

Department of Economic Security
Long Term Care

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DESCRIPTION	FY 2003	FY 2004	FY 2005	
	ACTUAL	ESTIMATE	OSPB	JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	1,311.2	1,393.4		1,463.4
Personal Services	9,533,300	9,846,800		9,846,800
Employee Related Expenditures	2,396,000	2,861,000		2,861,000
Professional and Outside Services	2,302,900	7,697,900		11,663,200
Travel - In State	359,300	290,900		290,900
Travel - Out of State	0	400		400
Other Operating Expenditures	2,070,400	881,900		881,900
Equipment	53,100	2,468,100		2,232,000
OPERATING SUBTOTAL	16,715,000	24,047,000		27,776,200
SPECIAL LINE ITEMS				
Case Management	19,326,300	25,600,800		28,134,600
Home and Community Based Services	298,383,600	355,019,300		411,678,900
Institutional Services	12,714,500	12,117,900		15,290,000
Medical Services	56,942,600	66,453,400		82,630,900
Arizona Training Program at Coolidge	11,091,400	11,252,900		11,252,900
PROGRAM TOTAL	415,173,400	494,491,300		576,763,500
FUND SOURCES				
General Fund	139,459,800	160,788,600		187,985,600
SUBTOTAL - Appropriated Funds	139,459,800	160,788,600		187,985,600
<u>Expenditure Authority Funds</u>				
Long Term Care System Fund (Federal Match)	275,713,600	333,702,700		388,777,900
SUBTOTAL - Expenditure Authority Funds	275,713,600	333,702,700		388,777,900
SUBTOTAL - Appropriated/Expenditure Authority Funds	415,173,400	494,491,300		576,763,500
TOTAL - ALL SOURCES	415,173,400	494,491,300		576,763,500

CHANGE IN FUNDING SUMMARY

FY 2004 to FY 2005 JLBC

	\$ Change	% Change
General Fund	27,197,000	16.9%
Expenditure Authority Funds	55,075,200	16.5%
Total Appropriated/Expenditure Authority Funds	82,272,200	16.6%
Total - All Sources	82,272,200	16.6%

COST CENTER DESCRIPTION — The Long Term Care (LTC) Program provides services to individuals with mental retardation, cerebral palsy, autism, and epilepsy, who are eligible for the federal Title XIX Program. Title XIX is an entitlement program in which any individual meeting the financial and functional requirements must receive assistance. To qualify for federal funding, an individual must have an income below 300% of the Supplemental Security Income (SSI) eligibility limit and have certain functional needs. Clients not eligible for the federal program can receive services funded through the 100% state-funded Developmental Disabilities (DD) Program. Besides contracting for services, the program: a) operates the Arizona Training Program at Coolidge (ATP-C), and smaller state-operated group homes, and b) provides case management services to recipients.

Arizona Training Program at Coolidge

The JLBC recommends \$11,252,900 for the Arizona Training Program at Coolidge in FY 2005. This amount includes \$3,700,500 from the General Fund and \$7,552,400 from LTCSF. These amounts are unchanged from FY 2004.

Monies in this line item fund an entire range of services for DD clients residing at the ATP-C campus, either in ICF/MRs or state-operated group homes (SOGHs). The approved amount does not include costs associated with case management, certain occupancy-related costs, other indirect administration, and Stipends and Allowances.

The approved amount is expected to provide a total of 113 member years of service in FY 2005, 85 in ICF/MRs and 21 in SOGHs. The total population at ATP-C, including clients funded through the LTC program, is estimated to be 145 in FY 2005. The approximate blended cost per DD client at ATP-C (excluding these other costs) will be \$114,000 in FY 2005. This line item includes 98.1 GF and 298.8 TF FTE Positions. The positions represent ATP-C employees.

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JLBC RECOMMENDED FORMAT — Operating Lump Sum with Special Line Items by Program

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

All monies in the Long Term Care System Fund unexpended and unencumbered at the end of FY 2005 revert to the state General Fund, subject to approval by the Arizona Health Care Cost Containment System.

THE DEPARTMENT SHALL REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE BY MARCH 31 OF EACH YEAR ON PRELIMINARY ACTUARIAL ESTIMATES OF THE CAPITATION RATE INCREASES FOR THE FOLLOWING FISCAL YEAR. Before implementation of any changes in capitation rates for the Long Term Care program, the Department of Economic Security shall report its expenditure plan to the Joint Legislative Budget Committee for its review. UNLESS REQUIRED FOR COMPLIANCE WITH FEDERAL LAW, BEFORE THE DEPARTMENT IMPLEMENTS ANY CHANGES IN POLICY AFFECTING THE AMOUNT, SUFFICIENCY, DURATION, AND SCOPE OF HEALTH CARE SERVICES, AND WHO MAY PROVIDE SERVICES, THE DEPARTMENT SHALL PREPARE A FISCAL IMPACT ANALYSIS ON THE POTENTIAL EFFECTS OF THIS CHANGE ON THE FOLLOWING YEAR'S CAPITATION RATES. IF THE FISCAL ANALYSIS DEMONSTRATES THAT THESE CHANGES WILL RESULT IN ADDITIONAL STATE COSTS OF \$500,000 OR GREATER FOR A GIVEN FISCAL YEAR THE DEPARTMENT SHALL SUBMIT THE POLICY CHANGES TO THE JOINT LEGISLATIVE BUDGET COMMITTEE FOR REVIEW. THE DEPARTMENT SHALL ALSO REPORT QUARTERLY TO THE JOINT LEGISLATIVE BUDGET COMMITTEE ITEMIZING ALL POLICY CHANGES WITH FISCAL IMPACTS OF LESS THAN \$500,000 IN STATE COSTS. *(The JLBC recommends adding these provisions in order to improve the accuracy of capitation rate forecasts and to monitor more closely policy changes that have an effect on capitation rates.)*

SUMMARY OF FUNDS - SEE AGENCY SUMMARY

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