DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Department of Economic Security

Presentation for the Appropriations Committee

Presented January 28 and 29, 2020

DES In Focus

DES serves 2.9 million Arizonans each year

DES works with families, community organizations and stakeholders to achieve the collective vision that every child, adult, and family in Arizona will be safe and economically secure

- Collects and distributes over $700M in child support to Arizona families annually
- Serves over 29,000 adults and children in partnership with 36 domestic violence organizations
- Provides services to over 75,000 individuals leading to employment and self-sufficiency annually

Recent Successes

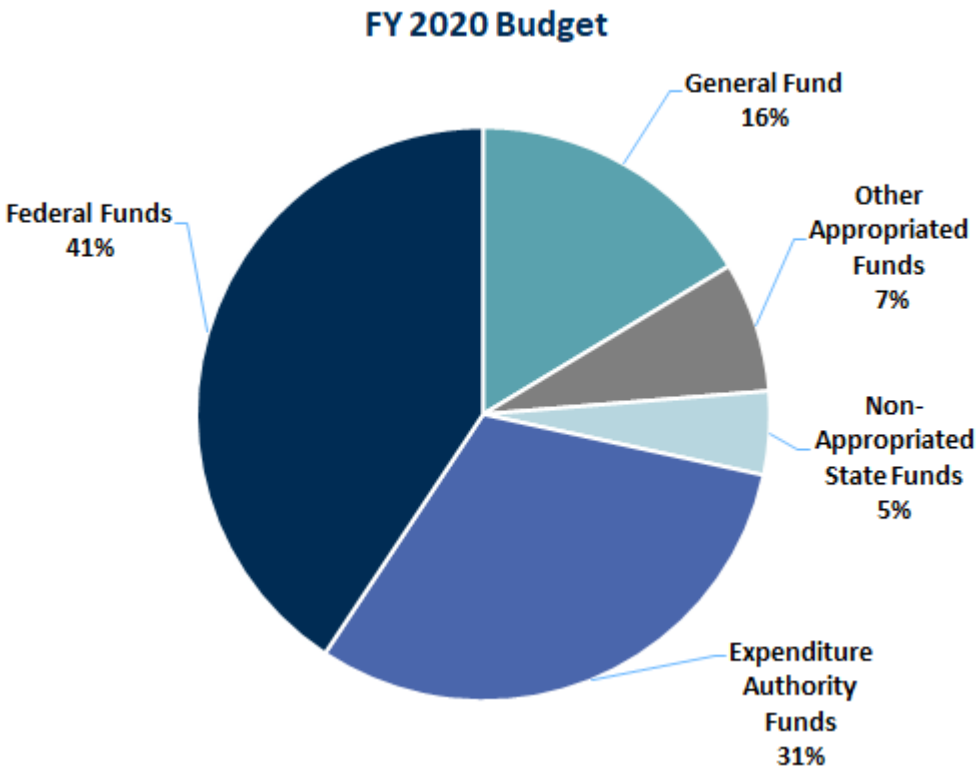
- Over 4,000 additional children receiving child care services since the suspension of the child care waiting list in June 2019
- Increasing the number of children in quality settings from 39% to 44%
- 30% increase on average of child care provider rates beginning in June 2019

- Over 1,500 individuals have gained employment through the Second Chance Centers and Community Based Reentry Centers since July 2019
- Elimination of the Vocational Rehabilitation waiting list in July 2019 for the first time since 2009

- All 10 Intermediate Care Facilities for Individuals with Intellectual Disabilities licensed before January 1, 2020

Department Overview

The Department of Economic Security (DES) makes Arizona stronger by helping Arizonans reach their potential through temporary assistance for those in need and care for the vulnerable.



