



HB 130 - SB 114

April 26, 2021

SUMMARY OF ORIGINAL BILL: Requires the Department of Intellectual and Developmental Disabilities (DIDD) to increase the hourly wage over a three-year period, for direct care professionals employed at contracted agencies of DIDD for the home and community-based waiver programs, to \$15.00 per hour by July 1, 2024. Requires every July 1 thereafter, annual hourly wage increases by the larger of the increase: (1) given to public school teachers; (2) given to state employees; or (3) in the most recently published Medicare geographic practice cost index.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$3,894,600/FY21-22
\$38,945,800/FY22-23
\$97,364,500/FY23-24
Exceeds \$97,364,500/FY24-25 and Subsequent Years

Increase Federal Expenditures – \$7,660,300/FY21-22
\$76,603,200/FY22-23
\$191,508,000/FY23-24
Exceeds \$191,508,000/FY24-25 and Subsequent Years

SUMMARY OF AMENDMENT (007755): Deletes all language after the enacting clause. Requires the Department of Intellectual and Developmental Disabilities (DIDD) to increase the hourly wage for direct care professionals employed at contracted agencies of DIDD for the home and community-based waiver programs to \$12.50 per hour on July 1, 2021.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$48,682,200/FY21-22 and Subsequent Years

Increase Federal Expenditures - \$95,754,000/FY21-22 and Subsequent Years

The Governor's proposed budget, on page B-145, includes \$9,736,500 in recurring state funds and \$19,150,800 in recurring federal funds to increase the hourly rate for this same population from \$10.00 to \$10.50.

Assumptions for the bill as amended:

- Based on information by the Department of Finance and Administration (F&A), a request to increase the direct service provider (DSP) rate from \$10.00 per hour to \$10.20 per hour in FY21-22 was estimated to be \$11,554,900.
- For purposes of this analysis, it is assumed \$11,554,900 for \$0.20 increase will remain constant.
- The proposed legislation will increase the hourly rate by \$2.50 (\$12.50 - \$10.00). The recurring increase expenditures is estimated to be \$144,436,250 [$(\$2.50/\$0.20) \times \$11,554,900$]. Of this amount \$48,682,238 ($\$144,436,250 \times 33.705\%$) will be in state funds and \$95,754,012 ($\$144,436,250 \times 66.295\%$) will be in federal funds.
- The Governor's proposed budget includes \$28,887,300 (\$9,736,500 state and \$19,150,800 federal) for an increase from \$10.00 to \$10.50 for this same population.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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