



COLORADO
Department of Health Care
Policy & Financing

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

January 1, 2019

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

Dear Senator Moreno:

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, a service delivery option available under three 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, David DeNovellis, at David.Denovellis@state.co.us or 303-866-6912.

Sincerely,

Kim Bimestefer
Executive Director

KB/EET

Enclosure(s): Health Care Policy and Financing 2019 In-Home Support Services Legislative Report



Cc: Representative Daneya Esgar, Vice-chair, Joint Budget Committee
Representative Chris Hansen, Joint Budget Committee
Representative Bob Rankin, Joint Budget Committee
Senator Dennis Hisey, Joint Budget Committee
Senator Rachel Zenzinger, Joint Budget Committee
John Ziegler, Staff Director, JBC
Eric Kurtz, JBC Analyst
Lauren Larson, Director, Office of State Planning and Budgeting
Kathleen Quinn, Budget Analyst, Office of State Planning and Budgeting
Legislative Council Library
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John Bartholomew, Finance Office Director, HCPF
Laurel Karabatsos, Interim Health Programs Office Director & Medicaid Director, HCPF
Tom Massey, Policy, Communications, and Administration Office Director, HCPF
Bonnie Silva, Interim Community Living Office Director, HCPF
Chris Underwood, Health Information Office Director, HCPF
Stephanie Ziegler, Cost Control and Quality Improvement Office Director, HCPF
Rachel Reiter, External Relations Division Director, HCPF
David DeNovellis, Legislative Liaison, HCPF





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Denver, CO 80203

January 1, 2019

The Honorable Susan Lontine, Chair
Health and Insurance Committee
200 E. Colfax Avenue
Denver, CO 80203

Dear Representative Lontine:

Enclosed please find a legislative report to the House Health and Insurance 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, a service delivery option available under three 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.

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Sincerely,

Kim Bimestefer
Executive Director

KB/EET

Enclosure(s): Health Care Policy and Financing 2019 In-Home Support Services Legislative Report



Cc: Representative Yadira Caraveo, Vice Chair, Health and Insurance Committee
Representative Mark Baisley, Health and Insurance Committee
Representative Susan Beckman, Health and Insurance Committee
Representative Janet Buckner, Health and Insurance Committee
Representative Marc Catlin, Health and Insurance Committee
Representative Joann Ginal, Health and Insurance Committee
Representative Dominique Jackson, Health and Insurance Committee
Representative Kyle Mullica, Health and Insurance Committee
Representative Matt Soper, Health and Insurance Committee
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1570 Grant Street
Denver, CO 80203

January 1, 2019

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 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 IHSS.

The report provides information on IHSS, a service delivery option available under three 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.

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Sincerely,

Kim Bimestefer
Executive Director

KB/EET

Enclosure(s): Health Care Policy and Financing 2019 In-Home Support Services Legislative Report



Cc: Representative Dafna Michaelson Jenet, Vice-Chair, Public Health Care and Human Services Committee
Representative Yadira Caraveo, Public Health Care and Human Services Committee
Representative Lisa Cutter, Public Health Care and Human Services Committee
Representative Serena Gonzales-Guitierrez, Public Health Care and Human Services Committee
Representative Sonya Jaquez Lewis, Public Health Care and Human Services Committee
Representative Lois Landgraf, Public Health Care and Human Services Committee
Representative Colin Larson, Public Health Care and Human Services Committee
Representative Larry Liston, Public Health Care and Human Services Committee
Representative Kyle Mullica, Public Health Care and Human Services Committee
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Department of Health Care Policy and Financing
1570 Grant Street
Denver, CO 80203

January 1, 2019

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

Dear Senator Fields:

Enclosed please find a legislative report to the Senate Health 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 IHSS.

The report provides information on IHSS, a service delivery option available under three 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.

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Sincerely,

Kim Bimestefer
Executive Director

KB/EET

Enclosure(s): Health Care Policy and Financing 2019 In-Home Support Services Legislative Report



Cc: Senator Brittany Pettersen, Vice-Chair, Health and Human Services Committee
Senator Larry Crowder, Health and Human Services Committee
Senator Jim Smallwood, Health and Human Services Committee
Senator Faith Winter, 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 2017-18**

January 1, 2019

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 utilization of In-Home Support Services.

