



COLORADO
Department of Health Care
Policy & Financing

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

January 1, 2017

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

Dear Senator Lambert:

Enclosed please find a legislative report to the Joint Budget 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 IHSS.

The report provides information on IHSS and describes the three service delivery options available under Home and Community Based Services (HCBS) waivers. 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, Zach Lynkiewicz, at Zach.Lynkiewicz@state.co.us or 720-854-9882.

Sincerely,

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

SEB/ebw



Enclosure(s): Health Care Policy and Financing 2017 In-Home Support Services Legislative Report

Cc: Representative Millie Hamner, Vice-chair, Joint Budget Committee
Representative Bob Rankin, Joint Budget Committee
Representative Dave Young, Joint Budget Committee
Senator Kevin Lundberg, Joint Budget Committee
Senator Dominick Moreno, Joint Budget Committee
John Ziegler, Staff Director, JBC
Eric Kurtz, JBC Analyst
Megan Davisson, JBC Analyst
Henry Sobanet, Director, Office of State Planning and Budgeting
Bettina Schneider, Budget Analyst, Office of State Planning and Budgeting
Legislative Council Library
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John Bartholomew, Finance Office Director, HCPF
Gretchen Hammer, Health Programs Office Director, HCPF
Tom Massey, Policy, Communications, and Administration Office Director, HCPF
Chris Underwood, Health Information Office Director, HCPF
Dr. Judy Zerzan, Client and Clinical Care Office Director, HCPF
Jed Ziegenhagen, Community Living Office Director, HCPF
Rachel Reiter, External Relations Division Director, HCPF
Zach Lynkiewicz, Legislative Liaison, HCPF





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

January 1, 2017

The Honorable Joann Ginal, Chair
Health, Insurance, and Environment Committee
200 E. Colfax Avenue
Denver, CO 80203

Dear Representative Ginal:

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

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Executive Director

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Enclosure(s): Health Care Policy and Financing 2017 In-Home Support Services Legislative Report

Cc: Representative Daneya Esgar, Vice Chair, Health, Insurance and Environment Committee
Representative Susan Beckman, Health, Insurance and Environment Committee
Representative Janet Buckner, Health, Insurance and Environment Committee
Representative Phil Covarrubias, Health, Insurance and Environment Committee
Representative Steve Humphrey, Health, Insurance and Environment Committee
Representative Dominique Jackson, Health, Insurance and Environment Committee
Representative Chris Kennedy, Health, Insurance and Environment Committee
Representative Lois Landgraf, Health, Insurance and Environment Committee
Representative Susan Lontine, Health, Insurance and Environment Committee
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1570 Grant Street
Denver, CO 80203

January 1, 2017

The Honorable Jonathan Singer, Chair
Public Health Care and Human Services Committee
200 E. Colfax Avenue
Denver, CO 80203

Dear Representative Singer:

Enclosed please find a legislative report to the Joint Budget 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 IHSS.

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Sincerely,

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

SEB/ebw



Enclosure(s): Health Care Policy and Financing 2017 In-Home Support Services Legislative Report

Cc: Representative Jessie Danielson, Vice-Chair, Public Health Care and Human Services Committee
Representative Don Coram, Public Health Care and Human Services Committee
Representative Justin Everett, Public Health Care and Human Services Committee
Representative Joann Ginal, Public Health Care and Human Services Committee
Representative Edie Hooton, Public Health Care and Human Services Committee
Representative Lois Landgraf, Public Health Care and Human Services Committee
Representative Kimmi Lewis, Public Health Care and Human Services Committee
Representative Larry Liston, Public Health Care and Human Services Committee
Representative Dafna Michaelson Jenet, Public Health Care and Human Services Committee
Representative Dan Pabon, Public Health Care and Human Services Committee
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Department of Health Care
Policy & Financing

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

January 1, 2017

The Honorable Jim Smallwood, Chair
Health and Human Services Committee
200 E. Colfax Avenue
Denver, CO 80203

Dear Senator Smallwood:

Enclosed please find a legislative report to the Joint Budget 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 IHSS.

