



State of Connecticut
Department of Developmental Services

DDS

Ned Lamont
Governor

Jordan A. Scheff
Commissioner

Peter Mason
Deputy Commissioner

To: Purchase of Services Contracted Private Providers

From: Scott McWilliams, Chief of Fiscal/Administrative Services

CC: Jordan Scheff, Commissioner, Peter Mason, Deputy Commissioner, Katie Rock-Burns, Chief of Staff, David David, Operations Center Director, Regional Directors, Private ARDs, Resource Administrators, The Alliance, The Arc CT

Date: July 1, 2020

RE: Fiscal Years 2020 and 2021 Coronavirus Funding

The Department continues to receive questions about provider reimbursement throughout the duration of the coronavirus pandemic and how billing and funding will change during DDS reopening efforts. To answer as many reimbursement, billing and funding related questions from providers as possible, DDS has prepared the following summary:

The following describes the reimbursement methodology by month for day and residential services:

1. April payments (based upon February attendance):
 - a. Day and employment programs: Attendance payments increased by 5%.
 - b. Residential programs: Attendance payments increased by 25%.
2. May, June and July payments (based upon March, April, May attendance respectively):
 - a. Day and employment programs: Reimbursement based upon 100% of monthly authorizations. Please see "Authorization based payments" and "Entering attendance" below for more detailed descriptions of these topics.
 - b. Residential programs: Reimbursement based upon 120% of monthly authorizations.
3. August payments (based upon June attendance):
 - a. Day and employment programs: Reimbursement based upon 85% of monthly authorizations.
 - b. Residential programs: Reimbursement based upon 100% of monthly authorizations but can request one-time funding for COVID-19 related expenses.
4. September and October payments (based upon July and August attendance respectively):
 - a. Day and employment programs:
 - i. All authorizations will be converted to hourly and providers will bill for all units of support provided.

- ii. Reimbursement based upon enhanced phase-in payment method. Reimbursement will equal 85% of monthly authorizations if phase-in goal of support 50% of DDS funded individual receive at least 50% weekly service hours. Please see “Day and employment phase in funding” below for a more detailed description.
 - b. Residential programs: Reimbursement based upon attendance but can request one-time funding for enhanced staffing and expenses related to COVID-19-.
- 5. November payments (based on September attendance):
 - a. Day and employment programs: Reimbursement based upon enhanced phase-in payment method. Reimbursement will equal 85% of monthly authorizations if phase-in goal of support 75% of DDS funded individual receive at least 75% weekly service hours.
 - b. Residential programs: Reimbursement based upon attendance but can request one-time funding for enhanced staffing and expenses related to COVID-19.
- 6. December and after payments (based upon October and after attendance):
 - a. Day and employment programs: Reimbursement based upon attendance.
 - b. Residential programs: Reimbursement based upon attendance but can request one-time funding for COVID-19 related expenses.

Authorization based payments

During most of the “Stay Safe, Stay Home” executive order and during the reopening DDS reimbursed providers as a percent of monthly authorizations.

- 1. Monthly authorizations were calculated by dividing active annual authorizations by twelve.
- 2. For day and employment services an annual authorization is based upon 225 days.
- 3. Providers received both an attendance payment and a COVID-19 supplemental payment. The COVID-19 supplemental payment was calculated by subtracting the attendance payment from the monthly authorizations.
- 4. The COVID-19 supplemental payment applies to the month you received it.

Day and employment phase in funding

- 1. During the phased reopening providers will be reimbursed with an enhanced payment method. The enhanced payment will include a base payment which is the billed units paid at the providers existing rate and an enhanced payment.
- 2. The enhanced payment will reimburse providers for unbilled services. Unbilled services will be calculated by applying a utilization factor to monthly authorized units less billed units.
- 3. The enhanced payment will be calculated as follows:
Rate * (Authorized Units – Billed Units) * Utilization Factor
- 4. The Utilization Factor will change based upon the targeted utilization factor in each phase.
 - a. Utilization factor applied to unbilled units. Calculated so that providers will receive payment equal to 85% of authorization if phase target utilization is achieved.
 - b. T: Target utilization for phase. The target utilization is calculated by multiplying the percent of individuals to be served by the percent of weekly services.
 - i. Targeted utilization for phase 1 is 25% (50% of individuals receiving 50% of services).
 - ii. Targeted utilization for phase 2 is 56.25% (75% of individuals receiving 75% of services).
 - c. H: Historic utilization 85%
 - d. Calculation: $(H - T)/(1 - T)$
 - i. Phase 1 Utilization Factor: $(.85 - .25)/(1 - .25) = .8$
 - ii. Phase 2 Utilization Factor: $(.85 - .5625)/(1 - .5625) = .6571$

Entering Day and Employment Services Attendance

1. 6 hours of supports available and an individual participated in the programs and/or was directly supported with at least 5 hours of supports to bill the per diem.
 - a. However, providers are encouraged to use 6 days for intermittent late arrival or early dismissal that resulted in the participant not meeting the minimum of five (5) support hours in the day.
 - b. All hourly authorizations should be entered in WebResDay for 15 minutes of support. Round up only if the remainder is 8 minutes or more (ie: 2 hrs and 8 minutes = 9 units).