In preparation for this report, the Department completed a new cost and data analysis of IHSS spanning the past five fiscal years. All data in the tables below have been updated to include the most current data available.

Introduction

In-Home Support Services (IHSS) was authorized in 2002 by SB 02-027 in Home and Community Based Services (HCBS) waivers. IHSS is a participant-directed service-delivery option that allows participants to direct 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 implementation is a collaborative effort between the participant, their IHSS agency, and case manager. The case manager is responsible for initiating a referral to the IHSS agency and authorizing appropriate services. The participant or their Authorized Representative (AR) has the flexibility and control over their services and is encouraged to select, train and manage Attendants. The IHSS agency is the employer of record for attendants and is responsible for providing back-up care, nursing oversight and supervision, and the financial management of services. IHSS has similarities with another participant-directed service-delivery option, Consumer Directed Attendant Support Services (CDASS), where services are directed by the client or authorized representative. The primary differences between the three service delivery options are detailed below:

Table 1 - Service Delivery Options		
Traditional Agency-based Care	IHSS	CDASS
<ul style="list-style-type: none">• Agency selects, employs and trains attendants• Agency manages financial aspects of service delivery	<ul style="list-style-type: none">• Participant or Authorized Representative selects and trains attendants• IHSS agency employs attendants and manages financial aspects of service delivery	<ul style="list-style-type: none">• Participant or Authorized Representative selects, employs and trains attendants• Participant or Authorized Representative manages annual allocation

Participant Eligibility

As set forth at 10 C.C.R. 2505-10 § 8.552.2, a participant is eligible for IHSS when the following three criteria are met:

- The participant is enrolled in the HCBS-EBD, CHCBS, or HCBS-SCI waivers;
- The participant's primary care physician documents the participant has sound judgment and the ability to direct their own care or they have elected an Authorized Representative to assist in directing care; and,
- The participant's medical condition does not result in an unsafe situation as documented by the primary care physician

Available Services

Services are determined by the participant's case manager and are based on a functional assessment. Adults enrolled in the HCBS-EBD or HCBS-SCI waiver may be eligible to receive health maintenance activities, homemaker services, and personal care services. A child enrolled in the CHCBS waiver may be eligible to receive health maintenance activities. Health Maintenance Activities (HMA) are defined as routine and repetitive skilled health related tasks, which are necessary for health and normal bodily functioning, that an individual with a disability would carry out if they 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 skilled tasks typically performed by a Certified Nursing Assistant (CNA) or licensed nurse that do not require the clinical assessment and judgement of a licensed nurse.

IHSS Participants also have access to other services available through the Medicaid State Plan benefit and their respective HCBS waiver. 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. HCBS waivers offering IHSS include the services below:

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

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, an IHSS participant has more flexibility and control over their services and supports. The participant may choose to hire a neighbor, friend, or family member to provide both skilled and unskilled care. Attendants are employed by an IHSS agency that provides twenty-four-hour backup services and supervision by a Registered Nurse (RN). This is particularly valuable to participants with complex medical needs who reside in rural areas of Colorado, where access to care and services can be limited.

IHSS Agencies

IHSS Agencies must be licensed (Class A or B) and certified by the Colorado Department of Public Health and Environment (CPDHE) and enrolled as a Medicaid provider with the Department.

Table 3 – Total Number of IHSS Agencies					
FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
23	28	34	48	78	130

IHSS agencies are required to provide the following in accordance with 10 C.C.R. 2505-10 § 8.552.6.A.:

- Independent Living Core Services (information and referral services, independent living skills training, peer and cross-disability peer counseling, individual and systems advocacy, transition services or diversion from nursing homes and institutions to home and community-based living, or upon leaving secondary education);
- Attendant training, oversight and supervision by a licensed health care professional employed by the IHSS agency who is at minimum a Registered Nurse (RN);
- Twenty-four-hour back-up services for scheduled visits

Cost Effectiveness of IHSS

When evaluating the costs of IHSS and other HCBS waiver and state plan service costs, there is significant cost savings in IHSS compared to the average cost of services provided in an institution.

