



FINAL REPORT

DECEMBER 2024

**Regional Center of
the East Bay**

**Analysis of African
American Providers'
Allegations of
Disparate Treatment**

masontillman.com

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1. INTRODUCTION

The Regional Center of the East Bay (RCEB) retained Mason Tillman Associates, Ltd. to evaluate the merit of the race-based complaints made by their African American residential care providers. There were five primary concerns regarding RCEB's relationship with African American providers:

- More Empty Beds in African American Residential Homes Than Any Other Ethnic Group
- Payment for Additional Services Not Authorized When Consumer's Needs Are Greater Than Provider is Authorized to Provide
- Protracted Processing Time for Approved Purchase of Services
- Consumer to Provider's Vendor Level Misaligned
- Corrective Action Plans Arbitrarily Issued

The data analyzed to assess the providers complaints covers three years from January 1, 2019, to December 12, 2022. Most of the data was provided by RCEB from its records.

RCEB is one of 21 regional centers in California authorized by the State Department of Developmental Services (DDS) to provide assessment, diagnosis, individualized program planning, service coordination, and advocacy for individuals with developmental disabilities to live productive lives in the least restrictive environment possible. Regional centers are authorized and governed by the Lanterman Developmental Disabilities Services Act. The law, enacted in 1969 and codified in the California Welfare and Institutions Code, Division 4.1, Chapter 5, is administered by the DDS.

There are four categories of residential care providers under the management of the regional centers—two adult facilities and two for minors. Of the adult facilities, one is 905- Residential Facility Serving Adults, where owner lives in the home, and the other is 915- Residential Facility Serving Adults with a non-residential owner. To provide services in any one of the categories, the business must be licensed by the Department of Social Services Community Care Licensing and be authorized as a vendor by a regional center. The providers that were the subject of the study were RCEB vendors authorized to operate a residential home as one of the two adult facilities coded as 905 and 915.

A licensed adult facility offers living accommodations for four to fifteen consumers.¹ The consumers the vendors are authorized to house depends on the provider's vendor level. The vendor requirements and the vendorization process are set forth in Title 17 of the California Code of Regulations. The vendorization process, which is performed by the regional centers, grants the licensed business a vendor number and a vendor-level classification. The vendor level stipulates the number of authorized beds in the home and defines the type of consumer needs the home can service. Payment for each bed is based on the consumer's need for service, as determined by the case managers.

The regional center is responsible for assessing and diagnosing the consumer's developmental disabilities, developing an Individual Improvement Plan (IIP)IIP, and coordinating the delivery of

¹ 905 Invoices 20190101 onwards, 915 Invoices 20190101 onwards provided by Lisa Kleinbub on December 7, 2023.



the required services. The case manager performs the needs assessment and is required to record the findings in each consumer's IIP. The assessment should describe and evaluate the consumer's physical and emotional health, forensic history, other support needs, and the home level to which the consumer should be assigned. The IIP should not only stipulate the type of services but the duration the services are needed to support the consumer to live a productive life in the least restrictive environment. The level of support stipulated in the IIP determines the level of home that aligns with the consumer's needs and the compensation the provider should receive.

When supportive services are required to address the consumer's needs, the case manager is also required to produce a Purchase of Services (POS) report to authorize payment for the needed services. In addition to authorizing the consumer services, the POS specifies the compensation the vendor that houses the consumer should receive to support the consumer's development. The case managers and supervisors also make consumer referrals and therefore determines which providers have the beds in their residential facility filled with what consumers and the additional compensation when supportive services are needed.

Supervisors sign off on IIP, POS and other client documents. Supervisors also make the decision on what cases are sent to the exceptions committee. In addition, supervisors cover open client caseloads when the case manager staff insufficient to handle the case load. It is important to note that RCEB has only one residential placement person to service both Alameda and Contra Costa counties.

To ensure the regional centers' accountability, transparency, and continuous improvement in service delivery, DDS utilizes data collection guidelines and a system for recording the required data. Sandis Solutions software (Sandis) is the system the regional centers are required to use. Most of the data analyzed in this study was extracted from Sandis.

1.1 The Problem

African American providers allege that RCEB's case managers and supervisors do not refer consumers to their homes, which results in more empty beds for them than for other providers. Furthermore, when a referral is made, the IIP is outdated and may not have been updated for years. Often the IIP and supporting documents are missing vital consumer information that providers need to make an informed decision regarding the appropriateness and compatibility of a consumer for their facility. African American providers are routinely not given the complete consumer profile. The profile provided may not include history and reasons for failed prior placements, forensic records, the most recent psychological assessment, prior enhanced staffing requirements. Without this information a true needs assessment based on current and real-life needs cannot be made.

Additionally, African American providers assert that referrals are often made without offering consumers the purchase of services needed for them to live in the least restricted environment with the assistance needed to support their development. The provider either accepts the



referral and assumes the cost of providing the needed services or rejects the referral and operates with unfilled beds.

It is also alleged that when an African American provider does house a consumer with a POS, the payment for services is generally made in an untimely fashion. Either the POS is not submitted to the accounting department for payment in a timely fashion, or accounting simply fails to make the payment on a timely basis.

African American providers also asserted that RCEB conducts annual reviews and issues corrective action plans in an inequitable manner. The reviews, performed by the RCEB quality assurance staff, are said to be biased and without detailed findings or a corrective action plan.

African American providers assert that case managers' failure to prepare comprehensive and accurate IIPs or issue the POS as required to meet the consumer's need for service adversely affect their income. African American providers with vacant beds often accept consumers with needs but without the appropriate POS, in order to fill their beds. In the absence of the needed POS, the vendor fulfils the consumer's needs without compensation.

As a result, case managers effectively dictate the income African American providers receive from RCEB. Their decisions not only determine the providers' revenue but also their costs of doing business with RCEB.

1.2 Background

This report addresses the five allegations of racial discrimination expressed by the African American providers. When the allegations are examined through an equity lens, they are far less benign than would appear. In short, the allegations suggest an abuse of power based on socially defined racial categories.

In other words, the abuse of power is not expressed in overt acts of coercion, but rather in the more subtle expressions of institutional power that permeate routine acts, such as the process of filling beds and the timing of approval and payment for purchase of services for a consumer's need for extra support. This power paradigm is also manifested in the frequency of finding deficiencies during routine annual compliance reviews of African American providers' homes.

Institutional power is defined in academic literature as the ability to influence, control, and manipulate others to achieve desired outcomes.² Economic power in a racially unequal society like the United States is ascribed by race. Race is a social construct that classifies and ranks groups and individuals in American institutions by skin color. In American institutions, there are strata within the racial classification system which maintain hierarchies that privilege certain racial

² Banaji, Mahzarin R., et al. "Systemic Racism: Individuals and Interactions, Institutions and Society." *Cognitive Research Principles and Implications*, vol. 6, no. 1, Dec. 2021, <https://doi.org/10.1186/s41235-021-00349-3>; Castrellón, Liliana E. "Social Justice Leadership: Disrupting Power, Oppression, and Uplifting Marginalized Communities." *Springer eBooks*, 2021, pp. 1–19. https://doi.org/10.1007/978-3-030-39666-4_53-1; Wyatt, Tasha R., et al. "Intersectionality: A Means for Centering Power and Oppression in Research." *Advances in Health Sciences Education*, vol. 27, no. 3, Apr. 2022, pp. 863–75. <https://doi.org/10.1007/s10459-022-10110-0>.



groups over others. The hierarchy determines how members of the racial groups are treated. Economic power and race are intrinsic to the RCEB service delivery and compensation process.

RCEB's data documents racial disparities in decisions that reflect differential treatment of African Americans providers and the adverse impact of the disparate treatment on the group's revenue. There is statistical evidence from RCEB records, as reported in Sandis, that African American consumers, when compared to Caucasian consumers, are less likely to be authorized for additional services African American providers assert that when the purchase of services is authorized, they are not paid in a timely manner, and they have more empty beds than any other ethnic group. These decisions made by RCEB over a protracted period have resulted in African American providers having the lowest monthly compensation of similarly situated non-African American vendors as documented by the data in Sandis.

Vendor Compensation. Compensation for a provider of services in an adult residential home is based on the number of beds in the home, the number of beds filled, and the services approved to support the needs of the consumers housed. Since the case manager determines both the number of consumers assigned to a home and the services approved for each consumer, the case manager is effectively the sole determinant of the provider's annual compensation. However, their supervisors may sometimes be involved in the referral process when there is a shortage of case managers.

African American level two and three vendors, who are authorized to house 4 to 15 consumers assert that their beds are often vacant because case managers will not refer consumers who align with their vendor level, nor authorize a purchase of service to address the consumer's service needs when making a referral to African American providers for a consumer needing extra services.

When making a referral, the case manager is required to submit the IIP so the provider can evaluate the consumer's profile to determine if the level of their home aligns with the consumer's service needs. African American providers allege that the case workers routinely refer the most difficult consumers to them. In addition, the required IIP is frequently not submitted to the provider, or when the IIP is provided, it is not current and may not include recent medical, psychological, and forensic history, or incident reports. If the IIP is requested, the case manager will often withdraw the referral. The vendor who attempts to convince the case worker that the consumer's needs do not align with the level of their home, risks alienating the case worker who will then move to place the consumer with another African American vendor who may take the referral without requesting the services the consumer requires. Alternatively, the case work will refer the consumer to a non-African American vendor who will be paid for the needed service.

