

# Connecticut Waiting List & Projections

Update for FY 2008  
Prepared by: Robin E. Cooper  
Reviewed and Edited by: Tony Records  
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This update to the August 28, 2007 report has been prepared at the request of the Consultant to the Settlement Agreement in the *ARC/Connecticut et al. v. O'Meara et al.* litigation. The update is substantially built off the report submitted August 28, 2007.<sup>1</sup>

This report reviews the trends in the number of persons wait-listed for residential services that have been funded through the Connecticut Department of Developmental Services (DDS), through June, 2008. Data to update the report are derived from the DDS June, 2008 Management Information Report (M.I.R.), issued August 14, 2008.

This report includes some basic information (mostly repeated from the original report) regarding the settlement agreement and how Connecticut manages their waiting list in order to ensure that readers understand how terms are used throughout the report.

## I. Waiting List Trends

As described in the 2007 report, for residential services waiting list management purposes, DDS assigns individuals to one of four categories using the "Residential Services Request – Priority Checklist" tool to assign persons to the Priority 1 - 3 waiting list.

**Emergency:** The person has an immediate need for residential placement, support or services.

**Priority 1:** The person has a need for residential placement, support or services within one-year.

**Priority 2:** The person has a potential need for residential placement, support or services within two-five years.

**Priority 3:** The person has a potential need for residential placement, support or services more than five years in the future.

### The Settlement Agreement:

Targets people in the Emergency and Priority 1 waiting list status categories.

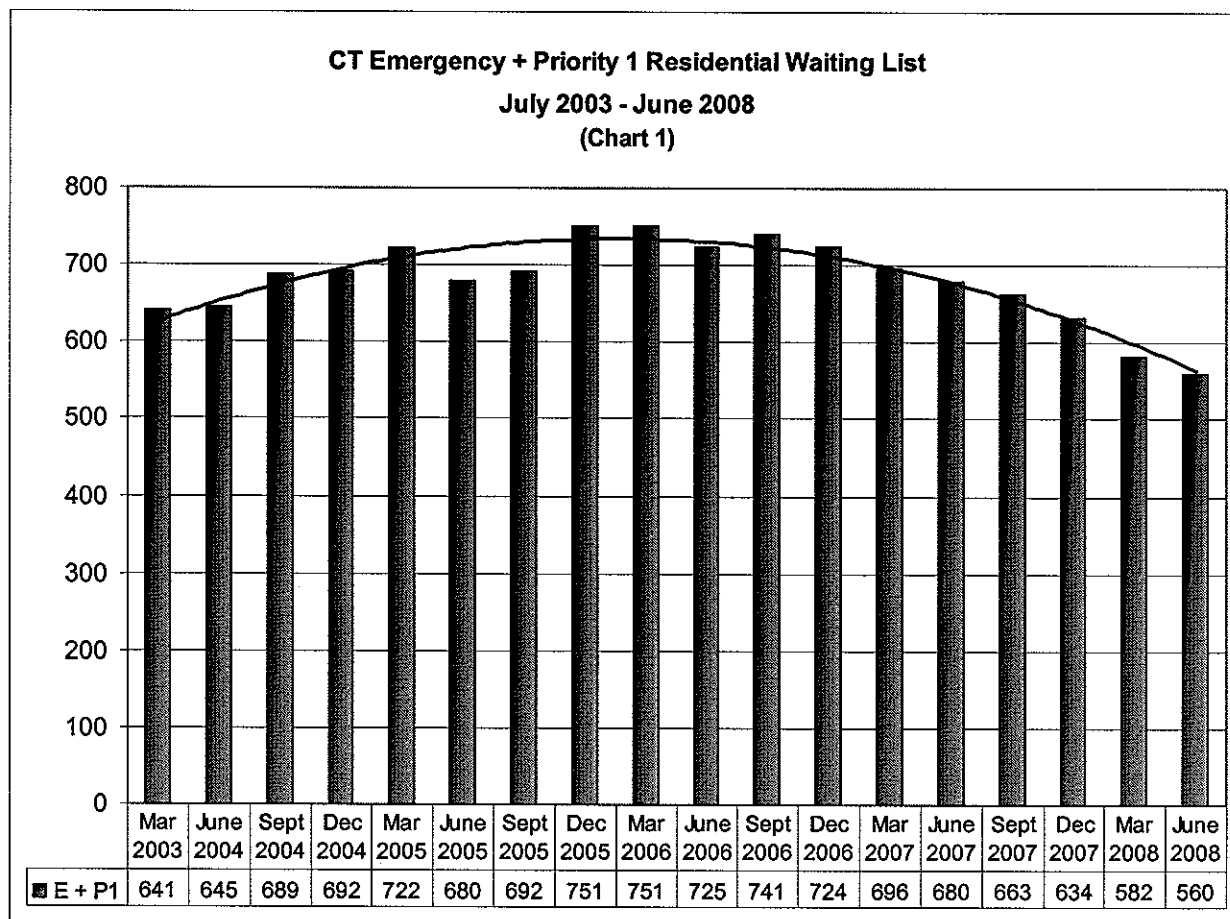
Requires that DDS will provide resources to provide residential and other waiver services to 150 per year between SFY 2005 and SFY 2009, and

