

IGA CTR046165

Developmental Disabilities Service Providers

CLIFF BRYSON



10/01/19 Presentation Outline

1. History
2. IGA Language
3. Resolution





DES/COF IGA

History

❖ 11/06/16

- Passage of the Minimum Wage Act or **Proposition 414** voter initiative, raising the City of Flagstaff's minimum wage from \$8.05 per hour in 2016 to \$15.00 by 2021.
- Arizona voters passed the Fair Wages and Healthy Families Act or **Proposition 206** voter initiative, raising the state minimum wage from \$8.05 per hour to \$12.00 per hour by 2020.



DES/COF IGA

History Cont.

❖ 03/21/17

- City council passed an amendment to the Minimum Wage Act (Ordinance 2017-08) establishing a new timeline for the minimum wage increases.
- Designed to combat the compounding effects of the Minimum Wage Act and the Fair Wages & Healthy Families Act passing concurrently, which would have required Flagstaff's minimum wage to increase to \$12.00 per hour July 1, 2017, a drastic increase.



DES/COF IGA

History Cont.

❖ 07/01/17

- Flagstaff's Minimum Wage Act took effect raising the Flagstaff's minimum wage to \$10.50 per hour instead of \$12.00 per hour.
- As of 01/01/19, the city's minimum wage is \$12.00.

❖ 01/29/19

- SB1225 titled; *Appropriation; Developmental Disabilities Services Providers*, was introduced by Senator Sylvia Allen.



DES/COF IGA

History Cont.

❖ SB1225:

Emergency funding in the amount of \$508,600 from the state general fund and \$1,176,100 from developmental disabilities Medicaid authority to developmental disabilities services providers (DDSPs) that experienced the highest mandated labor cost increases for services provided in a geographic service area located in northern Arizona.....

❖ *Passed Assigned Committees*



DES/COF IGA

History Cont.

❖ **SB1225 Amended on 04/04/19:**

- Decreasing the \$508,600 amount to \$172,924;
- Inserting the one-time emergency clause;
- Inserting that the department may spend \$1 of the monies appropriated by this subsection for each \$2 that the city of Flagstaff provides;
- Eliminating the “Arizona health care cost containment system administration” and replacing it with “the city of Flagstaff.” *(Amendment passed)*



History Cont.

- City staff discussions on providing voluntary payment based on the amended language with council.
- Review of options to provide funding by staff as directed by council through FY20 budget process.
- \$50k first identified
- Final amount of \$150K approved by council.



DES/COF IGA

IGA Language

- 1x amount not to exceed \$150k for FY20.
- Arizona Department of Economic amount not to exceed \$350k from Division of Development Disabilities' (DDD) Medicaid expenditure authority.
- Dispersed to DDD qualified vendors who also provide services to ALTCS/DDD members in zip codes 86001, 86003, and 86004 (City of Flagstaff).
- DES to determine which DDD Qualified Vendors are eligible to be funded as authorized by House Bill 2747, Section 108 on pages 78 – 79.



DES/COF IGA

IGA Language Cont.

- DES to refund any of the City's unspent voluntary payment to the City by July 31, 2020.
- DES to provide quarterly funding distribution reports within thirty (30) days of quarter end.
 - *Reports include DDD Qualified Vendors name, date of payment, ADES amount and City amount.*
- *Contract expires 08/31/20*



DES/COF IGA



Resolution

See Attached Resolution

Questions

