

HB 2150 A STAFF MEASURE SUMMARY

House Committee On Early Childhood and Human Services

Action Date: 04/08/25

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Elmer, Hartman, Javadi, McIntire, Nguyen H, Nosse, Ruiz, Scharf, Walters

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 3/27, 4/8

WHAT THE MEASURE DOES:

The measure requires the Department of Human Services (DHS) to annually adjust payments to provider agencies that provide services to individuals with intellectual or developmental disabilities (I/DDs) based on inflation.

Detailed Summary:

- Defines provider agency as an entity that provides the following services for individuals with I/DD:
 - services to individuals in residential training facilities or residential training homes,
 - in-home services,
 - supported living services,
 - employment services,
 - day support activities, or
 - community living support.
- Requires DHS to annually adjust payments made under contract with provider agencies for the provision of services by direct support professionals to individuals with I/DDs 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 must be calculated annually by April 30 and take effect on July 1 of the same year.

ISSUES DISCUSSED:

- Timeline in the release of the rate and wage study directed by Senate Bill 5506 (2023)
- Inflation and costs of labor
- Wages paid by providers of varying sizes

EFFECT OF AMENDMENT:

The amendment replaces the measure.

BACKGROUND:

[A budget note attached to 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 (HCBS) 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 \(APD\)](#). HCBS provide eligible individuals with supports in their own homes and communities as an alternative to institutional care. These services are provided by direct care workers, including personal care workers and direct support professionals, and are delivered in a variety settings including in the recipients' home, foster homes, and assisted living facilities. APD administers services to older adults and adults with physical disabilities, while ODDS coordinates services for people with intellectual or developmental disabilities (I/DDs).

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DHS hired Burns & Associates, part of the Health Management Associates (HMA – Burns) to conduct the study and produce a report on the results along with recommendations. The [final report](#) was published on December 31, 2024, along with a [summary](#) of findings and recommendations. The Legislative Fiscal Office (LFO) published an [analysis](#) as a forward to the study report. The analysis highlighted several recommendations from the report and provided estimated annual fiscal impacts of study recommendations.