Requires that, at a minimum, 120 of the individuals served must live in their own home or family home.

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<sup>1</sup> Gary Smith, (August 28, 2007) *Connecticut Waiting List Trends and Policies*

## Trends in Number of Individuals Wait-Listed for Residential Services



### Emergency and Priority 1

The August 2007 report used data reported in DDS Quarterly Management Information Reports (M.I.R.), from March 2004 and continuing through June 2007. This report adds SFY 2008 to the charts developed for the SFY 2007 report.

Chart 1 shows the number of persons in the Emergency and Priority 1 residential services waiting list status categories who lived in their own home or the family home during each quarter, starting in July 2003 and continuing through June 2008.

As the chart shows, the number of people waiting for residential services trended upward from July 2003 until December 2005, when it peaked at 751 individuals. Since this peak, the number of people on the waiting list generally trended downward, declining to 560 persons in June 2008 – a decrease of about 25 percent from the peak. *SFY 2008 is the most significant decline to date in the number waiting in the Emergency and Priority 1 categories.*

With SFY 08 funding, DDS had a goal of serving 150 new individuals. DDS actually served 228 new individuals. In addition, DDS served 143 individuals through “opportune” openings and another 16 individuals using unexpended SFY 07 funding.<sup>2</sup>

<sup>2</sup> Opportune openings arise when a person leaves DMR-funded residential services, or funds allocated can be used for more than one person and the vacancy is filled with someone from the waiting list.

In SFY 08, opportune openings were 12.5 percent higher than the previous year and approximately 36 percent higher than the average over the previous four years.<sup>3</sup> DDS reports better management of opportune openings including reuse of annualized money when people leave the system or recapturing funds when an individual does not use their entire allocation. Over the past two years, DDS has also improved contract management, no longer leaving funds in contracts when individuals leave a program. Consequently, the funds become available and can support additional individuals. DDS indicates that this is likely to continue, creating more opportune openings in the future.

The total number of new people from the waiting list served for SFY 2008 is 387 individuals.<sup>4</sup> The 387 individuals served in SFY 2008 represents a 27 percent increase over the 304 new individuals served in SFY 2007.

During the first three full years (SFY 2005 through SFY 2008) that the Settlement Agreement was in effect, DDS furnished residential services to 746 individuals exceeding the 600 individuals stipulated in the Agreement. Another 422 wait-listed individuals received residential services by virtue of "opportune" openings. And in SFY 2008, an additional 16 individuals received services using unexpended funds from SFY 2007 bringing the four-year total served to 1,184 individuals.

Following the pattern of the second and third years of the Settlement Agreement, the number of people on the waiting list declined due to some degree of higher than expected opportune openings. As compared to past years, SFY 2008 saw a more significant drop in the number of individuals waiting for services in Emergency and Priority 1, from 680 individuals in SFY 2007 to 560 individuals in SFY 2008. This represents a drop of 17.65 percent in those waiting in the top two categories. But this decrease in individuals waiting in Priority 1 and emergency was accompanied by a 23.74 percent *increase* in individuals in Priority 2 as compared to SFY 2007. While the drop in Priority 1 and Emergency is partially due to the increased number of individuals getting services, DDS also made refinements in the assessment and categorizations criteria for Priorities 1 and 2.

