**Problem:** The Annual Resource Allotment (ARA) for children was developed in 2007 and served the needs of children at that time. Children have remained in a separate budget development and approval system since that time. The budget ARA has a maximum dollar amount which has not been updated in over 10 years. The 2019 rate increases pushed some children budgets outside the ARA. The proposed 2020 rate increase will likely result in more child budgets exceeding the ARA. This requires case by case fixes in the system to assure the approved budget can be entered. Raising the children’s ARA limits requires significant analysis, validation and commitment to maintain a different Prior Authorization process for children.

**DD Renewal Goal:** DDSD is working to align the process for budget development and budget submission for children with that for Adults.

<table>
<thead>
<tr>
<th>Annual Resource Allotment (ARA) for Children</th>
<th>DDW Outside Review (OR) Process for Adults</th>
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</thead>
<tbody>
<tr>
<td><strong>Budget Approval</strong> Relies on ARA plus the ability to purchase other specified services outside the ARA. The ARA is a maximum dollar amount, within which the prior authorized service dollar amounts must fit.</td>
<td><strong>Budget Approval</strong> DD Waiver services have a set of clinical criteria applied by an Outside Reviewer to determine clinical justification.</td>
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</table>

**Parameters of Budget Development:**

1. Individual ARA dollar amounts are based upon age and Level of Care (LOC) score of one (1), two (2), or three (3).
2. The IDT is responsible for planning within the ARA to achieve the child’s Desired Outcomes and to support the family in caring for the child at home.
3. **The budget for all services funded within the ARA shall not exceed the ARA maximum dollar amount.**
4. The child’s family may shift the amount or number of units per service within the ARA to accommodate changing needs.
5. Some services can be funded outside of the ARA when needed to meet a child’s Desired Outcomes.

**Adult Budget Submission Process:**

1. The CM engages in Person Centered Planning, completes BWS and collect clinical justification
2. The CM is responsible for timely submission of the ISP and Budget Worksheet (BWS) to the OR to avoid any disruption or delays in the approval of services.

**Child Budget Submission Process:**

1. CM uses ARA worksheets to help develop the service request within the ARA but are not functional and need updating
2. The CM is responsible for timely submission of the ISP and budget or Waiver Services Review Form (MAD 046) to the TPA to avoid any disruption or delays in the approval of services.
| 3. All Provider Agencies on a budget are required to work with CMs to assure accuracy and completeness of the submission. | 3. All Provider Agencies on a budget are required to work with CMs to assure accuracy and completeness of the submission. |