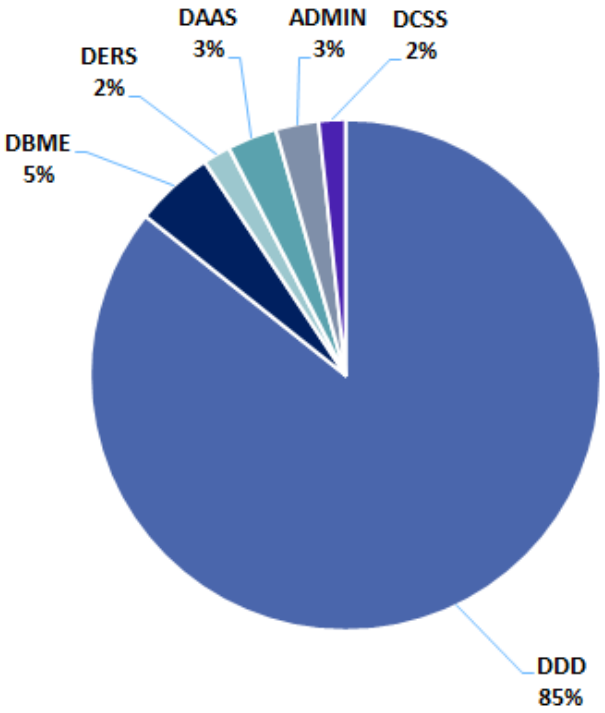
Total FTE[1]	**7,655**

Fund Source	**Amount (000s)**
General Fund	$749,708.2
Other Appropriated Funds	$336,309.0
Non-Appropriated State Funds	$215,237.2
Expenditure Authority Funds	$1,415,313.1
Federal Funds	$1,864,194.0
Total Funds	**$4,580,761.5**

[1]As of pay period ending January 3, 2020

FY 2020 General Fund Budget by Division

Division	Amount (000s)
Developmental Disabilities (DDD)	$ 642,431.2
Benefits & Medical Eligibility (DBME)	$ 38,896.9
Aging & Adult Services (DAAS)	$ 22,231.0
Central Administration (ADMIN)	$ 21,100.7
Employment & Rehabilitation Services (DERS)	$ 13,042.3
Child Support Services (DCSS)	$ 12,006.1
Total	**$ 749,708.2**



FY 2021 Executive Budget Overview

FY 2021 Executive Budget

	General Fund	Other Appropriated Funds
FY 2020 Base Appropriations	$749,708,200	$336,309,000
Expanding Quality Child Care	$0	$22,298,400
DDD HCBS Provider Rate Increases	$5,000,000	$0
DDD Caseload Growth and Capitation	$58,205,400	$0
Integration of Behavioral Health Services into DDD	$8,684,700	$0
Provider Rate Increases for Area Agencies on Aging (AAAs)	$1,500,000	$0
Technical Adjustments	($1,015,500)	$0
FY 2021 Executive Budget	**$822,082,800**	**$358,607,400**

