

Some Thoughts About the California Developmental Services System

For the past six months, we have provided Claude AI with access to resources regarding the California Developmental Services System. We recently asked it to write up a summary about the current state, strengths, challenges and needs. Here is that unedited summary. What are your thoughts? — July 2026

Overview

California's developmental services system serves people with intellectual and developmental disabilities. Regional centers began as a pilot program in 1965. The Lanterman Act of 1969 expanded the system statewide. It guarantees services as a legal entitlement, not a discretionary benefit.

The Department of Developmental Services (DDS) oversees the system. DDS contracts with 21 nonprofit regional centers statewide. Regional centers determine eligibility, coordinate services, and manage Individual Program Plans (IPPs) for each person served.

DDS serves about 490,000 people today. The regional center caseload is projected to reach nearly 527,000 in 2026-27. The 2025-26 budget totals \$18.7 billion. The Governor proposed \$21.1 billion for 2026-27. About 37 percent of funding comes from federal Medicaid dollars.

Strengths

A legal entitlement to services

California courts have upheld services as a right, not a privilege. This entitlement model is stronger than most other states offer. It protects people from losing services due to budget cuts alone.

Person-centered planning

The IPP process centers each person's goals and choices. Regional centers must involve the person and their family. This approach reflects decades of self-advocacy and disability rights work.

Statewide reform momentum

The Master Plan for Developmental Services, released in 2025, set 167 recommendations. DDS released its first annual progress report in April 2026. This shows sustained commitment to system-wide improvement.

Some Thoughts About the California Developmental Services System

The state is building a new case management system called LOIS. This will modernize outdated data and fiscal systems. The 2026-27 budget continues funding for this project.

Movement toward standardized, equitable assessment

DDS proposed an Equitable and Consistent Needs Assessment in its 2026 budget trailer bill. This would create one standardized clinical tool for all regional centers. The goal is consistent eligibility and service decisions statewide.

Challenges

The age-of-onset eligibility gap

California requires a disability to begin before age 18. This is stricter than federal law and most other states. Federal law and brain science support a cutoff closer to age 22.

Families with children who acquire disabilities as young adults are shut out. Advocates and lawmakers have tried to raise the age limit before. Governor Newsom vetoed a 2022 bill over cost concerns.

The aging CDER assessment tool

The Client Development Evaluation Report (CDER) has served since 1979. It informs budgeting, caseloads, and service planning statewide. But it lacks the validity and standardization of newer tools.

Alternatives like the SIS-A, ICAP, Vineland-3, and ABAS-3 offer stronger measurement. Full replacement would be costly and disruptive across 21 regional centers. Modernizing the CDER may be more practical than replacing it.

Persistent racial and geographic disparities

Purchase-of-service spending varies widely by race and region. Communities of color receive less funding per person on average. Administrative burdens and language barriers make services harder to access.

DDS funds Service Access and Equity grants to address these gaps. Regional centers must report disparity data to the state yearly. Progress has been slow despite years of attention.

Workforce and rate pressures

Direct support professionals remain in short supply statewide. Provider rate increases have been delayed in past budget cycles. Providers report difficulty recruiting and retaining qualified staff.

Bureaucratic complexity and oversight concerns

Regional centers operate with significant discretion under the Lanterman Act. Critics argue this creates inconsistency and weak public accountability. No-bid contracting practices have drawn scrutiny from advocates.

Federal compliance requirements

California must align services with the federal HCBS Final Rule. This requires reviewing every service setting for institutional characteristics. Some settings need corrective plans to meet federal standards.

Needs

- Raise the age-of-onset limit to align with brain development research and federal law.
- Modernize or replace the CDER with a validated, standardized needs assessment tool.
- Close racial and geographic gaps in purchase-of-service spending through funded, accountable strategies.
- Stabilize the direct support workforce through sustained, predictable rate increases.
- Complete the LOIS system on schedule to modernize case management statewide.
- Strengthen regional center accountability while preserving local flexibility and person-centered practice.
- Finish HCBS Final Rule compliance without disrupting services people depend on.

Conclusion

California's developmental services system rests on a strong legal and philosophical foundation. The Lanterman Act's entitlement model remains a national model. Current reforms show real commitment to modernization and equity.

Some Thoughts About the California Developmental Services System

Longstanding gaps remain in eligibility, assessment tools, and equity of access. Meeting the Master Plan's goals will require sustained funding and follow-through. The next few budget cycles will show whether momentum holds.

Sources

- Department of Developmental Services. One-Year of Growth: Annual Report on the Master Plan for Developmental Services. April 2026. dds.ca.gov/newsletter/one-year-of-growth-annual-report-on-the-master-plan-for-developmental-services-a-community-driven-vision-released/
- Department of Developmental Services. State Issues First Annual Report on Master Plan for Developmental Services. April 2026. dds.ca.gov/news-releases/master-plan-developmental-services-leg-report-2026/
- Department of Developmental Services. 2026 May Revision Highlights. May 2026. dds.ca.gov/wp-content/uploads/2026/05/DDS_MayRevisionsHighlights_202605.pdf
- CalMatters. CA parents push to expand disability services at regional centers. February 2026. calmatters.org/health/2026/02/disability-services-regional-center-access/
- Disability Rights California. From Navigation to Transformation: Addressing Inequities in California's Regional Center System. disabilityrightscalifornia.org/latest-news/from-navigation-to-transformation-addressing-inequities-in-californias-regional-center
- Disability Rights California. Impact of the State Budget on the Developmental Services System. June 2024. disabilityrightscalifornia.org/latest-news/impact-of-the-state-budget-on-the-developmental-services-system-and-people-who-rely-on
- Department of Developmental Services. Client Development Evaluation Report. dds.ca.gov/transparency/cder/
- Department of Developmental Services. Regional Centers. dds.ca.gov/rc/
- Department of Developmental Services. Disparity Funds Program Overview. dds.ca.gov/rc/disparities/disparity-funds-program/program-overview/
- Department of Developmental Services. HCBS Assessment Information. dds.ca.gov/initiatives/cms-hcbs-regulations/assessment-information/
- Legislative Analyst's Office. The 2026-27 Budget: Department of Developmental Services. lao.ca.gov/Publications/Report/5157

Some Thoughts About the California Developmental Services System

- Department of Developmental Services. Governor's Proposed Budget: What it Means for Services and Support. January 2026.
dds.ca.gov/newsletter/governors-proposed-budget-what-it-means-for-services-support/
- Department of Developmental Services. 2025-26 State Budget Update for Developmental Services. dds.ca.gov/newsletter/2025-26-state-budget-update-for-developmental-services/