system and thus the average cost of services for a person 3 to 22 years of age is about \$5,500 compared with \$16,587 for adults.
- The number of adults served in the developmental disabilities services system grew by 36% from 1993 to 2003.
- As of December 2002, there were more people in the system ages 3 to 22 years old than there were adults. As young people become adults, the costs to the system will rise dramatically.
- As parents age, they become less able to care for their adult children in their home.

There is an autism epidemic:

- The rate of autism nationally has skyrocketed from one in 2,500 children in the 1970s to 1 in 250 children today.
- The number of people with autism in the California DD system has grown from 2,778 in 1987 to 20,377 in 2002.
- Autism is a complex developmental disability that typically appears during the first three years of life. Children and adults with autism typically have serious difficulties in verbal and non-verbal communication, social interactions, self-care, and leisure or play activities often requiring individualized and intensive supports.
- The increase in autism cannot be explained by a shift in interpretation of diagnostic criteria or by immigration into California.

- Eighty four percent of people diagnosed with autism who are regional center clients are under the age of 22.
- Over 40% of new intakes into the regional center system are people with autism.
- It costs more to serve people with autism than other developmental disabilities. The average cost to serve adults with autism in the community is \$29,000 per year compared to \$16,000 for adults with other disabilities.
- The proportion of adults with autism will continue to escalate as the children who are currently served by schools turn 21.
- The long-range implication of the autism epidemic is a profound and enduring impact on the affected children, their families, public services, the state budget and the overall health status of California citizens.

Community-based services have saved the State millions of dollars annually

- The population of State-run developmental centers has declined from 6,093 in 1993 to 3,603 in 2002.
- Costs to serve these individuals in the community are significantly higher than average community costs, but significantly lower than those to serve the same individuals in a State-run facility.
- The community has been successful in serving more and more of these individuals in spite of the fact that there have been no cost of living adjustments to rates paid to providers since 1998.
- California's per capita spending for people with developmental disabilities ranks 37th in the nation.

Federal contributions have held general fund expenditures in line

- The Home and Community Based Waiver has grown from 28,000 participants in 2000 to over 60,000 in 2004
- Federal participation in the California developmental disabilities community system has increased 77% in the last four years. It has grown from \$508,198,000 in the 1999-2000 budget year to \$896,961,000 in 2003-2004
- There is a potential to increase federal contributions by \$500 million through new strategies to expand the HCBW.

While at first glance, these numbers may look like a system "out of control", this growth is driven by changes in the population that is served by the developmental disabilities system: the number of people diagnosed with autism is growing in epidemic proportions, people served in the system are getting older and thus requiring more services and supports, the population of developmental centers continues to decline, and medical and technological advances have made it possible for many people to survive and live fuller lives in their community..

Notwithstanding these extraordinary challenges, a concerted and aggressive effort to expand access to federal matching funds has kept the growth in California's general fund contributions to the developmental disabilities community system below caseload growth - that is, the growth in State funds expended in the system is lower than the growth in numbers of clients.