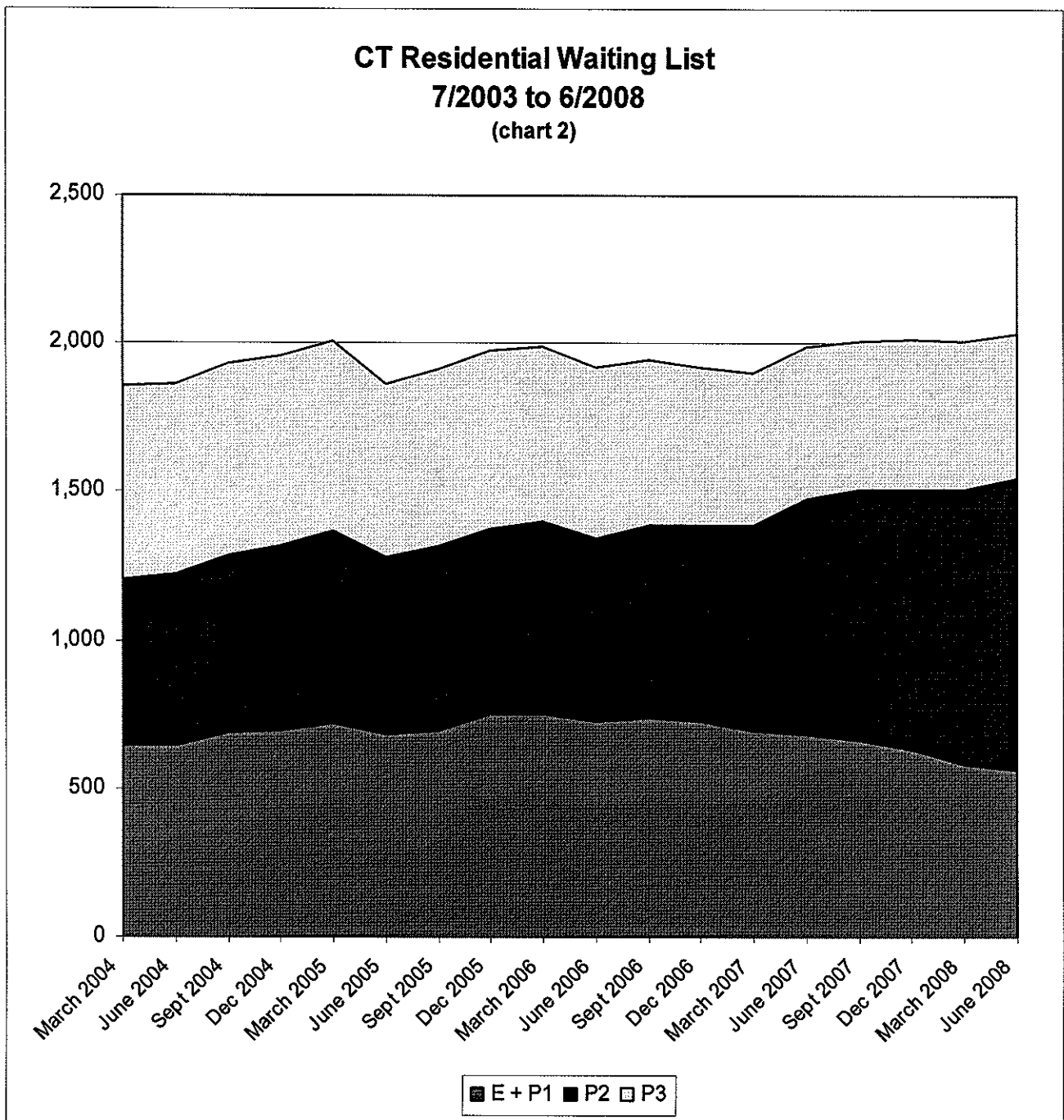
Some of the increase in Priority 2 (and concomitant decline in Priority 1) is likely attributable DDS to changing the criteria for Priority 1 to a more stringent test. In past years, the prioritization asked if the family/individual wanted residential within the next 12 months. DDS has changed the Priority checklist and eliminated the question that asked if the family wanted placement in less than a year, as this question skewed Priority 1. If the family answered "yes", it resulted in the person being placed in Priority 1 without enough emphasis on other factors. The assessment for waiting list prioritization includes more emphasis on additional factors such as the individual Level of Need (LON) scores along with situational and environmental factors (such as age of caregiver, current level of supports and services). In order to assure more accuracy and fairness in the LON determination, case managers no longer assign

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<sup>3</sup> Between June 2005 and June 2008, average opportune opening were 105 per year.

<sup>4</sup> Although these figures do not include persons who received residential services through earmarked "age-out" funding, funding for "age-outs" has a potential effect on the waiting list. These 46 "age-out" individuals could have appeared on the waiting list without this earmarked funding.

LON categories. The Planning and Resource Allocation Team (PRAT) makes the assignment to the category of need based on the LON score. Although it is difficult to assess exactly how much these changes had an impact on the changes seen in the numbers assigned to the priority categories, given the significant increase (almost 24 percent over SFY 2007), in Priority 2 categorizations and the decrease in those waiting in Emergency and Priority 1, the more stringent Priority 1 categorization has had an effect.



