

Senate Engrossed

developmental disabilities; provider increases

State of Arizona  
Senate  
Fifty-fifth Legislature  
First Regular Session  
2021

# SENATE BILL 1355

AN ACT

APPROPRIATING MONIES TO THE DEPARTMENT OF ECONOMIC SECURITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Appropriations; department of economic security;  
3 intellectual and developmental disabilities;  
4 provider rate increases; reports

5 A. The following amounts are appropriated from the following  
6 sources in the following fiscal years to the department of economic  
7 security to provide reimbursement rate increases for services to  
8 individuals with intellectual and developmental disabilities:

9 1. \$30,000,000 from the state general fund and \$\_\_\_\_\_ in  
10 medicaid expenditure authority in fiscal year 2021-2022.

11 2. \$\_\_\_\_\_ from the state general fund and \$\_\_\_\_\_ in medicaid  
12 expenditure authority in fiscal year 2022-2023.

13 3. \$\_\_\_\_\_ from the state general fund and \$\_\_\_\_\_ in  
14 medicaid expenditure authority in fiscal year 2023-2024.

15 B. The department of economic security shall use the fiscal year  
16 2019-2020 rate rebase study and the most recent early intervention  
17 services rate rebase study required by section 36-2959, Arizona Revised  
18 Statutes, to provide reimbursement rate increases for all services  
19 provided to individuals with intellectual and developmental disabilities,  
20 including early intervention services, in fiscal years 2021-2022,  
21 2022-2023 and 2023-2024 so that each service receives an increase in each  
22 of the three fiscal years. The department shall ensure that all  
23 reimbursement rates for services provided to individuals with intellectual  
24 and developmental disabilities are at least one hundred percent of the  
25 benchmark rates by the end of fiscal year 2023-2024, including any  
26 adjustment needed to the benchmark rates to account for any increases in  
27 minimum wage in fiscal years 2021-2022, 2022-2023 and 2023-2024, and may  
28 exceed the benchmark rate as workforce issues are deemed necessary.  
29 Before implementing provider rate increases, the department shall engage  
30 community stakeholders regarding the department's plans to increase  
31 provider rates.

32 C. On or before September 1 of each fiscal year, the department of  
33 economic security shall submit a report to the joint legislative budget  
34 committee describing the department's efforts to engage stakeholders and  
35 its plans to implement provider rate increases for fiscal years 2021-2022,  
36 2022-2023 and 2023-2024.

37 Sec. 2. Intent

38 The Legislature intends that services to individuals with  
39 intellectual and developmental disabilities be funded at a level to ensure  
40 that quality and effective services are adequately available so that  
41 individuals who are eligible to receive state services are able to live  
42 their most independent life and are cared for by qualified direct care  
43 workers. Funding levels should be set so that a direct care worker's  
44 compensation reflects the wage assumptions contained in the first version  
45 of the 2019-2020 rate rebase study.