



Policy Issues Affecting Persons who have Disabilities in Arizona

**The Arc of Arizona
Developmental Disabilities Family Resources
Conference**

**Black Canyon Conference Center
November 17, 2017**

**Susan Cannata
Peters, Cannata & Moody**



The Arc
Arizona

Arizona Legislature



Legislative session will begin on January 8, 2018



Sine die target is mid-April



House of Representatives:
35 Republicans + 25 Democrats = 60 total



Senate:
17 Republicans + 13 Democrats = 30 total

Legislative Leadership

Senate

President: Steve Yarbrough (Chandler)
Majority Leader: Kimberly Yee (Phoenix)
Majority Whip: Gail Griffin (Hereford)
Minority Leader: Katie Hobbs (Phoenix)
Assistant Minority Leader: Steve Farley
(Tucson)
Minority Whips: Martin Quezada (Phoenix)
and Lupe Contreras (Avondale)


House of Representatives

Speaker: J.D. Mesnard (Chandler)
Majority Leader: John Allen (Scottsdale)
Majority Whip: Kelly Townsend (Mesa)
Minority Leader: Rebecca Rios (Phoenix)
Assistant Minority Leader: Randall Fries
(Tucson)
Minority Whip: Charlene Fernandez (Yuma)

Arizona Legislature



Unique dynamics for the 2018 session



New legislators: Ben Toma replaced Rep. Phil Lovas (R), and Geraldine Peten replaced Rep. Jesus Rubalcava (D)



Statewide elections and tense political climate



Term limit impact on House, Senate members



High-profile issues and debates



Implementing 2017 Legislation



Special Education




SB 1317: schools; specially designed instruction

Expands specially designed instruction to include instruction from a general education teacher or other certificated personnel so long as a special education teacher is involved in the design, progress monitoring and when appropriate, delivery of the instruction



Empowerment Scholarship Accounts



SB 1431: empowerment scholarships; expansion;
phase-in

- ✓ Phases in an expansion of ESAs to all Arizona public school students
- ✓ Law on hold pending voter action on the Save Our Schools citizen initiative in November 2018



ADA Compliance and Access



SB 1239: parking violation; disabilities; access aisles

Prohibits motorists from stopping in the access aisle of parking spaces designated for persons with disabilities



SB 1406: public accommodation; services; civil action

Establishes “notice and cure” period prior to filing a civil action for noncompliance with public accommodation statutes under Arizonans with Disabilities Act; authorizes a court to impose a sanction on a plaintiff if an action or series of actions are brought for the primary purpose of getting payment from the defendant due to the costs of defending the action in court; exempts websites from public accommodation statutes

Bills



TANF



HB 2372: public benefits; fee waivers; requirements

Extends TANF benefits from 12 to 24 months under many conditions, and includes new reporting and fraud prevention measures



AHCCCS



SB 1527: AHCCCS; covered services; occupational therapy

Expands AHCCCS coverage to include occupational therapy and restores an annual emergency dental benefit



Issues Requiring Further Study



SB 1031: dangerous; incompetent defendants; study committee

Creates a Study Committee on Incompetent, Nonrestorable and Dangerous Defendants; must include a person with expertise in developmental disabilities, to evaluate treatment and supervision



SB 1522: DD provider network adequacy

Requires AHCCCS to further evaluate the impact of provider cost increases resulting from the enactment of Proposition 206 on the adequacy of the provider network



Ad Hoc Committee on Health Care Workforce

An *ad hoc* study committee was initiated by the House and Senate to evaluate collection, costs, and oversight of data on Arizona's health care professions workforce



Constitutional Convention



HCR 2010: application; Article V convention

HCR 2013: convention; balanced federal budget

HCR 2023: Article V convention; term limits

- ✓ Proposals call for a constitutional convention to amend the U.S. Constitution, including enacting limits on federal spending
- ✓ This summer, Arizona hosted a conference to plan for the Constitutional Convention that would occur if 34 states record their call for changes to the U.S. Constitution

A grayscale photograph of a classical building facade. Two large, fluted columns with Corinthian capitals are visible on either side of a central window. The window has a dark frame and a grid of panes. The text "Current and Future Policy Issues" is overlaid in a bold, orange font, centered over the window.

Current and Future Policy Issues

Current and Future Policy Issues

DES/ DDD Audit

Auditor General released recommendations for DES, including:

- Finalized rules for the ABLE Act Program
- Improved monitoring of providers for members of DDD programs

The audit will be used to discuss DES' statutory reauthorization this year.

DES Voc. Rehab

Auditor General recommended enhanced program oversight, staff guidance, and supervisory and staff training to effectively manage program costs and clients' progress.

