



**State of New Jersey**  
DEPARTMENT OF HUMAN SERVICES  
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May 28, 2015

David J. Rosen  
Legislative Budget and Finance Officer  
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P.O. Box 068  
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Dear Dr. Rosen:

Please see DHS's responses to the follow up questions that were sent on May 6, 2015 following the Senate Budget and Appropriations Committee hearing on May 5, 2015.

During the Department of Human Services hearing before the Senate Budget and Appropriations Committee on May 5, 2015, you indicated that you would provide written information in response to the following issues raised by the members of the committee.

Senator Ruiz:

- The department indicated that it had surveyed individuals who are currently on the waiting list and that 49 percent of these individuals want in-home services. Please provide to the committee specifics on the type of in-home services that these individuals are requesting.

**Answer:** Although the impression of the waiting list is that individuals are in need of immediate residential placement, in many cases individuals select other services to complement their existing supports. For example, for individuals on the waiting list served from FY10-14, 49% selected in-home services, 22% declined services or did not desire additional services, 20% selected out-of-home services, and the remainder were no longer in need of or eligible for Division services (e.g., moved to another state, enrolled in another waiver program).

The services in-home that are provided by the Community Care Waiver and requested include day habilitation, individual supports, respite, supported employment, community transition services, assistive technology, environmental and vehicle modifications, Personal Emergency Response system (PERS), and transportation.

- The department also indicated that it had conducted an analysis of the capacity of the current community settings and providers to meet the growing needs in the community. Please provide to the committee the analysis and the findings conducted by the department to better ascertain the future needs of the community.

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**Answer:** The proportional need for those waiting for services is listed below, allocated by county. These figures are used to determine the locations of the development of new residential programs, as well as community-based services. In FY14, there were 436 individuals who moved into residential placements.

<b>COUNTY</b>	<b>Proportional Need (Percentage)</b>
Atlantic	2.8
Bergen	10.9
Burlington	4.7
Camden	5.1
Cape May	1.2
Cumberland	1.3
Essex	8.3
Gloucester	2.9
Hudson	3.0
Hunterdon	1.7
Mercer	4.9
Middlesex	9.7
Monmouth	8.8
Morris	6.6
Ocean	8.9
Passaic	4.7
Salem	.5
Somerset	5.4
Sussex	2.3
Union	5.1
Warren	1.2

Senator Greenstein and Senator Pou:

- The department indicated that the rules within the Statewide Transition Plan that relate to development of residential placements for recipients of home- and community-based services are based on federal regulations and guidance on the use of certain federal funding streams (Section 811 and Money Follows the Person). Please provide to the

committee the specific regulations and guidance for these programs that mirror the proposed limitations on new developments in the Statewide Transition Plan.

**Answer:** The statute governing the HUD Section 811 Project Rental Assistance Demonstration Program is the Frank Melville Supportive Housing Investment Act of 2010, and the relevant guidance regarding community-integrated housing can be found in Section 4. Project Rental Assistance, Part B (iii), Limitations on Units Assisted. The statute governing the Money Follows the Person program is Section 6071 of the Deficit Reduction Act of 2005. The relevant guidance regarding qualified residences can be found in Section 6071, (b) 6, Qualified Residences.

- Please also provide the number of current projects that are subject to these federal rules. (Please specify by Section 811, Money Follows the Person, and any other rules).

**Answer:** NJ was awarded 206 project-based rental subsidies through the Section 811 Project Rental Assistance Demonstration Program in March 2015. The contract agreement for these subsidies has not yet been signed with HUD so these subsidies have not been assigned to projects yet. The Money Follows the Person program does not assign funding by project. NJ is able to generate Rebalancing Funds through DDD savings by placing individuals in projects that meet the definition of qualified residence for the Money Follows the Person program. Since NJ's initial participation in the program in July 2008, DDD has placed 638 individuals in qualified residences. To date, these placements have generated \$12.165 million in MFP Rebalancing Funds, which DDD has used for reinvestment into community living, including funding training, enhanced supports, and capital financing for new housing.

- Please provide the number of current projects that are not subject to these rules, because they are funded entirely with State, local, private, and/or unrestricted federal funds.

**Answer:** All current projects are being developed with these rules in mind. Although the housing-specific funds for capital development and rental subsidies come from a variety of sources, compliance with federal standards is essential to ensure that these settings are considered community-based and that the Division continues receiving federal matching funds on the services provided in these homes.

- Please estimate the number of projects per year that are anticipated in the future that will be subject to the rules when the Statewide Transition Plan takes effect.

**Answer:** As stated in CMS regulation and guidance, by 2019 all projects must be in compliance with the CMS Final Rule on Home and Community-Based Settings. All new DDD projects will be in compliance with the standards for new projects in the Statewide Transition Plan.

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- Please comment on the reasons the department is expanding these rules to apply to all projects, regardless of funding source. Is the department concerned that the restrictions in the proposed Statewide Transition Plan may have a detrimental effect on the development of new projects in the future?

**Answer:** The HCBS standards require that the state offer individuals a choice from among a variety of housing options, including options in settings that are not disability-specific. DDD's current portfolio of housing settings relies heavily on congregate sites that serve only individuals with disabilities. In order to maximize the community integration experienced by recipients of HCBS services, and to balance its system and to increase opportunities for individuals to choose from among a variety of housing options, including those in settings that are not disability-specific, as required by HCBS standards, DDD has adopted policies aligned with standards for community integration found in federal programs such as the Section 811 Project Rental Assistance Demonstration Program and the Money Follows the Person Program.

These policies have been in place at DDD for more than four years. While these policies have been in place, DDD has seen a significant increase in the number of housing options developed. Since July 2011, DDD has developed more than 1,700 new housing opportunities.

Sincerely,



Elizabeth Connolly  
Acting Commissioner