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Governor

State of Connecticut Department of Developmental Services

DDS

Jordan A. Scheff
Commissioner

Operations Center Memo FY2018-02

TO: DDS Qualified Providers of CRS and IHS Settings

FROM: Peter Mason, DDS Operations Center Director

CC: Jordan Scheff, DDS Commissioner, DDS Regional Directors, DDS Assistant Regional Directors, DDS Resource Administrators, DDS Resource Managers, Pat Dillon, DDS Operations Manager, Jim Ritchey, DDS Program Manager, Jackson Pierre-Louis, Quality and Systems Improvement Division Director, ARC of CT, CT Community Nonprofit Alliance

DATE: August 8, 2017

SUBJECT: FY2018 CRS and IHS Allowable Costs

The Department of Developmental Services (DDS) has reviewed the FY2015 annual report to analyze the expenses for Community Residential Supports (CRS) and Individual Home Supports (IHS) programs typically associated with "room and board" costs. This memo is to clarify which costs are the responsibility of the individual through their entitlements, wages or rent subsidy for room and board expenses pertaining to their IHS or CRS housing; which costs are an allowable expense to be charged to DDS under the IHS or CRS expenses; which costs are allowable but not under the IHS or CRS expenses; and which costs are not allowable at all.

In the DDS review of annual reports, most of the expenses reviewed were identified under the category of "Other Expenses." The prime region for each qualified provider was tasked with contacting the provider to request details as to the nature of the cost and reasons as to why the provider did not request additional rent subsidy funding to cover the cost. Our review revealed four primary categories for these expenses:

- Some costs were considered extraordinary room and board expenses that would not be offset by the individual's entitlements or rent subsidy.
- Some items such as laundry, athletic facilities dues and "stipends" paid to the individual were not appropriate to charge DDS under a CRS or IHS setting.
- Some providers included items that were administrative in nature and should be included in their A&G expenses, such as accounting fees, banking service charges, data processing and "help wanted."
- Some items were coded with descriptions such as "miscellaneous", "res exp" and "no description given," which left DDS unable to discern what costs were being charged to the department.

Moving forward, DDS will apply the following guidelines to CRS and IHS settings:

- Normal and customary expenses associated with the room and board expenses of a house or apartment rented by individuals in the IHS or CRS program should be paid through the person's entitlements, wages or rent subsidy payments. This includes rent, utilities, property taxes, garbage collection, food, laundry, household

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supplies, housekeeping, renters insurance, snow removal, lawn maintenance, routine maintenance and household repairs.

- Personal care items, clothing, cable television are the responsibility of the individual.
- Internet service, cell phone communications, home equipment rentals, the cost of individuals dining out in the community in accordance with goals of the Individual Plan, staff meals paid in accordance with the provider's policy on meal reimbursement, staff training, and transportation are allowable IHS or CRS direct expenses for the provider.
- Depreciation of leasehold improvements is an allowable IHS or CRS direct expense within the current allocation and with the prior approval by region.
- For emergencies and with the prior approval of the regions, the following items are allowed as an IHS or CRS direct expense:
 - Clothing - Emergency only (\$250 limit)
 - Hotel expenses authorized through a one-time
 - Housekeeping expense
 - Food -(\$400 limit)
 - Moving expenses
- Extraordinary room and board expenses not offset by the individual's entitlements, wages or rent subsidies are an allowable IHS or CRS direct expense within the current allocation with the prior approval by region.
- The rental of other facilities for the use of the individuals living in the IHS or CRS setting are an allowable IHS or CRS direct expense within the current allocation with the prior approval and for non-segregated sites only.
- All approved room and board costs reimbursed by DCF are allowable in an IHS or CRS settings up to the total amount agreed upon by DC .
- Home office expenses, accounting fees, computer consulting, data processing, employee screening, licenses and permits, software subscriptions, and time clock leases are allowable administrative and general expenses.
- Items such as stipends paid to individuals, late fees for not paying bills on time, penalties, and room and board expenses for individuals not funded by DDS are **not allowable expenses** to be charged to DDS. For more information on allowable and unallowable expenses and the allocation of costs, providers should review the OPM cost standards at the following link:

http://www.ct.gov/opm/cwp/view.asp?a=2981&Q=382994&opmNav_GID=1806.