Opioids

Governor continues to expand state authority to combat opioid abuse. DHS recommended a range of legislative changes it will pursue to strengthen the state's efforts against drug addiction.

Reg Reform

Governor continues to streamline and reduce regulations through state agencies.

More legislative changes to regulations are likely.

Prop 301

Business leaders plan to seek extension and increase of the sales tax for education; Governor wants to simply extend the tax rather than increasing it.

Focus on capital funding for schools also expected.

Legislature could act to undermine citizen ESA initiative.

Current and Future Policy Issues



AHCCCS Waiver

After a delay earlier this year, AHCCCS is again pursuing a federal waiver that would allow the state to implement caps and work requirements on Medicaid programs.



Mental Health

Behavioral health issues are likely to include peace officer transport and hospital boarding of psychiatric patients – issues that arose last year.

State also likely to evaluate behavioral health systems, and how to streamline DES and AHCCCS programs and services.



Home- Based Care

Federal government extended timeline for implementation of changes to home- and community-based care. Unclear when – or how – state will adapt ATP-Coolidge group homes to align with federal standards of care.



Jobs

Governor announced support for an “employment first” focus on workforce opportunities for individuals who have physical and developmental disabilities.



State Budget

Factors Impacting the Budget

Federal Healthcare Changes

Continued uncertainty about federal proposals on Medicaid cuts and funding changes. The existing proposals hold significant impact for Arizona funding; bipartisan path to federal health care reforms will be difficult.

Budget Shortfall

Legislative budget leaders project cash shortfall of \$24M for FY 18 and \$80M for FY 19. Shortfall could be worse if the state continues \$90M of one-time spending in FY 18 into FY 19.

Proposition 206

Costs have increased for providers of care for persons with developmental disabilities, schools, and state healthcare programs.

More Tax Cuts

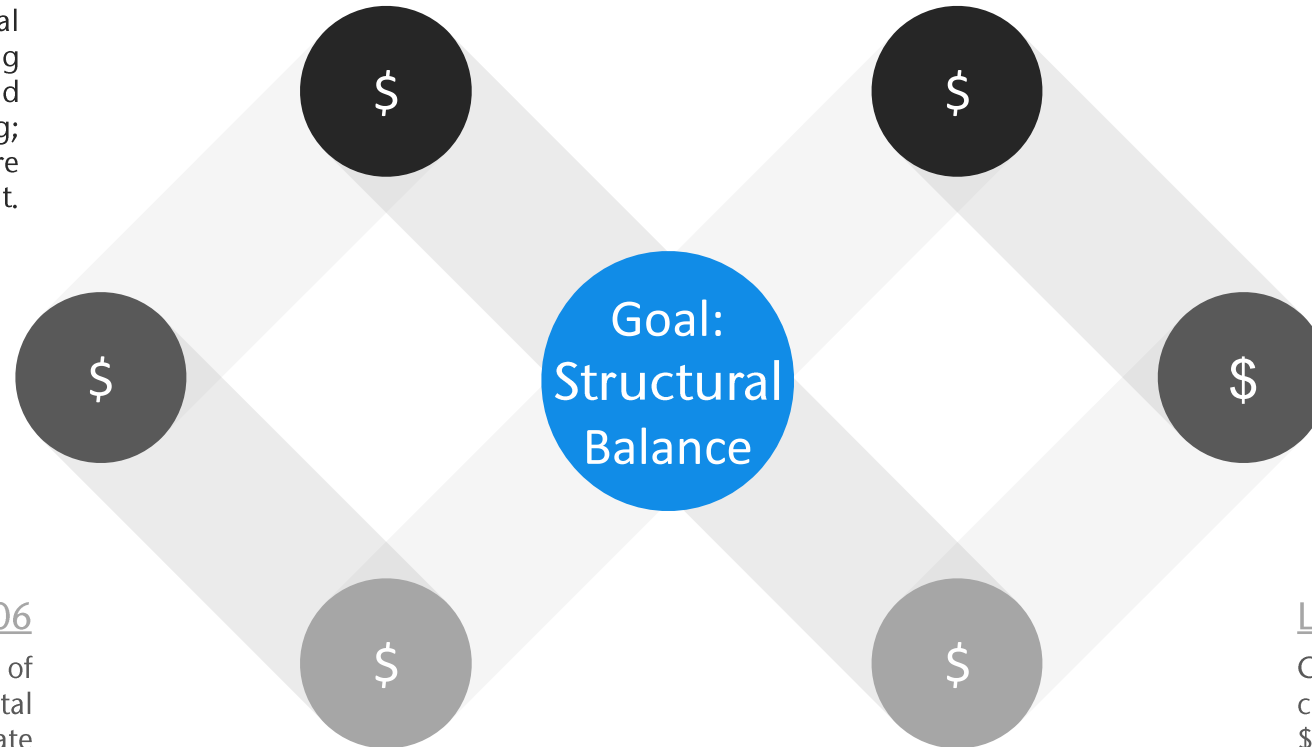
Governor Ducey has pledged to enact a tax cut every year that he is in office.

