

Title of Rule: Revision to the Medical Assistance Rule Concerning Hippotherapy, Section 8.7523
Rule Number: MSB 24-08-21-A
Division / Contact / Phone: Office of Community Living / Maria Klickna / 303-866-5428

STATEMENT OF BASIS AND PURPOSE

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

House Bill 22-1068, codified at § 25.5-5-332, C.R.S., allowed for Hippotherapy services (Physical Therapy, Occupational Therapy, or Speech Therapy services using Equines as a treatment tool) to be available as a State Plan Medicaid Benefit to any eligible members who meet the medically necessary criteria for this service effective July 1, 2024. With the implementation of this expansion of State Plan Medicaid Benefits, Hippotherapy as it is currently offered would be duplicative of the state plan service. The Office of Community Living (OCL), Benefits and Services Management Division (BSMD) within the Department of Health Care Policy and Financing is amending and renaming the Hippotherapy waiver benefit to Therapeutic Adaptive Equine Activities. Therapeutic Adaptive Equine Activities are therapeutic activities that use the horse to assist in the development and enhancement of skills that help support improved motor skills, self-regulation, communication opportunities, and social and emotional well-being. This rule change revises the definition and naming convention of this benefit within the Home and Community-Based (HCBS) waiver benefits section of the rule.

2. An emergency rule-making is imperatively necessary

- to comply with state or federal law or federal regulation and/or
- for the preservation of public health, safety and welfare.

Explain:

N/A

3. Federal authority for the Rule, if any:

Section 1915(b)(4) of the Social Security Act [42 U.S.C.1396(n)(b)(4)]. The Department has submitted a Section 1915(b)(4) waiver to CMS. Approval is expected 1/1/25. This rule will be effective after CMS approval is obtained.

4. State Authority for the Rule:

Sections 25.5-1-301 through 25.5-1-303, C.R.S. (2024); Section 25.5-5-332, C.R.S.

Initial Review	10/11/24	Final Adoption	11/08/24
Proposed Effective Date	12/30/24	Emergency Adoption	

DOCUMENT #01

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REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

This definition and name change of the benefit does not impose costs on a specific class of person. The benefit expansion affects members enrolled in the Children's Extensive Supports (CES) waiver, Children's Habilitation Residential Program (CHRP) waiver and the Supported Living Services (SLS) waiver. These members are both children and adults with intellectual and developmental disabilities and all members of these waivers can benefit from the proposed rule.

The Department anticipates the Therapeutic Adaptive Equine Activities benefit will serve approximately 275 members on the Children's Extensive Supports (CES) waiver, Children's Habilitation Residential Program (CHRP) waiver and the Supported Living Services (SLS) waiver in the 2024-2025 fiscal year. Replacing the Hippotherapy waiver benefit with the Therapeutic Adaptive Equine Activities waiver benefit will be cost neutral as the budget is already approved and allocated for the Hippotherapy waiver benefit and the funds will be used for the Therapeutic Adaptive Equine Activities benefit.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

Stakeholders should experience a positive qualitative impact from this regulation revision. In addition to being able access hippotherapy through State Plan benefits, they will also be able to access Therapeutic Adaptive Equine Activities through waiver benefits to assist in the development and enhancement of skills which help support improved motor skills, self-regulation, communication opportunities and social and emotional wellbeing.

The probable quantitative impact of the proposed rule is the potential to achieve cost savings for the Department when members can receive supportive interventions in community settings and prevent institutional placement.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

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The Department has received budgetary approval to utilize the existing Hippotherapy waiver benefit appropriated budget for the anticipated cost of this proposed rule. The rates will remain the same as that authorized for the Hippotherapy benefit, therefore this service is a budget-neutral addition.

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

The Department of Health Care Policy and Financing anticipates serving 275 members and utilizing the existing Hippotherapy waiver benefit allocated budget for this expansion of services that will improve member outcome. Inaction would result in less available services to our waiver members.

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

The Department has not identified any less costly methods or less intrusive methods for achieving the purpose of the proposed regulation changes.

6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

There are no alternative methods for achieving the purpose for the proposed rule. The only method of allow the benefit changes as proposed is to amend existing rules.

