



State of Connecticut Department of Developmental Services

DDS

Jordan A. Scheff
Commissioner

Elisa F. Velardo
Deputy Commissioner

Operations Memo 2024-06

To: DDS Qualified Private Providers

From: Sean Bannon, Director, Operations Center

CC: Jordan Scheff, Commissioner, Elisa Velardo, Deputy Commissioner, Katie Rock-Burns, Chief of Staff, Nicholas Jerard, CFO, Regional Directors, Private ARDs, Resource Administrators, The Alliance, The ARC CT

Date: November 21, 2023

Subject: FY 2023 Minimum Wage Reporting

As stated in [Operations Memo 2023-03](#) and [Operations Memo 2023-17](#), the Department of Developmental Services (DDS) provided wage bridge funding for DDS funded private providers to increase the minimum wage to \$16.50 per hour and provide a 3% increase for employees making more than \$16.50 per hour in FY 2022. Those FY 2022 bridge payments were converted to revenue and are not being recovered.

Wage funding was also provided in FY 2023 to increase the minimum wage for DDS funded private provider employees to \$17.25 per hour and to provide a 3% increase to those employees making more than the minimum. Provider rates were increased in FY 2023 to accommodate the increase in wages, Federal Insurance Contributions Act, workers compensation, unemployment insurance expenses and fringe benefits. The increase in fringe benefits related to the wage increase may also be considered, ***however the increase in fringe benefit expenditures may not be counted on both the Enhanced Benefit Pool reporting template and the Wage Increase Report/Attestation.***

Since provider rate increases encompassed both increased wage related expenses and supported services that have become more difficult to deliver – the amount of DDS funding attributed to the wage increase for each provider is being shared with each provider, along with the Wage Report/Attestation. Providers started receiving their wage funding amounts and Wage Report/Attestations on Friday, November 17, 2023. If you have not yet received this information, please reach out to your Provider Specialist.

Please find some important notes regarding the Wage Report/Attestation:

- FY 2021 is the baseline year. Costs related to wage increases would compare FY 2021 to FY 2023.
- Providers who have increased the minimum wage to \$17.25 per hour for their DDS funded employees and expended at least the amount indicated on their Wage Report for expenses related to the wage increase described above, should provide the date the most recent wage increase was implemented, select “yes” in cell B5 of the wage report, sign, date and return the form to their Provider Specialist.

Main Phone: 860-418-6000

Central Office: ddsct.co@ct.gov

Ombudsperson: dds.ombudsperson@ct.gov

Website: portal.ct.gov/dds

Public Region: ddsct.pub@ct.gov

Southbury Training School: ddsct.sts@ct.gov

North Region: ddsct.nr@ct.gov

South Region: ddsct.sr@ct.gov

West Region: ddsct.wr@ct.gov

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- Providers who did not increase the minimum wage for their DDS funded employees to at least \$17.25/hour or did not expend at least the amount indicated on their Wage Report/Attestation should provide the date the most recent wage increase was implemented, select “no” in cell B5 and indicate the amount that was spent to implement the wage increase. The surplus funds will be recouped later in FY 2024.
- In order to avoid duplicate recoupment of wage funds, surplus wage funds that are recouped will be subtracted from FY 2023 DDS revenue when determining a provider’s Cost Settlement related to their FY 2023 Annual Report.
- Per Sec. 288 of [Public Act 23-204](#), providers may use the DDS minimum wage funding for the purpose of wage enhancements and related benefits for employees working in intermediate care facilities who provide services to individuals with intellectual disability authorized to receive supports and services through the Department of Social Services.

Please direct any questions to your Provider Specialist.