



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

DIVISION OF DEVELOPMENTAL DISABILITIES

Sent on Behalf of DES/DDD

TEMPORARY INCENTIVE FUNDING

Target Audience - Qualified Vendors and Providers

Transmittal Date - 01/08/2021

DDD continues to address the challenges presented by the COVID-19 public health emergency (PHE) and its impact on DDD members, vendors and providers. DDD appreciates the extraordinary efforts of the DDD Provider Network over the past 10 months to ensure continued service delivery to DDD members in extremely challenging circumstances. This effort has required additional expenses – including Personal Protective Equipment (PPE), Sanitation Supplies, and Overtime Costs. Certain services like Day Treatment Programs, Employment and Transportation services had to temporarily close and upon reopening had fewer individuals participating in their programs. Although those service providers were delivering services to fewer members, they still paid fixed costs like rent, utilities, and vehicle payments. So when factoring in all of the financial challenges, DDD implemented a funding strategy that evolved over the course of the past few months and will continue to evolve into 2021.

On April 22, 2020, DDD published a temporary incentive rate book intended to assist Qualified Vendors in retaining and recruiting direct care staff during the COVID-19 public health emergency. This rate book was in effect for services provided through August 31, 2020. As the COVID-19 PHE has continued to impact Arizona and to ensure the safety and care of DDD members and Direct Care Workers and the continued viability of DDD Qualified Vendors, DDD is releasing a new temporary incentive rate book that will be effective for services provided after January 1, 2021.

As was the case with the previous temporary incentive rate book, Qualified Vendors must agree to distribute a percentage of the incentive adjustment amount to the direct care staff in the form of a temporary increase in salary, wages, stipends, and other employee related expenses (ERE) in order to receive the incentive rates. In this temporary incentive rate book, Qualified Vendors are required to distribute 70% of the incentive rate to their staff versus 80% in the temporary rate book in April. The [Temporary Incentive Rate Book](#) and the accompanying [Temporary Incentive Rate Book Lookup File](#) are available on the Division's website.

For the services that do not have a temporary incentive rate increase, the Division is continuing to issue lump sum incentive payments in response to survey information collected. The next round of surveys are slated to be released by January 15, 2021.

Please contact DDDBusinessOperationsComments@azdes.gov with any questions or comments.