



State of Connecticut
Department of Developmental Services

DDS

Dannel P. Malloy
Governor

Jordan A. Scheff
Commissioner

To: DDS Qualified Providers
From: DDS Operations Center
Date: June 29, 2017
Re: Resource Allocation Plan – DDS Implementation

As we near the close of FY 2017, the Department of Developmental Services (DDS) has engaged in preparation for the implementation of the Governor's Resource Allocation Plan, released on Monday June 26th. Without the adoption of any budget by the legislature, DDS will be held to the allocation figures detailed in this plan, which comprise substantial reductions to all grant accounts.

Pertinent to our Qualified Private Providers, we have outlined below our implementation strategies to operate within the plan's allocations for both the Employment Opportunities and Day Services account and the Community Residential Services account, housed within the Department of Social Services.

Employment Opportunities and Day Services

The Governor's Resource Allocation Plan includes a 10% reduction to this account. In order to bring expenditures in line with this allocation, DDS will implement the following:

- No funding will be authorized for new placements, with the exception of the previously identified FY 2018 age outs.
- Payments to providers are made one month in arrears, based on an estimate of 100% attendance; attendance-based corrections are made two months in arrears. Estimated payments will be reduced according to the following schedule:
 - o August payments will be based on an estimate of 95% attendance for July services.
 - o September payments will be based on an estimate of 90% attendance for August services.
 - o October payments will be based on an estimate of 85% attendance for September services.
 - o All monthly payments following October will be based on an estimate of 85% attendance.
- All employment/day rates except Independent Supported Employment will be reduced by 10%, beginning November 1, 2017.
- The following dates will be considered furlough days; no employment/day support activity will be reimbursed for these dates:
 - o Wednesday July 26th
 - o Wednesday August 23rd
 - o Wednesday September 27th
 - o Wednesday October 25th
 - o Wednesday February 28th
 - o Wednesday April 25th

Community Residential Services

The Governor's Resource Allocation Plan includes a 5% reduction to this account. In order to bring expenditures in line with this allocation, DDS/DSS will implement the following:

- No funding will be authorized for new placements or filling of vacancies, with the exception of the previously identified FY 2018 age outs and emergencies.
- Funding made available to the Regions for one time requests will be reduced by two thirds; as such, one time funding requests may be held for an extended period of time until funding availability is determined.
- Individuals currently residing in Community Living Arrangements (CLAs) with a LON of 1 or 2 and under the age of 60 years will be brought to the rates on September 1, 2017.
 - o This will exclude any individuals with URR or an exemption from rate changes based on agreements around new developments (e.g. individuals moving from Southbury Training School, individuals residing in homes recently converted from public operations).
 - o As always, individuals may choose to exercise portability prior to this change and move to a different type of residential support at the published rate.
- CLA/CRS rates will be reduced by 10% on November 1, 2017.
- Individuals authorized for funding above the published rates as of November 1, 2017 will see funding reductions in the following manner:
 - o Individuals authorized for funding over the published LON-based rates and receiving residential supports from a provider defined as "over the rates" will see funding reductions of 50% of the difference between the LON-based rate and their annual authorization.
 - o Individuals authorized for funding over the published LON-based rates and receiving residential supports from a provider defined as "under the rates" will see funding reductions of 25% of the difference between the LON-based rate and their annual authorization.
 - o Individuals with a URR-approved authorization will see funding reductions of 5%.

Requests

DDS appreciates the strain these new budget measures will have on individual providers and the provider community as a whole. The Department understands that providers may need to adjust the delivery of their supports to maintain quality and cost-effective management of their agencies. Pursuant to the implementation plans outlined above for the Community Residential Services account, DDS requests that providers operating Community Living Arrangements (CLAs) and Continuous Residential Supports (CRSs) submit the following items to the DDS Operations Center by **September 1, 2017**:

- 1) A "short list" of CLAs and/or CRSs that the agency would be most likely to consolidate and close in case of prolonged vacancies.
- 2) Proposals that would realign supports to reduce reliance on traditional CLA models, in favor of alternative residential support options within their allocations.

DDS remains open to suggestions from the provider community on any alternative methods through which to remain within the allocations in the Governor's Resource Allocation Plan. We thank you for your continued partnership as the state works together to determine a path forward.