



State of Connecticut  
Department of Developmental Services

DDS

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Governor

Jordan A. Scheff  
Commissioner

Elisa Velardo  
Deputy Commissioner

To: DDS Qualified Providers

From: Jordan A. Scheff, DDS Commissioner

CC: Elisa Velardo, Deputy Commissioner; Katie Rock-Burns, Chief of Staff; Krista Ostaszewski, Health Management Administrator; Sean Bannon, Operations Center Director; Regional Directors; Assistant Regional Directors; Regional Resource Administrators

Date: April 11, 2022

RE: **CMS Final Settings Rule**

This memo is to provide DDS qualified providers with an update on the Home and Community-Based Services (HCBS) Settings Final Rule (known as “final settings rule”).

In 2014 the Centers for Medicare and Medicaid Services (CMS) issued a final rule that establishes requirements for the qualities of HCBS settings that are eligible for reimbursement under Medicaid. The rule requires states to review and evaluate HCBS settings, including residential and non-residential settings, to determine that such Medicaid funded settings allow for and facilitate community-based integration that distinguish them from institutional settings.

CMS has communicated that states must be in compliance with the rule by March 17, 2023.

In June of 2018, in partnership with the single state Medicaid agency, the Department of Social Services (DSS) and DDS submitted a statewide Final Settings transition plan to CMS for approval. The plan was approved and confirmed that all DDS settings (at that time) meet or could meet the expectations of the final settings rule.

For new settings created after June 2018, DDS must ensure the setting meets the final settings requirements outlined by CMS. In addition, DDS Point of Service qualified providers are contractually obligated to meet the final settings requirements.

Specifically, the final settings rule requires that all home and community-based settings funded through Medicaid meet certain qualifications. These qualifications include that the setting:

- Is integrated in and supports full access to the greater community;
- Is selected by the individual from among setting options;

- Ensures individual rights of privacy, dignity and respect, and freedom from coercion and restraint;
- Optimizes autonomy and independence in making life choices; and
- Facilitates choice regarding services and who provides them.

The final settings rule also includes additional requirements for provider-owned or controlled home and community-based residential settings funded through Medicaid that focus on an individual's right to privacy and protections in their home (e.g., locks on doors, choice of roommates, freedom to decorate their own rooms, visitors at any time, accessibility and leases or legally enforceable agreements)

Requirements to the final settings can be modified as long as the details are assessed, explained and justified in the person-centered plan.

DDS is sympathetic and understands the enormous stress the pandemic and other challenges, such as staffing, has created for the provider community. It is with this in mind that DDS is reminding providers of the CMS deadline in March of 2023. DDS will do everything we can to work in partnership with providers to ensure we all meet the federal requirements as articulated. Over the next several months, DDS will be providing additional information, resources and materials related to the final settings rule to ensure providers understand the components of the rule. In tandem, DDS will continue to educate staff and families about the rule and what it means in terms of promoting choice and community integration.

DDS is also working to integrate final settings requirements into our quality assurance and monitoring processes.

The Department's mission and vision focuses on creating and promoting meaningful opportunities for individuals to fully participate as valued members of their communities. The final settings rule clearly aligns with these values. DDS is confident that our home and community-based settings already embrace the foundation in which the final settings rule was created upon.

DDS is grateful for your commitment as DDS providers and we look forward to our work together to ensure every individual supported by DDS has the ability to live a fully integrated life of their choosing.

For more information on the final settings rule, as well as links to several corresponding documents please visit: <https://portal.ct.gov/DDS/OperationsCenter/Providers/CMS-Final-Settings-Information>

A copy of the Approved CT State Transition Plan can also be found here: <https://portal.ct.gov/-/media/DDS/Waiver/finalsettings/CT-STP-Amendment-Final-08-01-2018.pdf>

Thank you.

Jordan A. Scheff, DDS Commissioner