African American providers maintain that the case manager's execution of these decisions is discretionary. They assert the case managers discriminate against them when making consumer assignments by not approving the purchase of services the consumer needs and withdrawing the referral if the provider requests compensation for the needed services. A higher-than-average vacancy rate in adult residential homes operated by African American providers is cited as evidence of racial discrimination. The African American providers' assertion that their vacancy rate is higher than any other ethnic group is supported by RCEB's data.



RCEB's process for the reevaluation of the consumer's needs, when the case manager makes a referral which the provider believes does not align with their vendor level, is at best antagonistic and fraught with dissension because it requires the provider to contest the case manager's decision regarding the consumer's IIP and POS. In effect, the vendor must challenge the IIP prepared by the case manager, or when the referral is made without the required IIP, the provider must assert their right to review the IIP to determine if their assessment of the consumer's needs comports with the individual's prior medical, emotional, and criminal history, or incident reports from prior providers.

The facts in the IIP should be comprehensive and act as the basis for the case manager's assessment of the consumer's service needs and therefore, the provider's compensation. However, the final decision regarding the consumer's needs and the provider's compensation rests with the case manager who prepared the IIP.

The practice of assigning consumers out of class and requiring the provider to persuade the case manager that the consumer's level required additional services, is inherently antagonistic. The provider must demonstrate to the case manager that its decision was flawed, and the case manager must concede to an error in judgment. Not only must the provider convince the case manager of the consumer's needs, but the process must be undertaken without alienating the case manager. A case manager, in making the concession, has to relinquish the power inherent in the position of the decision maker, at least in that instance.

To further complicate this process of decision making by persuasion, the provider's communication style, which colors the interaction, must be acceptable to the case manager. Communication styles, both verbal and expressive, have cultural characteristics. One ethnic group's expression of passion with purpose is different from another. For example, an African American provider expressing passion with purpose might be misunderstood as aggressive or even hostile.

Hierarchy of RCEB Functions. RCEB's organizational structure in relationship to its providers is hierarchical with the power of the purse ascribed to the case manager and the supervisor, who assign consumers to providers and services to the consumer. With this authority, the case manager and supervisor determine the vendors' revenue. This is a significant authority, and left unchecked, it can fuel an abuse of power.

The process used to assign consumers gives the case manager and supervisor unbridled authority to determine the providers' compensation. Thus, a level 3 provider with empty beds, who is unsuccessful in demonstrating to the case manager that a consumer referral has more needs than can be provided in a level 3 home without funding for additional services, may accept the consumer without compensation in order to fill the beds and at least receive the minimum compensation. Likewise, the provider who lobbies the case manager for the higher compensation or rejects the consumer with higher needs without compensation maybe be blackballed and receive even fewer referrals. In short, the case manager is empowered to determine the African American vendor's revenue. It is the execution of this authority that African American providers assert is performed in an inequitable manner.

In American institutions, racially unequal opportunity is sustained by racism that is structural in nature. Structural, or systemic racism as it is referred to in academic literature, is a unified arrangement of racial differentiation that is fertile ground for bias in the allocation of resources. Systemic racism permeates institutions and creates differentiation and bias across the racial categories.³

Systemic racism allocates opportunity by racial category and has historically marginalized African Americans in contrast to other people of color. Disparities in opportunity can affect a group's access to economic opportunity and growth. At RCEB, systemic racism is expressed in case managers' consumer referral decisions, their allocation of resources for African American consumers referred to African American vendors, and the corrective action plans issued.

2. METHODOLOGY

Mason Tillman conducted both qualitative and quantitative research to assess the African American providers allegations. In addition, research was undertaken to identify the best management practices of other regional centers in the State and agencies nationwide. Best management practices were identified that could make RCEB processes more equitable and transparent.

2.1 Study Population

RCEB maintains data on its vendors' facilities and services in Sandis, the statewide system the DDS requires regional centers to use to ensure accountability, transparency, and continuous improvement in their services. Each regional center is required to maintain in Sandis a comprehensive list of providers and the services each vendor is authorized to provide. However, the vendor profile does not include the vendor's race or ethnicity.

In 2021, RCEB conducted a survey to determine the ethnicity of their vendors using Survey Monkey. The survey included vendors in the 905 and 915 service codes. The vendors surveyed were asked to self-identify their ethnicity. There were 272 vendors in the 905 and 915 service codes who responded to the survey. The ethnicity for an additional 60 vendors was provided by RCEB subsequent to the survey. Included in the statistical analysis were 332 vendors that operated a residential facility for adults in either Alameda or Contra Costa counties.

Table 1 lists the services the 332 vendors in the two adult residential service codes 905 and 915 were authorized to provide.

Table 1:Types of Services Provided by the 332 Vendors

³ Id.

SERVICE CODE	SERVICE DESCRIPTION	SERVICE TYPE	CATEGORY	SUB CODE	SUB CODE DESCRIPTION	NUMBER OF BEDS
905	RES FAC ADULTS-OO	COMMUNITY CARE FACILITY	OUT-OF-HOME CARE	L20-4	LEVEL 2 OWNER OPERATED HOME - 4 BEDS	4
				L20	LEVEL 2 OWNER OPERATED HOME - 6 BEDS	6
				L30	LEVEL 3 OWNER OPERATED HOME - 6 BEDS	6
				L30-4	LEVEL 3 OWNER OPERATED HOME - 4 BEDS	4
					LEVEL 3 OWNER OPERATED HOME - 7 OR MORE BEDS	
				L30-7	MORE BEDS	7
				L2S	LEVEL 2 STAFF OPERATED HOME - 6 BEDS	6
915	RES FAC ADULTS-SO	COMMUNITY CARE FACILITY	OUT-OF-HOME CARE	L2S-4	LEVEL 2 STAFF OPERATED HOME - 4 BEDS	4
					LEVEL 2 STAFF OPERATED HOME - 7 OR MORE BEDS	
				L2S-7	BEDS	7
				L3S	LEVEL 3 STAFF OPERATED HOME - 6 BEDS	6
				L3S-4	LEVEL 3 STAFF OPERATED HOME - 4 BEDS	4
					LEVEL 3 STAFF OPERATED HOME - 7 OR MORE BEDS	
				L3S-7	BEDS	7
				L4A	LEVEL 4A	6
				L4A-4	LEVEL 4A - 4 BEDS	4
				L4B	LEVEL 4B	6
				L4B-4	LEVEL 4B - 4BEDS	4
				L4C	LEVEL 4C	6
				L4C-4	LEVEL 4C - 4 BEDS	4
				L4D	LEVEL 4D	6
				L4D-4	LEVEL 4D - 4 BEDS	4
				L4E	LEVEL 4E	6
				L4F	LEVEL 4F	6
				L4G	LEVEL 4G	6
				L4G-4	LEVEL 4G - 4 BEDS	4
				L4GCP	HOME SERVED SOMEONE MOVING FROM AN INSTITUTION	6
				L4H	LEVEL 4H	6
				L4H-4	LEVEL 4H - 4 BEDS	4
				L4I	LEVEL 4I	6
L4I-4	LEVEL 4I - 4 BEDS	4				
L4I-7	LEVEL 4I - 7 OR MORE BEDS	7				
L4ICP	LEVEL 4I FOR CPP	6				

Seventy-seven African American providers were identified as vendors authorized to operate adult residential facilities in the two service codes 905 and 915, Each of the 77 African American vendors were invited to participate in the qualitative research.

Table 2 depicts the services the 77 African American vendors in the two service codes 905 and 915, were authorized to provide.



Table 2: Types of Services Provided by African American Vendors

SERVICE CODE	SERVICE DESCRIPTION	SERVICE TYPE	CATEGORY	SUB CODE	SUB CODE DESCRIPTION	NUMBER OF BEDS
905	RES FAC ADULTS-OO	COMMUNITY CARE FACILITY	OUT-OF-HOME CARE	L3O	LEVEL 3 OWNER OPERATED HOME - 6 BEDS	6
				L3O-7	LEVEL 3 OWNER OPERATED HOME - 7 OR MORE BEDS	7
				L2S	LEVEL 2 STAFF OPERATED HOME - 6 BEDS	6
				L2S-4	LEVEL 2 STAFF OPERATED HOME - 4 BEDS	4
				L3S	LEVEL 3 STAFF OPERATED HOME - 6 BEDS	6
				L3S-4	LEVEL 3 STAFF OPERATED HOME - 4 BEDS	4
				L3S-7	LEVEL 3 STAFF OPERATED HOME - 7 OR MORE BEDS	7
				L4A	LEVEL 4A	6
				L4B	LEVEL 4B	6
				L4B-4	LEVEL 4B - 4BEDS	4
				L4C	LEVEL 4C	6
				L4C-4	LEVEL 4C - 4 BEDS	4
				L4E	LEVEL 4E	6
				L4G	LEVEL 4G	6
915	RES FAC ADULTS-SO	COMMUNITY CARE FACILITY	OUT-OF-HOME CARE	L4G-4	LEVEL 4G - 4 BEDS	4
				L4GCP	HOME SERVED SOMEONE MOVING FROM AN INSTITUTION	6
				L4H	LEVEL 4H	6
				L4I	LEVEL 4I	6
				L4I-4	LEVEL 4I - 4 BEDS	4
				L4I-7	LEVEL 4I - 7 OR MORE BEDS	7
				L4ICP	LEVEL 4I FOR CPP	6

All vendors from each ethnic group that operated adult residential homes in Alameda and Contra Costa counties were included in the quantitative research. Table 3 lists the ethnicity of the 332 RCEB vendors authorized to operate adult residential homes in the two counties.

