

**BEFORE THE  
DEPARTMENT OF DEVELOPMENTAL SERVICES  
STATE OF CALIFORNIA**

**In the Matter of:**

**CLAIMANT**

**and**

**CENTRAL VALLEY REGIONAL CENTER, Service Agency**

**DDS No. CS0026838**

**OAH No. 2025050699**

**PROPOSED DECISION**

Administrative Law Judge Sean Gavin, a Hearing Officer employed by the Office of Administrative Hearings (OAH), State of California, heard this matter on June 30, 2025, in Visalia, California.

Claimant appeared, assisted by his mother, who is also his authorized representative.

Jacqui Molinet, Fair Hearing and Appeals Manager, represented the Central Valley Regional Center (CVRC).

After receiving evidence and hearing argument, the hearing officer held the record open until July 16, 2025, to allow claimant time to review CVRC's proposed

exhibits and file any objections with OAH. Claimant did not file objections within the time provided. As a result, CVRC's exhibits were admitted into evidence. The hearing was then concluded, the record closed, and the matter submitted for decision on July 16, 2025.

## **ISSUE**

Should CVRC be required to reimburse claimant for services he received between July 1, 2024, and April 30, 2025, when no Self-Determination Program (SDP) budget was in place?

## **FACTUAL FINDINGS**

### **Jurisdictional Matters**

1. Claimant is a 23-year-old CVRC consumer based on his qualifying diagnosis of Autism Spectrum Disorder (ASD). He is enrolled in the SDP, which provides "an individual budget, increased flexibility and choice, and greater control over decisions, resources, and needed and desired services and supports to implement" claimant's Individual Program Plan (IPP). (Welf. & Inst. Code, § 4685.8, subd. (a).) Various statutes and regulations govern what supports and services a regional center may fund through the SDP.

2. Regional centers provide services and supports to help consumers achieve their intended personal outcomes and life goals and promote inclusion in their communities. Consumers and regional centers participate in an annual planning

process to determine what services and supports are necessary to achieve those goals. The planning process usually occurs in or near the consumer's birth month.

3. For consumers who participate in the SDP, the IPP process includes establishing an individual budget. That budget reflects the amount of regional center funding available for the consumer to purchase the services and supports necessary to implement the IPP. Once the annual SDP individual budget is established, the consumer then develops a spending plan to identify the cost of each service and support the consumer will purchase with regional center funds to implement their IPP. The spending plan cannot exceed the individual budget.

### **Claimant's 2024-2025 SDP Budget and Spending Plan**

4. On May 24, June 10, and June 20, 2024, claimant, his mother, and CVRC personnel participated in claimant's IPP meeting for his service year of July 1, 2024 through June 30, 2025. His IPP included goals of continuing to live independently, completing his college studies to earn his degree in hotel and casino restaurant management, and becoming more independent with self-care and healthcare management.

5. To help meet those goals, the IPP identified the following services or supports: 204 personal assistant hours per month, 20 community integration training hours per month, and 10 independent living services hours per month. On June 27, 2024, CVRC staff prepared claimant's 2024-2025 SDP budget for those services, which totaled \$83,282.40 for the year. On July 1, 2024, Delia Arellano, claimant's service coordinator at CVRC, emailed claimant and his parents the 2024-2025 SDP budget. In her email, she wrote:

Please see the attached renewal budget for [claimant's] SDP period 7/1/2024 thru 6/30/2025. [Claimant], if you agree with the budget, please sign the budget and return to me as soon as possible. Once the budget is signed, the next step is for you to submit your spending plan for this budget. Please let me know if you have any questions.

6. On July 10, 2024, Ms. Arellano emailed claimant's mother to confirm their planned videoconference meeting that day to discuss claimant's spending plan and budget. Ms. Arellano wrote, in relevant part: "I emailed you and [claimant] the renewal budget on 7/1/24. Did you have an opportunity to review the budget[?] Please let me know if you need more time to review the budget and if we need to reschedule the meeting."

7. Claimant's mother responded later that afternoon. She wrote: "Yes, I received [the] email and did let [claimant] know to review for meeting. Unfortunately today, zoom is not allowing me to log on as a host. We'll have to reschedule."