## **Overall Waiting List Growth**

Despite these gains, the *overall* services waiting list including people in Priority 2 and Priority 3 status continued to edge slightly upward as it has in other years, illustrated by Chart 2. But the overall increase in the total number of individuals waiting for services between SFY 2007 and SFY 2008 only increased about 1 percent, from 1986 individuals to 2010 individuals.

The total number of people on the waiting list regardless of category grew by 14.69 percent between July 2003 and June 2008. The proportion of individuals in Priority 2 status trended upward during the period, rising from 30.1 percent of all persons on the waiting list in July 2003 to 48.5 percent in June 2008. However, since December 2005, the total number of individuals wait-listed has been relatively stable.

The finding of the previous report that, over time, individuals eventually shift upwards in the priority rankings will likely hold true. Eventually, as caregivers age and/or individuals, due to aging, need more supports, they would tend to shift into a higher priority. In past years, this explained, in part, why the number of people in the Emergency and Priority 1 waiting list group declined slowly despite the expansion of residential services. But with the change in criteria this year, fewer people shifted upwards, reducing the overall numbers in Emergency and Priority 1 significantly. Despite this, individuals will likely continue to shift into higher priorities over time as they and their caregivers age.

## **Underlying Factors Affecting Service Demand**

Waiting lists measure the point-in-time difference between service demand and system capacity. The number of people on a waiting list rises or falls in relationship to the rate of change in demand and capacity. When demand grows more rapidly than capacity, the waiting list grows and vice versa.

Service demand is affected by two factors. One factor is growth in the general population. All other things being equal, demand will scale upward with population. The second factor revolves around demographics, especially with respect to the demand for residential services. In developmental disabilities services, the increased longevity of individuals has resulted in a growing cohort of persons who live with aging caregivers. Over time, the capacity of these caregivers to support individuals diminishes. Increased longevity also results in lower turnover (opportune openings) within the service system and, thereby, reduces the extent to which new demand can be absorbed within existing system capacity. These demographic factors are causing the demand for developmental disabilities services to increase more rapidly than population growth alone explains. It is not unusual to observe service demand in the states increasing at rates 2-5 percent above the rate of general population growth. Holding the waiting list constant requires continuing year-over-year expansion of services to keep pace with demand.

## **Current Situation in Connecticut**

As described in the August 2007 report, Connecticut's population has grown at about one-half of the nationwide rate. US Census data put Connecticut's population growth at less than 25% of national growth and by 2035. Connecticut is projected to lose

population as compared to fairly steady national growth of 4% per decade on average.<sup>5</sup>

Also, according to the University of Connecticut data, the state population is aging more rapidly than the nation as a whole. For example, by 2010, Connecticut's median age is expected to rise to 43.1 years versus the projected national median age of 37.0 years. By 2015, Connecticut's median age is projected to be 42.7 years compared to a national average of 37.5.

As noted in the earlier report, Connecticut's slow population growth means that the overall increase in demand for services will remain fairly stable. Between March 2004 and June 2008, the total DMR caseload (total number of individuals served regardless of type or amount of services) increased by only 1.03 percent. As noted in the 2007 report, this remains approximately in line with the overall rate of growth in Connecticut's population during the same period. The number of *adults* in the caseload continues to increase at a more rapid pace than those under 22. As of March 2007, 71 percent of the caseload was over 22 and in March 2008, 72 percent of the caseload was over age 22. The number of individuals served over the age of 45 continues to account for 46.4 percent of all those served, a slight decrease from last year when those over 44 accounted for 46.9 percent of those served. This trend is in line with the overall aging of the population nationally and particularly in Connecticut. This aging of the population will continue to increase demand for residential services as care-givers age and as the individuals served age and will likely need more supports.

### **Residential Services Demand Trend Line**

In the August, 2007 report, service demand represented the sum of people served plus people waiting for services. People served was defined as the number of people who receive DDS-funded residential services plus the number of persons who have Individual Service Agreements. This count does not include any individuals who receive out-of-home placements funded by other sources or agencies. In SFY 2008, DDS removed the category of Individual Service Agreement and added a category called Self-Directed. But all the individuals who formerly appeared in the Individual Support agreement category appear in either the self-directed numbers or in other categories that reflect their services, thus the totals are comparable year to year, just not the discrete living arrangement categories.

