

# Person-Centered Budget Algorithm (PCBA) Development

## Statewide Meeting I

September 10, 2020

# Agenda

Introductions

Background

Stakeholder Engagement

Project Overview and Timeline

Model Development Process

FAQs, Discussion, and Feedback

Next Steps

# Introductions

## Health Care Policy & Financing (HCPF)

- Office of Community Living (OCL)
  - Bonnie Silva, Office Director
  - Amanda Lofgren, Case Management & Quality Performance Division Director
  - Michelle Topkoff, Entry Point & Case Management Manager
  - Tasia Sinn, Senior Policy Advisor
  - Ben Hoppin, Operations Coordinator
  - Lori Thompson, HCBS Policy Advisor

# Introductions

## Optumas

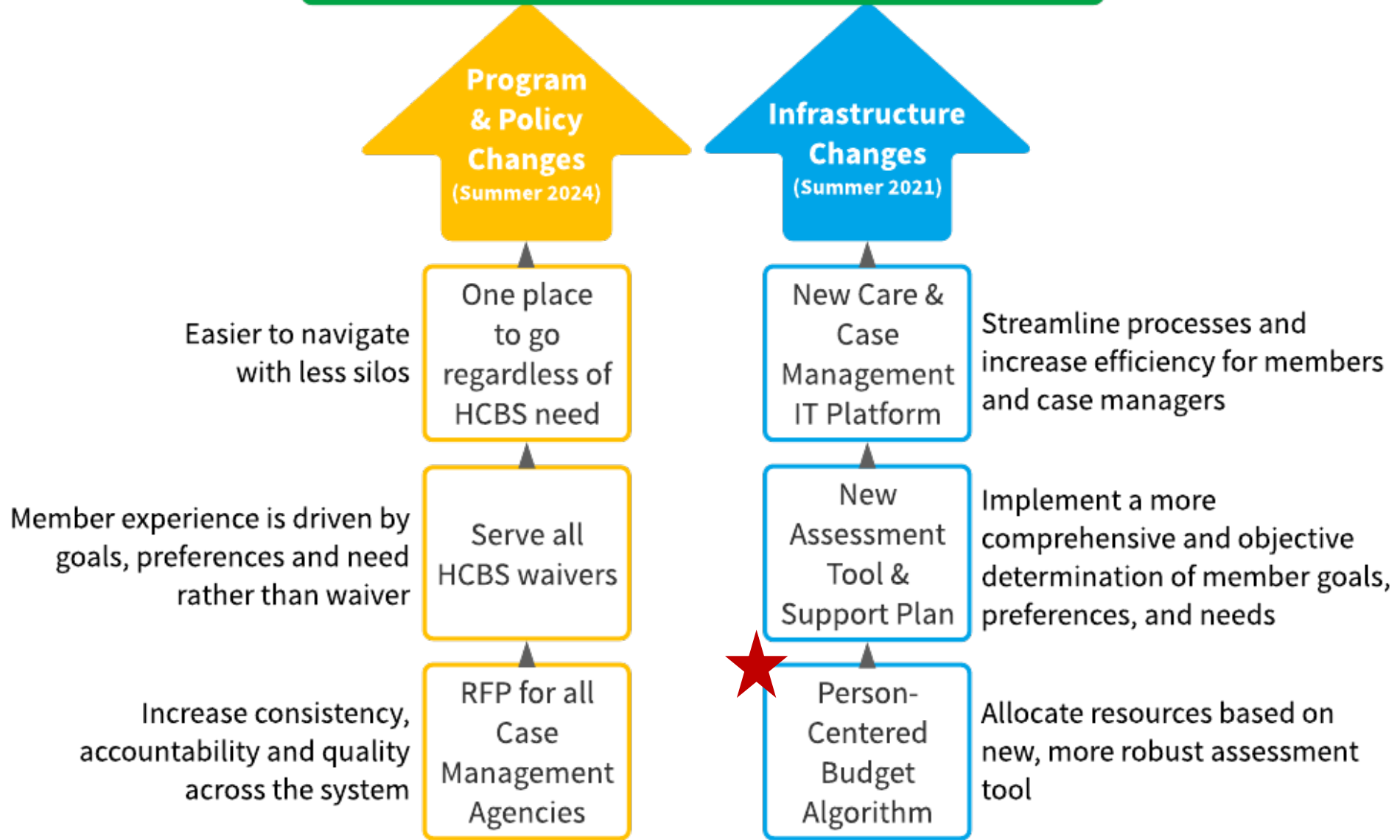
- Project Team

- Steve Schramm, Founder and Managing Director
- Meg Frenzen, Sr. Consultant
- Martin McNamara, Actuarial Consultant
- Tomas Abrate, Strategy Consultant
- Additional Supporting Staff

# Why a Person-Centered Budget Algorithm (PCBA)?

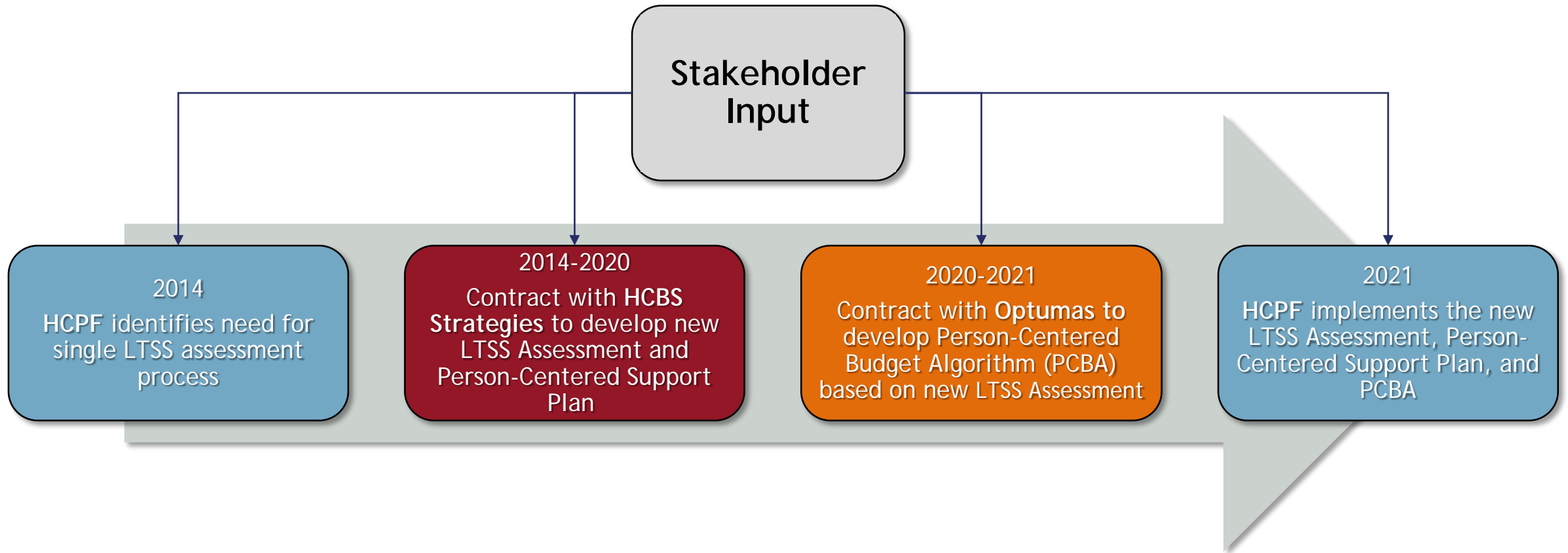
- Important aspect of making sure people get the right services, at the right time, in the right place
- Objective method for assigning resources versus relying strictly on case manager's subjective judgement
- Based on new Long-Term Services and Supports Assessment, with much more information
- Department priority to get it right - working closely with stakeholders and staff on teams across the offices

# Colorado Case Management Redesign



# Background

## How did we get here and where are we going?



# New LTSS Assessment and Person-Centered Support Plan

- After years of development with stakeholders, the new Long-Term Services and Supports (LTSS) Assessment and Support Plan are being finalized
- Provides more comprehensive assessment to inform eligibility and person-centered support planning
- Unified process for all programs and people accessing LTSS
- Eliminates need for most of the other existing tools
- Plan to implement new Assessment and Support Plan July 1, 2021



