



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1585

appropriations; services providers; reimbursement rates

Purpose

Appropriates \$15 million from the state General Fund (state GF) and \$_____ in Medicaid expenditure authority in FY 2025 to the Department of Economic Security (DES) for reimbursement rate increases for providers of home and community-based services (HCBS) and room and board services to individuals with intellectual and developmental disabilities.

Background

The DES Director is responsible for developing and annually revising a statewide plan and initiating statewide programs and services for persons with developmental disabilities. Services include child, adult, residential and resource services. An Arizona resident with a developmental disability, supported by medical and psychological documentation, is eligible to apply for developmental disabilities programs, services and facilities operated, licensed and supervised by DES (A.R.S. §§ [36-554](#) and [36-559](#)).

The Division of Developmental Disabilities (DDD) is the division of DES that empowers individuals with intellectual and developmental disabilities to lead self-directed, healthy and meaningful lives. DDD provides supports and services for eligible Arizonans diagnosed with one of the following developmental disabilities: 1) autism; 2) cerebral palsy; 3) epilepsy; 4) cognitive or intellectual disability; 5) Down syndrome; or 6) are under the age of six and at risk of having a developmental disability. DDD serves more than 40,000 people with developmental disabilities and their families throughout Arizona each year ([DDD](#)).

HCBS may be provided in a member's home, an adult foster care home, an assisted living home or center, group homes or at other licensed behavioral health alternative residential facilities. HCBS services include: 1) home health services; 2) licensed health aid; 3) homemaker services; 5) personal care; 6) day care; 7) habilitation; 8) respite care; 9) transportation; and 10) other services approved by the Director of the Arizona Health Care Cost Containment System ([A.R.S. § 36-2939](#)).

S.B. 1585 appropriates \$15 million from the state GF to DES in FY 2025.

Provisions

1. Appropriates \$13 million from the state GF and \$_____ in Medicaid expenditure authority in FY 2025 to DES for reimbursement rate increases for providers of HCBS to individuals with intellectual and developmental disabilities.
2. Appropriates \$2 million from the state GF in FY 2025 to DES for the state-funded Arizona Long-Term Care Fund for reimbursement rate increases for providers of room and board services for individuals with intellectual and developmental disabilities.

FACT SHEET

S.B. 1585

Page 2

3. Declares that the Legislature intends that these appropriations be considered ongoing funding in future years.
4. Requires DES to increase, with community stakeholder input, reimbursement rates for all HCBS provided to individuals with intellectual and developmental disabilities, except nursing services and therapy services.
5. Requires, by September 1, 2024, DES to report the increased provider rates to the Joint Legislative Budget Committee.
6. Requires, by October 1, 2024, DES to implement the increased provider rates.
7. Becomes effective on the general effective date, except as otherwise noted.

Prepared by Senate Research

February 8, 2024

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