



**State of Connecticut
Department of Developmental Services**

DDS

Dannel P. Malloy
Governor

Morna A. Murray, J.D.
Commissioner

Jordan Scheff
Deputy Commissioner

Operations Center Memo - 2016-10

To: Private Providers with a Purchase of Service Contract

From: Peter Mason, Operations Center Director

Cc: Commissioner Morna Murray, Deputy Commissioner Jordan Scheff, Regional Directors, Assistant Regional Directors of Private Services, Resource Administrators, Operations Center Staff, CT Community Nonprofit Alliance, ARC of CT

Date: May 25, 2016

Re: Update on Issues of Concern to Private Providers

The Operations Center has been working on a variety of issues of concern to Department of Developmental Services (DDS) private providers. This memo provides agencies with important updates on those issues.

DDS Community Residential Services and Cooperative Placement Accounts

The recently approved state budget includes the transfer of the DDS Community Residential Services and Cooperative Placement accounts to the Department of Social Services (DSS). A team comprised of DDS, DSS and the Office of Policy and Management (OPM) staff has been meeting preliminarily, to identify the necessary tasks needed to make this a smooth transition. Due to the intricacies of this transfer, it is estimated that it will likely be well into the 2017 fiscal year before providers will see any direct changes to the current rate and payment systems.

More information will be forthcoming, including formalization of the Intellectual Disability Partnership outlined in the Governor's original proposed budget earlier this year, which will tackle this, among other matters.

Contract Amendment to extend the FY2016 Contract

While the Intellectual Disability Partnership works on the smooth transition of the accounts to DSS, DDS has recently received permission to extend the current Purchase of Service contract for an additional year. The contract amendment will increase the maximum financial amount of the contract, as well as making some minor revisions to the contract language. DDS will be issuing the contract amendment within the next two weeks via

Biznet. This will allow providers to sign the contract with an electronic signature. Operations Center Memo 16-09, dated May 19, 2016 was sent to providers explaining the process.

It is of the utmost importance that providers sign the contract amendment no later than June 15, 2016 in order for the contract to be processed before June 30, 2016. If you feel that you will not be able to sign the amendment by that deadline, please contact David David at david.david@ct.gov. The contract revisions include:

1. The addition of the definition for the DDS/DSS Vacating Committee.
2. The deletion of the definition of Sheltered Workshop.
3. The revision of the Discharge and Suspension requirement to provide additional clarification to providers when requesting to discharge an individual from their program:
 - (i) ***Discharge and Suspensions.*** *No Participant will be discharged or suspended from a program without the review of an IDT meeting and approval of the Regional Administration. Agencies may discharge a participant upon written notification and upon a participant's appropriate placement.*
4. The revision of the Self-Advocate Representation requirement, based on feedback from providers:
 - (x) ***Self-Advocate Representation.*** *Contractors will establish a formal process where individuals with ID can provide the owners, board of directors, and executive management staff feedback and recommendations for improvement on the provision of supports by the organization. An annual report must be submitted to DDS detailing the recommendations made by the Self-Advocates and the action taken by the agency to address them.*
5. The addition of a Criminal Background Check requirement, which extends the requirement to subcontractors of contracted agencies, in accordance with the Employee Background Checks letter, dated October 9, 2015:
 - (y) ***Criminal Background Check.*** *In accordance with Part II, Section B(4), Contractors are required to perform a criminal background check, a verification of licenses and certifications, a check of the CT Sexual Offenders Registry and a check of the DDS/DCF (Connecticut Department of Children and Families) Abuse and Neglect Registry no later than the date of hire for all hired or subcontracted employees who work directly with participants or their families.*
6. The addition of a disqualification requirement that adds language in the contract to clarify the disqualification of a provider's status will result in the immediate suspension of the contractor:
 - (z) ***Disqualification.*** *The disqualification of the contractor's status as a Qualified Provider will result in an immediate suspension of the Contractor in accordance with Part II, Section D(5).*
7. The addition of a CLA Relocation requirement, related to Vacating Committee procedures:
 - (aa) ***Relocate.*** *Contractor must receive prior approval to relocate from the DDS/DSS Vacating Committee before vacating, transferring ownership and/or purchasing or leasing a replacement home.*
8. The revision of the Residential and Day Payment requirements to provide clarification on the definition of a unit of service in CCH and IHS settings, and to replace Sheltered Workshop language with the new category of Prevocational Supports:

- D. 1. Residential Payments.** *The DDS shall reimburse monthly, by retrospective payment. Payments for Residential programs (CLA, CCH, and CRS) will be based on one twelfth (1/12) of an approved annualized CSA. Payment for IHS Programs will be based on the utilization of the service at the established rate of an approved CSA for all Participants during the month. Monthly payments will be made for all CLA, CRS and CCH CSAs in which at least one unit of support was provided to the Participant in the given month. In addition to the IHS utilization payment, a monthly payment will be made for specifically identified IHS CSAs in which at least one unit of support was provided to the Participant in the given month. For CLA and CRS settings, a unit is defined as receiving supports for at least one overnight stay in the residence. For IHS and CCH setting, a unit is defined as the Participant received at least fifteen minutes support.*
- D. 2. Day Payments.** *DDS shall make retrospective payments on a monthly basis. Payment for Group Day Programs (GSE, DSO and Pre-vocational Services), and Individualized Day Programs (ISE and IDS) will be based on the utilization of the service at the established rate of an approved CSA for all Participants during the month. Monthly payments will be made only after the DDS' receipt and approval of required reports.*

Cash Advances for opening a Community Living Arrangement (CLA)

Providers opening a new CLA are given a cash advance that equals thirty days of the total contracted amount for that home. The money is a one-time payment that does not increase over the life of the home. When the home closes, DDS subtracts the amount of the cash advance from the last service payment.

Over the last few months, DDS has been working with the providers to reconcile the total amount of the cash advances given to an agency over the last thirty years. Providers have worked with Sandy McNally of the Operations Center to itemize the cash advance for each home. The Operations Center expects the reconciliation process to be completed in June.

While undertaking a review of provider financial statements, DDS has learned that there are a variety of names under which providers have identified the DDS cash advances. **In order to streamline reporting for the future, DDS is now instructing all providers to clearly identify the reconciled total cash advance amount on their financial statements as a liability under the name “DDS Cash Advance.”**

Uniform Chart of Accounts and the FY2016 Annual Report

Within the past few years, the State of Connecticut has instituted a Uniform Chart of Accounts to be used by all departments with Human Services Purchase of Service Contracts. This year, DDS has been working to develop a cross walk between the accounts currently listed on the provider Annual Report and those listed on the Uniform Chart of Accounts. DDS will be working with Myers & Stauffer to develop a single one page report that converts the existing accounts on the Annual Report into a one page summary for the Uniform Chart of Accounts.

Our efforts have resulted in relatively few changes to the Annual Report for providers, with the exception of the items listed below. These items were previously included in a general line, but now must be itemized, as shown below:

All Programs

- General Supplies
- Communication
- Insurance (Property)
- Client Medical Expenses
- Recreation
- Vehicle Lease (excluding Vehicle Interest and Insurance)
- Vehicle Maintenance (gas and other operating expenses)
- Other Transportation (Specify)

Day Programs only

- Rent and Real Estate Taxes
- Security
- Maintenance & Repair-facility and Plant
- Utilities