


Schedule 13


Department of Health Care Policy and Financing

Funding Request for The FY 2021-22 Budget Cycle

Request Title

R-08 Supported Living Services Flexibility

Dept. Approval By:  _____ **Supplemental FY 2020-21**

OSPB Approval By:  _____ **Budget Amendment FY 2021-22**

_____ **X** _____ **Change Request FY 2021-22**

Summary Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$96,266,879	\$0	\$96,608,078	\$940,718	\$1,881,437
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$39,534,851	\$0	\$39,705,994	\$470,359	\$940,719
	CF	\$1,981,853	\$0	\$1,981,657	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$54,750,175	\$0	\$54,920,427	\$470,359	\$940,718

Line Item Information	Fund	FY 2020-21		FY 2021-22		FY 2022-23
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$24,377,498	\$0	\$24,377,498	\$73,200	\$146,400
01. Executive Director's Office, (E) Utilization and Quality Review Contracts, (1) Utilization and Quality Review Contracts - Professional Service Contracts	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$6,182,153	\$0	\$6,182,153	\$36,600	\$73,200
	CF	\$1,592,103	\$0	\$1,592,103	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$16,603,242	\$0	\$16,603,242	\$36,600	\$73,200

Total		\$71,889,381	\$0	\$72,230,580	\$867,518	\$1,735,037
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Supported Living Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$33,352,698	\$0	\$33,523,841	\$433,759	\$867,519
	CF	\$389,750	\$0	\$389,554	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$38,146,933	\$0	\$38,317,185	\$433,759	\$867,518

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Health Care Policy and
Financing Prioritized Request

**Interagency Approval or
Related Schedule 13s:**

No Other Agency Impact



Department Priority: R-8
Request Detail: Supported Living Services Flexibility

Summary of Funding Change for FY 2021-22				
	Totals		Incremental Change	
	FY 2020-21 Appropriation	FY 2021-22 Base	FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$96,266,879	\$96,608,078	\$940,718	\$1,881,437
FTE	0.0	0.0	0.0	0.0
General Fund	\$39,534,851	\$39,705,994	\$470,359	\$940,719
Cash Funds	\$1,981,853	\$1,981,657	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0	\$0
Federal Funds	\$54,750,175	\$54,920,427	\$470,359	\$940,718

Summary of Request:

The Department requests to expand access to care for adults with intellectual or developmental disabilities who are likely on the waiting list for the Home and Community-Based Services Waiver For Persons With Developmental Disabilities (HCBS-DD) by offering additional long-term services and supports to members enrolled in the Home and Community Based Services Support Living Services (HCBS-SLS) waiver program to avoid emergency enrollment into HCBS-DD. For individuals who demonstrate a need for additional services and supports in the community, this would ensure that members are placed in a program that most closely meets their level of care requirements. This request represents an increase of less than 0.5% from the Department’s FY 2020-21 Long Bill total funds appropriation.

This request aligns with Step 2 on the evidence continuum, as the Department collects data on the driving cause for an individual’s emergency enrollment onto HCBS-DD as well as the utilization of services and supports for members enrolled in an HCBS waiver.



Current Program:

In Colorado, there are two home and community-based services (HCBS) waiver programs that support adults with intellectual or developmental disabilities: the Home and Community-Based Services Waiver For Persons With Developmental Disabilities (HCBS-DD) and the Supported Living Services waiver (HCBS-SLS).

HCBS-DD provides participants with access to twenty-four hour, seven days a week supports or supervision through Residential Habilitation and Day Habilitation services. HCBS-DD also provides living arrangements, which can range from host homes settings, individualized settings, and group settings, as well as residential supports for participants who live in their own home or with members of their family. HCBS-SLS offers similar services and supports to HCBS-DD but requires that the member be responsible for their own living arrangements. HCBS-SLS does not provide twenty-four-hour supervision on a continuous basis. This allows individuals to remain in their homes and communities with minimal impacts to their community and social supports.

Members enrolled in an HCBS waiver are limited to authorized services and supports as determined by their case manager and within their Service Plan level. This is enforced through restrictions on unit limits, service categories, and the member's Service Plan Authorization Limit (SPAL), which is a limit on the overall amount of services that a member can access based on their Support Level, as determined by their Supports Intensity Scale (SIS) assessment. The Department has only made small adjustments to the SPALs in the last several years to keep pace with rate increases for the services within each SPAL.

Currently, HCBS-DD is the only HCBS waiver that has a waiting list. The average cost per person for HCBS-SLS is forecasted to be just over \$17,000 in FY 2020-21, compared to the average cost per person for HCBS-DD of almost \$79,500.

