


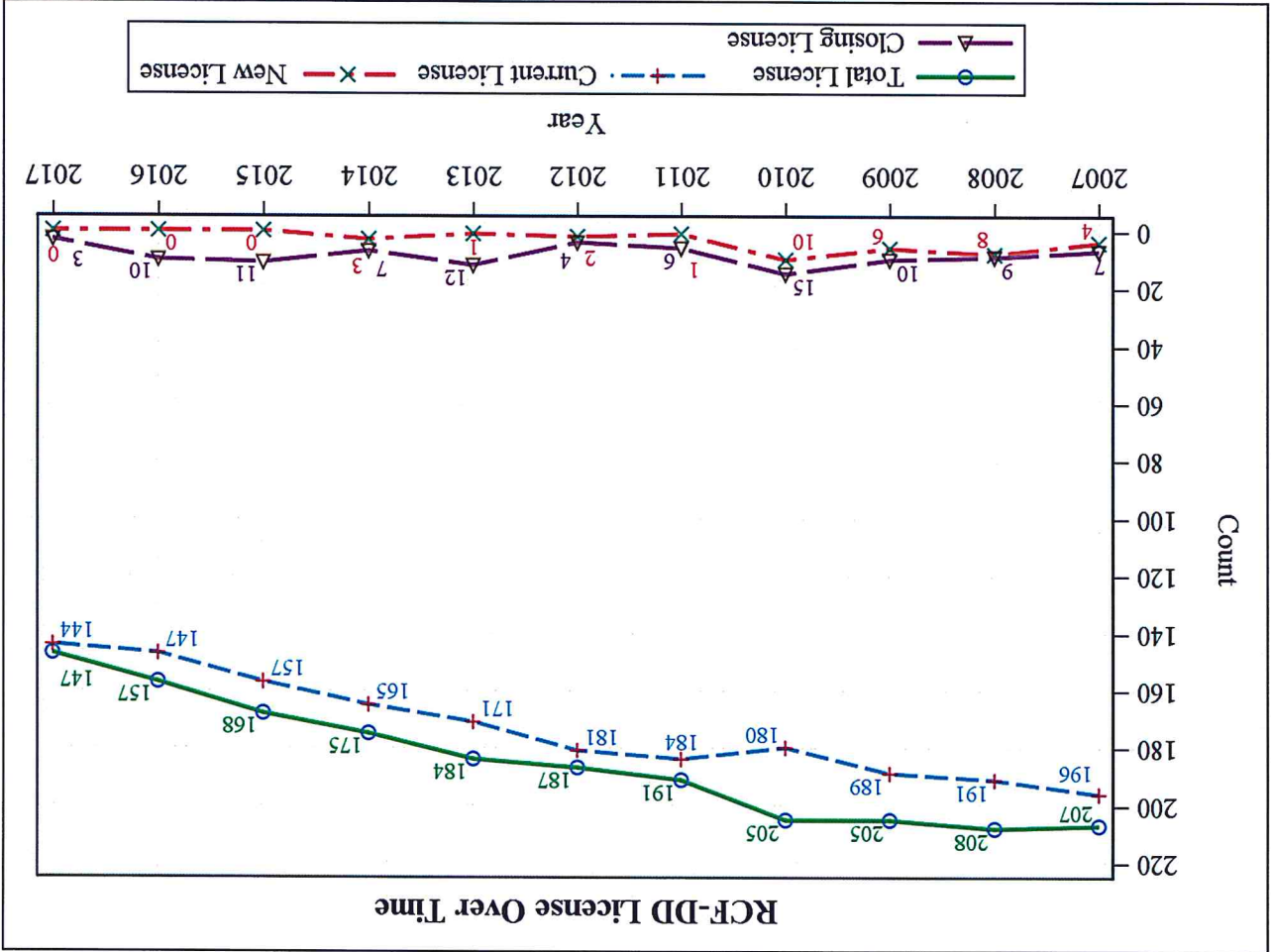
***New Rates & Support Levels
for the HCBS-DD Waiver***

Effective: January 1, 2009

**Presentation and Teleconference Slides
for December 8 & 9, 2008
Delivered by Judy Brown, DDD**

Background, Continued

- HSRI – developed a method (algorithm) to classify consumers into six Support Levels.
 - Algorithm uses Supports Intensity Scale (SIS) for needs related to adaptive living skills (SIS ABE), medical (SIS 3a) and behavioral (SIS 3b), plus Community Safety Risk.
- Navigant – (a sub-contractor to HSRI) developed a rate model which captures underlying cost factors for each service.
 - Cost Factors – Examples: Salaries, wages, benefits, types of employees, staffing ratios to reflect intensity of support needs, supervisor to direct care staffing ratio, nursing costs, mileage bands for transportation, non-direct cost allocation factors (such as facility costs, overhead, etc.)
 - Values were set for each cost factor in the rate model based on industry standards, survey of CCBS and providers, and a Technical Advisory Committee.
 - Navigant estimated that new rates would overspend budget by \$67 million. Thus, the State could only afford 76% of the original Navigant proposed rates to avoid overspending available funds.
-  Rate Committee – this Committee reviewed and made improvements based on additional surveys which resulted in the 5-5-08 proposed rates.



Year	New License	Current License	Closing License	Total License
2017	0	144	3	147
2016	0	147	10	157
2015	0	157	11	168
2014	3	165	7	175
2013	1	171	12	184
2012	2	181	4	187
2011	1	184	6	191
2010	10	180	15	205
2009	6	189	10	205
2008	8	191	9	208
2007	4	196	7	207

COMMUNITY OPTIONS, INC.
MEDICAID SLS PROGRAM REVENUE & EXPENSE
3/10/2017

	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010
REVENUE	\$ 758,198	\$ 827,400	\$ 699,704	\$ 661,586	\$ 685,895	\$ 652,063	\$ 838,715
EXPENSE	\$ 934,879	\$ 958,161	\$ 906,793	\$ 767,599	\$ 776,018	\$ 813,246	\$ 945,765
NET LOSS	\$ (176,681)	\$ (130,761)	\$ (207,089)	\$ (106,013)	\$ (90,123)	\$ (161,183)	\$ (107,050)

LOSS / REVENUE %	-23.3%	-15.8%	-29.6%	-16.0%	-13.1%	-24.7%	-12.8%
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M & G / EXPENSE %	6.6%	9.4%	7.9%	7.9%	7.0%	6.9%	6.1%
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These figures do not reflect the impact that the increase in Colorado's minimum wage will have on Medicaid SLS expense. We estimate this increase in expense to be approximately \$25k in the first year, compounding to an increase of \$140k in year four and each year thereafter.