Table 3: Ethnicity of RCEB Vendors in Alameda and Contra Costa Counties

County	City	African American	Asian American	Hispanic American	Caucasian	Total
Alameda	BERKELEY		1			1
	CASTRO VALLEY		2			2
	DUBLIN		5			5
	FREMONT		19		2	21
	HAYWARD	3	45		3	51
	LIVERMORE		4			4
	NEWARK		2			2
	OAKLAND	26	3		1	30
	SAN LEANDRO	4	2			6
	SAN LORENZO	1	2			3
	UNION CITY	1	30		3	34
Alameda Total		35	115		9	159
Contra Costa	ANTIOCH	12	26	21		59
	BRENTWOOD	4	7		3	14
	CLAYTON				1	1
	CONCORD	3	19		5	27
	DANVILLE	2				2
	EL SOBRANTE	1	4			5
	HERCULES		4			4
	MARTINEZ	1	2			3
	OAKLEY	5	8	1	3	17
	PINOLE		1			1
	PITTSBURG	4	8	3	1	16
	RICHMOND	7	1	1		9
	RODEO		5			5
	SAN PABLO	2	3		1	6
	SAN RAMON		3			3
WALNUT CREEK	1				1	
Contra Costa Total		42	91	26	14	173
Grand Total		77	206	26	23	332

2.2 Qualitative Data Sources

To better understand the allegations and organizational structure within which they occurred oral accounts were collected from listening groups, focus groups, and one-on-one interviews with African American providers. Listening sessions were conducted as the initial research stage. This method was used to elicit perspectives and concerns about RCEB's practices, and to explicate the allegations. Focus group sessions were also held with several small groups to elicit additional perspectives and explore further the issues revealed in the listening sessions. Information gathered using these two methods informed the questions prepared for the interviews.

Interviews were held with both providers and RCEB staff. Numerous meetings were also held with the RCEB director.

The anecdotal research with African American vendors disclosed descriptions of the practices and procedures the group believed to be evidence of racial bias. The anecdotal accounts revealed a broad-based perception that RCEB's procedures, as implemented by staff, were biased.

The anecdotal data also provided a road map for the collection of quantifiable data to objectively evaluate the merit of the African American providers' allegations. The available quantitative data was adequate to assess the merit of four allegations: 1) beds in African American providers' homes were not filled by RCEB, 2) POS agreements were issued in an inequitable manner, 3) when a POS was approved for an African American consumer the payment was not released in a timely manner, and 4) Corrective Actions Plans were bias and arbitrarily issued.

RCEB was challenged to provide data to address all of the allegations and could not overcome the challenges to produce the data requested to assess misalignment of consumers needing additional services with African American vendors.

2.3 Quantitative Data Sources

The initial step in the statistical research was to download the policies that govern the services RCEB provides. In addition, research was undertaken to secure documents describing RCEB's standards and procedures governing the determination of consumer service needs and residential assignment, and where available, the reports on RCEB's compliance with the standards.

RCEB made available to Mason Tillman their vendor list to identify all vendors authorized to operate an adult residential home. From the list, the vendors with one of two service codes—905-Residential Facility Serving Adults where owner lives and 915-Residential Facility Serving Adults—were extracted. The extraction included essential details such as vendor number, vendor name, service code, subcode, address, and contact information.

Unfilled Beds: To address the allegation that there was disparate treatment in the number of consumers assigned to African American providers' adult residential homes relative to the number assigned to other ethnic groups, data was extracted from invoice records RCEB provided. The ethnicity of the vendors was retrieved from the Survey Monkey responses and the data provided by RCEB's executive director.

To determine the number of beds filled, RCEB provided invoice data with the number of consumers assigned to each provider of an adult residential home by month. The subcodes assigned to each provider allowed Mason Tillman to determine the count of authorized beds in each level 2, 3, and 4 home by vendor level and ethnicity. The data was sufficient to associate each provider's home with a subcode to determine if there was a disparity in RCEB's assignment of consumers to African American providers.

Table 4: Statistics for the Average Payment per Bed by Provider's Level and Ethnicity

County	Level	Values	African American	Asian American	Hispanic American	Caucasian
Alameda	L2	Mean of Avg Payment		\$2,764.26		\$2,523.52
		Median of Avg Payment		\$2,871.33		\$2,170.63
		Mode of Avg Payment		\$2,871.33		\$1,812.96
		Standard Deviation of Avg Payment		\$0.00		\$0.00
	L3	Mean of Avg Payment	\$3,492.67	\$3,460.67		\$3,636.19
		Median of Avg Payment	\$3,496.61	\$3,565.41		\$3,606.68
		Mode of Avg Payment	\$3,750.33	\$3,409.67		\$2,680.96
		Standard Deviation of Avg Payment	\$0.00	\$0.00		\$0.00
	L4	Mean of Avg Payment	\$7,227.40	\$6,335.78		\$7,894.18
		Median of Avg Payment	\$7,059.86	\$6,273.94		\$7,829.33
		Mode of Avg Payment	\$8,132.00	\$8,132.00		\$8,132.00
		Standard Deviation of Avg Payment	\$0.00	\$0.00		\$0.00
Contra Costa	L2	Mean of Avg Payment	\$3,515.38	\$3,152.17	\$4,374.28	\$2,756.42
		Median of Avg Payment	\$3,250.00	\$3,135.67	\$4,666.00	\$2,860.67
		Mode of Avg Payment	\$2,871.33	\$3,797.20	\$4,666.00	\$3,250.00
		Standard Deviation of Avg Payment	\$0.00	\$0.00	\$0.00	\$0.00
	L3	Mean of Avg Payment	\$3,555.19	\$3,409.45		\$3,341.24
		Median of Avg Payment	\$3,409.67	\$3,523.05		\$3,409.67
		Mode of Avg Payment	\$3,897.00	\$2,817.63		\$2,351.30
		Standard Deviation of Avg Payment	\$0.00	\$0.00		\$0.00
	L4	Mean of Avg Payment	\$6,807.20	\$6,507.08	\$7,060.12	\$6,870.06
		Median of Avg Payment	\$7,024.81	\$6,759.96	\$7,052.63	\$7,052.63
		Mode of Avg Payment	\$9,502.95	\$8,132.00	\$8,291.18	\$7,035.67
		Standard Deviation of Avg Payment	\$0.00	\$0.00	\$0.00	\$0.00

The RCEB-provided data was analyzed by grouping and totaling all payments that were made to the same provider for the same client on the same date. This analysis generated a report of the total number of available and occupied beds each provider had each month during the 2019 to 2022 study period.

The percentage of beds occupied by the provider's race was calculated by dividing the number of occupied beds each month within the study period by the number of available beds in each provider's adult residential home.

Failure to Authorize Purchase of Service Agreements

To address this allegation RCEB was not able to provide data regarding the consumers requiring a PO, or the consumer's issued a POS. There was, however, a DDS report, *Purchase of Service Data Report by Ethnicity/Gender Fiscal Year 2021-2022*, that disclosed ethnicity data quantifying the number of consumers eligible for a POS agreement and the number issued to each ethnic group.

The report cited RCEB for a gap in its authorization of purchase of services for eligible African American consumers. The report found both the number of POS agreements issued to eligible African American consumers and the level of financial support authorized for the consumer group

to be lower than offered to similarly situated Caucasian consumers. This deficiency has been reported annually since 2011.

Delay in Invoice Payment. To address whether RCEB processed invoices for POS promptly and to measure any difference by elapsed days, payment dates and invoice dates for each vendor were analyzed by ethnicity. To determine if the invoice amount, level of the service provider, and service year influenced the invoice processing time, the processing time was weighted by invoice amount and reported by the level of the service provider and the year.

Consumer Referrals to Vendors Out of Class. The provider's vendor level determines the consumers who can be housed in their residential home, and the payment rate per bed. The consumer's IIP determines the additional compensation the provider is entitled to receive for housing the consumer needing additional services. When a POS is authorized, additional funding can be approved by the case manager to compensate the level 2 or 3 provider to deliver the services needed to fulfill the consumer's needs. Level 2 and 3 providers are paid a flat rate to house consumers that do not require special services.

African American level 2 and 3 providers alleged that they have been assigned consumers that should not be housed in a level 2 or 3 home without compensation for the extra services that the consumer required. Additional compensation should be approved under a POS agreement and authorized with the referral. The case manager is required to objectively and fairly define the consumer's needs using the Client Development Evaluation Report (CDER) rating scale.

The CDER rating scale allows for the assessment of a consumer's ability to perform 27 different skills on a scale of 1-5. Case managers are expected to use the CDER to prepare the PPP. According to the African American providers, case managers are lax in completing CDER assessments, and when created, they are not updated as the consumer's condition changes.

RCEB did not provide the consumer's rating nor the name of the providers who housed level 4 consumers requiring services. In the absence of the RCEB data, Mason Tillman calculated a CDER score utilizing the CDER scale to associate the consumer with a level of need. To calculate the average CDER score, Mason Tillman totaled the skill levels for each evaluation element, summed them, and divided them by the number of evaluated elements. A higher CDER score indicated a higher skill level. Mason Tillman then compared the average client CDER score for each provider level with the average payment for level 3 and level 4 providers.

Mason Tillman's reconstructed rating was clearly a weak proxy for the consumers' service needs at the time the referrals were made. It was the only tool available to address this allegation. Nevertheless, the reconstructed CDER information was informative.