Problem or Opportunity:

HB 14-1051 required the Department, in collaboration with stakeholders, to develop a strategic plan to ensure that Coloradans with intellectual and developmental disabilities (IDD) and their families are able to access the services and supports they need and want at the time that they need and want those services and supports. Progress has been made toward providing timely access to services for people with IDD through eliminating waiting lists for certain programs, focusing on waiting list management, and implementing initiatives to create more robust services through programs without waiting lists to meet the needs of individuals with IDD. However, there are nearly 3,000 individuals with IDD on the waiting list for HCBS-DD. Over the last five years, the waiting list for HCBS-DD has grown by 99%, despite a 24% growth in enrollment in HCBS-DD. The Department estimates that eliminating the HCBS-DD waiting list permanently over the course of seven years would cost approximately \$231 million total funds annually, once fully implemented. Many of the individuals currently on the waiting list are served through HCBS-SLS, which may not meet their level of care needs.

Although HCBS-DD and HCBS-SLS offer similar services and supports outside of living arrangements and twenty-four-hour supervision, members enrolled on HCBS-DD are generally afforded more access to care due to their higher level of care needs. Members enrolled in HCBS-SLS must prioritize which services they receive. The most commonly utilized services with utilization limitations on HCBS-SLS include Personal Care, Respite, Day Habilitation, and Behavioral Services. Members may not be able to access the quantity and scope of services they need, as they are constrained by service caps and a service plan authorization limit (SPAL). By prioritizing certain services, a member can be prevented from accessing other much needed services and supports that they otherwise would choose to receive. The limitations on both Behavioral Services and Day Habilitation in HCBS-SLS is frequently noted as a barrier to accessing more supports. A member's need for additional supports, driven by limits within HCBS-SLS, may culminate into requiring an emergency enrollment into HCBS-DD, which is a far more expensive program.

Because HCBS-DD has a maximum enrollment number as determined by the General Assembly, an emergency enrollment displaces other members and prevents other high-needs individuals from receiving the care they need.

Proposed Solution:

The Department requests \$940,718 total funds, including \$470,359 General Fund in FY 2021-22 and \$1,881,437 total funds, including \$940,719 General Fund in FY 2022-23 and future years in order to provide additional services and supports to members on HCBS-SLS who demonstrate need. The requested funding would be used to offer exceptions to unit limits and Service Plan Authorization Limits (SPAL) to members on HCBS-SLS on a member-by-member basis. Members on HCBS-SLS who have met the total allowable units for a service or have filled their SPAL could request access to additional services and supports. The member's case manager would submit an exception form to the Department's Over Cost Containment (OCC) review contractor to review the member's utilization of services and supports and approve the member for additional care beyond their SPAL. These reviews would be performed annually and members seeking re-authorization for additional resources after one year of authorization would be required to receive an additional PAR review. This would ensure that a member's needs are being adequately met and that they are receiving all services that improve their health and well-being.

If this request is not approved, members on HCBS-SLS would continue to be strictly limited by the set unit caps and their SPALs for services offered through the waiver. Members who require specific additional supports, such as an increase in Behavioral Services or Day Habilitation, would be required to forgo other services they receive in order to make room under their existing SPAL, or may be prevented from accessing more services altogether if they have already met the maximum allowable units for that service. This may increase the likelihood of a member's need for an emergency enrollment into HCBS-DD, thereby leading to an increase in costs for that

member while concurrently displacing other individuals, who may require enhanced supports and supervision, from access to HCBS-DD.

The Department believes this request is on Step 2, “Identify Outputs” of the Office of State Planning and Budgeting (OSPB) Evidence Continuum. The Department has developed a conceptual link between allowing flexibility for services and supports on HCBS-SLS and a decrease in the number of emergency enrollments onto HCBS-DD. The Department collects data on the driving cause for an individual’s emergency enrollment onto HCBS-DD as well as the utilization of services and supports for members enrolled in an HCBS waiver.

Anticipated Outcomes:

Increasing the amount of additional long-term services and supports available to members enrolled in HCBS-SLS who demonstrate a need for additional care would improve member health while supporting and promoting their individual choice and decision-making and would ensure that enrollments on HCBS-DD are available to individuals who require that higher level of care and supervision.

By decreasing the disparity between the services available and the services needed by higher-needs members on HCBS-SLS, the Department could guarantee that members currently being served are not being prevented from accessing critically important care by currently imposed limits. Allowing members to receive additional services within their current program would minimize the impact to their community and social supports by allowing them to continue within their current program and would prevent the jeopardization of their health, safety, and well-being by a deficiency in their care. With the appropriate level of support in HCBS-SLS some members may be able to stay in HCBS-SLS for the remainder of their life and never require the move to the enhanced support provided in HCBS-DD, eliminating their need to be on HCBS-DD altogether. The Department could ultimately reduce the number of emergency enrollments into HCBS-DD, a program which is far more expensive and resource intensive than HCBS-SLS. The reduction in emergency enrollments would allow for timelier enrollment into HCBS-DD for individuals who require a higher level of care and twenty-four-hour supervision, which is not available through HCBS-SLS or any other waiver currently offered. These outcomes align with the Department’s Performance Plan long-range goals of ensuring the right services for the right people at the right price, improving member health, and improving service to members, which are strategic pillars 2, 3, and 4, respectively.