Table 4 – IHSS Per Participant Cost versus Institutional Per Participant Cost FY 2017-18							
Waiver	IHSS Cost per Participant	Other HCBS Cost per Participant ¹	State Plan Cost per Participant ²	Total Per Participant Cost - HCBS	Adjusted Institutional Cost per Participant ³	Adjusted State Plan Costs per Participant ²	Total Per Participant Cost – Institutionalization
EBD/SCI ⁴	\$26,079.44	\$1,472.21	\$8,446.56	\$35,998.20	\$56,932.18	\$5,286.01	\$62,218.19
CHCBS	\$41,311.67	\$676.94	\$19,084.17	\$61,072.77	\$66,015.50	\$6,129.37	\$72,144.87

1. Other HCBS Costs are the costs for the services described in Table 2 – Other HCBS Services by Waiver. 2. 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. 3. Adjusted Institutional Costs are the average costs of services provided in an institutional setting. 4. Due to a small population size for participants on the HCBS-SCI waiver, HCBS-EBD and HCBS-SCI data has been combined to protect HCBS-SCI participants' private health information ([Safe Harbor Regulations - Office of the Inspector General](#)).

Table 5 – IHSS Cost Per Participant Percentage Change						
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
EBD/SCI	-9.72%	-2.43%	3.53%	-6.41%	-0.19%	9.08%
CHCBS	16.48%	14.27%	7.65%	-3.81%	-3.66%	3.76%

In FY 2017-18, there was an increase in the per-participant costs for HCBS-EBD/HCBS-SCI and CHCBS waivers. The Department has observed increased participation in IHSS following the change in personal care limits for family caregivers enacted through HB 14-1357. Due to a growing number of IHSS Agencies throughout the state, participants now have more choice when selecting service-delivery options for their personal care and health maintenance services. Participants who have traditionally utilized Long Term Home Health (LTHH) or Private Duty Nursing (PDN) have transitioned to IHSS for some or all of their skilled needs. While the cost per client has increased, IHSS continues to promote cost savings as the rates for health maintenance activities is significantly less than skilled nursing visits in both LTHH and PDN.

In 2017 and 2018, the Department worked with stakeholders to clarify roles and responsibilities in the administration and oversight of IHSS. The rules governing IHSS were amended and approved through Medical Services Board effective April 30, 2018 to ensure the proper implementation and delivery of services. Along with the rule change, the Department modified existing materials and developed new resources for IHSS stakeholders.

To implement the changes, the Department facilitated multiple trainings for both provider agencies and case managers. The Department contracts with a vendor to perform case management agency training, which is completed throughout the state. In FY 2017-18 the vendor completed eleven case manager training sessions and facilitated a collaborative meeting with case managers and IHSS agencies in the counties with the highest concentration of IHSS participants. The Department believes that continued training is crucial to manage and mitigate program growth, ensure proper service delivery, and ensure fiscally appropriate service utilization. In the coming year, the Department is committed to providing additional training materials and support for participants, case managers and IHSS agencies. Finally, the Department is currently amending the IHSS rules, working closely with a group of stakeholders to clarify processes and enhance programmatic procedures.

Member Participation in IHSS

There has been significant growth in the number and percentage of members accessing IHSS which has resulted in an increase in overall expenditures (Table 6 – Table 9). The Department has observed this growth to be a direct result of changes to IHSS authorized in HB 14-1357. Family members, including spouses, are now limited at 40 hours per week for performing personal care services. Prior to the implementation of HB 14-1357, a family member was limited to providing 8.5 hours of personal care services per week to the participant and a spouse was ineligible to be an IHSS attendant. The increase in utilization of personal care can be reflective of

a previously unmet need. An additional change to IHSS allows that services may be completed in the community, which is an important component of community-based services and participant-direction. Subsequently there is increased interest in IHSS for participants, family members, and agencies. Participants new to IHSS have transitioned from traditional services and Long-Term Home Health (LTHH).