Corrective Action Plans. African American providers alleged that the corrective action plans were issued arbitrarily, and a disparate number were issued to African Americans. To address this allegation RCEB provided 73 corrective action plans. The corrective action plans (CAP) which RCEB provided for the 2019-2022 study period were limited in both number and detail. However, if the few CAPs provided represented the totality of the documents RCEB had on file their content did not comply with DDS' requirement for handling findings requiring corrective action plans.

Regional centers are required under Section 4685.10 of the California Welfare and Institutions Code to conduct an on-site Annual Compliance Review of all small family home vendors to verify compliance with the regulations. When a violation of the Welfare and Institutions Code is documented by RCEB's quality assurance personnel, a CAP detailing the deficiency must be prepared and submitted to the non-compliant provider. The regional center is required to work collaboratively with the vendor to address the deficiencies identified in the review. As recent as 2023, the Department of Developmental Services issued a directive to aid regional centers in complying with the Home and Community-Based Services (HCBS) Final Rule: Monitoring and Compliance Reporting, when conducting the on-site review.

In December 2023, the Department issued the *Home and Community-Based Services (HSBC) Final Rule: Monitoring and Corrective Action* to support regional centers in fully implementing the federal requirements for residential care facilities. The rule outlines the steps the regional centers should take to support vendors to address issues set forth in a CAP and to make the process of bringing the vendor into compliance more transparent.

The rule requires RCEB to establish a monitoring timeline for completion of required on-site reviews and to work collaboratively with providers to immediately remediate any CAP findings made during the annual visit. Efforts are defined as seeking input from consumers served on how areas of noncompliance may be corrected, completing training and/or training staff on the federal requirements and person-centered service planning, and updating any conflicting documentation to support full implementation of the federal requirements.

According to the rule RCEB must work with the provider to develop and deliver a written and signed CAP within 10 working days of any finding(s). The CAP should address the steps the provider must take to remediate findings of noncompliance, and it should minimally describe the following:

- (1) The federal requirement(s) for which noncompliance is identified, the provider's right to appeal the findings as well as possible sanctions that will be enforced if the provider does not comply with the CAP.
- (2) The method(s) by which the provider is to remediate the CAP finding(s).
- (3) The timeframe with which the provider must remediate the CAP finding(s), and the timeframe should not exceed 30 days from the date the written CAP is issued, unless RCEB and provider determine that remediation will require additional time.

RCEB should sign and date the CAP within seven days of the site visit. A signed copy should be submitted to the provider.

When the provider fails to comply with the terms of the approved CAP and RCEB determines further sanctions are necessary DDS must be informed in writing of the intent to implement either a temporary payment withhold, and/or pursue termination of the vendor. Notice of such intended action shall be sent to the Department within 10 days of the sanction. RCEB must also notify the provider impacted by a temporary payment withhold or any action towards the

termination of the vendor in advance of taking the action and must include the date either action will take effect.

The rule also allows a provider that disagrees with RCEB's determination in part, or in full to appeal in writing to the executive director within 30 days after the receipt of written notification of noncompliance. There was no evidence from the CAPs provided or any other data that RCEB has complied with the rule.

Industry Best Practices. Alternative models to deliver RCEB's mandated services in a more equitable manner were identified by examining standards applied by other regional centers in California. In addition, research was undertaken to identify best practices centers around the nation have developed to achieve cultural competency in their relationships with African American providers, consumers and their communities.

2.4 Findings

Through Mason Tillman's qualitative research where oral accounts were gathered from African American providers, and quantitative research data was provided by RCEB and DDS reports four of the five allegations were substantiated. While RCEB's data was insufficient to quantify the misalignment of consumer to provider the data Mason Tillman reconstructed indicate a misalignment.

The compiled data documented:

- More empty beds exist in African American residential homes than any other ethnic group.
- Payment for additional services is not authorized when consumer needs are greater than the provider is authorized to provide.
- Processing time for approved purchase of services is protracted.
- Consumer to provider's vendor level is misaligned.
- Corrective action plans are arbitrarily issued.

The statistical evidence analyzed for this study was limited to the data RCEB provided to Mason Tillman. Although the provided data was inadequate to assess all the African American vendors allegations, it was sufficient to assess most of them. The five main allegations are discussed below.

Allegation 1: African Americans had more empty beds than any other ethnic group. There is unequivocal evidence that RCEB failed to fill the African American providers' beds. African American vendors had a higher vacancy rate than any other ethnic group in each of the study years.

As seen in Charts 1-3, during the study period, 22.01% of providers in Alameda County and 24.28% of providers in Contra Costa County were African American. The percentage of beds occupied by the provider's race was calculated for the 2019-2022 study period using the invoice data provided by RCEB. The data showed that the percentage of occupied beds for the African American providers in Alameda County was 80% or lower during the study period, while

Caucasian providers experienced average occupancy rates of 90% or above during the same period.

