



COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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John W. Hickenlooper, Governor • Susan E. Birch MBA, BSN, RN, Executive Director

January 31, 2014

The Honorable Dianne Primavera, Chair
Public Health Care and Human Services Committee
200 E. Colfax Avenue, Room 271
Denver, CO 80203

Dear Representative Primavera:

Enclosed please find a legislative report to the House Public Health Care and Human Services Committee from the Department of Health Care Policy and Financing on *In-Home Support Services (IHSS)*.

Section 25.5-6-1206 C.R.S requires the Department to submit a report annually to the Joint Budget Committee of the General Assembly, the Health and Human Services Committee of the Senate, and the Public Health and Human Services Committee of the House of Representatives on the implementation of In-Home Support Services

The report provides information on IHSS and describes the three service delivery options available. The report includes data on the cost and utilization of IHSS and the Department's efforts to conduct further data analysis. Finally, the report includes the strategies the Department is implementing to improve this service delivery option both programmatically and financially.

If you require further information or have additional questions, please contact the Department's Legislative Liaison, MaryKathryn Hurd, at MK.Hurd@state.co.us or 303-547-8494.

Sincerely,

A handwritten signature in pink ink, appearing to read "Susan E. Birch", with a large, stylized flourish at the end.

Susan E. Birch, MBA, BSN, RN
Executive Director

FOR SUSAN BIRCH
SEB/cd

Enclosure(s): 2014 In-Home Support Services Legislative Report

Cc: Representative Dave Young, Vice Chair, Public Health Care and Human Services Committee

Representative Joann Ginal, Public Health Care and Human Services Committee
Representative Beth McCann, Public Health Care and Human Services Committee
Representative Sue Schafer, Public Health Care and Human Services Committee
Representative Jonathan Singer, Public Health Care and Human Services Committee
Representative Max Tyler, Public Health Care and Human Services Committee
Representative Amy Stephens, Public Health Care and Human Services Committee
Representative Kathleen Conti, Public Health Care and Human Services Committee
Representative Janak Joshi, Public Health Care and Human Services Committee
Representative Lois Landgraf, Public Health Care and Human Services Committee
Representative Justin Everett, Public Health Care and Human Services Committee
Representative Jim Wilson, Public Health Care and Human Services Committee
Bettina Schneider, Budget Analyst, Office of State Planning and Budgeting
Katherine Blair, Health Policy Advisor, Governor's Office
Legislative Council Library
State Library
Susan E. Birch, MBA, BSN, RN, Executive Director
John Bartholomew, Finance Office Director
Suzanne Brennan, Health Programs Office Director
Antoinette Taranto, Acting Client Services Eligibility & Enrollment Office Director
Tom Massey, Policy and Communications Office Director
MaryKathryn Hurd, Legislative Liaison
Rachel Reiter, Communications Director



**COLORADO DEPARTMENT OF
HEALTH CARE POLICY AND FINANCING**

**REPORT TO THE HOUSE PUBLIC HEALTH CARE AND
HUMAN SERVICES COMMITTEE,
THE SENATE HEALTH AND HUMAN SERVICES
COMMITTEE, AND THE JOINT BUDGET COMMITTEE**

ON

IN-HOME SUPPORTS AND SERVICES (IHSS)

January 31, 2014

The Colorado Department of Health Care Policy and Financing (Department) is pleased to submit this report pursuant to section 25.5-6-1206, C.R.S. regarding In-Home Support Services (IHSS) provided in the state of Colorado. Per the statutory requirement, the report shall include:

The cost-effectiveness of providing In-Home Support Services to the elderly, blind, and disabled and to eligible disabled children, the number of persons receiving such services, and any strategies and resources that are available or that are necessary to assist more persons in staying in their homes through the use of In-Home Support Services.

Introduction

IHSS was authorized in 2002 by SB02-027 as a way to deliver Home and Community Based Services (HCBS). IHSS is a service delivery option that allows a client to direct select services available through the HCBS – Elderly, Blind, and Disabled (HCBS-EBD), Children’s HCBS (CHCBS), and HCBS-Spinal Cord Injury (HCBS-SCI) waivers.

