

# HCBS-BI ILST Rate Increase Request

The current HCBS-BI ILST Reimbursement Rate is **\$26.14/hr.** and should be increased to allow providers to remain competitive in the labor market in order to continue to provide this service to Medicaid recipients in Colorado.

The HCBS-BI ILST Rate in 2000 was **\$23.80/hr.** which is an increase of **9.8%** over 17 years.

For comparison, over the same time the Colorado Minimum Wage has increased from **\$5.15/hr.** in 2000 to **\$9.30/hr.** in 2017. This is an increase of **80.6%**.

Colorado is currently experiencing record low unemployment, which makes it more difficult to be competitive in hiring ILSTs, when they currently have more lucrative options in the private sector.

The number of HCBS-BI ILST Providers in Colorado has decreased from 10 or more in 2008, to only 2 in 2017. This is in part due to increased regulatory oversight and licensure compliance costs which forced most providers to close their programs.

This regulatory compliance cost has increased from **1.3%** of each unit billed in 2012, to **7.7%** of each unit billed in 2017. This is an increase of almost **500%** in regulatory compliance costs.

In 2012 a “test” program was introduced called CCT, which offered ILST services to people eligible to receive those services. The reimbursement rate for CCT-ILST is currently **\$37.52/hr.** When compared to the current HCBS-BI ILST rate of **\$26.14/hr.,** the CCT-ILST rate is **43.5%** higher.

There are currently 6 CCT-ILST providers in the Denver-Metro area, compared with 1 HCBS-BI ILST provider in the Denver-Metro area. CCT-ILST providers are not subject to the same regulatory oversight and licensure compliance that HCBS-BI ILST providers are.

There are 6 times as many CCT-ILST providers in the Denver-Metro area than HCBS-BI ILST providers, and we believe this is due to the current reimbursement rate disparity and regulatory compliance cost difference.

We would ask that the MPRRAC consider these factors when addressing an increase in the HCBS-BI ILST rate. If this rate could be increased to match the current CCT-ILST rate, it is felt this would result in a significant increase in the number of HCBS-BI ILST providers in the state, and allow current providers to better compete in the labor market and hire/retain experienced and valued employees.

HCBS-BI ILST Rate 2000-2017

