

Report On In-Home Support Services (IHSS)

For State Fiscal Year (FY) 2020-21

January 1, 2022

**Submitted to: Senate Health & Human Services Committee,
House Health & Insurance Committee, House Public &
Behavioral Health & Human Services Committee, and The
Joint Budget Committee**



COLORADO

Department of Health Care
Policy & Financing

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The Colorado Department of Health Care Policy & Financing (the Department) is pleased to submit this report pursuant to section 25.5-6-1206, C.R.S., regarding In-Home Support Services (IHSS) provided in the state of Colorado. Per the statutory requirement, this report addresses:

- The cost-effectiveness of providing IHSS to the elderly, blind, and disabled, to persons with spinal cord injury, and to eligible disabled children;
- The number of persons receiving such services; and
- Any strategies and resources that are available or essential to assist more people in staying in their homes through the utilization of IHSS.

I. Introduction

IHSS was authorized in Home- and Community-Based Services (HCBS) waivers by SB 02-027 in 2002. IHSS is a participant-directed service-delivery option that allows participants to direct homemaker, personal care and health maintenance activities services accessible through the HCBS - Elderly, Blind, and Disabled (HCBS-EBD), Children’s HCBS (CHCBS), and Spinal Cord Injury (HCBS-SCI) waivers.

IHSS implementation is a collaborative effort between the participant, their IHSS agency, and their case manager. The case manager is responsible for initiating a referral to the IHSS agency and authorizing appropriate services. The participant or their Authorized Representative (AR) has flexibility and control over their services and is encouraged to select, train, and manage attendants. The IHSS agency is the employer of record for attendants, or care providers, and is responsible for providing backup care, nursing oversight and supervision, and the financial management of services. IHSS is similar to Consumer-Directed Attendant Support Services (CDASS), where a participant or their AR selects and trains the attendant but differs in that the IHSS agency rather than the participant or their AR is the employer of record. The primary differences between the three service delivery options are detailed below:

Table 1 - Service Delivery Options		
Traditional Agency-based Care	IHSS	CDASS
<ul style="list-style-type: none"> • Agency selects, employs, and trains attendants • Agency manages financial aspects of service delivery 	<ul style="list-style-type: none"> • Participant or AR selects and trains attendants • IHSS agency employs attendants and manages financial aspects of service delivery 	<ul style="list-style-type: none"> • Participant or AR selects, employs, and trains attendants • Participant or AR manages the annual funding allocation

Participant Eligibility

As set forth at 10 C.C.R. 2505-10 section 8.552.2, a participant is eligible for IHSS when the following three criteria are met:

The participant is enrolled in an HCBS waiver approved to offer IHSS (currently the EBD, SCI, and CHCBS waivers);

The participant’s physician documents that the member has sound judgment and the ability to direct their own care or they have elected an Authorized Representative to assist in directing their care; and

The participant demonstrates a current need for covered attendant support services.

Available Services

Services are determined by the participant’s case manager, who completes a functional assessment based on the member’s needs. Adults enrolled in the HCBS-EBD or HCBS-SCI waivers may be eligible to receive health maintenance activities, homemaker services, and personal care services. A child enrolled in the CHCBS waiver may be eligible to receive health maintenance activities. Personal Care includes assistance with activities such as bathing, dressing, or eating. Homemaker Services include assistance with general household activities needed to maintain a healthy and safe living environment, such as housekeeping, meal preparation, and laundry. Health Maintenance Activities (HMAs) are routine and repetitive skilled health-related tasks, which are necessary for health and normal bodily functioning, that an individual with a disability would carry out if they were physically able, or that would be carried out by family members or friends if they were available. HMA includes services

such as wound care, ventilator care, and tracheostomy care. Tasks that require the clinical assessment and judgment of a licensed nurse may not be performed in IHSS.

