



State of Connecticut
Department of Developmental Services

DDS

Dannel P. Malloy
Governor

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Commissioner

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Deputy Commissioner

Operations Center Memo 2014-05

To: Private Provider Executive Directors

From: Peter Mason, Director, Operations Center

CC: Commissioner Terrence Macy, Deputy Commissioner Joseph Drexler, Regional Directors, Assistant Regional Directors, Resource Administrators, CCPA, ARC of CT and CT Non-Profits

Date: May 7, 2014

Subject: Transition to Need Based Rates for Day Services

The Department of Developmental Services will be continuing the day transition to Level of Need (LON) based rates on July 1, 2014. The transition process is in its third year. Providers will meet with their prime region at their annual financial meeting to discuss the provider's position to the rates and the next steps to be taken for the transition process. The provider will follow the transition process based on the aggregate total increase/decrease of their total annual authorizations. Providers that are currently at the rates will not need to do anything.

- Providers that will have their annual authorizations increased/decreased no more than a total of \$10,000 or 2% of their aggregate annual current authorizations whichever is less will transition all their participants to the rates as of July 1, 2014.
- Providers that will have their annual authorizations increased/decreased more than a total of \$10,000 or 2% of their aggregate annual current authorizations will transition 1/5th of the total increase/decrease as of July 1, 2014.
- Providers that will have their annual authorizations increased/decreased more than 10% of their aggregate annual current authorizations or a total of \$50,000 whichever is less will be required to develop a transition plan.

Providers with an aggregate annual current authorization **over** the rates will have the option to convert all their participants to the rates at any time during the rate transition.

Attached to the email, is an Excel spreadsheet that identifies the provider's authorizations and the changes to be made based on the transition to Day LON rates. The information will include all participants with a Contract Service Authorization (CSA) or a Vendor Service Authorization (VSA). Providers will be expected to notify their prime region with specific details on areas they believe are in error regarding individual authorizations,

Level of Need (LON) concerns, or Utilization Resource Review (URR) issues. Providers that identify a participant with an incorrect LON must be prepared to identify the specific questions within the LON tool that they feel are not an adequate assessment of the individual's skill level.

Providers that are required to provide a Transition Plan will work with the region. The region will review and approve the Transition Plan taking the following areas into consideration:

- Staffing Ratios
- Organizational and Programmatic changes
- Wage and Benefit changes
- Administrative and General changes
- Realistic Utilization projections
- Realistic Increase/Decrease in the Number of Consumers

The Provider will implement the approved strategies according to the dates identified in the provider's Transition Plan.

The region will adjust the authorizations of the identified participants to reach the provider's yearly target figure (1/5th of the total difference between current funding and the LON-based allocation). Regional Resource Management will complete new authorizations for the selected individuals effective July 1, 2014. Each successive year at the annual financial meeting, the Provider and the Region will discuss the provider's position to the rates, review and amend the transition plan as necessary, and implement the strategies that have been identified in the Transition Plan.