To evaluate the effectiveness of the implementation of this program change, the Department would examine the number of emergency enrollments into HCBS-DD. An observed decrease in the number of emergency enrollments would indicate that the increase to services on HCBS-SLS are providing higher-needs members with a more appropriate amount of care and that the gap between the services they need and the services they receive has closed.

Assumptions and Calculations:

Detailed calculations for this request are provided in the attached appendix.

To arrive at the estimated costs, the Department examined the number of members on HCBS-SLS who are currently using greater than 90% of their SPAL. The Department assumes that only members who are up against their SPAL limit would seek approval from the Department for additional resources. To estimate the increase in expenditure per capita, the Department reviewed claims data and compared the utilization of Behavioral Services and Day Habilitation by members who have transitioned from HCBS-SLS to HCBS-DD before and after they joined HCBS-DD. Through this, the Department estimated the overall increase in utilization by Support Level for members on HCBS-SLS who are currently restricted by their SPAL. The Department assumes that because members on HCBS-DD are allotted additional services and supports and are not as constrained on their access to services and supports by limits, a member's increase in utilization once they transition to HCBS-DD would accurately represent their additional need for services.

The Department currently contracts with eQHealth Solutions to perform Over Cost Containment (OCC) reviews when a member's average daily cost of HCBS and LTHH services is \$285 or more. This is to ensure there is no duplication of services and that the services requested reflect the needs identified in the member's assessment. In order to authorize a member for additional services and supports beyond their SPAL, the member's PAR would need to be reviewed to verify that the services and supports currently being received by the member are not duplicative and do not fall outside of the member's level of care assessment. Based on currently performed OCC reviews, the Department estimates the cost for each individual PAR review to be \$300.

The Department assumes that approval for amendments to HCBS-SLS from the Centers for Medicare & Medicaid Services (CMS) would be received during FY 2021-22 for an implementation date of January 1, 2022.

R-8 Supported Living Services Flexibility
Appendix A: Assumptions and Calculations

Table 1.1 Summary by Line Item FY 2021-22									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office, (E) Utilization and Quality Review Contracts; Professional Services Contracts	\$73,200	0.0	\$36,600	\$0	\$0	\$36,600	50.00%	Table 2.1, Row B
B	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities; (2) Program Costs; Adult Supported Living Services	\$867,518	0.0	\$433,759	\$0	\$0	\$433,759	50.00%	Table 2.1, Row A
C	Total Request	\$940,718	0.0	\$470,359	\$0	\$0	\$470,359		Row A + Row B

Table 1.2 Summary by Line Item FY 2022-23									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office, (E) Utilization and Quality Review Contracts; Professional Services Contracts	\$146,400	0.0	\$73,200	\$0	\$0	\$73,200	50.00%	Table 2.2, Row B
B	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities; (2) Program Costs; Adult Supported Living Services	\$1,735,037	0.0	\$867,519	\$0	\$0	\$867,518	50.00%	Table 2.2, Row A
C	Total Request	\$1,881,437	0.0	\$940,719	\$0	\$0	\$940,718		Row A + Row B

Table 1.3 Summary by Line Item FY 2023-24									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office, (E) Utilization and Quality Review Contracts; Professional Services Contracts	\$146,400	0.0	\$73,200	\$0	\$0	\$73,200	50.00%	Table 2.3, Row B
B	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities; (2) Program Costs; Adult Supported Living Services	\$1,735,037	0.0	\$867,519	\$0	\$0	\$867,518	50.00%	Table 2.3, Row A
C	Total Request	\$1,881,437	0.0	\$940,719	\$0	\$0	\$940,718		Row A + Row B

R-8 Supported Living Services Flexibility
Appendix A: Assumptions and Calculations

Table 2.1 Summary by Initiative FY 2021-22									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Increasing Services for Members on HCBS-SLS	\$867,518	0.0	\$433,759	\$0	\$0	\$433,759	50.00%	Table 3.1, Row E
B	Prior Authorization Review and Determination	\$73,200	0.0	\$36,600	\$0	\$0	\$36,600	50.00%	Table 4.1, Row D
C	Total Request	\$940,718	0.0	\$470,359	\$0	\$0	\$470,359		Row A + Row B

Table 2.2 Summary by Initiative FY 2022-23									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Increasing Services for Members on HCBS-SLS	\$1,735,037	0.0	\$867,519	\$0	\$0	\$867,518	50.00%	Table 3.2, Row D
B	Prior Authorization Review and Determination	\$146,400	0.0	\$73,200	\$0	\$0	\$73,200	50.00%	Table 4.2, Row C
C	Total Request	\$1,881,437	0.0	\$940,719	\$0	\$0	\$940,718		Row A + Row B

