

## HB 2150 -1, -2 STAFF MEASURE SUMMARY

### House Committee On Early Childhood and Human Services

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**Meeting Dates:** 3/27, 4/8

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#### WHAT THE MEASURE DOES:

The measure directs the Department of Human Services (DHS) to study recommendations from the rate and wage study, and to submit a report the Legislative Assembly by September 15, 2026. The measure sunsets on January 2, 2027.

**REVENUE:** *May have revenue impact, but no statement yet issued.*

**FISCAL:** *May have fiscal impact, but no statement yet issued.*

#### ISSUES DISCUSSED:

- Timeline in the release of the Rate and Wage Study
- Inflation and costs of labor
- Wages paid by providers of varying sizes

#### EFFECT OF AMENDMENT:

-1 The amendment replaces the measure. It requires the Department of Human Services (DHS) to make annual adjustments to payments made to provider agencies that serve individuals with intellectual or developmental disabilities (I/DDs).

##### Detailed Summary:

- Defines terms.
- Directs DHS to include annual adjustments to payments made to provider agencies for services to individuals with I/DDs that are equal to or greater than the percentage increase in the Consumer Price Index for All Urban Consumers, West Region, from the prior year.

**REVENUE:** *May have revenue impact, but no statement yet issued.*

**FISCAL:** *May have fiscal impact, but no statement yet issued.*

-2 The amendment replaces the measure. The amendment requires the Department of Human Services (DHS) to annually adjust payments to provider agencies for services to individuals with intellectual or developmental disabilities.

##### Detailed Summary:

- Defines terms.
- Requires DHS to adjust payments made under contract with provider agencies for the provision of services to individuals with intellectual and developmental disabilities (I/DD) based on inflation.
- Directs DHS to annually calculate adjustments to payments based on the percentage increase made in the U.S City Average Consumer Price Index (CPI) for All Urban Consumers from the preceding year.
- Establishes that any adjustments calculated take effect on July 1 of the year the calculation is made.

**REVENUE:** *No revenue impact.*

**FISCAL:** *Fiscal Impact Issued.*

#### BACKGROUND:

[Senate Bill 5506 \(2023\)](#) directed the Department of Human Services (DHS) to conduct a comprehensive rate and wage study across home and community-based service delivery systems, with a focus on providers of in-home and residential care to individuals receiving services through the Office of Developmental Disabilities Services (ODDS) and the Office of Aging and People with Disabilities (APD). Burns & Associates, part of the Health Management Associates (HMA – Burns), was hired to conduct the study and produce a report on the results along with recommendations.

The recommendations from the study included establishing transparent rate models to reflect current costs of delivering services, standardizing total compensation for direct-care workers across systems and services, and creating a new requirement for agencies to report data on worker wages, benefits, and other key metrics ([DHS, 2025](#)). The [HMA-Burns' website](#) contains information on the Rate and Wage Study, including a [summary of the findings](#) and [full report](#).