



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor—Anthony G. Brown, Lt. Governor—John M. Colmers, Secretary

Developmental Disabilities Administration

Michael S. Chapman, Executive Director

TO: Executive Directors
Community Supported Living Arrangements (CSLA) Programs

FROM: Michael S. Chapman
Executive Director

SUBJECT: Updated Fiscal Year 2009 CSLA Rates

DATE: October 24, 2008

As you know, the slowdown in the economy has a direct effect on the tax revenues collected by the state, and this current round of cuts to the FY09 budget was brought about by a report in September that revenues were going to be \$430 million less than anticipated. The State is required by law to have a balanced budget, so action had to be taken – and sooner, rather than later. This budget cut reduced the cost of living adjustment or inflation originally allocated to community services providers which were approved by the Board of Public Works on October 15, 2008. Attached are revised hourly rate tables for the CSLA payment system for FY09 incorporating the reduction. All rates, including professional support, have been decreased to reflect the cost of cost of living adjustment. This funding was distributed based on provider costs centers incorporated into the hourly rates.

The FY09 1st and 2nd quarter payments paid at the higher rates will be recouped in your agency's 3rd quarter payment. Also a report will be generated to provide details regarding the decreased funding and will be available in the PCIS2 Report module entitled FY09 Q3 COLA Adjustment. Any increases or decreases to the 1st and 2nd quarter payments because of adjustments will be handled with your agency's final FPS reconciliation. Your agency's 3rd quarter payment will be based on the updated rates.

If you have any questions, please call Carrie Phillip, Chief Financial Officer, at 410-767-5996. Thank you for your continued commitment to serving persons with developmental disabilities.

cc: Renata Henry
Laura Howell
Carrie Phillip
Audrey S. Waters
Regional Directors