

At its September 2022 meeting, the Joint Legislative Budget Committee considered the following issues:

Executive Session

Arizona Department of Administration, Risk Management Services – Consideration of Proposed Settlement Under Rule 14 – The Committee approved a settlement under Rule 14, which requires Committee approval of Risk Management settlements above \$250,000 pursuant to A.R.S. § 41-621(N).

Executive Session – Consent Agenda

Arizona Department of Administration – Review for Committee the Planned Contribution Strategy for State Employee and Retiree Medical and Dental Plans as Required Under A.R.S. § 38-658A – A.R.S. § 38-658 (A) requires the director of the Arizona Department of Administration (ADOA) to meet with and review for the Joint Legislative Budget Committee, in Executive Session, the planned contribution strategy for each health plan at least 10 days before ADOA enters into, or renews, contracts for medical and dental insurance coverage. The Committee gave a favorable review of the contribution strategy for state employee and retiree dental coverage.

Regular Consent Agenda

Arizona Department of Administration/Automation Projects Fund – Review of FY 2023 Projects – A.R.S. § 41-714 requires Committee review prior to any monies being expended from the Automation Projects Fund (APF). In addition, an FY 2023 General Appropriation Act footnote requires the Arizona Department of Administration (ADOA) to request review of AHCCCS's expenditure plan for the Prepaid Medicaid Management Information System.

The Committee gave a favorable review to 3 projects: 1) AHCCCS to begin the development of the PMMIS Systems Integrator; 2) DOR to start design and procurement of the Integrated Tax System

project; and 3) ADOA to begin Phase 2 of the Business One-Stop web portal project. The AHCCCS and DOR projects total \$2.6 million in new spending, while the ADOA project involves the reallocation of unspent FY 2022 funds. The Committee review also included 2 provisions. The first provision requires ADOA to submit a report on the projected remaining system costs at its next review of FY 2023 appropriations for the Business One-Stop Portal. The second provision requires ADOA to request Committee review of its plan to address projects specifications required in the FY 2023 General Appropriation Act before awarding a procurement contract for the tax system.

AHCCCS/Department of Economic Security – Review of Capitation Rate Changes for Plan Year 2023 – Pursuant to an FY 2023 General Appropriation Act footnote, the state's Medicaid agencies must present their plans to the Committee for review prior to implementing any changes in capitation rates. The Committee gave a favorable review of AHCCCS's and the Department of Economic Security's proposed capitation rates for October 2022 through September 2023.