8. On August 8, 2024, claimant's mother emailed Ms. Arellano about the 2024-2025 SDP budget. She wrote that she and claimant had reviewed the budget and wanted to make some changes. She asked to schedule a meeting to discuss their requests. Ms. Arellano responded and the parties continued to discuss their availability for a meeting.

9. On September 12, 2024, Ms. Arellano emailed claimant's father in response to a different matter. In her email, she also wrote: "I am once again inclosing [sic] [claimant's] SDP budget for 7/1/2024 through 6/30/2025. [Claimant] has yet to certify this budget. Please review it and have [claimant] sign it at his earliest

convenience to get things started for his current SDP year.” She further wrote, “As of today, 9/12/2024, there is no certified budget, no spending plan, and no purchase orders done for the SDP period 7/1/2024 through 6/30/2025. Please let me know how I can assist.”

10. On October 8, 2024, claimant’s mother emailed Ms. Arellano claimant’s signed 2024-2025 SDP budget and spending plan. Claimant’s signature on the spending plan was dated July 5, 2024. His signature on the budget was undated.

11. In response, Ms. Arellano asked claimant and his mother to resubmit a modified budget that excluded July through October 2024, as it was too late to include those months in the budget. She requested a prorated budget for the eight months of November 2024 through June 2025. Claimant’s mother disagreed, explaining the budget could not be prorated because claimant had already received the services from July through October 2024. Ultimately, the parties continued to disagree for many months, with CVRC requesting a modified budget each time another month passed, and claimant and his mother requesting that CVRC honor the originally proposed 12-month budget.

12. On March 28, 2025, claimant signed his 2024-2025 SDP budget, which was modified to include only May and June 2025. CVRC has declined to fund the services claimant received between July 1, 2024, and April 30, 2025, because there was no budget in place covering those months. Its Notice of Action reflects that position.

## **Evidence at Hearing**

13. Claimant’s mother testified at hearing. She acknowledged she did not submit claimant’s signed 2024-2025 SDP budget to CVRC until October 8, 2024. She explained he signed it on July 5, 2024, and she believed she had sent it on or about

that date. She did not understand why the email did not go to CVRC. She guessed that perhaps her phone did not send the email properly. She did not explain why, in light of her testimony that claimant signed the budget in July 2025, she emailed Ms. Arellano on August 8, 2024, to request modifications to the budget. She believes CVRC should honor the original budget and reimburse claimant for the services he received between July 2024 and April 2025.

14. Ms. Arellano also testified at hearing. She explained she tried to encourage claimant to sign and return his 2024-2025 SDP budget with enough time for CVRC to fund his services and supports. However, because claimant is in the SDP program, CVRC could not assume he wanted the same services and supports as he received the prior year. Indeed, Ms. Arellano's conversations with claimant and his mother seemed to indicate he might want to change some of the services or supports.

15. Ms. Arellano also explained that CVRC needed to receive the signed budget by the tenth day of the month prior to the effective date of the budget. She did not explain how CVRC would have handled funding services for July 2024 if claimant had signed and returned the budget she emailed him on July 1, 2024. For example, if claimant had approved the budget on July 1, 2025, based on Ms. Arellano's testimony, it would have become effective August 1, 2024. In that case, however, the budget would have to be modified to exclude July 2024. Ms. Arellano did not address this discrepancy.

16. Maria Klassen, CVRC's SDP Program Manager, also testified at hearing. She explained CVRC is not authorized to reimburse claimant directly for services he received while no budget was in place. Rather, a consumer will typically invoice the financial management service, which then pays the invoice, assuming the covered services or supports are part of the budget and spending plan. If a consumer pays for

those services or supports privately, CVRC cannot independently reimburse the consumer for those services.

17. Ms. Klassen also confirmed that CVRC needed claimant's input before finalizing his annual budget. CVRC can adjust a consumer's spending plan retroactively, but it cannot do so for an annual budget. Without claimant's signed 2024-2025 SDP budget, or his input about what modifications he sought, CVRC was unable to fund his services or supports received.