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Sincerely,

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

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Enclosure(s): Health Care Policy and Financing 2017 In-Home Support Services Legislative Report

Cc: Senator Beth Martinez Humenik, Vice-Chair, Health and Human Services Committee
Senator Irene Aguilar, Health and Human Services Committee
Senator Larry Crowder, Health and Human Services Committee
Senator John Kefalas, Health and Human Services Committee
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COLORADO

**Department of Health Care
Policy & Financing**

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

**REPORT TO THE HOUSE AND SENATE HEALTH AND HUMAN
SERVICES COMMITTEES AND THE
JOINT BUDGET COMMITTEE ON
IN-HOME SUPPORT SERVICES (IHSS)
FY 2015-16**

January 1, 2017

The Colorado Department of Health Care Policy and Financing (the 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, to persons with spinal cord injury, and to eligible disabled children;
- The number of persons receiving such services; and,
- Any strategies and resources that are available or that are essential 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 provide Home and Community Based Services (HCBS). IHSS is a service delivery option that allows a client to direct select services accessible through the Home and Community Based Services (HCBS) – Elderly, Blind, and Disabled (HCBS-EBD), Children’s HCBS (CHCBS), and Spinal Cord Injury (HCBS-SCI) waivers.

IHSS provides a supplementary delivery preference 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 (AR). IHSS offers the flexibility and control of consumer direction by letting the client 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:

Table 1: Service delivery Options		
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 or Authorized Representative select and trains attendants • IHSS agency manages financial aspect of service delivery 	<ul style="list-style-type: none"> • Client or Authorized Representative selects and trains attendants • Client or Authorized Representative manages annual allocation

In FY 2013-14, the General Assembly passed a bill that impacted IHSS. HB14-1357 tasked the Department with developing an implementation plan to explore expanding IHSS to include persons enrolled in Community Mental Health Supports (CMHS), Persons with Brain Injury (BI), Supported Living Services (SLS), and Children’s Extensive Support (CES) HCBS Waivers. The Department submitted that plan to the General Assembly on April 20, 2015.

HB14-1357 gave the Department authority to make programmatic changes to IHSS by March 1, 2015. The Department has implemented the changes below and received approval from the Centers for Medicaid and Medicare Services (CMS):

- Spouses can now receive reimbursement for providing IHSS.
- Relatives employed by an IHSS agency may provide up to 40 hours of personal care in a seven-day period.
- IHSS can be provided in the community, in addition to a client’s home.

- The client has greater flexibility in determining the amount of nurse overnight required by the IHSS agency.
- The client has the flexibility and authority to directly schedule, manage, and supervise their attendants, and has the ability to determine the amount of agency support needed.
 - If a client is unable to direct his or her own care independently, he or she can select an Authorized Representative or receive support from the IHSS agency.

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:

- The client is enrolled in the HCBS-EBD, CHCBS, or HCBS-SCI waivers;
- 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; and,
- 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 waiver and participating in IHSS can direct his or her health maintenance activities, homemaker services, and personal care services. A client enrolled in the CHCBS waiver and participating in IHSS can direct his or her health maintenance activities through an Authorized Representative. Health Maintenance Activities (HMA) are defined as routine and repetitive health related tasks, which are necessary for health and normal bodily functioning, that an individual with a disability would carry out if he/she were physically able, or that would be carried out by family members or friends if they were available. HMA includes any excluded personal care tasks as defined in 10 CCR 2505-10 Section 8.489, as well as Certified Nursing Assistant (CNA) and nursing services.