FY 2021 Executive Budget: Baseline Changes

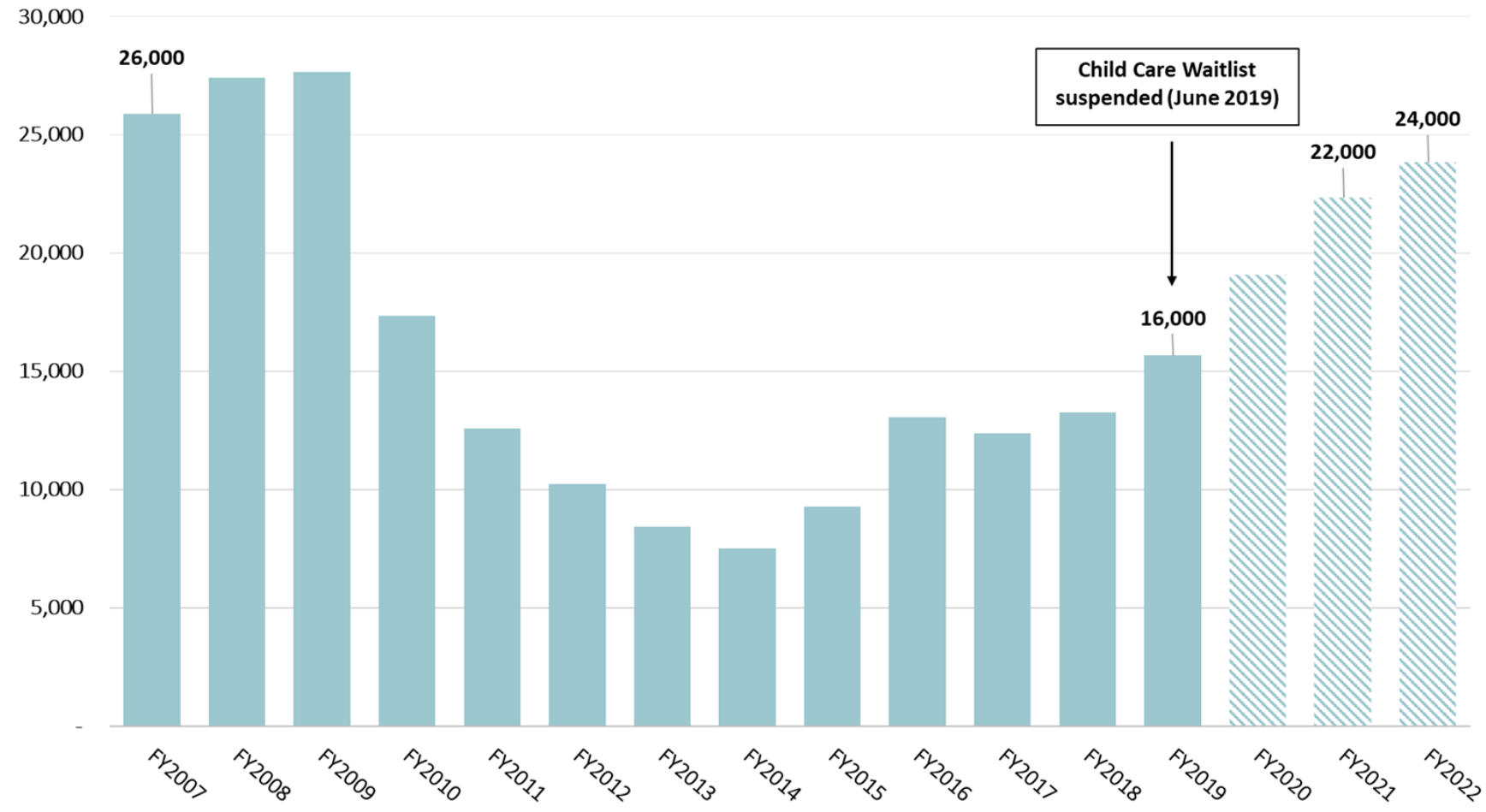
- DDD Caseload Growth and Capitation: $58,205,400 General Fund
  - For projected increases in Developmental Disabilities program costs
  - Assumes 5% capitation growth and the following program caseload growth rates:
    - ALTCS: 5%
    - Targeted Case Management: 2%
    - State-Funded Long-Term Care: 5%
    - State-Only Case Management: 5%
    - Arizona Early Intervention Program: 3%
    - $4.7 million ongoing Prop 206 Funding

- Integration of Behavioral Health Services: $8,684,700 General Fund
  - Annualizing the transfer of behavioral health services for DDD clients from AHCCCS to DES

FY 2021 Executive Budget: Initiatives

- DDD Home and Community Based Services: $5,000,000 General Fund
  - For increases in provider rates for habilitation, therapy, attendant care, respite, and nursing care providers
- Area Agencies on Aging : $1,500,000 General Fund
  - For increases in provider rates for Aging and Adult Services
- Expanding Quality Child Care: $22,298,400 Other Appropriated Funds
  - Appropriated Child Care and Development Fund to provide incentive bonuses to quality child care centers and sustain the suspension of the waitlist through June 30, 2022
  - The suspension of the waitlist will result in an average of 3,000 additional children having access to child care in FY 2021

Children Receiving Child Care Services



*does not include DCS or TANF populations

More Information

For further information on Economic Security, find us at:

https://des.az.gov/

For further information on the FY 2021 Executive Budget:

http://azospb.gov/publications2014newweb.aspx