IHSS provides a delivery option between services provided and managed by an agency and Consumer Directed Attendant Support Services (CDASS), where services are managed by the client or his or her authorized representative. IHSS provides the flexibility and control of consumer direction by allowing the client to select and train his or her attendants. However, in contrast to CDASS, the client does not manage the financial allocation for his or her services. The primary differences between the three service delivery options are detailed below:

Agency-based Care	IHSS	CDASS
<ul style="list-style-type: none">• Agency selects and trains attendants• Agency manages financial aspects of service delivery	<ul style="list-style-type: none">• Client select and trains attendants• IHSS agency manages financial aspect of service delivery	<ul style="list-style-type: none">• Client selects and trains attendants• Client manages annual allocation

Client Eligibility

As set forth at 10 CCR 2505-10 § 8.552.2, a client is eligible for IHSS when the following three criteria are met:

1. Enrollment in the HCBS-EBD or CHCBS waiver
2. The client’s primary care physician documents the client has sound judgment and the ability to direct his or her own care or the client has an authorized representative to assist in directing the care
3. The client’s medical condition does not result in an unsafe situation as documented by the primary care physician

Available Services

A client enrolled in the HCBS-EBD or HCBS-SCI waivers and participating in IHSS can direct his or her health maintenance activities, homemaker services, and personal care. The client has access to other services available through the HCBS waivers and the Medicaid State Plan. A client enrolled in the CHCBS waiver and participating in IHSS can direct his or her health maintenance activities only. Health maintenance activities are defined as routine and repetitive health related tasks, which are necessary for health and normal bodily functioning. Health maintenance activities can include, but are not limited to catheter irrigation, medication administration, and wound care (10 CCR 2505-10 § 8.552.1)

In accordance with section 25.5-6-1203(3), C.R.S the following sections of the Nurse Practice Act and Nurse Aide Legislation do not apply to IHSS attendants:

- 12-38-103(8) Definition of Practical Nurse
- 12-38-103(11) Definition of Registered Nurse
- 12-38-123 Penalties for practicing without a license
- 12-38.1-102(5) Definition of Nurse Aide
- 12-38.1-117(b) Limitation of duties of Nurse Aide

By not requiring licensed or certified professionals, a client in IHSS has more flexibility in selecting attendants to provide services and supports. This flexibility creates an opportunity for increased access to services by allowing the client to hire a neighbor, friend, or family member to provide both skilled and unskilled care. This flexibility is especially valuable to clients who reside in rural areas of Colorado.

IHSS Agencies

There are currently 23 agencies providing IHSS in Colorado. Participating agencies are located in Boulder, Greeley, Colorado Springs, Cortez, Delta, Grand Junction, Montrose, and the Denver metro area.

IHSS agencies are required to offer the following in accordance with 10 CCR 2505-10 § 8.552.5:

1. Cross-disability peer counseling
2. Information and referral services
3. Individual and system advocacy
4. Twenty-four hour back-up services
5. Intake and orientation to IHSS
6. Assistance in selecting attendants, if requested by the client or authorized representative
7. Access to a licensed health care professional to provide monitoring and oversight of medical needs

Cost Effectiveness of IHSS

Providing IHSS to clients enrolled in the HCBS-EBD waiver is more cost effective than providing services in a nursing facility. The current data does not show this same cost effectiveness for children enrolled in the CHCBS waiver.

Table 1 – IHSS Per Client Cost versus Nursing Facility Per Client Cost FY 2012-13							
Waiver	IHSS	Other HCBS Costs	State Plan Costs	Total Per Client Cost - HCBS	Nursing Facility	State plan Costs	Total Per Client Cost – Nursing Facility
EBD	\$25,282	\$3,377	\$5,082	\$33,742	\$33,277	\$2,762	\$36,039
CHCBS	\$34,922	\$715	\$8,161	\$43,798	\$36,312	\$3,014	\$39,327

The Other HCBS Costs are for waiver services in addition to IHSS. In the HCBS-EBD waiver these services include adult day services, non-medical transportation, homemaker (non-IHSS), personal care (non-IHSS), home modifications, electronic monitoring, alternative care facility, respite care, community transition services (CTS), and medication reminder. In the CHCBS waiver the other waiver service is case management.

State plan costs include all other Medicaid benefits that are not provided by the HCBS waivers, which may include physician visits, medications, hospitalizations, durable medical equipment.