Clients who receive IHSS services also have access to other services available through the Medicaid State Plan and the HCBS waivers. State plan services include all other Medicaid benefits that are not provided by the HCBS waivers, which may include physician visits, medications, hospitalizations, and durable medical equipment. The other services available to IHSS clients through HCBS waivers are described below for each waiver:

Table 2 – Other HCBS Services by Waiver			
Waiver	EBD	CHCBS	SCI
Other HCBS Costs	<ul style="list-style-type: none"> • Adult Day Health • Homemaker (non-IHSS) • Personal Care (non-IHSS) • Respite • Home Modification • Non-Medical Transportation • Personal Emergency Response Systems (PERS) • Alternative Care Facility (ACF) • Community Transition Service (CTS) 	<ul style="list-style-type: none"> • Case Management 	<ul style="list-style-type: none"> • Adult Day Health • Homemaker (non-IHSS) • Personal Care (non-IHSS) • Respite • Home Modification • Non-Medical Transportation • Personal Emergency Response Systems (PERS) • Complementary and Integrative Health Services

<ul style="list-style-type: none"> • Supplies, Equipment, & Medication Management • Consumer Directed Attendant Support Services (CDASS) 	<ul style="list-style-type: none"> • Consumer Directed Attendant Support Services (CDASS) • Medication Reminder
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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:

- 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 health 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 is particularly valuable to clients with complex medical needs who reside in rural areas of Colorado.

IHSS Agencies

As of 12/22/2016, the Department has 54 approved IHSS agencies. The IHSS agency list is updated anytime an IHSS agency is certified by the Department of Public Health and Environment, in addition to completing provider enrollment with the Department of Health Care Policy and Financing. 23 additional agencies have been enrolled to provide IHSS during the past year.

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

- Cross-disability peer counseling;
- Information and referral services;
- Individual and system advocacy;
- Twenty-four-hour back-up services;
- Intake and orientation services to clients that are new to IHSS;
- Assistance in selecting attendants, if requested by the client or Authorized Representative;
- Access to a licensed health care professional to provide monitoring and oversight of medical needs; and,
- Provide Attendant training or validate Attendant skills.

Cost Effectiveness of IHSS

Below are two tables that show the per-client cost for IHSS combined with other HCBS waiver and state plan service costs. These costs are compared to the average cost to provide services in an institution.

Table 3 – IHSS Per Participant Cost versus Institutional Per Participant Cost FY 2015-16

Waiver	IHSS	Other HCBS	State Plan Costs	Total Per Participant Cost - HCBS	Institutional Cost	State Plan Cost	Total Per Participant Cost – Institutionalization
EBD/SCI	\$25,446	\$1,089	\$7,916	\$34,451	\$38,415	\$3,364	\$41,780
CHCBS	\$41,316	\$548	\$15,701	\$57,565	\$55,670	\$5,694	\$61,364

State plan costs and other HCBS costs are included in this chart to show a comparison of the total costs of providing services to clients through IHSS versus the total costs of providing services to clients in an institutional setting. State plan costs include all other Medicaid benefits that are not provided by the HCBS waivers, which may include physician visits, medications, hospitalizations, and durable medical equipment. Other HCBS costs are the costs for the services described in Table 2.

Based on the available cost data, the provision of IHSS to clients enrolled in the HCBS-EBD/ HCBS-SCI and CHCBS waivers is, on average, more cost effective than providing services in an institution. Due to the small number of clients participating on the HCBS-SCI waiver, the data for the HCBS-SCI waiver are combined with the HCBS-EBD waiver to protect clients' private health information.

Table 4 IHSS Cost Per Client Percentage Change						
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
EBD/SCI	12.70%	0.70%	-14.20%	-5.99%	3.27%	-5.52%
CHCBS	9.20%	12.10%	11.20%	19.98%	7.68%	-3.83%

In FY 2015-16, there was a decrease in the per-client costs for HCBS-EBD/HCBS-SCI and CHCBS waivers. The Department believes this decrease in cost is due to several reasons. First, the Department facilitated a webinar training for IHSS agencies in April 2016. This training reviewed the IHSS program and who is eligible, the benefits of IHSS, limitations, changes to IHSS, and the role of the IHSS agency. Second, the Department contracted with a vendor to facilitate case management agency training. The vendor started performing IHSS case management trainings in January 2015 with the start of their contract. The vendor is contracted to do a minimum of 2 trainings per quarter. In FY 15-16 the vendor completed a total of 9 trainings that had a total of 117 Case Managers in attendance. The Department believes continued training will ensure proper service delivery and utilization. Additionally, the Department continues to review monthly cost effectiveness and utilization data to identify patterns and trends in IHSS.