Chart 1: Number of Beds Available by Provider's Race and Month

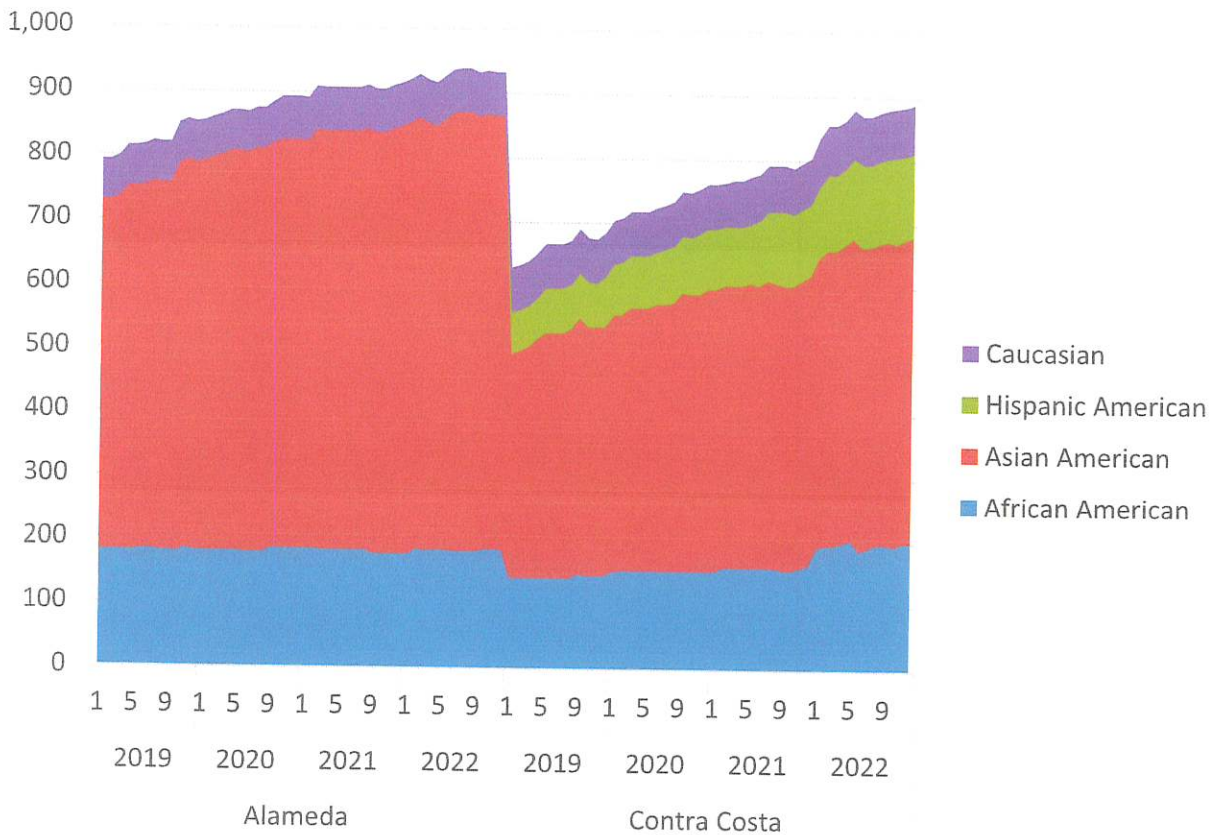


Chart 2: Number of Beds Occupied by Provider's Race and Month

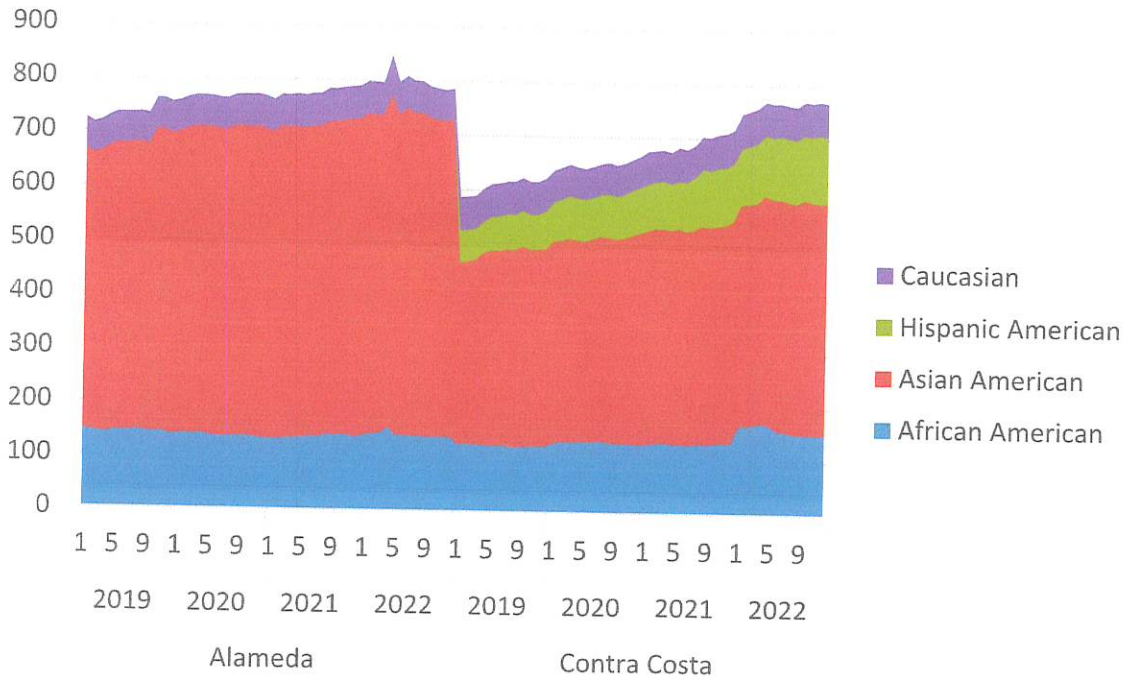
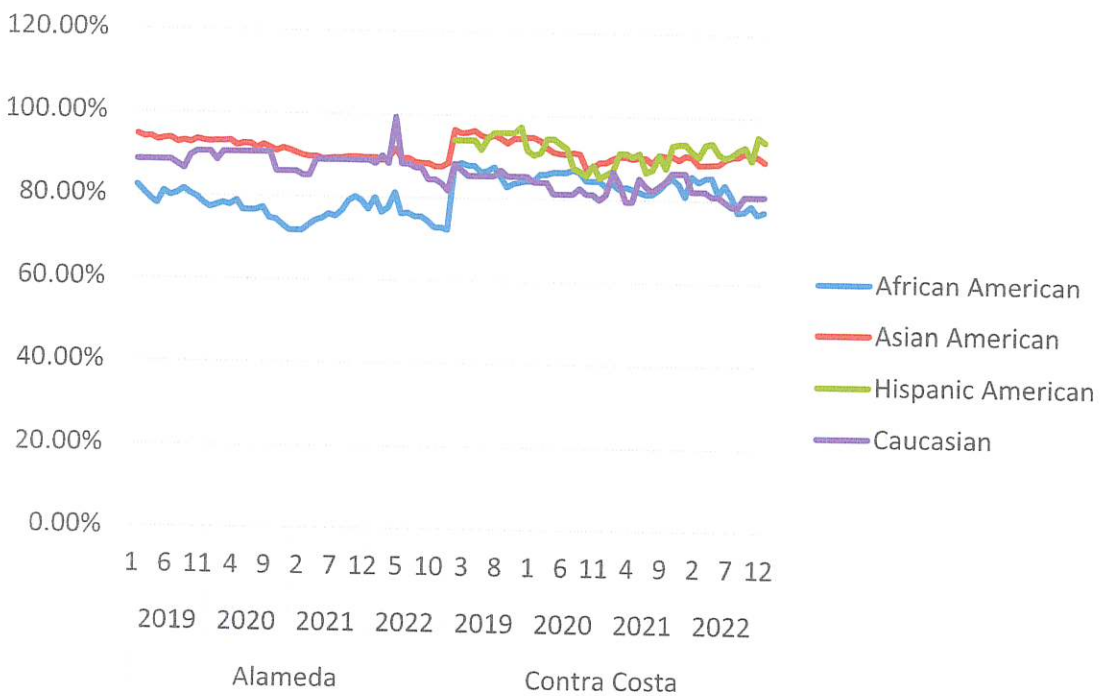


Chart 3: Percent of Occupied Beds by Provider's Race and Month in Alameda and Contra Costa Counties



Allegation 2: Payment for Additional Services not Authorized When Consumer Needs Exceed Authorization levels.

African American providers have asserted that African American consumers needing POS are less likely to be provided the services than the Caucasian consumers. The data documents the disparate treatment African American consumers have allegedly received and quantifies the adverse impact this practice has had on the revenue of African American providers housing consumers that are underfunded for their needed services.

There is unequivocal evidence, as reported in the Purchase of Service Expenditure and Demographic data published by DDS that RCEB failed to authorize purchase of services for African American consumers even when RCEB acknowledged the consumer needed the additional services. African American vendors had a lower rate of POS issued by RCEB than Caucasian consumers.

Table 5 depicts the POS authorization rate and percent of payment per African American consumers compared to Caucasian consumers for the years 2016-17 and 2021-22.

Table 5: Purchase of Services Spend for African American and Caucasian Consumers

Fiscal Year	Ethnicity	Consumer Count	Consumer Percentage	Total Spend	Spend by Consumer	Percent of Total Spend	Percent of Population
2021-22	Caucasian	3,700	37.02%	\$218,029,346	\$58,927	47.98%	32.33%
	African American	2,120	21.21%	\$92,052,908	\$43,421	20.26%	21.79%
2016-17	Caucasian	3,456	39.43%	\$132,231,612	\$38,261	49.00%	33.45%
	African American	1,976	22.55%	\$59,345,451	\$30,033	21.99%	22.05%

This table documents the fact that RCEB has for years consistently purchased more services for Caucasian consumers than for African Americans. In fact, according to the RCEB 2022 report, the disparity in purchase of services has been present since at least 2016.⁴

As Table 7 illustrates, in 2021-22 the spending on POS for Caucasian consumers per capita is overrepresented. Caucasian consumers requiring POS represented 37.02% of that population and received 47.90% of the POS funding. In contrast, African American consumers represented 21.21% of the consumers requiring a POS but only received 20.26%.

The data documents the disparate treatment African American consumers have allegedly received and quantifies the adverse impact this practice has had on the revenue of African American providers housing consumers that are underfunded for their needed services.

⁴ "Purchase of Service Data - Regional Center of the East Bay 2016 - 2017." RCEB, 29 Aug. 2017, www.rceb.org/about-us/public-information/expenditure-reports; "Purchase of Service Data - Regional Center of the East Bay 2021 - 2022." RCEB, 29 Aug. 2022, www.rceb.org/about-us/public-information/expenditure-reports.

Allegation 3: Extended Processing Time for Approved Purchase of Services. The statistics show a significant delay in RCEB's processing of African American providers' invoice payments for approved purchase of services invoices. As depicted in table 5, African Americans have the greatest standard deviation and sample variance for their invoice processing time. Standard deviation and variance are statistical measures used to quantify the amount of variation or dispersion in a set of values.

High standard deviation and variance indicate that the invoice processing time or elapsed days in receipt of payment are spread out over a wider range of time for African Americans providers. The maximum invoice processing time for African Americans is 432 days, while Caucasian Americans had a maximum invoice processing time of 81 days.

African Americans also had the highest skewness value, which means that African Americans had more outliers, or exceptional late payments than the other ethnic groups.

Table 6: Invoice Processing Time by Provider's Ethnicity

Descriptive Statistics for Invoice Processing Time	All	African American	Asian American	Hispanic American	Caucasian
Mean	10.36	10.41	10.32	10.37	10.63
Standard Error	0.08	0.21	0.10	0.24	0.22
Median	8	7	7	10	10
Mode	1	1	1	1	1
Standard Deviation	14.37	17.19	13.99	10.76	10.67
Sample Variance	206.45	295.48	195.77	115.72	113.92
Kurtosis	391.02	339.81	410.18	51.57	5.07
Skewness	12.90	14.97	12.03	3.58	1.49
Range	713	432	713	204	81
Minimum	0	0	0	0	0
Maximum	713	432	713	204	81
Sum	329,939	72,396	211,735	21,548	24,260
Count	31,840	6,956	20,523	2,078	2,283