IHSS participants also have access to other services available through the Medicaid State Plan benefit and their HCBS waiver. State plan services include all other Medicaid benefits that are not provided by the HCBS waivers, including physician visits, medications, hospitalizations, and durable medical equipment. HCBS waivers offering IHSS include the below services:

Table 2 - Other HCBS Services by Waiver

Waiver	EBD/SCI	CHCBS
Other HCBS Benefits	Adult Day Services Alternative Care Facility (ACF) (EBD ONLY) Consumer Directed Attendant Support Services (CDASS) Complementary and Integrative Health Services (SCI ONLY) Home Delivered Meals Home Modification Homemaker Services Life Skills Training Medication Reminder Systems Non-Medical Transportation Peer Mentorship Personal Care Personal Emergency Response Systems (PERS) Respite Transition Set-Up	Case Management

Per section 25.5-6-1203(3), C.R.S., the following sections of the Nurse Practice Act and Nurse Aide Legislation do not apply to IHSS:

- 12-255-104(3.3) Definition of Nurse Aide;
- 12-255-104(7) Definition of Practical Nurse;
- 12-225-104(11) Definition of Registered Nurse;
- 12-255-124 Penalties for practicing without a license; and
- 12-255-214(1)(b) Limitation of duties of Nurse Aide.

By not requiring licensed or certified health professionals, IHSS gives the participant more flexibility and control over their services and supports. The participant may choose to hire a neighbor, friend, or family member to provide both skilled and unskilled care. Attendants are employed by an IHSS agency that provides twenty-four-hour backup services and supervision by a Registered Nurse (RN). This support is particularly valuable to participants with complex medical needs who reside in rural areas of Colorado, where access to care and services is a concern.

IHSS Agencies

An IHSS agency must be a licensed home care agency, certified by the Colorado Department of Public Health & Environment (CPDHE), and enrolled as a Medicaid provider with the Department. There are enrolled IHSS agencies serving the entire state of Colorado.

IHSS agencies are required to provide the following in accordance with 10 C.C.R. 2505-10 section 8.552.6.A:

- Independent Living Core Services (information and referral services, independent living skills training, peer and cross-disability peer counseling, individual and systems advocacy, transition services or diversion from nursing homes and institutions to home and community based living, and transition services upon leaving secondary education);
- Attendant training, oversight, and supervision by a state-licensed Registered Nurse (RN); and
- Twenty-four-hour backup services for scheduled visits.

FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
48	78	130	157	165	189

II. Cost-Effectiveness of IHSS

As the table below demonstrates, IHSS generates cost savings compared to providing services in an institutional setting for both adults and children. Serving an adult in an institution costs more than double what it costs to serve them in the community with IHSS and other waiver and state plan services. However, IHSS continues to be more expensive than traditional agency-based care. This can be attributed to higher utilization of authorized services, more flexible staffing options including relative caregivers, and inclusion of skilled services when necessary.

Waiver	IHSS Cost per Participant	Other HCBS Cost per Participant ¹	State Plan Cost per Participant ²	Total Cost per Participant - HCBS	Adjusted Institutional Cost per Participant ³	Adjusted State Plan Costs per Participant ^{t2}	Total Cost per Participant-Institutionalization
EBD/SCI ⁴	\$23,277.32	\$2,148.21	\$10,443.14	\$35,868.67	\$72,776.30	\$7,005.42	\$79,781.72
CHCBS	\$59,464.79	\$1,112.67	\$26,220.18	\$86,797.64	\$79,594.16	\$7,661.71	\$87,255.87

1. Other HCBS Costs are the costs for the services listed in Table 2 - Other HCBS Services by Waiver.
2. State Plan Costs include all other Medicaid benefits that are not provided by the HCBS waivers, which may include physician visits, medications, hospitalizations, and durable medical equipment.
3. Adjusted Institutional Costs are the average costs of services provided in an institutional setting.
4. Because of the small population size for participants on the HCBS-SCI waiver, HCBS-EBD and HCBS-SCI data has been combined to protect HCBS-SCI participants' private health information ([Safe Harbor Regulations - Office of the Inspector General](#)).