Table 6 – IHSS Participant Count						
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
EBD/SCI	450	696	988	1,415	2,359	3,491
CHCBS	129	184	237	285	406	578
Total	579	880	1,225	1,700	2,765	4,069

Table 7 – IHSS Annual Participant Growth Rates						
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
EBD/SCI	33.53%	54.67%	41.95%	43.22%	66.71%	47.99%
CHCBS	84.29%	42.64%	28.80%	20.25%	42.46%	42.36%
Total	42.26%	51.99%	39.20%	38.78%	62.65%	47.16%

Table 8 – IHSS HCBS-EBD/SCI Total Expenditures						
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Health Maintenance	\$9,791,819	\$14,788,312	\$21,755,028	\$27,826,621	\$41,824,093	\$60,011,210
Homemaker	\$197,852	\$595,805	\$971,238	\$1,584,246	\$3,474,425	\$6,575,568
Personal Care	\$1,412,786	\$1,823,957	\$2,563,410	\$4,486,683	\$11,103,409	\$24,456,533
Total Cost	\$11,402,457	\$17,208,074	\$25,289,676	\$33,897,550	\$56,401,927	\$91,043,311

Table 9 – IHSS CHCBS Total Expenditures						
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Health Maintenance	\$4,505,172	\$7,343,176	\$10,182,009	\$11,778,059	\$16,165,282	\$23,878,144

Strategies and Resources

The Department works proactively with stakeholders to develop strategies and resources which improve implementation, support the growth and interest in IHSS, and ensure sound stewardship of public funds. The Department employs the following strategies:

- Engages in regular stakeholder meetings including the Participant Directed Programs Policy Collaborative (PDPPC) to increase awareness about IHSS and to solicit IHSS stakeholder feedback in policy development for participant direction.
- Collaborates with stakeholders through IHSS subcommittees and multiple focus/workgroups for rule revisions and other projects necessary to improve IHSS implementation.
- Works proactively with new agencies, providing resources and support for billing, training, and dispute resolution.
- Ensures sound stewardship of public funds through case reviews, auditing, and training initiatives.
- Promotes the principles of participant direction in developing training and information for members, case managers, and agencies
- Monitors family member reimbursement policies and cost-controls while promoting the participant's choice of Attendants and services.
- Maintains a list of current IHSS agencies for the use of participants, families, and case management agencies.
- Provides information to stakeholders on changes or updates to IHSS through Department communications, web-based training and resources, reference documents, and fact sheets.
- Revises rules and submits waiver amendments to the Centers for Medicare and Medicaid Services to facilitate participant-directed service delivery options.

In addition, the following partnerships and resources are crucial to ensuring consistent implementation of IHSS:

- The Department of Public Health and Environment licenses home care agencies, conducts surveys required for IHSS certification, and investigates complaints related to safety and quality of care for home care agencies.
- The Training & Operations vendor facilitates and conducts training, which is required for all case managers. The Department initiated a contract amendment in fall 2018 to include measures for cost control, including appropriate authorization and utilization of services. The vendor will now complete the following deliverables for IHSS:
 - Mediation services for IHSS stakeholders to ensure appropriate authorization and implementation of services;
 - Reviews of IHSS case records to ensure services authorized are both cost-effective and necessary for the participant's medical and functional condition;
 - Ongoing resources and support for new and existing IHSS participants, including a Participant Guide which promotes the principles of self-direction;
 - Provider training which outlines rules and general service requirements for new and existing IHSS agencies, which will be required for IHSS provider enrollment in summer 2019.

Conclusion

IHSS provides participants with the flexibility to direct their own care without having to manage the financial allocation or the responsibilities of being an employer. The participant receives the supports necessary to remain in their home rather than entering or remaining in a long-term care facility or relying on a traditional home health agency to select staff. IHSS is an important part of the service-delivery continuum and provides an opportunity for participants to direct their care while having nursing oversight and supervision.