In looking at the demand, the waiting list includes only the people in Emergency and Priority 1 residential waiting list status who live with their families or on their own. Chart 3 shows the trend in Connecticut's residential services demand from March 2004 through June 2008. During the March 2004 through June 2008 period, on average, the number of persons served scaled up at the rate of 52.3 persons per quarter. Starting in March 2006 through June 2008, the number of people served grew at a somewhat faster pace than demand, at 64 individuals per quarter, causing the total number of people waiting for residential services to start to decline as described above. This, along with the change in how individuals are assigned to the waiting list

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<sup>5</sup> University of Connecticut, Connecticut State Data Center (2007). State Population Projections through 2030. Located at: [http://ctsdc.uconn.edu/Projections-State/CT\\_Statewide\\_2000to2030\\_PopProjections.xls](http://ctsdc.uconn.edu/Projections-State/CT_Statewide_2000to2030_PopProjections.xls)

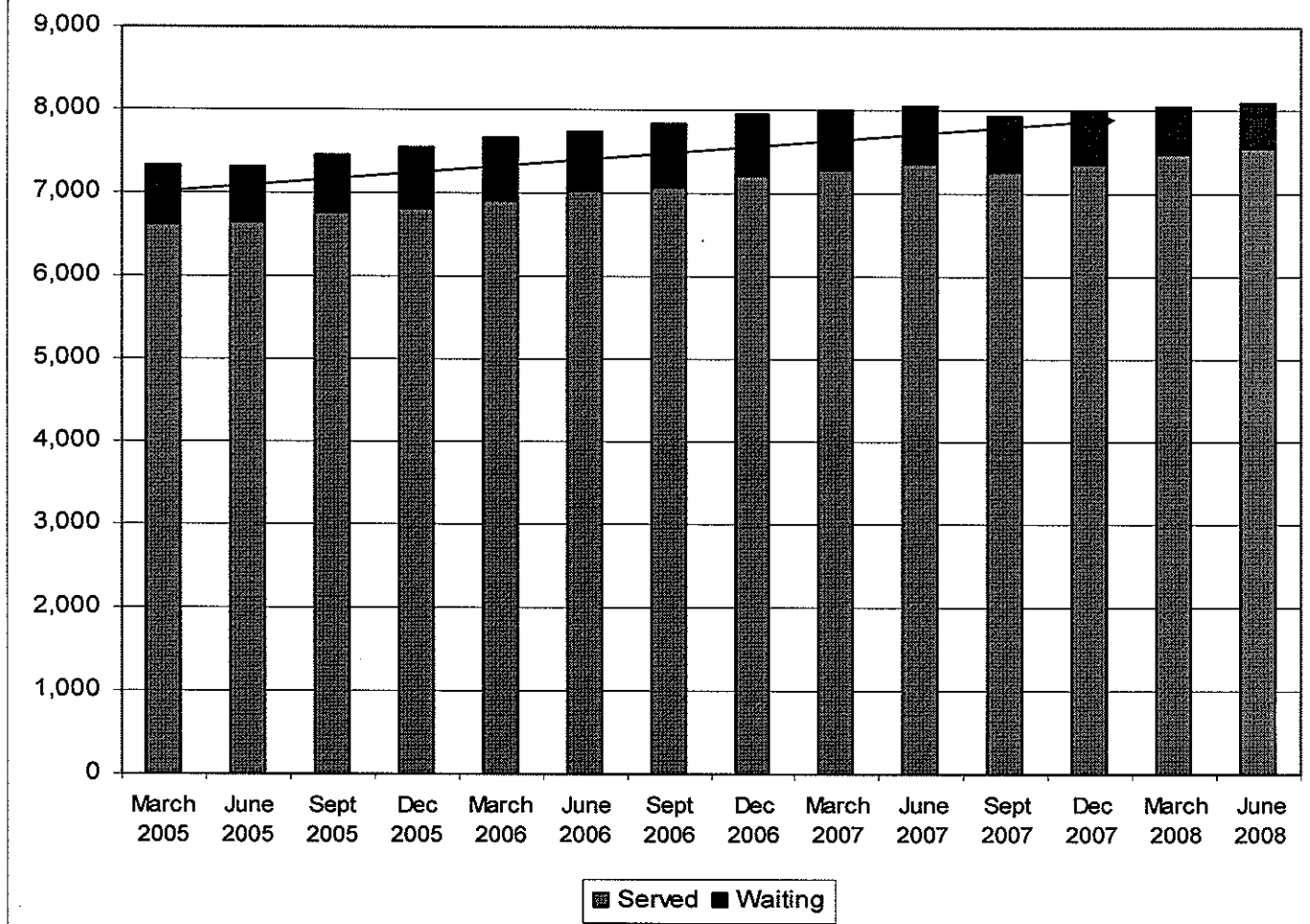
categories, has led to a decline in individuals in Emergency and Priority 1 waiting for residential services.

