



Dannel P. Malloy  
Governor

State of Connecticut  
Department of Developmental Services



Jordan A. Scheff  
Acting Commissioner

**DEPARTMENT OF DEVELOPMENTAL SERVICES TESTIMONY  
BEFORE THE APPROPRIATIONS COMMITTEE**

**April 10, 2017**

Senators Osten and Formica, Representatives Walker and Ziobron and members of the Appropriations Committee. I am Jordan A. Scheff, Acting Commissioner of the Department of Developmental Services (DDS). Thank you for the opportunity to testify on **H.B. No. 7026 AN ACT MAKING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2017.**

DDS is currently projecting a total FY 2017 budget shortfall of \$7,700,000:

- \$5,500,000 in Personal Services
- \$1,000,000 in Other Expenses
- \$1,200,000 in the Workers' Compensation Claims account

Several accounts in DDS' FY 2017 budget were reduced to reflect the anticipated conversion of 28 Community Living Arrangements (CLA) from state-operated to privately-contracted services. To account for the cost of converting these CLAs to private operation, funds were reallocated to the Community Residential Services account in the Department of Social Services (DSS). This transfer was done to support a conversion to direct fee-for-service Medicaid billing by providers (instead of grant payments) anticipated to result in additional revenue.

Due to unanticipated delays in the conversion of the CLA homes, the estimated savings in Personal Services and Other Expenses has not materialized. However, an offsetting lapse related to not creating private placements is anticipated in the Community Residential Services account at DSS. Our agency has also reduced a portion of the shortfall in Personal Services through attrition and reduced employee overtime.

In addition, the agency is estimating a shortfall in the Workers' Compensation Claims account.

Thank you for the opportunity to offer testimony regarding the anticipated deficiencies. I would be happy to answer any questions that you have for me at this time. Please contact Christine Pollio Cooney, DDS Director of Legislative and Executive Affairs, at (860) 418-6066, with any follow up questions.