No New Taxes

A majority of Arizona leaders are staunchly opposed to tax increases; every budget need must be funded with existing revenue sources.

Litigation

Challenge to the Medicaid restoration could cost between \$100 million and \$250 million, and impact 400,000 Arizonans.



State Agency Budget Requests

AHCCCS

- \$72.4 million for enrollment growth, capitation increases, and FMAP changes

DES

- \$11.66 million for costs incurred by implementing Prop. 206
- \$3.94 million for caseload growth in Adult Protective Services
 - \$2 million from the general fund; \$1.94 from other funds
- \$10.2 million for 2% capitation increase and 4.9% caseload growth
- \$6.4 million to cover room and board costs for state-only DDD clients
- \$3.3 million for targeted case management for state-only DDD clients

State Agency Budget Requests

DHS

- \$500,000 to continue funding designated for public health emergencies
- \$1.2 million from AHCCCS for Arizona State Hospital programs for some mental health patients impacted by Medicaid restrictions

Juvenile Corrections

- Refinanced funding for teachers in educational facilities, due to fluctuating numbers of students and adjustments to the number of those in correctional facilities needing special education supports

Federal

Advocacy



Federal Advocacy

Medicaid, Medicare, Social Security, and SSI are growing programs and may face cuts under budget changes



FY2017
Appropriations

FY2017 Budget
Resolution

FY2018 Budget
Resolution

Tax Cuts

Infrastructure Spending

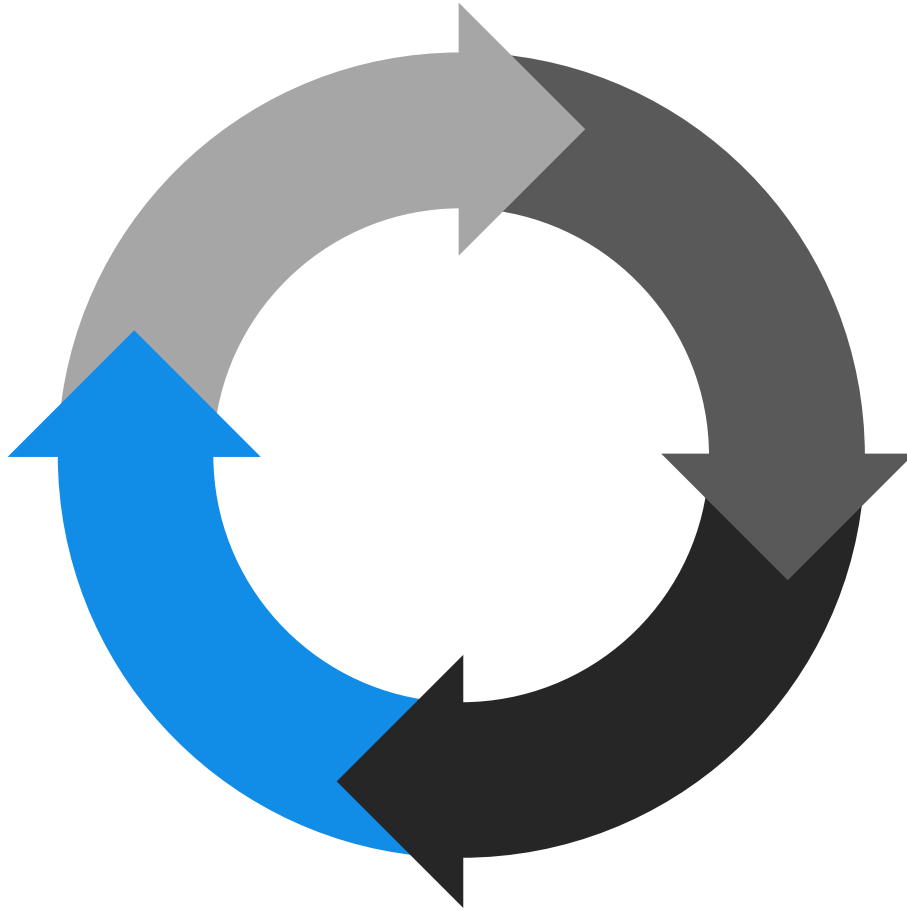
Defense
Spending



Congress is divided on the role and size of the federal government

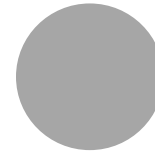
Federal Advocacy

- ✓ Congress should pass annual appropriations bills using overall spending caps to provide parity for defense and non-defense discretionary programs
- ✓ Congress should not cut funding for critical education, employment, housing, developmental disability programs, and other programs that support people with disabilities to live and work in the community
- ✓ Congress should not make cuts and structural changes to programs that provide supports to people with disabilities, including Medicaid, Medicare, Social Security, and SSI
