

Fiscal Note

BILL # SB 1031

TITLE: developmental disabilities; ALTCS services

SPONSOR: Rogers

STATUS: As Introduced

PREPARED BY: Maggie Rocker

Description

The bill would require the Department of Economic Security (DES) to provide long-term care system services to non-Medicaid eligible developmentally disabled clients.

Estimated Impact

DES estimates the bill would generate additional General Fund costs between \$50.4 million and \$473.6 million. The lower end of the estimate assumes a 10% utilization rate of long-term care services by new clients while the higher end assumes a 100% utilization rate. Since non-Medicaid eligible developmentally disabled clients are generally higher functioning, we believe 100% utilization of services by new clients would be unlikely, thus resulting in a cost lower than the high end of DES's provided range.

Analysis

The Arizona Long Term Care System (ALTCS) provides long-term services, including home and community-based services, for developmentally disabled members determined to need institutional services. For developmentally disabled individuals who do not meet ALTCS program requirements, the DES Division of Developmental Disabilities (DDD) provides support coordination through a state-funded program.

The bill would require long-term care services be provided to non-ALTCS eligible developmentally disabled individuals. DES estimates that 9,209 DDD clients who receive either case management or state-only services would receive a full set of ALTCS services. In addition, the Department expects it would need to hire an additional 134 human service specialists to address the increased caseload. Depending on the assumed utilization rate of ALTCS services by new clients, DES estimates the bill would generate additional costs of \$50.4 million (10% utilization) to \$473.6 million (100% utilization). Because state-only and targeted case management clients do not meet the eligibility requirements for Medicaid reimbursement, the General Fund would be required to cover the additional costs.

Given the more stringent functional requirements associated with the ALTCS program, we do not believe new, non-Medicaid eligible developmentally disabled clients would utilize services at 100%. Thus, the high-end estimated provided by DES is likely overstated.

Local Government Impact

None

