

## JLBC MEETING

At its December 20<sup>th</sup> meeting, the Joint Legislative Budget Committee considered the following issues:

**Arizona Health Care Cost Containment System – Review of Capitation Rate Changes** – The Committee gave a favorable review to the Arizona Health Care Cost Containment System’s (AHCCCS) capitation rate adjustment for the implementation of the Medicare Prescription Drug Program. Individuals that are eligible for both Medicare and Medicaid (dual-eligibles) that currently receive prescription drug benefits under the state plan will now receive their coverage under Medicare. Because this results in a savings to the state, capitation rates decreased by 4.8% in the Acute Care Program and 5.6% in the Long Term Care Program. The Committee deferred discussion, however, on AHCCCS’ expenditure plan for Medicare Clawback payments in the Long Term Care budget.

The Committee also gave a favorable review to a 0.6% increase to capitation rates in the Comprehensive Medical and Dental Program. The capitation rate adjustment is expected to cost \$35,200 in FY 2006.

**Department of Economic Security – Review of Long Term Care Capitation Rate Changes** – The Committee gave a favorable review to the Department of Economic Security’s expenditure plan for capitation rate adjustments to the Long Term Care Program. Capitation rate adjustments are due to a legislatively approved provider rate increase as well as to the implementation of the Medicare Prescription Drug Program. Both of the requested rates can be funded from the existing DES budget.

**Department of Economic Security – Review of FY 2006 Expenditure Plan for Workforce Investment Act Monies** – The Committee gave a favorable review to the Department of Economic Security’s expenditure plan for Workforce Investment Act (WIA) monies with the provision that the Department of Commerce provide performance measures for the Mature Worker Connection Program by March 1, 2006. The Committee also requested that the Department of Economic Security, in conjunction with the Department of Commerce, provide to the Committee a written explanation for their failure to provide performance measure information as requested for FY 2005 expenditures.