## **LEGAL CONCLUSIONS**

### **Burden and Standard of Proof**

1. The burden of proof is on the party seeking government benefits or services. (*Lindsay v. San Diego County Retirement Bd.* (1964) 231 Cal.App.2d 156, 161.) In this case, claimant bears the burden of proving, by a preponderance of the evidence, that CVRC is required to fund services and supports from July 1, 2024, through April 30, 2025, during which time no budget or spending plan were in place. (Evid. Code, § 115.) Claimant did not meet his burden.

### **Applicable Statutes and Regulations**

2. Under the Lanterman Act (Welf. & Inst. Code, § 4500 et seq.), the State of California accepts responsibility for persons with developmental disabilities and pays for the majority of the "treatment and habilitation services and supports" to enable such persons to live "in the least restrictive environment." (Welf. & Inst. Code, § 4502, subd. (b)(1).) "The purpose of the statutory scheme is twofold: to prevent or minimize the institutionalization of developmentally disabled persons and their dislocation from

family and community [citations], and to enable them to approximate a pattern of everyday living of nondisabled persons of the same age and to lead more independent and productive lives in the community [citations]." (*Assoc. for Retarded Citizens v. Dept. of Developmental Services* (1985) 38 Cal.3d 384, 388.)

3. To determine how an individual consumer is to be served, regional centers are directed to conduct a planning process that results in an IPP designed to promote as normal a lifestyle as possible. (Welf. & Inst. Code, § 4646; *Assoc. for Retarded Citizens v. Dept. of Developmental Services, supra*, 38 Cal.3d at p. 389.) The IPP is developed by an interdisciplinary team and must include participation by the consumer and/or his representative. The regional center must gather information and assessments from a variety of sources, including providers of services or supports. (Welf. & Inst. Code, § 4646.5, subd. (a)(1).)

4. Among other things, the IPP must set forth goals and objectives for the consumer, contain provisions for the acquisition of services (which must be based upon the consumer's developmental needs), contain a statement of time-limited objectives for improving the consumer's situation, and reflect the consumer's particular desires and preferences. (Welf. & Inst. Code, §§ 4646, subds. (a) & (b), 4646.5, subd. (a), 4512, subd. (b), 4648, subd. (a)(6)(E).) The regional center must then "secure services and supports that meet the needs of the consumer" within the context of the IPP. (*Id.* at § 4648, subd. (a)(1).)

5. "Self-determination" means "a voluntary delivery system consisting of a defined and comprehensive mix of services and supports, selected and directed by a participant through person-centered planning, in order to meet the objectives in their IPP." (Welf. & Inst. Code, § 4685.8, subd. (c)(6).) Self-determination is designed to give the participant greater control over which services and supports best meet their IPP



needs, goals, and objectives. (Welf. & Inst. Code, § 4685.8, subd. (b)(2)(B).) One goal of the SDP is to allow participants to innovate to achieve their goals more effectively. (*Id.* at § 4685.8, subd. (b)(2)(G).)

6. “Individual Budget” means the amount of regional center purchase-of-service funding available to the participant to purchase services and supports necessary to implement the IPP. (Welf. & Inst. Code, § 4685.8, subd. (c)(3).) The SDP requires a regional center, when developing the individual budget, to determine the services, supports and goods necessary for each consumer based on the needs and preferences of the consumer, and when appropriate, the consumer’s family, the effectiveness of each option in meeting the goals specified in the IPP, and the cost effectiveness of each option. (*Id.* at § 4685.8, subd. (b)(2)(H)(i).)

7. The regional center can adjust the individual budget if it determines it is necessary due to a change in circumstances, needs, or resources that would result in an increase or decrease in purchase of service expenditures or if the IPP team identifies a prior unmet need that was not addressed in the IPP. (Welf. & Inst. Code, § 4685.8, subd. (m)(1)(A)(ii).) The IPP team must determine the individual budget to ensure the budget assists the participant to achieve the outcomes set forth in the participant’s IPP and ensures their health and safety. (*Id.* at § 4685.8, subd. (j).)

