



Dannel P. Malloy
Governor

State of Connecticut Department of Developmental Services



Terrence W. Macy, Ph.D.
Commissioner

Joseph W. Drexler, Esq.
Deputy Commissioner

TO: Trades Associations
FROM: Joseph W. Drexler, Deputy Commissioner
SUBJECT: Rescissions
DATE: November 25, 2014

The Department of Developmental Services (DDS) will implement the reductions outlined in the Governor's rescissions in a manner that minimizes the impact on the citizens served by DDS. Below is information regarding the rescissions and their impact on DDS services and projected revenue.

Perhaps the most significant aspect of the rescissions was that the Community Residential Account (16122) was not reduced. This account funds the vast majority of our residential services and more specifically, is the account that received funding this year for residential age outs and to help individuals with elderly caregivers. It is also the account used when an individual is in an emergency situation and needs immediate residential funding. We appreciate the recognition of the critical needs that this account will address this year.

Personal Services (10010)

Reduction \$2,000,000

This account funds salaries and wages for DDS employees. The \$2,000,000 reduction represents the costs associated with approximately 30 positions. DDS has had a significant number of people retire or leave this year and we believe we can save the two million dollars while still refilling positions related to health and safety. **Revenue:** We do not anticipate any impact on revenue this fiscal year.

Other Expenses (10020)

Reduction \$500,000

The half million dollar reduction represents about 2.3% of the annual amount. This account funds a wide array of non-salary items used by DDS operated residential and day services, as well as DDS general costs. The reduction will be spread across a variety of areas including maintenance and repairs, supplies, information technology and legal costs. Hopefully, DDS will avoid large expenditures for snow removal and other weather related items. **Revenue:** We do not anticipate any impact on revenue this fiscal year.

Human Resource Development (12034)

Reduction \$9,918

This account supports staff training and since all the funds for FY 15 have not been committed, DDS will plan training activity based on the remaining funds. **Revenue:** We do not anticipate any impact on revenue this fiscal year.

Cooperative Placement Program (12101)

Reduction \$599,553

These funds support services to people who have been involved with the criminal justice system. This reduction will be very challenging given the urgency of many of these situations. Where possible, DDS will delay services to save money. **Revenue:** This reduction will impact current waiver services and waiver billing. The revenue loss will be approximately 50% of the reduction in FY 2015.

Clinical Services (12185)

Reduction \$215,036

DDS saved funds last year by reducing reliance on nursing pool services. Those funds are being redirected towards improved clinical services associated with individuals who have significant behavioral needs. These changes will be phased in to create the necessary savings. **Revenue:** We do not anticipate any impact on revenue this fiscal year.

Community Temporary Support Services (12213)

Reduction \$3,037

These funds are used to help families who need temporary supports. This reduction can be absorbed without impacting families by utilizing other family support resources. **Revenue:** There is no impact on revenue.

Supplemental Payment for Medical Services (12521)

Reduction \$170,000

This reduction is based on the current declining enrollment at Southbury Training School (STS) and DDS projected this savings. **Revenue:** There is no impact on revenue since these savings were already planned.

Rent Subsidy Program (16069)

Reduction \$20,000

Rent subsidies for people applying for assistance will be delayed where possible to create this savings. **Revenue:** There is no impact on revenue.

Family Reunion Program (16104)

Reduction \$4,117

This reduction is based primarily on our current projected surplus. **Revenue:** There is no impact on revenue.

Employment Opportunities and Day Services (16108)

Reduction \$2,000,000

This is a substantial reduction but is absorbed in a large account. DDS will take a variety of actions to achieve the necessary cost savings this fiscal year. Actions include minor adjustments to the providers payment cash flow based on utilization level, delays in providing services to adults requesting new services and reduction in one time enhanced support where possible. The reduction will not impact this year's day age-outs or high school graduates most of whom are already receiving services. **Revenue:** This reduction will impact Waiver current services and the ICF and Waiver final rates that will replace the FY 15 interim rates. The adjustment for the final rates will take place in FY 16. The revenue loss will be approximately 50% of the reduction spread over this year and next year.