Client Participation in IHSS

There has been significant growth in the number and percentage of clients accessing IHSS which has resulted in an increase in overall expenditures (Table 5 – Table 8). The Department worked with stakeholders through the Participant Directed Programs Policy Collaborative (PDPPC) to increase awareness about IHSS and to solicit more IHSS stakeholders. This effort appears to have been successful. Notably, many clients who have transitioned from an institution through the

Colorado Choice Transitions (CCT) program are actively pursuing consumer direction through the IHSS service delivery option.

Table 5 IHSS Client Count							
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
EBD/SCI	241	274	337	447	698	992	1402
CHCBS	34	34	70	129	184	237	285
Total	275	308	407	576	882	1229	1687

Table 6 IHSS Percent Change in Participation							
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
EBD/SCI	10.70%	12%	18.70%	24.60%	55.70%	42.12%	41.33%
CHCBS	23.50%	0%	51.40%	45.70%	42.64%	28.80%	19.41%
Total	12.30%	10.70%	24.30%	29.30%	53.13%	39.34%	37.10%

Table 7 IHSS HCBS-EBD/SCI Total Expenditures							
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Health Maintenance	\$4,938,881	\$6,577,467	\$8,339,007	\$9,780,824	\$14,737,658	\$21,712,558	\$27,672,633
Homemaker	\$153,161	\$123,480	\$88,253	\$196,960	\$594,572	\$969,818	\$1,568,025
Personal Care	\$992,126	\$1,132,520	\$1,378,557	\$537,701	\$1,819,863	\$2,559,861	\$4,465,996
Total Cost	\$6,084,167	\$7,920,286	\$9,805,818	\$11,383,797	\$17,152,093	\$25,242,238	\$33,706,654

Table 8 IHSS CHCBS Total Expenditures							
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Health Maintenance	\$840,953	\$925,739	\$2,168,200	\$4,500,375	\$7,341,077	\$10,182,009	\$11,775,005
Total Cost	\$840,953	\$925,739	\$2,168,200	\$4,500,375	\$7,341,077	\$10,182,009	\$11,775,005

Strategies and Resources

The Department continues to work with stakeholders to implement strategies and identify resources to assist more clients to remain in their homes and communities through the use of IHSS. The Department has implemented the following strategies:

- Facilitating regular stakeholder meetings with clients, providers, and case management agencies to promote communication around participant directed services.
- Collaborating with stakeholders on rule revisions to make IHSS policies better reflect stakeholder needs while ensuring sound stewardship of public funds.
- Conducting trainings for case managers on authorizing and monitoring the IHSS delivery to clients.
- Maintaining a list of IHSS agencies that is available to clients, families, and case management agencies.
- Providing information on IHSS to clients and agencies in the form of web-based materials, and fact sheets.
- Establishing family member reimbursement that allows the client to have choice of Attendants while also ensuring cost controls.

- Revising rules and submitted waiver amendments to the CMS to allow greater participant direction options.

The Department will continue with the above strategies in addition to the following efforts:

- Work collaboratively with the Department of Public Health and Environment on consistent interpretation of IHSS rules and licensing requirements.
- As a result of changes to the structure of Financial Management Services used in CDASS, the Department began contracting with a vendor to provide routine training to case managers on participant direction, including IHSS.
- Provide routine training to IHSS agencies about IHSS policies and procedures.
- Promote IHSS as an option for individuals transitioning from an institutional setting.

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:

- Colorado Choice Transitions (CCT) is part of the federal Money Follows the Person 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 submitted its final report to the Governor's office on September 30, 2014, which included recommendations to redesign 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 to manage the financial allocation or the responsibilities of being an employer. 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 having nursing and monitoring safeguards.