Table 2.3 Summary by Initiative FY 2023-24									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Increasing Services for Members on HCBS-SLS	\$1,735,037	0.0	\$867,519	\$0	\$0	\$867,518	50.00%	Table 3.2, Row E
B	Prior Authorization Review and Determination	\$146,400	0.0	\$73,200	\$0	\$0	\$73,200	50.00%	Table 4.2, Row C
C	Total Request	\$1,881,437	0.0	\$940,719	\$0	\$0	\$940,718		Row A + Row B

R-8 Supported Living Services Flexibility
Appendix A: Assumptions and Calculations

Table 3.1: Increasing Services for Members on the HCBS-SLS Waiver FY 2021-22									
Row	Item	Support Level 1	Support Level 2	Support Level 3	Support Level 4	Support Level 5	Support Level 6	Total	Source/Calculation
A	Number of Members on SLS Waiver Utilizing >=90% of Their SPAL	121	147	66	52	59	43	488	Department actuals
B	Average Expenditure of High Utilizers	\$13,864.97	\$18,636.57	\$20,989.13	\$23,793.12	\$29,517.84	\$38,010.21	N/A	Department actuals
C	Estimated Increase in Utilization	32.2%	17.3%	8.0%	9.5%	10.7%	18.8%	N/A	Table 3.3, Row C
D	Partial Year Implementation	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	N/A	January 1, 2022 implementation
E	Estimated Impact	\$269,890	\$237,053	\$55,203	\$58,587	\$92,821	\$153,964	\$867,518	Row A * Row B * Row C * Row D

Table 3.2: Increasing Services for Members on the HCBS-SLS Waiver FY 2022-23 and Ongoing									
Row	Item	Support Level 1	Support Level 2	Support Level 3	Support Level 4	Support Level 5	Support Level 6	Total	Source/Calculation
A	Number of Members on SLS Waiver Utilizing >=90% of Their SPAL	121	147	66	52	59	43	488	Department actuals
B	Average Expenditure of High Utilizers	\$13,864.97	\$18,636.57	\$20,989.13	\$23,793.12	\$29,517.84	\$38,010.21	N/A	Department actuals
C	Estimated Increase in Utilization	32.2%	17.3%	8.0%	9.5%	10.7%	18.8%	N/A	Table 3.3, Row C
D	Estimated Impact	\$539,781	\$474,105	\$110,407	\$117,175	\$185,642	\$307,927	\$1,735,037	Row A * Row B * Row C

Table 3.3: Average Increase in Utilization for Members Transitioning from HCBS-SLS to HCBS-DD								
Row	Item	Support Level 1	Support Level 2	Support Level 3	Support Level 4	Support Level 5	Support Level 6	Source / Calculation
A	Average Behavioral Services and Day Habilitation Expenditure Per Capita Pre-HCBS-DD Enrollment	\$726.05	\$1,004.93	\$1,300.72	\$1,579.03	\$1,969.27	\$1,908.43	Department actuals
B	Average Behavioral Services and Day Habilitation Expenditure Per Capita Post-HCBS-DD Enrollment	\$959.65	\$1,178.85	\$1,404.39	\$1,728.58	\$2,179.19	\$2,267.97	Department actuals
C	Average % Increase in Expenditure Per Capita	32.2%	17.3%	8.0%	9.5%	10.7%	18.8%	(Row B / Row A) - 1

R-8 Supported Living Services Flexibility
Appendix A: Assumptions and Calculations

Table 4.1: PAR Review and Determination FY 2021-22									
Row	Item	Support Level 1	Support Level 2	Support Level 3	Support Level 4	Support Level 5	Support Level 6	Total	Source/Calculation
A	Number of Members Seeking Authorization for Increase in Services	121	147	66	52	59	43	488	Department estimate
B	Average Cost of PAR Review	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	N/A	Based on current Department contracted amounts
C	Partial Year Implementation	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	N/A	January 1, 2022 implementation
D	Estimated Impact	\$18,150	\$22,050	\$9,900	\$7,800	\$8,850	\$6,450	\$73,200	Row A * Row B * Row C

Table 4.2: PAR Review and Determination FY 2022-23 and Ongoing									
Row	Item	Support Level 1	Support Level 2	Support Level 3	Support Level 4	Support Level 5	Support Level 6	Total	Source/Calculation
A	Number of Members Seeking Authorization for Increase in Services	121	147	66	52	59	43	488	Department estimate
B	Average Cost of PAR Review	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	N/A	Based on current Department contracted amounts
C	Estimated Impact	\$36,300	\$44,100	\$19,800	\$15,600	\$17,700	\$12,900	\$146,400	Row A * Row B