



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

DIVISION OF DEVELOPMENTAL DISABILITIES

Sent on Behalf of DES/DDD

TEMPORARY INCENTIVE FUNDING UPDATE

Target Audience - Qualified Vendors and Providers

Transmittal Date - 03/31/2021

COVID-19 Incentive Funding

DDD appreciates the extraordinary efforts of the DDD Provider Network over the past 12 months during the COVID-19 public health emergency (PHE) to ensure continued service delivery to DDD members in extremely challenging circumstances. DDD continues to address the challenges presented by the COVID-19 pandemic and its impact on DDD members, vendors, and direct care workers. This effort has required additional expenses, including Personal Protective Equipment (PPE), Sanitation Supplies, and Overtime Costs. In addition, certain services like Day Treatment Programs, Employment and Transportation services had to close temporarily, and upon reopening, had fewer individuals participating in their programs. Although these service providers are delivering services to fewer members, they still pay fixed costs like rent, utilities, and vehicle payments. Considering these financial challenges, DDD implemented a funding strategy that has evolved over the course of the past year and will continue to evolve in 2021.

On January 1, 2021, 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 March 31, 2021. As the COVID-19 PHE continues to impact Arizona, to ensure the safety and care of DDD members and Direct Care Workers as well as the continued viability of DDD Qualified Vendors, DDD is releasing a new temporary incentive rate book that will be effective for services provided on or after April 1, 2021 through June 30, 2021. The temporary rate book includes an incentive rate increase of \$1.22 per hour. The Temporary Incentive Rate Book and the accompanying Temporary Incentive Rate Book Lookup File will be available on the Division's website later this week.

For services that are not included in the Temporary Rate Book, the Division is continuing to issue lump sum incentive payments in response to survey information collected from responding Vendors.

Vendor Timeliness Initiative Funding

The Division is also announcing implementation of its incentive strategy to increase positive outcomes for members by providing additional funding for vendors who deliver timely services. Vendors will be compensated based on the percentage of the time they serve members within seven days of an authorization being assigned to them on selected services from October 2020 through March 2021. Enhanced rates for the period of April 1, 2021 through June 30, 2021, will be implemented for vendors who meet the metric of at least 80 percent or who improved by at least 10 percentage points. The payments will be automatically applied to eligible claims, much like the EVV Differential Adjustment payments (DAP). Further detailed communication for the Timeliness funding will be issued in the next few days.

Funding for Prevention of Abuse, Neglect, and Exploitation Training

The Division recently posted a new provider manual for public comment; Chapter 64 - Preventing Abuse, Neglect and Exploitation. This policy will require vendors that provide residential and day services to provide training to staff and members on the prevention of abuse, neglect and exploitation. In response to the public comments received relating to the additional costs vendors of day and residential services will incur to provide the new, mandatory training, the Division intends to provide funding to vendors to deliver this training to staff and members. The Division will share the funding details when the final version of Chapter 64 is published.

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