# Background

## What is a Person-Centered Budget Algorithm (PCBA)?

- Person-Centered Budget Algorithm (PCBA) for Health First Colorado Home and Community-Based Services (HCBS) waiver programs
- Built on the new Colorado LTSS Assessment tool data (not the SIS or other existing tools), objective, prospective budget methodology
  - Utilized in over 30 states
- *Not* the sole determinant of resource need, rather a tool in the person-centered planning toolbox

# Stakeholder Engagement

- We are committed to robust and thoughtful stakeholder engagement throughout development and implementation
- All interested stakeholders will have the opportunity to participate in PCBA development
- “Stay Engaged” slide at the end of presentation

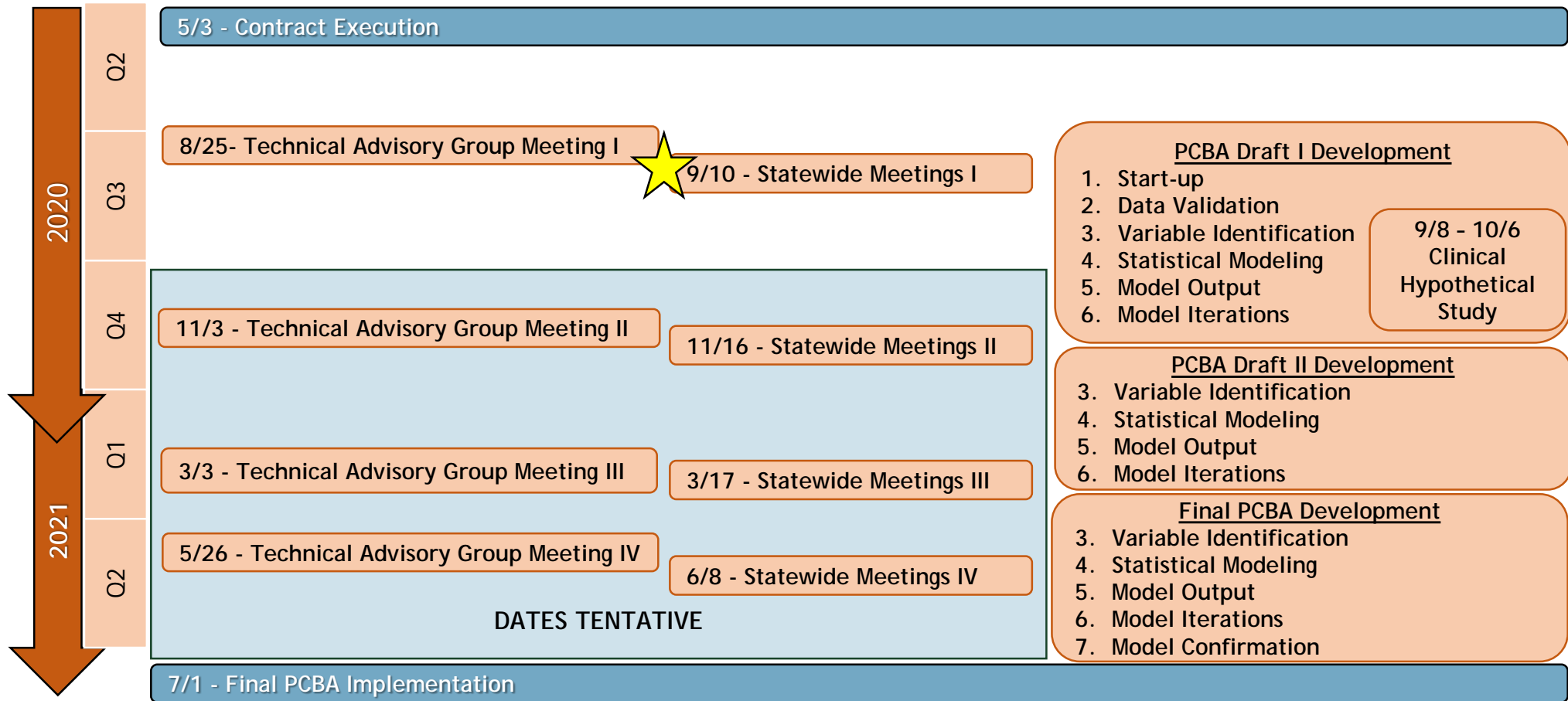


# Questions?

# Project Overview

- How is a Person-Centered Budget Algorithm developed?
  - Look at **relationships** between member characteristics and services used/needed
  - Group similar members to identify **patterns**
  - Algorithm will use those patterns to **predict** a range of future resource needs

