



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

DIVISION OF DEVELOPMENTAL DISABILITIES

Sent on Behalf of DES/DDD

INCENTIVE PAYMENT PROGRAMS

Target Audience - Qualified Vendors and Providers

Transmittal Date - 07/28/2022

DDD continually monitors network providers to ensure quality delivery of services to members. DDD has developed incentive payment proposals designed to address network issues to improve member outcomes.

The incentive payment goals are to:

- Provide services more timely
• Improve residential and site-based services
• Address inequities in the vendor network

Quality Incentive Payments

The Division is providing incentive funding to eligible vendors through a differential adjusted payment (DAP). This program is designed to increase positive member outcomes by supporting vendors who provide services timely. Vendors will be compensated based on the percentage of time they served members within seven days of an authorization being assigned to them for service dates from October 1, 2020 through March 31, 2021.

The DAP will apply to service dates August 1, 2022 through September 30, 2022, where eligible claims will be automatically adjusted. Vendors should bill according to the published rate book as usual and the DAP will be automatically applied when claims are paid.

Timeliness scores for each vendor are determined by service and level of incentive funding as follows. The percent increase will be applied per eligible service for agencies who have an overall score greater than 70%.

Table with 2 columns: Eligible Service, DAP %. Row 1: Attendant Care, Respite, In-Home Habilitation, Skilled Nursing, and Therapies, 12%

Provider Network Issues

Following the first round of ARPA funding, several vendors contacted the Division regarding how their payments were calculated. ARPA funding was calculated based on utilization between October 1, 2020 and March 31, 2021. This methodology created gaps where some providers, such as those providing summer day programs, and new vendors who started after March 31, 2021, did not get full credit for their services provided. This created a competitive disadvantage where these vendors are at risk of losing direct care staff to other agencies who can offer stipends and bonuses. Incentive funds will stabilize the summer day program providers and new vendors to help them maintain their direct care staff and avoid service disruptions to members. The Division will be reaching out to the impacted vendors to process a manual payment using the same methodology as the earlier ARPA payments and complete an attestation statement on use of funds if one hasn't been completed already.

Residential and Site Based Services

The Division is providing incentive funding to eligible vendors through a differential adjusted payment (DAP) to assist vendors providing residential services who are facing increasing infrastructure costs including service site maintenance, vehicle maintenance, gasoline, and program supplies. These services are critical since the members who use these services are spending a majority of their time in these programs. One-time incentive funds will help vendors address long-needed funding for refreshing equipment, vehicles, and service site maintenance.

The DAP will apply to service dates August 1, 2022 through September 30, 2022, where eligible claims will be automatically adjusted. Vendors should bill according to the published rate book as usual and the DAP will be automatically applied when claims are paid.

Eligible Service	DAP %
Group Homes, Enhanced Behavioral Group Home (formerly Habilitation Community Protection Group Homes) , Nursing-Supported Group Homes, Developmental Homes, Day Programs, Employment Services, and Transportation.	12%