



STATE OF NEW JERSEY

DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES

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MEMORANDUM

DATE: February 1, 2018

TO: Distribution List

SUBJECT: Housing policies

The recent shift to fee-for-service Medicaid reimbursement has enabled the Division of Developmental Disabilities (Division) to review its various policies in order to align standards, and clarify and update rules as follows:

HOUSING DEVELOPMENT

Letters of Support

Division funding is provided to eligible individuals in the form of individualized service budgets and rental vouchers. Letters of Support now will clarify that Division funding is available *only if* an eligible individual chooses to live in a unit that meets home and community based standards. Letters of Support are not a guarantee that a certain number of units will be funded or occupied.

The Division will continue to partner with the Department of Community Affairs and the NJ Housing and Mortgage Finance Agency in the Special Needs Housing Partnership Loan Program.

Statewide Transition Plan: Home and Community Based Settings Compliance

The Statewide Transition Plan requires that individuals with intellectual and developmental disabilities be integrated, to the greatest degree possible based on their abilities, into the community. Although the number of individuals in a home is a factor, compliance is based on the overall home environment, including the experiences of individuals and their interaction with the community.

Newly developed provider-controlled settings (those owned or leased by the service provider) in single family dwellings will generally be approved for up to four individuals per site. Requests to serve more than four individuals in a single location will be evaluated based on the services required, such as behavioral or medical care, and the factors that make delivering those services in a smaller setting impracticable. Requests for serving more than four individuals in a single location may be made through the assigned Program Developer.

Site Searches

If Division funding is being used for new provider controlled settings, the Division continues to require site searches, Division-architect review and adherence to architect recommendations.

If Division funding is *not* being used, the Division continues to require site searches, but review of the property by the Division-architect would only occur at the request of the service provider.

Negative outcomes, such as the failure to become licensed or to receive a certification of occupancy, as a result of declining or deviating from Division-architect review are the sole responsibility of the service provider.

CAPITAL FUNDING TIMELINES

With the shift to fee-for-service, many expenditures now paid through contract or voucher will be reimbursed through the service rates or housing vouchers. Service providers will be able to accumulate reserves for site maintenance and upgrades. Additionally, rental vouchers will not be adjusted to account for historic Division funding of acquisition and improvements. As a result, review of capital funding requests for Accessibility Modifications and Major Maintenance will end as outlined below. The Division will not render payment on projects that do not meet these time requirements. The Division is no longer accepting proposals for acquisition funding.

CAPITAL FUNDING

Acquisition

Beginning July 1, 2017, the Division is no longer considering new projects for acquisition funding. Any project that has received written approval from the Division must be completed and submitted for reimbursement by January 1, 2019.

Accessibility Modifications, Fire Alarms and Fire Suppression

As previously communicated, the Division will accept requests for accessibility modifications on existing licensed homes through June 30, 2018. At this time, the Division will continue to accept requests for fire alarms and fire suppression. The following requirements must be met:

- Division funding for accessibility modifications is limited to \$60,000 per property. Project costs over this amount must be funded from other sources. Fire alarms and fire suppression are funded separately and are not counted against this threshold.
- An agency may have up to four accessibility projects in process at any one time. If an agency has four projects in process, one project must be completed and reimbursed before another proposal can be submitted for review.
- A capital package is required for all projects, regardless of amount. If accessibility modifications are submitted in conjunction with fire alarms and fire suppression, a single capital package may cover both projects.
- All proposal changes or revisions must be approved by the Division in writing prior to completion of the project. If the Division is not notified or does not approve, Division funding will be limited to the amount in the last approved request.
- Accessibility Modifications approved on or before the date of this memo must be completed and submitted to the Program Developer for payment on or before June 30, 2018.
- Accessibility Modifications approved after the date of this memo must be completed and submitted to the Program Developer for payment within 120 calendar days of approval.

- Fire Alarms and Fire Suppression reimbursement requests must be submitted within 30 calendar days of the licensing date. This deadline relates to reimbursement after project completion – proposals will continue to be approved in advance at the project financing stage.

In consultation with the Department of Community Affairs, the Division will continue to implement the following policy regarding the requirement for sprinkler systems in multi-family dwellings:

“Fire suppression systems are required in all new stand-alone DDD licensed homes and DDD homes that require a change in use group. Fire suppression systems are not required in multi-family dwellings (condominium, townhouse or apartment) when the service recipient can evacuate without physical assistance. Verbal prompts, verbal cues and physical prompts can be provided to assist in the evacuation. Fire suppression systems are required in multi-family dwellings when the service recipient requires physical assistance for prompt emergency evacuation.”

Major Maintenance

As previously communicated, the Division will accept requests for major maintenance on eligible homes through the date that the home converts to the fee-for-service housing subsidy administered by the Supportive Housing Connection. The following requirements continue to apply:

- The home is owned by the State or was State-funded under the “Standard Language Funding Agreement for Construction, Purchase, or Purchase and Renovation of Community-Based Facilities.”
- The home has a current and filed purchase money mortgage and current Standard Language Funding Agreement for the original funding and all subsequent amendments.
- Proposed project has been assigned a priority 9 or 10 rating by the Department architect.
- A capital package is required for all projects, regardless of amount.
- All proposal changes or revisions must be approved by the Program Developer in writing prior to completion of the project. If the Division is not notified or does not approve, Division funding will be limited to the amount in the last approved request.
- Major Maintenance approved on or before the date of this memo must be completed and submitted to the Program Developer for payment by June 30, 2018.
- Major Maintenance approved after the date of this memo must be completed and submitted to the Program Developer for payment within 120 calendar days of approval.

STARTUP FURNITURE

At this time, the Division will continue to accept requests for startup furniture in newly licensed programs, up to \$3,000 per individual.

Please direct all inquiries regarding these policies to your Program Developer.