Since March 2005, demand has increased in a simple linear trend line revealing that residential services demand increased at the rate of about 51 persons per quarter.<sup>6</sup> (Again demand is the sum of individuals served in residential plus the emergency and Priority 1 waiting list). But in the past year, there has been a decline in overall services demand from previous years. As noted earlier, this decline is due in part to a change in categorization, a significant number of opportune openings and the ability of DDS to use to money SFY 08 provided for 150 placements for 228 individuals. In the past fiscal year, DDS served 29 percent more individuals using the new placement money than the year before, again a substantial increase in the number of individuals served. Also, it appears that there were a significant number of opportune openings as the number of individuals served from June 2007 to September 2007 dropped by 121 individuals creating new openings, the single largest drop in the numbers served by the waiver in any quarter. (Only one other decline of only 18 individuals was reported in all the other quarters).

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<sup>6</sup> The trend line is: Total Demand = 7177.6 +58.3 x Number of Quarters since March 2004. The R<sup>2</sup> associated with the trend line is 0.9434, indicating a tight fit.

**Trends in Connecticut Service Demand**  
(chart 3)



**Service Demand Forecast**

As noted earlier, SFY 2008 has seen a significant drop in the number of individuals waiting for services in the Emergency and Priority 1 categories. This is due to increased placements through the use of opportune openings, effective use of the additional new funds and more stringent criteria for Priority 1 status. But, as with past years, Connecticut’s demographics have not changed. As in previous years, the *overall* waiting list inched up (all priorities) in line with past year predictions.



## II. Forecast of Service Demand

This section of the report offers forecasts of residential services demand over the five-year period from SFY 2008 through SFY 2012. These forecasts are then tied to alternative scenarios concerning service delivery system capacity to yield projections of the number of individuals who would be waiting for services under each scenario.

### Service Demand Forecast

The demand for residential services in Connecticut increased at the rate of 51 persons per quarter between March 2004 and June 2008.<sup>7</sup>

Looking at the period June 2006 to June 2008 (the midpoint of the 18 quarters of data available) demand has only increased by 49 individuals per quarter, in stark contrast to last years' demand for a similar period, where demand increased by 84 individuals per quarter (from the midpoint of the data).<sup>8</sup> If we assume that this new trend holds, demand for residential services would grow at the rate of only 200 people per year—the approximate mid-point between the two demand growth rates (for the period March 2004-June 2008 and June 2006-June 2008). This is a substantial drop from last year when the demand was projected at 300 individuals per year based on service demand rates. Again this drop in demand is a function of a smaller waiting list and a higher turnover rate (leading to more opportune openings) and the use of the new funding for more individuals than predicted.

The turnover rate for residential services (opportune vacancies from individuals leaving the program) has increased from 1.3 percent through last fiscal year to 1.5 percent for the period SFY 2005-2008. If this holds, the system will absorb 105 individuals through opportune openings, thus increased demand would account for only 95 new individuals each year. This increase in demand again is due to smaller numbers of individuals in waiting list categories Emergency and Priority 1 plus increased opportune opening in SFY 2008. Additionally, DDS was successful in serving substantially more than the 150 individuals predicted with new FY 08 funds.<sup>9</sup> Combining these factors (higher turnover, effective use of new funding and lower demand) makes for a significant decrease in the number of new placements needed to meet demand as compared to last year's forecast.

As a consequence, the **net** year-over-year increase in service demand is forecast to be 95 individuals per year; that is, the service system will absorb 105 individuals each year through placements due to opportune openings. Should turnover decelerate, total demand would be even higher. Conversely, an increase in the turnover rate results in lower out-year demand.

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<sup>7</sup> This is a drop from last year's overall increase per quarter from March 2004 to June 2007, where overall demand increased by 58 persons per quarter. These calculations are based on the mid-point for each of the period represented. This trend is calculated by taking the average increase in demand over the entire reporting period, comparing to the average increase in demand from the midpoint of the reporting period and calculating the difference.

<sup>8</sup> Last year's report indicated that for the period December 2005 to June 2007 (when demand began to increase), service demand increased to 84 persons per quarter. Again using a comparable midpoint calculation, demand has decreased considerably.

<sup>9</sup> DDS reported serving 228 individuals with the new SFY 08 funds earmarked to serve 150 individuals.

Under this forecast, total residential services demand in Connecticut would increase from the June 2008 demand level of 8,102 persons to 9,102 individuals in June 2012, an increase of about 2.46 percent per year or 9.9 percent over the period. This again is substantially different from last year's forecast which indicated a 3.5 percent increase each year and a 13.9 increase in demand over from 2008-2012.