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2 **8.7500 HCBS Benefits and Services Requirements**

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4 **~~8.7504.C Adaptive Therapeutic Recreational Equipment and Fees Inclusions~~**

5 ~~4. Adaptive Therapeutic Recreation Fees shall be allowed to cover facility fees to access adaptive~~
6 ~~therapeutic equine related activities and therapies. The fees must be purchased in a cost-~~
7 ~~effective manner.~~

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9
10 **8.7524 Hippotherapy Therapeutic ~~Adaptive Therapeutic~~ Equine Activities**

11 **8.7524.A Hippotherapy Therapeutic ~~Adaptive Therapeutic~~ Equine Activities Eligibility**

12 1. ~~Hippotherapy Therapeutic Adaptive Therapeutic Equine Activities~~ ~~are~~ is a covered benefit
13 available to Members enrolled in one of the following HCBS waivers:

- 14 a. Children's Extensive Support Waiver
15 b. Children's Habilitation Residential Program Waiver
16 c. Supported Living Services Waiver

17 **8.7524.B Hippotherapy Therapeutic ~~Adaptive Therapeutic~~ Equine Activities Definition**

18 1. ~~Hippotherapy means a therapeutic treatment strategy that uses the movement of a horse to~~
19 ~~assist in the development or enhancement of skills including gross motor, sensory integration,~~
20 ~~attention, cognitive, social, behavioral, and communication skills. Adaptive Therapeutic Equine~~
21 ~~Activities are therapeutic activities that use the horse to assist in the development and~~
22 ~~enhancement of skills which help support improved motor skills, self-regulation, communication~~
23 ~~opportunities and social and emotional wellbeing. This service is used as a strategy for skill~~
24 ~~acquisition and skill maintenance and outlined in the individualized Person-Centered Support~~
25 ~~Plan (PCSP).~~

26 **8.7524.C Hippotherapy Therapeutic ~~Adaptive Therapeutic~~ Equine Activities Inclusions**

27 1. ~~Hippotherapy Therapeutic Adaptive Therapeutic Equine Activities~~ ~~are~~ is included when it meets an
28 identified need in the Person-Centered Support Plan.

29 **8.7524.D Hippotherapy Therapeutic ~~Adaptive Therapeutic~~ Equine Activities Exclusions and**
30 **Limitations**

31 1. HCBS Children's Extensive Services (CES) Waiver; HCBS Supportive Living Services (SLS);
32 HCBS Children's Habilitation Residential Program (CHRP) Waiver:

- 33 a. The following items are excluded under the HCBS waivers and are not eligible for
34 reimbursement:

- i. ~~Equine therapy~~; Hippotherapy.
- ii. Experimental treatments or therapies; and,
- iii. Facility access fees, including barn and stable fees

b. ~~Hippotherapy~~ Therapeutic Adaptive Therapeutic Equine Activities ~~are~~ not covered as a waiver service if it is available under the Medicaid State Plan, Early and Periodic Screening, Diagnostic and Treatment (EPSDT), or from a Third-Party Resource.

8.7524.E ~~Hippotherapy Therapeutic Adaptive Therapeutic~~ Equine Activities Service Provider Agency Requirements

- 1. ~~Hippotherapy Therapeutic Adaptive Therapeutic~~ Equine Activities must be recommended or prescribed by a licensed physician or therapist.
- 2. The recommendation must clearly identify the need for ~~hippotherapy~~ Therapeutic Adaptive ~~Therapeutic~~ Equine Activities, a recommended treatment protocol, and expected outcome or goal.
- 3. The provider is licensed, certified, registered or accredited, and in good standing, according to all applicable state licensing requirements for the performance of the Therapeutic Adaptive Equine Activities support and services provided.

8.7534.C Movement Therapy Inclusions

- ~~2. Support Living Services (SLS) Waiver:~~
 - ~~a. Movement Therapy includes a pass to community recreation centers and shall only be used to access movement therapy, massage therapy, and hippotherapy services. The pass must be purchased in the most cost-effective manner including day passes or monthly passes.~~