



State of Connecticut  
Department of Developmental Services

DDS

Ned Lamont  
Governor

Jordan A. Scheff  
Commissioner

Elisa F. Velardo  
Deputy Commissioner

**Operations Memo 2023-03**

**To:** Purchase of Services Contracted Private Providers

**From:** Scott McWilliams, Chief of Fiscal/Administrative Services

**CC:** Jordan Scheff, Commissioner, Elisa Velardo, Deputy Commissioner, Katie Rock-Burns, Chief of Staff, Operations Center Director, Regional Directors, Private ARDs, Resource Administrators, The Alliance, The Arc CT

**Date:** July 25, 2022

**RE: Wage Increase Funding**

The enacted biennial budget for fiscal years 2022 and 2023 (Special Act 21-15) and the implementer language (section 341 of June 2021 Special Session, Public Act 21-2) provides funding for wage increases and enhanced benefits for Department of Developmental Services (DDS) funded private providers. DDS made four bridge payments during fiscal year 2022 to support providers increasing employee minimum wages to \$16.50 per hour and provide a 3% increase for employees making more than \$16.50 in fiscal year 2022. The Department will convert these payments to revenue and will not recover these payments.

The budget for fiscal year 2023 includes funding to increase the minimum wage of DDS funded staff to \$17.25 per hour and provide a 3% increase for employees making more than the minimum. It also includes annualization of the fiscal year 2022 minimum wage increase to \$16.50 and a 3% increase for employees making more than the minimum.

DDS estimates that funding equal to 8.85% is enough to cover wage enhancement and related Federal Insurance Contributions Act, workers compensation, and unemployment insurance expenses. You may request a cost report to demonstrate your wage enhancement expenses if you believe the allocated funding is insufficient. Please note wage funding will be included in service reimbursement rates and will be based upon utilization.