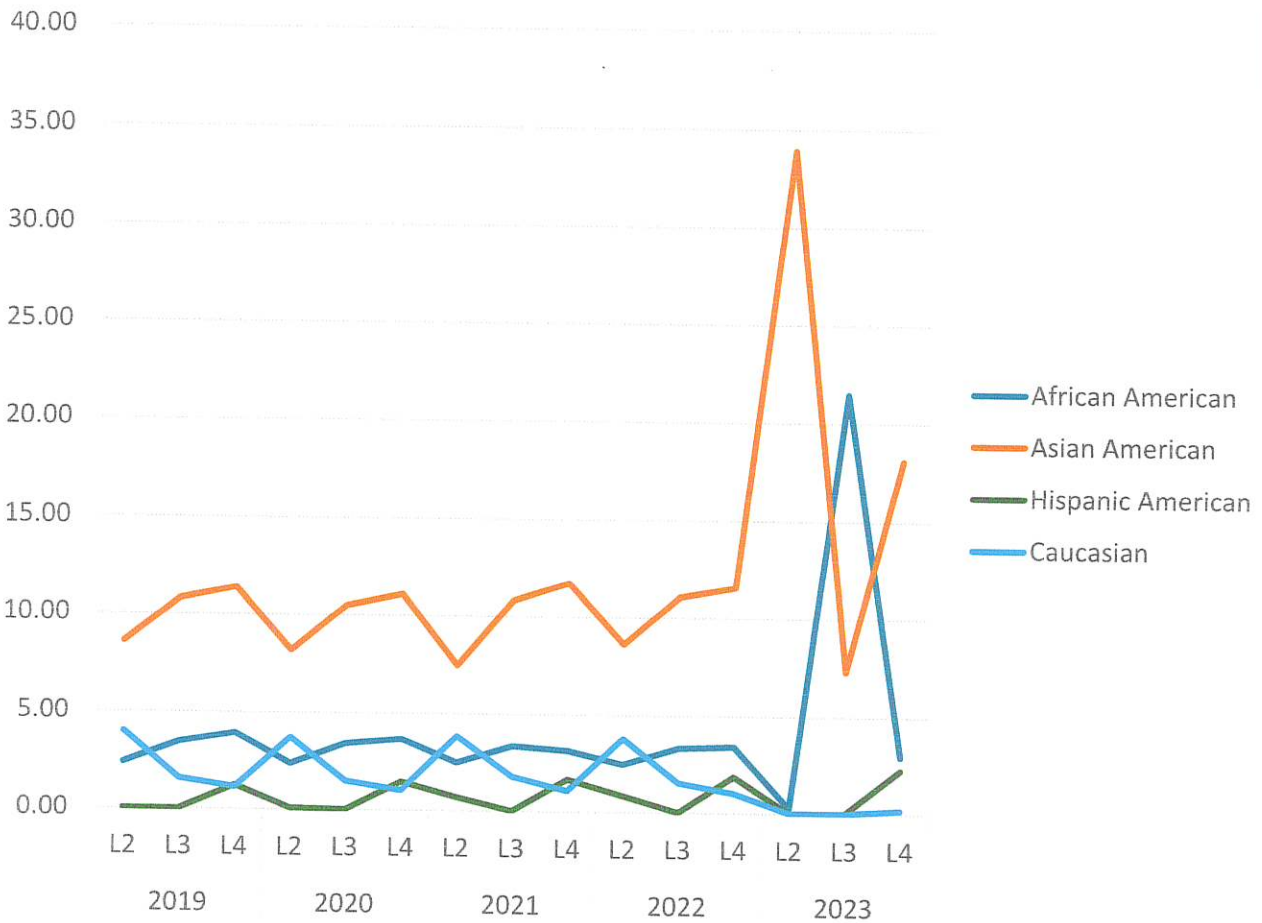
When the invoice processing time is weighted by dollar amount, level 3 African American providers in 2023 had the highest weighted invoice processing time compared to the other ethnic groups. This means that African American consumers were forced to wait more days to receive approved services, or African American providers who offered the services pending receipt of payment waited longer for reimbursement than any other ethnic group.

Table 7 and Chart 4 depict invoice processing time weighted by dollar amount, service provider level, and invoice year.

Table 7: Invoice Processing Time Weighted by Dollar Amount and Service Provider Level

Service Year	Provider Level	African American	Asian American	Hispanic American	Caucasian
2019	L2	2.38	8.58	0.00	3.97
	L3	3.45	10.78	0.00	1.56
	L4	3.93	11.35	1.23	1.15
2020	L2	2.37	8.18	0.08	3.72
	L3	3.42	10.47	0.00	1.49
	L4	3.66	11.05	1.47	1.03
2021	L2	2.49	7.47	0.69	3.84
	L3	3.35	10.80	0.00	1.78
	L4	3.14	11.70	1.67	1.07
2022	L2	2.46	8.63	0.85	3.79
	L3	3.31	11.04	0.00	1.53
	L4	3.42	11.53	1.88	1.02
2023	L2	0.26	33.95	0.00	0.02
	L3	21.44	7.29	0.00	0.03
	L4	2.94	18.07	2.24	0.18

Chart 4: Invoice Processing Time Weighted by Dollar Amount, Service Provider Level, and Invoice Year



In assessing whether the invoice processing time was related to invoice amount, the service provider level, and the service year or provider’s ethnicity, it was determined that African American level 3 providers had an average weighted invoice processing time of more than 20 days in 2023. In comparison, level 3 Caucasian providers had an average weighted invoice processing time of 0.03 days in 2023.

The data attests to the African American providers assertion that when the purchase of services is authorized the payment is not timely. It may take months before a POS is written, approved paid.

Allegation 4: Misalignment of Consumer to Provider’s Vendor Level. The misalignment of consumer CDER score to provider vendor level could not be assessed directly because RCEB did not provide information on the consumer’s classification, even though the CDER score is a component of consumer’s IIP. In the absence of this information, Mason Tillman constructed a classification for each consumer using the Client Development Evaluation Report criteria. In this classification, the lower the score is correlated with greater consumer need.



As shown in charts 5 and 6, the analysis revealed that level 4 African American providers had the lowest average CDER score in both Alameda and Contra Costa Counties. In comparing the average payment for level 3 and level 4 providers with the average consumer CDER score, consumers of the level 4 African American providers in Alameda County had an average CDER Score of under 3.8, which was the lowest for all ethnic groups, but their providers were paid approximately \$600 per consumer less than non-minority providers. In Contra Costa County, consumers housed with level 4 non-minority providers had the lowest average CDER score (under 3.7), and the providers were paid roughly \$150-\$200 per consumer more than African American providers housing the same level consumer.

Chart 5: Average Payment to Level 4 Providers vs Average Client CDER Scores

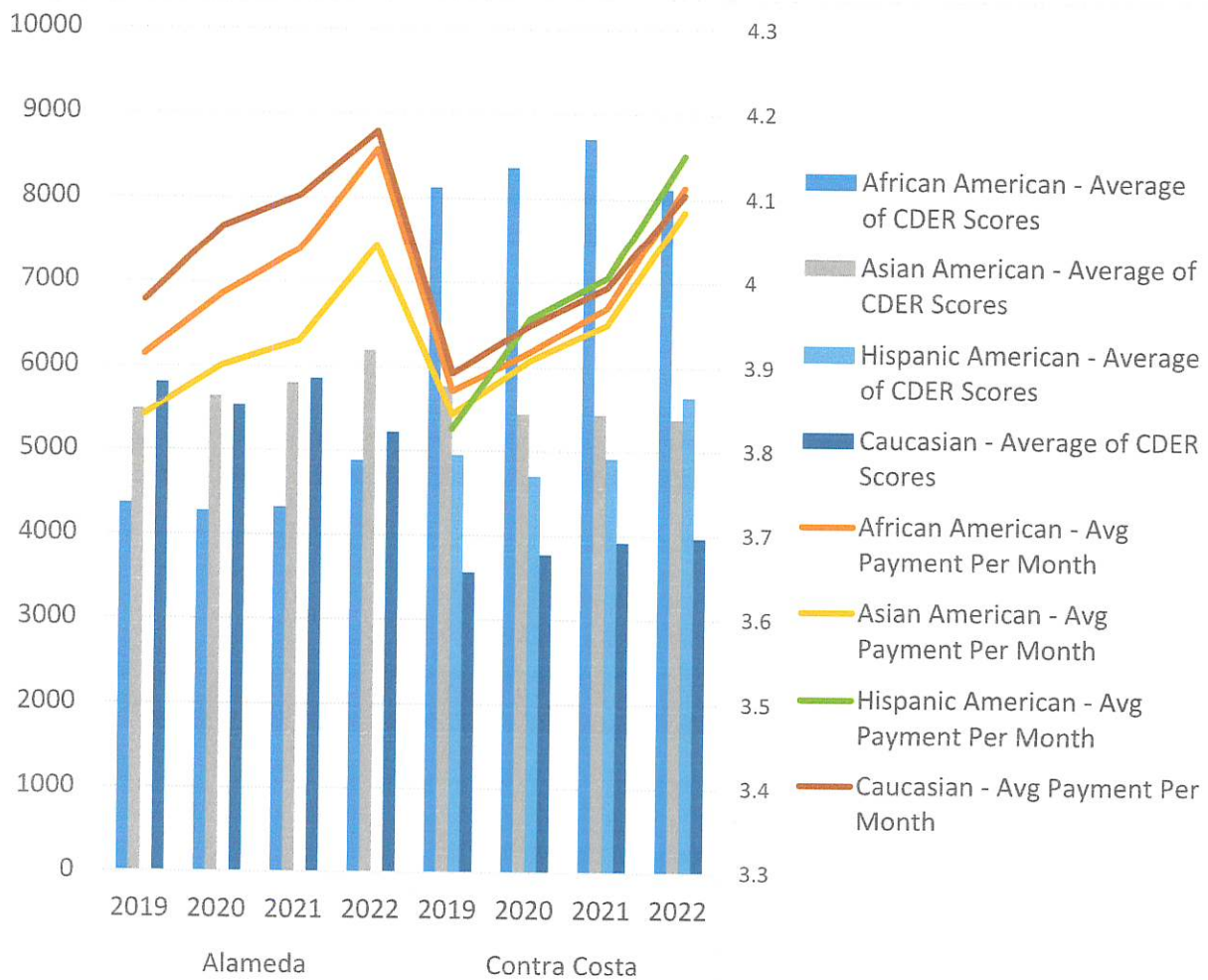
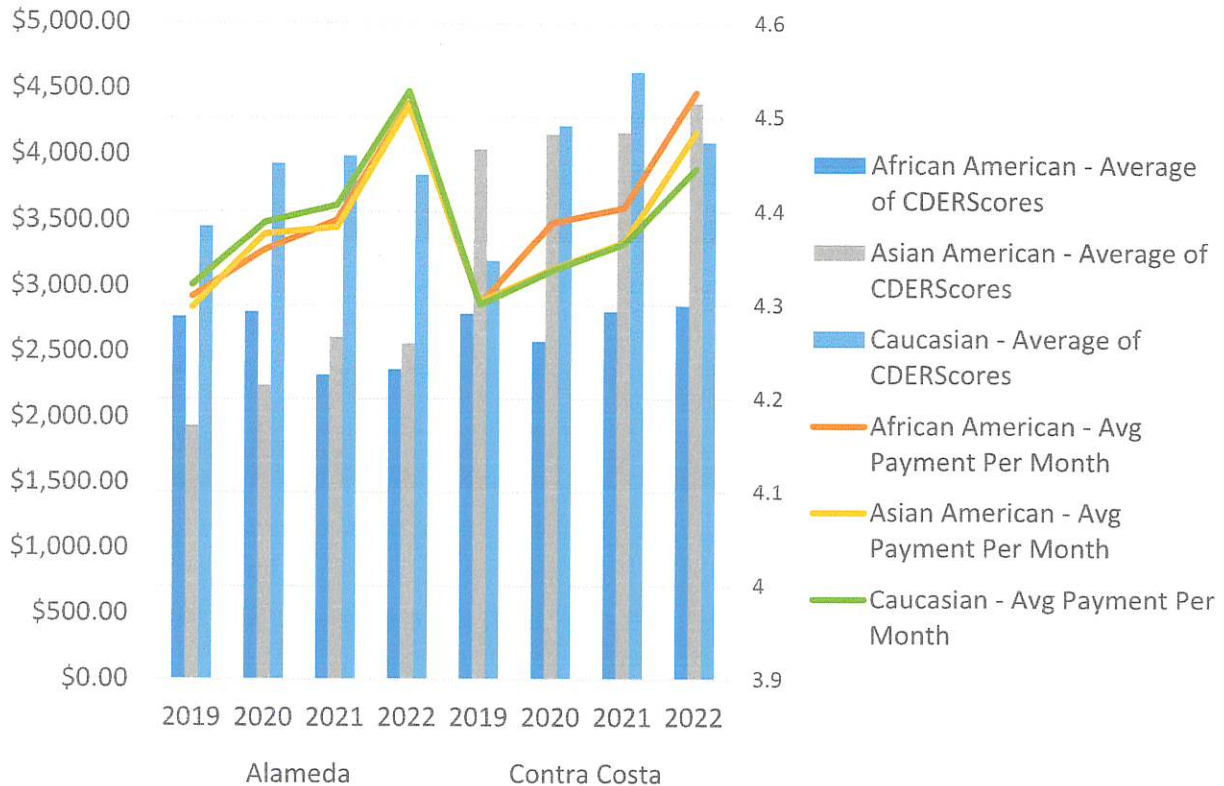