### **Future Demand**

SFY 2008 saw two significant changes. First, DDS made changes in the criteria for assignment to Priority 1, putting more emphasis on individual and situational factors and less on the family stated requests for residential placement within 12 months. Improvements in the accuracy and fairness of LON scoring also contributed to a decline in Priority 1 over past year. The second factor reducing demand is the number of openings which have increased significantly over the past two years. This increase is due to more opportune openings from individuals leaving the program, better fiscal and contract management practices within DDS freeing up funding that in the past was contractually encumbered but not used, and the ability of placing more than the 150 individuals using the FY 08 settlement funding. The combination of these practices has substantially increased placements and reduced overall demand.

As these practices are now in place their impact will continue to be felt, but it is likely that the ability to maximize formally encumbered funds will diminish over time as these openings are filled. But DDS likely will continue to manage the new funding to create more openings and will continue to apply the new, more stringent criteria for Priority 1. The net effect is that service demand will be less than in past years, and barring significant changes in Connecticut's demographics (population growth, age of population), demand will be at the reduced rate for the foreseeable future, at approximately 200 new individuals per year for residential services.

### **Waiting List Forecasts Under Alternative Scenarios**

The number of people who would be waiting for residential services over the next four years hinges on the extent to which Connecticut expands residential services to meet forecasted growth in service demand. In order to forecast the number of people on the waiting list, three possible residential services expansion scenarios are used. All three scenarios assume that Connecticut will provide additional funding to accommodate youth who age-out of residential services which are funded by other agencies. The assumptions in these scenarios differ from last year's report due to the significant changes in placement numbers and reduction in the Priority 1 waiting list. The assumptions are somewhat conservative as this past year was so anomalous compared to past years.

The underlying assumptions are as follows:

- ✓ **Demand for placement will grow by about 200 individuals per year.**
- ✓ **DDS will place 144 individuals from the waiting list who live on their own or with their families.** As per the Settlement, 120 individuals who are on the waiting list and live on their own or with their families will be placed as per the

Settlement Agreement using new funds. But because DDS has been able to use these funds effectively, we predict that funding for these 120 placements will result in 144 actual placements, about 20% more per year than the required 120. In the past year, DDS has placed about 15% more and the most recent four quarters DDS has placed 29% more individuals with Settlement funding. We have used a conservative estimate that DDS will be able to place 20% more individuals with this funding.

- ✓ **Age-outs will reduce the demand for services by about 45 individuals per year.**
- ✓ **The turnover rate (opportune openings) is 1.5% per year.<sup>10</sup>**

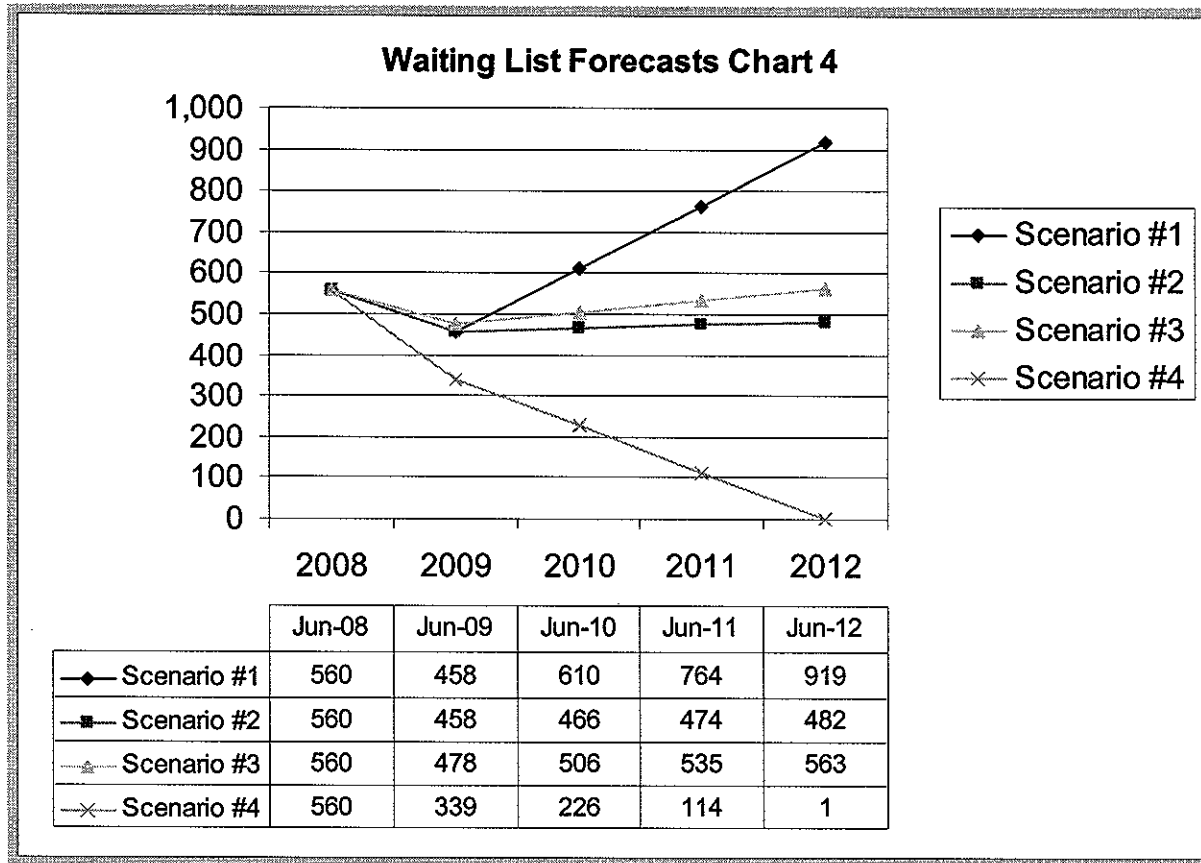
The scenarios below all assume continued opportune openings, the same turnover rate and the ability to use settlement funding to place more individuals that are required. If any of these factors change significantly, this requires a recalculation of the scenarios. The scenarios described below project the number of **newly funded** residential placements.

