



COLORADO

Department of Health Care
Policy & Financing

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

April 8, 2022

The Honorable Julie McCluskie, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Representative McCluskie:

In accordance with § 25.5-6-409.3 (4), C.R.S., the Colorado Department of Health Care Policy & Financing (the Department) respectfully submits our quarterly status report on the redesign of a consolidated Home and Community-Based Services (HCBS) waiver for Adults with Intellectual and Developmental Disabilities (IDD).

Following our previous January 2022 update, the Department has continued to make progress on the IDD consolidated waiver and complimentary initiatives. The Department continues working to align service design, policies, and implementation across all HCBS waivers to serve all populations, including those who would access the IDD consolidated waiver. In doing so, the Department will advance the mutual aims of IDD waiver redesign while ensuring needed HCBS services are designed to be flexible and simplified. The Department will make accessing services more straightforward and easier, while helping build provider capacity to streamline and stabilize the future workforce.

Specifically, and as noted below, this quarter, the Department was able to make significant strides in various complementary initiatives that not only support a consolidated waiver, but also strengthen and align the HCBS system and the services our members receive.

- The American Rescue Plan Act (ARPA) funding includes a provision to increase the federal medical assistance percentage (FMAP) for spending on Medicaid HCBS by 10%. The Department continues to implement the approved ARPA Spending Plan. This plan includes various projects and initiatives that will benefit and strengthen our alignment work. The originally submitted plan which outlines how the state intends to enhance, expand, or strengthen Medicaid HCBS, is publicly available on the [Department's website](#). In particular, the Department's pursuit of Community First Choice will significantly improve service option availability to all HCBS members and make consolidation easier.
- There has been continued work on the [Direct Care Workforce Initiative](#), where, in addition to a robust stakeholder collaborative formed to work in partnership with stakeholders to identify and move forward strategies to support the

recruitment and retention of Colorado's direct care workforce, the Department has worked with stakeholders to implement a \$15.00 an hour Base Wage Requirement for Direct Care Workers effective January 1, 2022. This wage increase is targeted towards workers who currently receive the lowest rate of pay yet provide the vast majority of hands-on care to older adults and individuals with disabilities within our state, including personal care workers, homemakers, direct support professionals, and others. The funding associated with this initiative is part of the overarching effort to leverage the HCBS ARPA funds to stabilize and increase the Direct Care Workforce, while supporting hiring and retention efforts. This work is essential in a consolidated waiver to ensure we have a robust and prepared provider workforce to serve our members in a consolidated waiver.

- The Department implemented the R-08 Supported Living Services Flexibilities request that was approved in [SB 21- 205](#). The intent of this request is to expand access to care for adults with Intellectual or Developmental Disabilities (IDD) who are likely on the waiting list for the HCBS-DD waiver by offering additional Long-Term Services and Supports (LTSS) to members enrolled in the HCBS-SLS waiver program to avoid emergency enrollment into HCBS-DD waiver. This R-08 Supported Living Services Flexibilities initiative directly impacts a consolidated waiver as the Department is using direct feedback and recommendations received from Waiver Redesign stakeholders for the design and implementation. Furthermore, the Department anticipates these flexibilities and the availability of additional services and supports will not only give members the appropriate level of care they need, but also the opportunity to remain in the community and residence of their choosing.
- The Department continues to build upon the work completed in the actuarial analysis conducted by Bolton Health Actuarial, (2019) “Intellectual and Developmental Disabilities Waiver Redesign Project Cost Modeling.” Specifically, the Department has been, and will continue to be, closely engaged with stakeholders on the development of the Person-Centered Budget Algorithm (PCBA), which is essential to implement a consolidated waiver. Using information gathered during the new assessment process, the PCBA will help identify a range of resources to be used during the support planning process.

This quarter, the Department has continued planning for a "soft launch" of the [New Assessment and Person-Centered Support Plan](#). Training for select case managers will begin in April 2022 to learn the assessment and support planning automation functionality within the new Care and Case Management Information Technology (IT) system prior to full system implementation. This also will allow for Case Management Agencies to prepare for the full go live of the system. The Department will also begin working with stakeholders after the soft launch begins to identify critical variables for the Person-Centered Budget Algorithm (PCBA) and the development of a new Exceptions Process to account

for exceptional outlier cases of individual's whose needs are extraordinary and not fully captured within the PCBA.

Background information on the consolidated waiver is available on the Waiver Redesign Stakeholder Engagement [website](#). If you require further information or have additional questions, please contact the Department's Legislative Liaison, Jo Donlin, at Jo.Donlin@state.co.us.

Sincerely,



Kim Bimestefer
Executive Director
KB/mab

CC:

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