Chart 6: Average Payment to Level 3 Providers vs Average Client CDER Scores



This finding aligns with the African American providers’ allegation, as well as the disparity reported in the RCEB purchase of service reports which are posted on RCEB’s website.⁵ The reports are generated from data in Sandis which track by race the number of consumers eligible for POS and the number that received a POS. Over the last five years, RCEB’s yearly reports document a pattern of African Americans being consistently denied POS, and the authorized POS being less than Caucasian providers.

In the years 2021-2022, RCEB approved for its Caucasian consumers on average 35.7% more dollars per capita than for its African Americans consumers. This was a numerical difference of \$15,505. Caucasian consumers, during the same period, accounted for 48% of the total spend, while only comprising 32% of the RCEB’s POS-eligible consumer population. African Americans accounted for 20% of the total spend, although they made up 22% of RCEB’s POS-eligible consumer population.

Allegation 5: Corrective Action Plans Arbitrarily Issued. African American providers asserted that RCEB conducts annual reviews and issues corrective action plans in an inequitable manner. The

⁵ “Purchase of Services Expenditure and Demographic Data.” *Welfare and Institutions Code Sections 4519.5 and 4519.6, 2022*, v6q90e.p3cdn1.secureserver.net/wp-content/uploads/2022/12/RCFY-2021-2022.pdf.



reviews, performed by the RCEB quality assurance staff, are said to be biased and without detailed findings or a corrective action plan.

RCEB reported having no centralized system to track and manage corrective action plans (CAP) or annual compliance reviews prepared by their quality assurance staff. There was also no process to track the disposition of the deficiency reported or measure/monitor the action taken to validate the CAPs or bring the vendor into compliance. Furthermore, there were no standard operating procedures available to define a process to validate the deficiencies set forth in the CAPs.

Mason Tillman was provided 93 CAPs for review. Given RCEB's data management limitations, it was not possible to verify that the 93 provided reports included all CAPs completed during the two-year period. According to the *HCBS Final Rule Compliance Information-RCEB*, RCEB was obligated to complete 397 provider assessments as of March 2022. The report states that only 77% of the required assessments were performed. The report does not, however, indicate the number of CAPs generated in the same time period. The 93 CAPs provided were not very detailed and lacked a plan or timeline for remediation as specified in the rules. Several were not signed or had illegible signatures.

Given the data RCEB provided, the allegations of a pattern and practice of issuing unwarranted corrective action plans to African American providers could not be assessed. The provided data revealed RCEB is apparently not adhering to the regulatory requirements for handling CAPS.

RCEB did not provide evidence that their quality assurance or other staff worked collaboratively with any providers to remediate deficiencies found during the annual compliance review, even though assistance is required by regulations. According to the regulations RCEB is obligated, when a CAP is issued, to follow a prescribed set of steps to both inform the provider and work collaboratively with the provider to address the deficiencies.

The gaps in the available information indicate that RCEB's standards are lax and their procedures for conducting reviews and monitoring the remediation are loose. RCEB's current handling of the CAP process is fertile ground for arbitrary and capricious behavior. It is in such an unstructured environment that institutional racism can flourish. DDS has in fact cited RCEB for its lax handling of the CAP process.

Industry Best Practices. RCEB, as one of 21 state centers, has access to the best management practices of other regional centers servicing ethnically diverse populations. Research revealed best management practices which could aid RCEB in being more transparent and equitable in the referral of consumers and provision of service to African American vendors and consumers. Also identified were improvements that RCEB could make in the management of the consumer referral process that would be less biased and more transparent. Areas for improvement in the data management process that could support a more transparent delivery of management services to the provider and consumer. These were identified from the review of the practices of other centers in California and nationwide.



3. RECOMMENDATIONS

While each of the allegations could not be assessed given the data gaps, there is substantial evidence that a more robust and transparent process is needed for RCEB to deliver their mandated services to all providers and consumers in a fair and equitable manner. The recommendations offered are intended to modify RCEB procedures to create a more equitable and transparent organization, and to mitigate the circumstances where the staff's judgement can be colored by racial perceptions.

Transparency is fundamental to the improvement of an organization's governance. As a basic construct in publicly funded organizations, citizens can see how government executes its legal and fiduciary responsibilities. Citizens access to information is the bedrock for the public to trust that the government's operations are being carried out in the best interest of all citizens and without bias.⁶

Given the findings from this study, transparency is an imperative for RCEB to rebuild trust with its constituents, especially its marginalized African American constituents. Transparency requires access to data to enable citizens to evaluate government decisions. Theoretically, when officials know their actions are visible, they are less likely to engage in practices in violation of the law.⁷

To pivot to a more transparent organization, RCEB must build systems to track its performance in delivering services to its consumers and vendors. This transparency must extend to its service delivery processes, budgeting, and spending practices.

Retain a Culturally Competent Consultant. Professional assistance is needed to successfully pivot RCEB's operations and eliminate the documented bias in the timeliest fashion. A culturally competent consultant would advocate for African American consumers and vendors, given the complexities of transforming a hierarchical organization with structural racial underpinnings. To expedite the much-needed transition, RCEB should establish a multi-year contract with a culturally competent consultant to ensure that disparities do not persist in the African American community based on geographic location, age, gender, or other demographics.

RCEB has funded outreach and advocacy services for both the Asian and Hispanic communities to address the need for cultural competency in identifying new consumers and to support consumers navigating the system secure the POS authorization needed to live more productive and independent lives. Culturally competent services for the Hispanic community were provided under an independent contract, and dedicated case manager staff provided culturally competent service for the Asian community. These type of consultant services should be made available to African American consumers, vendors, and the community as well. The services should be available to African American vendors and consumers until RCEB has eliminated the implicit and explicit bias and transitioned to a more fair and equitable organization.

⁶ Ratner, Carl. "The Cultural Psychology of Oppression and Liberation." *Journal of Social Distress and the Homeless*, vol. 18, no. 3-4, Dec. 2009, pp. 231-68. <https://doi.org/10.1179/105307809805365190>.

⁷ Ratner, Carl. "The Cultural Psychology of Oppression and Liberation." *Journal of Social Distress and the Homeless*, vol. 18, no. 3-4, Dec. 2009, pp. 231-68. <https://doi.org/10.1179/105307809805365190>.

The culturally competent vendor should be funded at a level adequate to ensure that the organization will have ample personnel to facilitate RCEB's transformation. Although the justification for a culturally competent consultant firm to provide the ethnic-focused services is not based on language, it is certainly based on race and culture. Even though African Americans are English speakers, and many African and Caribbean immigrants are also, this consumer group has needs that should be addressed with a culturally competent service provider. The African American community's cultural norms are expressed not in language but rather in values regarding disabilities, dress, food, special events, family affiliations, and other behaviors.

In addition, in RCEB's current hierarchical system of service delivery, there is an apparent abuse of power that needs to be corrected. The needed structural improvements should be under the direction of an independent entity.

