



COLORADO

Department of Health Care
Policy & Financing

1570 Grant Street
Denver, CO 80203

2020 HCPF Legislative Agenda Overview

Children's Habilitation Residential Program (CHRP) Waiver Rulemaking

The Children's Habilitation Residential Program (CHRP) Waiver provides services for children and youth who have an intellectual or developmental disability and very high needs for support that put them at risk of or in need of out-of-home placement. Waiver services help children and youth learn and maintain skills needed to live in their communities.

The Department is seeking authorization to promulgate rules concurrently with the submission of future Home and Community-based Services (HCBS-CHRP) waiver amendments or renewals to the Federal Department of Health and Human Services. Current CHRP statute states the amendment must be approved before rules can be created, which may result in the delay of implementation. The change will stipulate that such rules will not be in effect until the effective date of the approved, amended or renewed waiver. Rulemaking authority will ensure a consistent transition for any changes related to the waiver and prevent the Department from issuing emergency rules.

Renew Overexpenditure and Transfer Authority

Statutory authority for Medicaid overexpenditure and transfers between HCPF and Department of Human Services (CDHS) are expiring 9/1/2020 and need to be renewed. Medicaid overexpenditure authority is a requirement of the Social Security Act. The transfer authority is critical as CDHS needs to move money between line items, and HCPF must be able to account for those changes. It is critical to renew this authority to ensure CDHS can run its programs effectively.

Skilled Nursing Facilities: Establishing a Demonstration of Need and Technical Changes

Demonstration of Need: A Demonstration of Need policy permits the Department to only authorize expansion of skilled nursing Medicaid providers when localities can sustain expansion. The initiative would include a set of clear and predetermined criteria the Department would use to approve or deny nursing facilities that seek to serve Medicaid members. The set of criteria would be based on an analysis of demographics at the county level and the needs of the surrounding community. The policy will ensure stability, access to care and quality of care remain consistent for one of our most vulnerable populations.

Technical changes: The Department seeks to make small adjustments to the skilled nursing facility statutes. The changes will neutralize language because of recent terminology changes and anticipated federal changes. Additionally, the Department requests to create an exemption from the rate methodology for facilities with less than six Medicaid beds to accommodate long-term care members who outlive their financial resources.



The nursing facility population is growing, and the State will need to expand the availability of long-term care for older adults at skilled nursing facilities in order to meet the needs of this population. This proposal would create a system to ensure stable growth with this demographic shift.

Remove Annual 3% Increase for Skilled Nursing Facilities

The nursing facility statute currently includes a mandatory annual 3 percent rate increase for nursing home facilities. Few other providers in the Medicaid program receive automatic rate increases, and no other provider receives automatic rate increases as a result of state law. Providers that receive automatic increases, such as pharmacies and Federally Qualified Health Centers, receive these increases because of requirements in federal law.

By making rate increases subject to annual appropriation, nursing facility rate growth would be subject to overall statewide budget balancing, consistent with rate increases for most other providers. This will create additional flexibility for both the Executive and the Legislative branches to make annual determinations about the appropriate level of funding for nursing facilities.

For more information contact

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