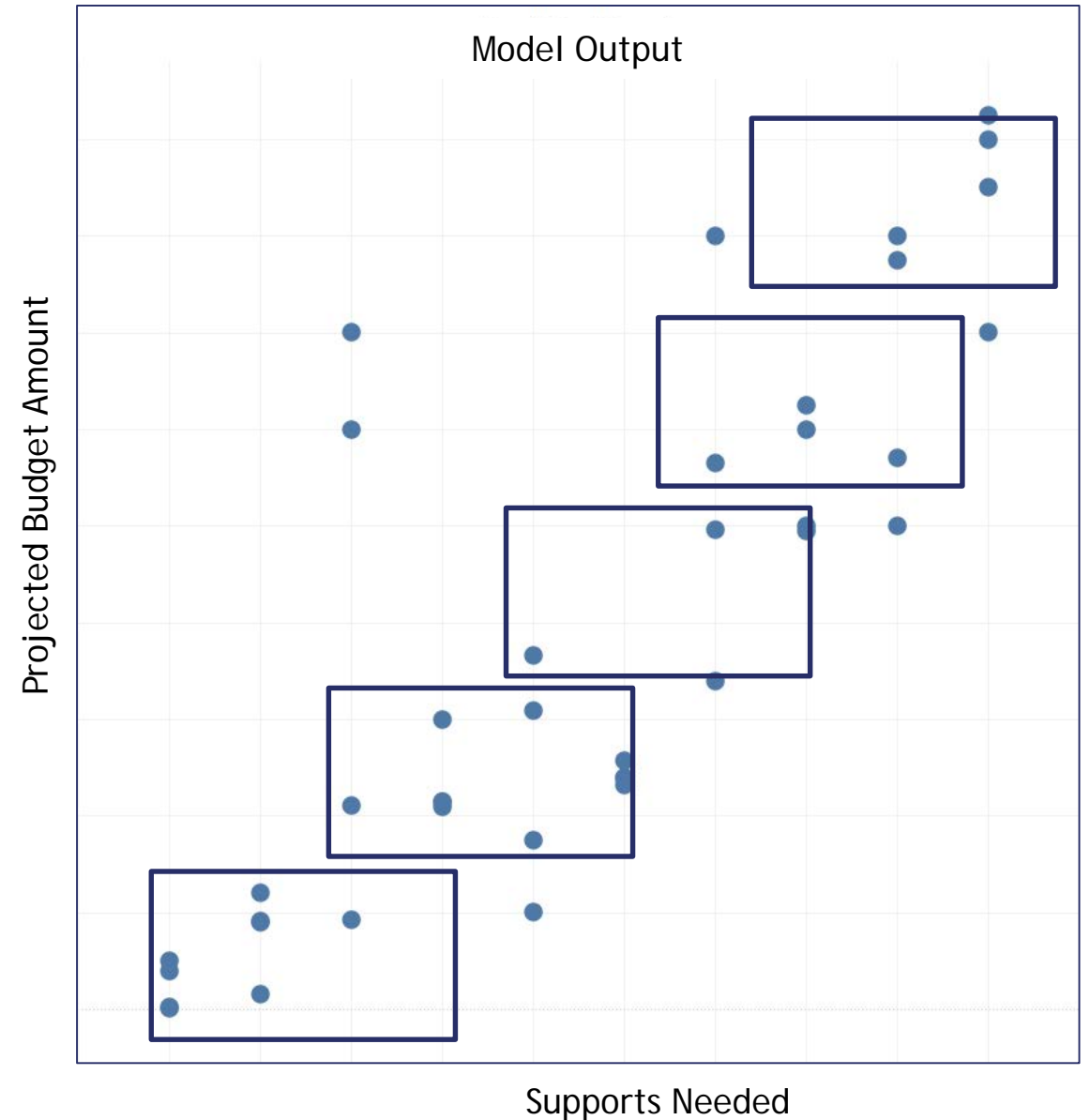
# PCBA Development Timeline



# Model Development Process

1. Start-up
2. Data Validation
3. Variable Identification
4. Statistical Modeling
5. Model Output
6. Model Iterations
7. Model Confirmation
8. Stakeholder Engagement Throughout

# Person-Centered Budget Algorithm: Aligns Supports Needed and Projected Budget Amounts



# Model Development Process

## 1. Start-up

- Examine published literature
- Conduct a Colorado data inventory
- Review other states' models
- Complete detailed examination of CO LTSS Assessment
- Incorporate stakeholder input/feedback on presentation format, lived experience in Colorado's unique environment, factors important to resource needs, etc.



# Model Development Process

## 2. Data Validation

- Ensure data accuracy, completeness, and reasonableness

## 3. Variable Identification

- Utilize stakeholder expertise for variable identification
- Conduct statistical analyses to identify key variables
- Incorporate stakeholder input/feedback on key variables

# Model Development Process

## 4. Statistical Modeling

- Determine model structure
- Incorporate stakeholder input/feedback on statistics

## 5. Model Output

- Review variable results
- Determine how well the model performs (e.g. goodness of fit, coefficient directional relationships)

# Model Development Process

## 6. Model Iterations

- Incorporate additional data as it becomes available
- Repeat as necessary

## 7. Model Confirmation

- Evaluate against validation sample
- Compare model output to Clinical Hypothetical Study output
- Seek stakeholder input/feedback on results

# Frequently Asked Questions



# Frequently Asked Questions

**Will the PCBA be developed using the existing Supports Intensity Scale (SIS)?**

No, the SIS will not be used in the development of the PCBA. Data from the new LTSS Assessment will be used.

# Frequently Asked Questions

How will the gap between services utilized and services authorized be accounted for?