Given the documented disparities in RCEB's delivery of services to African American vendors and consumers, the culturally competent consultant needs unfettered autonomy to investigate allegations of discrimination and oversee the elimination of the documented disparities in the current delivery of service. To be most effective, the consultant should report to the Board of Directors.

Publish Routine Practices. RCEB should create a cloud-based system to manage data relevant to the decisions affecting its operations. RCEB's handling of decisions regarding referrals, POS approvals, invoice payments, and Corrective Action Plans should be tracked electronically and made visible to providers within the constraints of DDS's policy and confidentiality provisions. Provider, and as appropriate, consumer access to this information could shed light on the actual practices and inform RCEB's constituents.

Produce Comprehensive Consumer Demographics. A complete and comprehensive profile should be maintained for each consumer and recorded in the IIP. A complete profile should include the consumer's age, ethnicity, primary language, type of disability, medical and forensic history, and prior placements and dispositions. A comprehensive IIP should be provided to the provider at the time a referral is made.

Publish Consumer Profiles. A complete and current list of consumers should be published. Each consumer posting should include a current and complete IIP and a POS, if authorized. The case manager should certify that the documentation is current and complete.

This procedure would make the available referrals known to all providers and thereby reduce the case managers' control over the referral process. Referrals would be formally made to the providers on a rotational basis, in accordance with their interest in housing the consumer and the provider's vacancy level. This practice would foster a more transparent and equitable consumer referral process.

Establish a Consumer Referral Rotation. The referral process should be transparent. Consumer referrals should be made on a rotational basis. Each provider with one or more vacant beds should be included in the rotation. Once a vendor's house is full, the vendor should be placed at the end of the list. The initial placement on the rotation list should be determined by lottery or

vendor number, with vendors with one or more vacant beds at the top of the list. The case manager should authorize that the provider contact the consumer and review an individual's comprehensive IIP online. The case manager should participate in the initial meeting and record the required information.

Establish a Referral Tracking System. RCEB should implement a comprehensive referral tracking system. Case managers should document all referrals, and include the ethnicity of the provider, date of the referral, reasons for referral rejection, and confirmation of the placement. The data should be made available to providers to enhance transparency and accountability.

Publish and Promote the Provider's Profile. RCEB should publish provider profiles on its website. The provider should be responsible for maintaining a current profile and uploading data in a preset format describing their facility and services. The profile should be accessible to consumers and the culturally competent consultant when assisting African American consumers provider selection process.

Establish Debriefing Sessions for Unsuccessful Referrals. Debriefing sessions could offer vital information to help providers prepare more competitive profiles and clarify the reasons why referrals were not given. A debriefing session should be offered to the provider for all unsuccessful referrals. The option and the procedures for scheduling the debriefing session should be accessible and listed on the RCEB website. The debriefing session should be scheduled no later than 15 days from the date of the request.

Publish Approval and Payment of Purchase of Services Agreements. Current RCEB policy regarding POS payment should be revamped. When an IIP requires a POS to be completed, it should be approved and submitted to accounting for processing within 15 days of completion. Accounting should process and pay the authorized amount within 15 days thereafter.

Accounting should publish the dates the authorization for POS payment is received and the check is processed. POS payments should be posted weekly on the same day, and the information should be available to consumers and providers.

Implement Purchase of Services Payment Verification Process. Providers receive payment for filled beds monthly. Each vendor is issued payment at the beginning of the month based on the number of consumers housed. Payment to providers for the additional consumer services procured under a Purchase of Services agreement also should be released on the first of each month. The case manager should be responsible for transmitting the documents authorizing the release of payment to accounting within 15 days of authorizing the IIP

A digital platform should be used to allow providers to notify RCEB of late payments or non-payments in real time. In addition, each provider listed as paid for the previous billing cycle should be contacted electronically to verify that the payment was received, and it was accurate compensation for all costs approved in the POS. This verification procedure should eliminate reliance on self-reporting by providers and ensure providers are paid timely for services set forth in the approved POS.

Establish Payment Dispute Resolution Process. Dispute resolution procedures should be defined and all disputes about POS payment should be addressed by the case manager or accounting within five days of formal written or oral notice from the provider. In the event the case manager cannot resolve the dispute within the stipulated time period the matter should be automatically elevated to Culturally Competent vendor who would be authorized to bring the matter to the Executive Director for resolution. All unresolved untimely payments will be posted on the RCEB website.

Implement a Corrective Action Plan Monitoring System. The data RCEB presented was insufficient to conduct a meaningful analysis of the use of Corrective Action Plans. It could not be determined whether the reviews and evaluations were routine, annual, triennial, or resulted from a third party's concern. Although limited there was information in the provided CAPs that RCEB was not complying with the regulations.

RCEB should establish standard operating procedures to comply fully with the timing and format of the annual reviews and CAPs, when issued. RCEB should provide the provider with a remediation plan including the services/resources to be provided by RCEB and a timetable for all actions when a CAP is issued. The remediation plan should comply with regulations. To comply RCEB should modify its data collection process to improve transparency and accountability regarding the creation, management and resolution of Corrective Action Plans.

RCEB should review and revise its Corrective Action Report format and produce uniform, comprehensive and timely reports. The reports should track the resolution of the findings of non-compliance. Set forth in each report should be a comprehensive corrective action plan with detailed remedial actions required, a timeline for implementation and the assistance RCEB proposes to provide the vendor. The report should require both RCEB's quality assurance manager and the provider's signature.

RCEB should publish a quarterly report listing the corrective actions plans produced, detailing corrective actions taken, including the reasons for the actions and the ethnicity of the affected providers. Publication of the CAP data will help identify and address any patterns of discrimination. There should be executive oversight of the fulfillment of the responsibilities set forth in the plan. A system for tracking and monitoring the remediation will serve to make the process more transparent and manageable.

Institute Transparency in Case Management Services. A protocol should be established and implemented for regular reporting on key performance indicators related to case manager's consumer management. These should include the approval and payment processing time for the POS, the timeliness of IIP and POS preparation and adherence to the referral rotation process.

The reports should also detail the bed occupancy rates for the vendors in each case manager's portfolio, The occupancy report should disaggregate the information by race of the consumer, the vendor's level and the consumers CDER score. The data should be captured in a digital system in real time.

Conduct RCEB Staff Training. RCEB should provide thorough and ongoing training for case managers, and case manager supervisors on available resources for providers, program eligibility, and the specific services offered by different RCEB approved vendors. This training should be integrated into both initial case manager orientation and regular professional development sessions to ensure case managers are well-informed and capable of preparing IIPs, assessing consumer needs and making equitable referrals.

Routine case manager training should also include curriculum to ensure all personnel are knowledgeable about behavior indicative of implicit bias and are capable of supporting providers fairly regardless of race or ethnicity. The routine training should be conducted annually. The need for culturally competent training was cited in the Department of Developmental Services' 2022-2023 Report.

Support the Diversity and Equity Committee. RCEB should ensure that the bimonthly Diversity and Equity Committee meetings are held in accordance with a regularly published schedule. Minutes from these meetings should be posted on the RCEB website within 14 days of the meeting at the same time and on the same day of the week.

The meeting minutes should list the action items and state the date RCEB will provide the response or the requested information to address the concerns and complaints registered in the meeting. All action items should be addressed within sixty (60) days following the meeting and the decisions should be published on the RCEB website.

Provider Access to Internal Systems. Grant providers access to internal systems and a database to update information on available resources, such as beds in homes, consumers needing placement, approval of POS. This will ensure up-to-date information is readily available for both staff and consumers.

Implement and Enforce Standard Operating Procedures. Develop and enforce clear protocols to minimize discretionary decision-making by case managers, thereby reducing the potential for implicit bias and ensuring fair treatment of all providers. Annually solicit annually a provider and consumer evaluation of the case managers and case manager supervisors. Evaluation forms should be completed after each placement.

Institute Cultural Competence Training for Case Managers. Develop a cultural competency curriculum to train case managers and case manager supervisors to provide the mandated services in an equitable manner. This training should be integrated into both new hire orientation and annual training to ensure case managers are well-informed and capable of providing the required services to RCEB's diverse consumers and providers. As suggested in the DDS's recent report, RCEB should utilize available training to increase its staff's cultural competency.

Enhance Website Functionality and Content. RCEB's website has basic navigation with essential links. But it lacks a comprehensive search function and a well-organized menu. The design could benefit from a modernization makeover. Inland Regional Center and San Diego Regional Center are examples of websites with modern and clean designs and specific sections for different users.

The websites maintained by these two centers publish a range of reports including performance metrics, policy updates, service options and community resources.

Establish Third Party Exit Interviews. Establish the practice of having exit interviews with a third party with consumers following the placement.

4. NEXT STEPS

Review Draft Final Report. After reviewing this draft final report, the Board of Directors and Executive Director should request any clarification or explanation needed to explain the findings and recommendations. Once the outstanding issues are addressed the final report should be submitted.

Accept Final Report. Upon receipt of the final report the Board of Directors should vote to accept the report and adopt the recommendations it deems appropriate. To manage the implementation, a remediation schedule should be approved by the Board of Directors and made the responsibility of the Executive Director.

Institute Policy and Procedure Changes. A change management consultant should be retained to oversee the execution of the changes in accordance with the timeline, since time is of the essence. African American providers should have an oversight role in ensuring the policy and procedural changes mandated by the Board of Directors are instituted by the executive management team.

