



FY24 Policies to Promote New Program Development in Adult Long Term Residential Services

July 17, 2023

Background

During FY23, DDS released a series of policy updates to incentivize new program development in Adult Long Term Residential Services (ALTR):

- Incentive payments for new ALTR placements
- Increased start-up funding for new ALTR homes
- Increased occupancy rate caps for new ALTR homes

DDS is extending these policies for the duration of FY24 with updated parameters described in this guidance.

Residential Placement Incentives

The current residential placement incentive policy is in place through December 31, 2023. All new ALTR placements made by December 31, 2023 will receive incentive payments in accordance with the policy and eligibility criteria described in [Policy Updates to Promote New Program Development in ALTR](#) published December 12, 2022 and [Updated Eligibility Guidance for Residential Placement Incentives](#) published January 10, 2023.

DDS will be extending the residential placement incentive policy through June 30, 2024 with the following updated eligibility standards. Placements completed between January 1, 2024 and June 30, 2024 must meet these criteria to be eligible for payment.

Effective January 1, 2024, incentives will only be offered for placements that are related to new program development. New program development is defined as either, 1) a new ALTR site, or 2) an expansion in site capacity due to the addition of new bedrooms. New ALTR sites that are replacing an existing ALTR site will not be considered new development.

Individuals will be eligible for \$100,000 placement incentives in the following scenarios:

1. Individual is new to ALTR services, or transferring from a temporary placement, and is placed in a newly developed site or bed.
2. Individual is placed in a vacancy that arose from transferring individuals into newly developed capacity. This scenario occurs when a provider fills newly developed beds by transferring individuals who are residing in other sites operated by the same provider. In this scenario, the transfer placements into the new site are not eligible, but the backfilling of the vacancies created through the transfer are eligible.

All individuals must be prioritized by DDS as Residential Priority 1 in order to be eligible, excepting individuals who are participants in the ABI / MFP waiver programs.

Individuals who transfer into newly developed capacity from a site operated by a different provider are eligible for a transfer incentive of \$50,000. If the vacancy created by this transfer is filled with an eligible placement, that provider will also be eligible for a \$50,000 incentive.

Individuals who are placed in existing vacancies that are not related to new program development will no longer be eligible for placement incentives.

Residential Start-Up and Capital Policy

The maximum cap for start-up and capital contracts for new ALTR sites will remain at \$125,000 for the duration of FY24. Expanded eligibility for certain staffing and related costs as described in [Policy Updates to Promote New Program Development in ALTR](#) published December 12, 2022 will also remain in place for the duration of FY24.

Occupancy Maximum Rate Caps

Maximum rate caps for new ALTR sites will be extended through June 30, 2024.

Region	Maximum Allowable Rate	Unit
Central/West	\$1,948	per person per month
Southeast	\$2,520	per person per month
Northeast	\$2,520	per person per month
Metro Boston	\$2,520	per person per month
Medical/ABI	\$2,520	per person per month