Optumas will conduct a series of analyses that compare services utilized with services authorized at the member level. Assessment data will then be compared to estimated need in terms of services utilized and services authorized.

# Frequently Asked Questions

## What data are being used?

The Department and Optumas are utilizing LTSS Assessment data as well as corresponding HCBS and State Plan claims from 2018-2019. New data available after implementation of the LTSS Assessment will be used in refining the PCBA.

# Frequently Asked Questions

**Will Optumas be using utilization data collected during the COVID-19 pandemic?**

No, data that has been influenced by the COVID-19 pandemic will not be used.





# Questions?

# Discussion



# Discussion

What components unique to Colorado should be considered with respect to:

- Program Design
- Population
- Services
- Delivery Network

# Discussion

What needs require the greatest resources to support?

# Discussion

What questions would you like answered during development of the PCBA model?

# Poll Question

On a scale from 1-5, how well did we explain what a Person-Centered Budget Algorithm (PCBA) is and the process to develop the PCBA model?

(1 - Did not explain it well at all and 5 - Did a great job of explaining)

# Next Steps

- Summarized meeting minutes will be posted on the [web page](#)
- Utilize feedback to continue model development
- Upcoming Meetings:
  - Statewide Meetings II - November 16, 2020 (tentative)
- Visit the new web page!  
[www.colorado.gov/hcpf/person-centered-budget-algorithm-pcba](http://www.colorado.gov/hcpf/person-centered-budget-algorithm-pcba)

# Stay Engaged

Visit the [PCBA web page](#) for more resources

Participate in **Statewide Meetings** (details on webpage and sent via [Constant Contact](#) emails)

Provide feedback or ask questions via **email** ([tasia.sinn@state.co.us](mailto:tasia.sinn@state.co.us)) or **anonymous [form submission](#)**





# Questions?

# Contact Information

**Tasia Sinn**  
Senior Policy Advisor  
[tasia.sinn@state.co.us](mailto:tasia.sinn@state.co.us)



# Thank you!