8. “Spending plan” means the plan the participant develops to use their available individual budget funds to purchase goods, services, and supports necessary to implement their individual program plan (IPP). The spending plan shall identify the cost of each good, service, and support that will be purchased with regional center funds. The total amount of the spending plan cannot exceed the amount of the individual budget. (Welf. & Inst. Code, § 4685.8, subd. (c)(7).)

9. The SDP requires participants to “only purchase services and supports necessary to implement their IPP.” (Welf. & Inst. Code, § 4685.8, subd. (d)(3)(C).) The SDP specifically obligates the participant to “manage Self-Determination Program services and supports within the participant’s individual budget.” (*Id.* at § 4685.8, subd. (d)(3)(D).)

10. Regional centers are mandated to provide a wide range of services to facilitate implementation of a consumer’s IPP but must do so cost-effectively. (Welf. & Inst. Code, §§ 4640.7, subd. (b), 4646, subd. (a).) They must “identify and pursue all possible sources of funding for consumers receiving regional center services,” including “governmental or other entities or programs required to provide or pay the cost of providing services, including Medi-Cal.” (*Id.* at §§ 4646.4, subd. (a)(3)(A), 4659, subd. (a)(1).) “Regional center funds shall not be used to supplant the budget of an agency that has a legal responsibility to serve all members of the general public and is receiving public funds for providing those services.” (*Id.* at § 4648, subd. (a)(8).)

11. To accomplish those objectives, regional centers must certify SDP participants’ spending plans to verify that the goods and services address the individual’s desired outcomes identified in the IPP, are not available from generic services, as defined by the department, and are eligible for federal financial participation. (Welf. & Inst. Code, § 4685.8, subd. (r)(6)(A)-(C).)

## **Conclusion**

12. As an SDP participant, claimant has an obligation to manage his SDP services and supports within his individual budget. (Welf. & Inst. Code, § 4685.8, subd. (d)(3)(D).) Once his annual budget is established, he can only spend funds that are within his budget. (Welf. & Inst. Code, § 4685.8, subd. (c)(7).)

13. Claimant did not approve his 2024-2025 SDP budget until March 28, 2025, which covered May and June 2025. He submitted a signed budget on October 8, 2024, but CVRC validly rejected that budget because it covered services in months that had already passed. Furthermore, claimant, through his mother, had expressed his desire to alter the budget in August 2024. Without a signed budget and spending plan in place, CVRC could not fund his services. Therefore, claimant did not meet his burden to prove that CVRC must reimburse him for services and supports he purchased between July 1, 2024, and April 30, 2025, as he did not spend those funds pursuant to an approved SDP budget and spending plan.

## **ORDER**

Claimant's appeal from Central Valley Regional Center's March 13, 2025 Notice of Action is DENIED. CVRC is not obligated to reimburse claimant for services and supports he purchased between July 1, 2024, and April 30, 2025.

DATE: July 24, 2025

SEAN GAVIN  
Administrative Law Judge  
Office of Administrative Hearings

BEFORE THE  
DEPARTMENT OF DEVELOPMENTAL SERVICES  
STATE OF CALIFORNIA

In the Matter of:

Claimant

OAH Case No. 2025050699

Vs.

**DECISION BY THE DIRECTOR**

Central Valley Regional Center,

Respondent.

ORDER OF DECISION

On July 24, 2025, an Administrative Law Judge (ALJ) at the Office of Administrative Hearings (OAH) issued a Proposed Decision in this matter.

The Proposed Decision is adopted by the Department of Developmental Services as its Decision in this matter. The Order of Decision, together with the Proposed Decision, constitute the Decision in this matter.

This is the final administrative Decision. Each party is bound by this Decision. Either party may request a reconsideration pursuant to Welfare and Institutions Code section 4712.5, subdivision (a)(1), within 15 days of receiving the Decision or appeal the Decision to a court of competent jurisdiction within 180 days of receiving the final Decision.

Attached is a fact sheet with information about what to do and expect after you receive this decision, and where to get help.

IT IS SO ORDERED on this day August 11, 2025.

Original signed by:  
PETE CERVINKA  
Director