- ✓ **Scenario #1.** Under this scenario, Connecticut would expand residential services in SFY 2008 and SFY 2009 in order to provide 120 placements for individuals who live on their own or with their families, as provided in the Settlement Agreement. It is assumed that this additional funding would translate into removing 144 persons each year from the waiting list. This assumption reflects a conservative estimate that DDS will continue to be able to support about 20 percent more individuals each year from the earmarked settlement dollars. Post-2009, following the expiration of the settlement, no additional funds would be earmarked for waiting list reduction.
- ✓ **Scenario #2.** Under this scenario, Connecticut would continue to fund 120 placements each year following the expiration of the Settlement Agreement. Again, it is assumed that this funding would translate into removing 144 persons from the waiting list each year.
- ✓ **Scenario #3.** This scenario is constructed to hold the waiting list approximately steady—neither growing nor decreasing by a lot. This scenario requires removing 124 individuals from the waiting list each year. This means funding for 103 new placements.
- ✓ **Scenario #4.** This scenario is constructed to eliminate the waiting list by June 2012. In order to eliminate the waiting list by 2012, Connecticut would have to furnish residential services to an additional 262 persons per year, starting in SFY 2009. This scenario would require underwriting residential services for 118 additional individuals each year over-and-above the expansion that would occur under Scenario #2.

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<sup>10</sup> Connecticut will continue to place individuals into the opportune openings. The number varies slightly in each scenario, but in every scenario the opportune placement account for between 133-121 additional placements each year.

Chart 4 shows the forecast waiting list under each scenario.



Under Scenario #1 the number of people on the waiting list would decrease through June 2009 but would then increase. Under Scenario #1, the waiting list would increase year-over-year from SFY 2010 through SFY 2012, climbing to 919 by June 2012. This scenario illustrates that unless there is continuing growth in system capacity, the waiting list will grow quickly.

Under Scenario #2, keeping new placement funding at 120 per year yields a modest decrease in the number of individuals on the waiting list through SFY 2012. If Connecticut were to fund the agreed upon 120 placements (actually serving 144 individuals), the waiting list would decrease by about 98 individuals over the period.

Under Scenario #3, an alternate possibility could be if Connecticut wanted to hold the waiting list steady—neither increasing nor decreasing placement over the four future years--funding 103 placements (and placing about 120 individuals), an approximate balance would be struck between system expansion and new service demand.

Under Scenario #4, the waiting list would be pushed down to about one-half its present level by June 2010 and eliminated in June 2012. Post-2012, Connecticut would have to continue to expand residential services to serve 263 individuals each year in order to keep the waiting list from reappearing. This translates into funding approximately 219 new placements per year, 75 more per year than in the earlier scenarios.

## **Summary**

Over the past four years, Connecticut has expanded its residential services capacity significantly. Due to new funding, the effective use of Settlement Agreement funds, opportune openings and funding for some individuals aging out who may have sought residential services, Connecticut has made inroads into the Emergency and Priority 1 waiting lists. Change in the criteria for Priority 1 also affected the demand for residential services.

Despite these efforts, going forward, Connecticut will experience continuing growth in residential service demand. In order to keep the waiting list from growing, Connecticut would have to continue to expand residential services. Eliminating the waiting list would require a greater rate of expansion.