- ✓ Congress should raise sufficient revenues and develop a long-term plan to reduce the deficit and finance the federal government's role in providing essential services for people with disabilities and their families

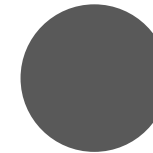


Affordable Care Act

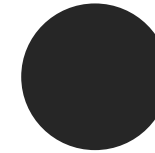
Approximately 20 million Americans have gained coverage through the ACA. To repeal it, or eliminate it without replacing it with a plan that maintains or improves existing coverage and protections, puts consumers' health at risk.



Expansions of
Health Coverage



Comprehensive
Coverage



Non-
Discrimination



Insurance
Improvement

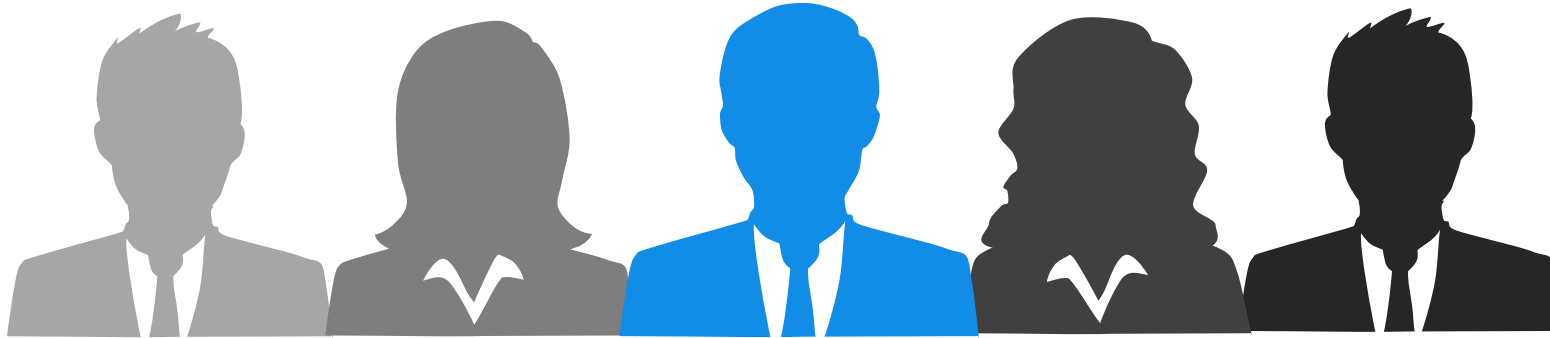
Federal Advocacy

- ✓ Congress should not repeal the ACA without replacing it with a law that maintains or improves coverage and protections in the ACA
- ✓ Congress should continue Medicaid expansion provisions, including enhanced payments to states, and should not cut or restructure Medicaid with federal caps or block grants to help pay for an ACA repeal
- ✓ Congress should maintain critical nondiscrimination and health insurance improvements that enable people with disabilities and chronic health conditions to benefit from health insurance
- ✓ Congress should ensure that health insurance benefits are comprehensive and affordable

Federal Advocacy

- ✓ Congress must understand that Medicaid is a necessity to people who have I/DD and their families, and must protect the individual entitlement to Medicaid
- ✓ Congress should reject reductions or caps to Medicaid, reject any effort to block grant Medicaid
- ✓ Congress should address the nation's need for an affordable, accessible system of health care and long-term supports and services
- ✓ Members of Congress should act to remove the institutional bias of federal programs, eliminate waiting lists for LTSS, and strengthen the right of community living for individuals with disabilities

Federal Advocacy



New federal leaders will greatly influence policy decisions, and some – like the Secretary of Education – can advance practices that negatively impact students and individuals with disabilities

Stay Informed



- Sign up for state and federal advocacy information at www.arcarizona.org
- Read weekly legislative updates from *The Capitol Roundup*
- Receive advocacy and action alerts from The Arc of Arizona
- Follow federal updates from The Arc of the U.S. and partners

