

Long-term underfunding of the service system has left both service providers and regional centers struggling to serve more people with fewer resources, which results in higher caseloads and less customization of service options. Today, service rates are lower despite the higher cost of living and working in California and caseload ratios are higher than in most other states. The result is a system that oftentimes is providing a service rather than the right service, and is at risk of losing significant federal funding.

California spends less on its developmental services system for each resident of the state than most other states in the nation. When taking into account the relative wealth of each state, California's performance is even lower and continues to decline.

In general, California's rates for residential facilities, day and work services, and supported employment programs fall behind other large or western states. The impact of this difference is exacerbated by California's high cost of living and other costs of doing business such as its highest-in-the-nation workers' compensation premiums. In most metropolitan areas examined for this report, California's service rates were lower, but the cost of living was significantly higher.

ARCA hopes this report will increase your understanding of the fiscal challenges California's developmental services system faces in fulfilling its promise to individuals and their families and the urgent need for both [short and long-term Budget solutions](#), which ARCA and the other Lanterman Coalition members support, to stabilize and advance the system.

If questions arise regarding the enclosed report, please feel free to email us via [this contact form](#).

The two prior reports, separately examining [inadequate rates for service provision](#) and [underfunding of regional center operations](#), are also available