



October 25, 2010

Dear Service Provider:

Now that the California state budget and the related trailer bills have been signed by Governor Schwarzenegger, we are implementing the provisions that affect payments to you for your services provided to our clients. The 2010-11 Budget Act (Senate Bill 853, Chapter 717, Statutes of 2010) calls for a 4.25% reduction of payments starting July 1, 2010, instead of the currently applied 3% reduction that had been in effect since February 1, 2009. So our payments to you, effective 7/1/10, will have to be reduced accordingly (an additional 1.25% of the original rate).

October invoices – for services provided in October - are issued with the new reduced rate and we will pay at that rate, on our usual payment dates, without any delay. We will process the necessary deductions for July, August, and September 2010, at a later day, to give you enough time to prepare for that event. We are planning to reduce our payments in March 2011 for the money you are required to reimburse us for July, August, and September 2010. **However, if you are able to reimburse us the money by check instead of having it deducted from our payments, you are encouraged to do so at any time.**

We strongly encourage you to read sections 137 and 164 of AB1613, as they contain the exact language and related provisions of this rate adjustment. These sections of AB 1613 are posted on our website www.suprc.org but can also be found at the state Department of Developmental Services website at www.dds.ca.gov/budget/home.cfm.

Thank you for serving our clients and for the cooperation and understanding you have shown throughout the cash crisis in the state. Please review the rates on your invoice, and the trailer bill language. If you have any questions or concerns, please direct your e-mail to VendorinIO@itsgprc.org. We will make sure that your inquiry is answered by the responsible person.

Sincerely,

Gabi McLean
Director, Fiscal Services

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Program of San Gabriel/Pomona Valleys Developmental Services, Inc.