There has been an increase in participation in IHSS resulting in an increase in overall IHSS expenditures. The data show that the cost per IHSS client in the HCBS-EBD waiver has decreased; however, the cost per IHSS client in the CHCBS waiver has increased. It is unknown at this time why the cost per CHCBS client has consistently increased.

Table 2 IHSS Cost Per Client Percentage Change					
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
EBD	29.1%	13%	12.7%	0.7%	-14.2%
CHCBS	33.7%	11%	9.2%	12.1%	11.2%

The Department is conducting further data analysis to identify any patterns or trends to explain the increase in expenditures. In addition to data analyses, the Department is conducting record reviews of clients in both HCBS-EBD and CHCBS who are in the top percentage of service utilizers or who have a documented increase in service utilization. These record reviews are expected to be final by the end of FY 2013-14 and will further assist the Department in identifying potential cost drivers.

Client Participation in IHSS

There has been significant growth in the number and percentage of clients accessing IHSS. The Department has been working with stakeholders including clients, case managers, and IHSS

agencies to increase participation of IHSS. HCBS-SCI is not reflected in the following tables as the current enrollment in IHSS is zero as of December 31, 2013.

Table 3 IHSS Client Count						
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
EBD	201	215	241	274	337	447
CHCBS	22	26	34	34	70	129
Total	223	241	275	308	407	576

Table 4 IHSS Percent of Participation Change						
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
EBD	N/A	6.5%	10.7%	12%	18.7%	24.6%
CHCBS	N/A	15.3%	23.5%	0%	51.4%	45.7%
Total	N/A	7.4%	12.3%	10.7%	24.3%	29.3%

Table 5 IHSS HCBS-EBD Total Expenditures						
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Health						
Maintenance	\$2,328,205	\$3,690,122	\$4,938,881	\$6,577,467	\$8,339,007	\$9,780,824
Homemaker	\$37,081	\$158,635	\$153,161	\$123,480	\$88,253	\$196,960
Personal Care	\$763,802	\$871,501	\$992,126	\$1,132,520	\$1,378,557	\$537,701
Total Cost	\$3,129,089	\$4,720,258	\$6,084,167	\$7,920,286	\$9,805,818	\$11,383,797

Table 6 IHSS CHCBS Total Expenditures						
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Health						
Maintenance	\$321,294	\$572,209	\$840,953	\$925,739	\$2,168,200	\$4,500,375
Total Cost	\$321,294	\$572,209	\$840,953	\$925,739	\$2,168,200	\$4,500,375

Strategies and Resources

The Department is working with stakeholders to implement strategies and identify resources to assist more clients to remain in their home through the use of IHSS. Current strategies include:

- Developing a stakeholder network for IHSS including clients, providers, and case management agencies
- Conduct training for case managers on the value of IHSS and eligibility requirements for IHSS
- Develop a list of IHSS agencies that is available to clients, families, and case management agencies
- Provide information on IHSS to clients and agencies in the form of web-based materials, and fact sheets

Additionally, the Department is working with stakeholders to improve the long-term services and supports (LTSS) delivery system. The following initiatives will strengthen the HCBS infrastructure and integrate consumer direction and person-centered planning throughout LTSS:

- The Affordable Care Act expands Medicaid coverage to more people, but also affords states options in how they provide community-based LTSS. Colorado is exploring the

feasibility of implementing Consumer First Choice (CFC), which provides enhanced funding to states that elect to offer person-centered home and community based attendant services and supports.

- Colorado Choice Transitions (CCT) is part of the federal Money Follows the Person (MFP) Rebalancing Demonstration that facilitates the transition of a Medicaid client from a nursing or long-term care facility back into his or her own community.
- The Community Living Advisory Group is evaluating methods of simplifying the design of Colorado's HCBS waivers, including how to incorporate consumer direction across all HCBS waivers and services.

Conclusion

IHSS provides a client with the flexibility to direct his or her own care without having the financial allocation or the employer management responsibilities. The client receives the supports necessary to remain in his or her own home rather than entering or remaining in a long-term care facility or relying on a home health agency to select staff. IHSS is an important part of the service delivery continuum and provides an opportunity to clients to direct their care while also having nursing and monitoring safeguards.