



STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES

October 3, 2018

Updated Guidance

Dear Provider:

As part of the pool of funding available to support private providers, the Secretary of the Office of Policy and Management approved an increase of approximately \$522,000 for Residential Care Home (RCH) rates effective July 1, 2018 and will be distributed based on Cost Report Year 2017 spending on non-ownership salaries and fringe benefits. The increase will be implemented by the Department of Social Services (the Department) and is specifically intended to support a permanent increase of no less than 1% in aggregate to the compensation of employees working at the residential care home. Funding from this rate increase program should be used for the following purposes: increases to employee wages or salaries, increases to the health/dental benefit or retirement plans and/or a combination of all three. The funding may not be used for lump sum payments or bonuses in lieu of a permanent overall 1% increase to employee compensation. After the implementation of an overall 1% increase to the compensation of employees, the balance may be utilized to address critical operational needs. Specific non-eligible uses include increases in management fees, rent, ownership compensation, and related party contractors.

Residential Care Homes that wish to opt-out from participating in this 1% rate increase program should send a written request to the following address no later than October 10, 2018:

*Reimbursement and Certificate of Need
Connecticut Department of Social Services
55 Farmington Avenue, 9th Floor
Hartford, CT 06105*

A new rate letter will be issued during the month of October 2018. The 1% rate increase must be used to support a minimum of a 1% permanent increase in the aggregate to the compensation of employees working at the RCH. For Residential Care Homes that participate in the program, the Department will conduct a review of the annual cost reports including desk review documentation to ensure funding under the program was used appropriately. If, after completion of the review, the Department finds that a RCH did not utilize program funds as required, the Department retains the authority to recoup the entire amount given to the home under the program, cease payment of any outstanding or unspent funds, and revert the rate to the previously issued rate prior to the 1% rate increase.

If there are any questions regarding this guidance, please submit questions in writing to the following e-mail address: con-ratesetting.dss@ct.gov

Chris LaVigne, Director Rate Setting

55 FARMINGTON AVENUE • HARTFORD, CONNECTICUT 06105-3730

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