



ARIZONA STATE SENATE
Fifty-Fifth Legislature, First Regular Session

FACT SHEET FOR S.B. 1355

developmental disabilities; provider increases

Purpose

Appropriates \$30,000,000 from the state General Fund (state GF) and _____ in Medicaid Expenditure Authority in FY 2022 to the Department of Economic Security (DES) to provide reimbursement rate increases for services to individuals with intellectual and developmental disabilities.

Background

The Division of Developmental Disabilities (DDD) within DES provides services to individuals with developmental and intellectual disabilities including cerebral palsy, autism and epilepsy. Services provided by DDD include: 1) attendant care; 2) habilitation; 3) home health aide; 4) home nursing; 5) occupational, physical and speech therapies; 6) respite care; and 7) medical services.

DDD is required to rebase the reimbursement rates for home and community-based services every five years ([DES](#)).

S.B. 1355 appropriates \$30,000,000 from the state GF and _____ in Medicaid Expenditure Authority in FY 2022 and _____ from the state GF and _____ in Medicaid Expenditure Authority in FYs 2023 and 2024 to DES.

Provisions

1. Appropriates the following amounts to DES to provide reimbursement rate increases for services to individuals with intellectual and developmental disabilities:
 - a) \$30,000,000 from the state GF and _____ in Medicaid Expenditure Authority in FY 2022;
 - b) _____ from the state GF and _____ in Medicaid Expenditure Authority in FY 2023; and
 - c) _____ from the state GF and _____ in Medicaid Expenditure Authority in FY 2024.
2. Requires DES to use the FY 2020 rebase study and the most recent early intervention services rate rebase study to provide reimbursement rate increases for all services, including early intervention services, to individuals with intellectual and developmental disabilities in FYs 2022, 2023 and 2024 in order for each service to receive an increase in each fiscal year.
3. Requires DES, by the end of FY 2024, to ensure that all reimbursement rates for services to individuals with intellectual and developmental disabilities are at 100 percent of the benchmark rates, including any adjustment needed for the benchmark rates to account for any minimum wage increases.

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4. Requires DES, before implementing reimbursement rate increases, to engage community stakeholders regarding DES's plan to increase rates.
5. Requires DES to submit a report to the Joint Legislative Budget Committee, before September 1 of each fiscal year, describing DES's efforts to engage stakeholders and plans to implement reimbursement rate increases for FYs 2022, 2023 and 2024.
6. Contains a legislative intent clause.
7. Becomes effective on the general effective date.

Prepared by Senate Research

February 12, 2021

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