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
EBD/SCI	-6.41%	-0.19%	+9.08%	+9.08%	+15.95%	-2.37%
CHCBS	-3.81%	-3.66%	+3.76%	+15.60%	+8.56%	+14.70%

The increase in the per-participant cost for children on the CHCBS waiver is related to increased enrollment of pediatric IHSS agencies who are actively marketing the service in their communities. Many families with children on the CHCBS waiver have transitioned some or all of their care from state plan Long-Term Home Health (LTHH) and/or Private Duty Nursing (PDN) to IHSS. For both adults and children, utilization management of the HMA component of IHSS—discussed in more detail below—is expected to help control per-participant cost increases.

The inherent flexibility of IHSS is extremely beneficial for participants with medically complex needs; several members have transitioned out of institutional settings to their homes with the support of IHSS agencies. The spectrum of participants on IHSS varies from participants receiving homemaker services a few times per week to technology-dependent adults and children receiving life-sustaining health maintenance activities.

Increased Participation in IHSS

Pursuant to a legislative change made in 2014 by HB 14-1357, family members, including spouses, may provide up to forty hours per week of personal care services if there is a documented and demonstrated need. Approximately 77% of all Personal Care services are provided by family members. This change, along with the departmental strategies and resources described on page 8, led to significant growth in the number of members accessing IHSS (Tables 6 and 7). As a result, there has been an increase in total IHSS expenditures (Tables 8 and 9). There has also been a corresponding increase in the number of IHSS agencies throughout the state, allowing participants more choice when selecting service-delivery options for their services (Table 3). The Department has instituted mandatory provider training covering the principles of self-direction; initial and ongoing provider training helps improve agency administration and service provision for participants.

Table 6 - IHSS Participant Count						
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
EBD/SCI	1415	2359	3491	4201	4690	5637
CHCBS	285	406	578	763	953	1183
Total	1700	2765	4069	4964	5643	6820

Table 7 - IHSS Percent Change in Participation						
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
EBD/SCI	+43.22%	+66.71%	+47.99%	+20.34%	+11.64%	+20.19%
CHCBS	+20.25%	+42.46%	+42.36%	+32.01%	+24.90%	+24.13%
Total	+38.78%	+62.65%	+47.16%	+22.00%	+13.68%	+20.86%

Table 8 - IHSS HCBS-EBD/SCI Total Expenditures						
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Health Maintenance	\$27,826,620	\$41,824,093	\$60,011,210	\$69,631,194	\$81,378,639	\$92,752,021
Homemaker	\$1,584,246	\$3,474,425	\$6,575,568	\$11,019,541	\$16,092,053	\$21,447,910
Personal Care	\$4,486,683	\$11,103,409	\$24,456,533	\$39,311,538	\$14,352,938	\$17,014,342
Relative Personal Care					\$43,366,216	\$61,493,845
Total Cost	\$33,897,549	\$56,401,927	\$91,043,311	\$119,962,273	\$155,289,846	\$192,708,118

Table 9 - IHSS CHCBS Total Expenditures						
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Health Maintenance (Total Cost)	\$11,778,059	\$16,165,282	\$23,878,144	\$36,438,607	\$49,408,687	\$70,346,846

III. Programmatic Changes

The COVID-19 pandemic resulted in significant impacts to everyone across the state, including IHSS participants. The Department did not make any programmatic changes specific to IHSS as a result of COVID-19, though it did approve flexibility for required home care agency supervisory requirements to

be conducted via telehealth. As the pandemic continues to evolve, the Department is prepared to address programmatic changes to IHSS if necessary.

In 2020, through its R13 Budget Request, the Department received funding to enhance the scope of work of the Long-Term Care Utilization Management (LTC UM) contract. Utilization Management (UM) is the evaluation of the appropriateness and medical necessity of health care services based on evidence-based guidelines. Telligen was awarded the contract in January 2021; Utilization Review/Utilization Management (UR/UM) reviews for skilled health maintenance activities (HMA) began March 1, 2021. Previously, case management agency representatives had made determinations of service authorization in IHSS without clinical expertise to determine the appropriate clinical skill level needed. The additional UM activities ensure case managers are authorizing appropriate services to IHSS participants based on both the participant's level of need and the required skill level to perform the tasks. The Department facilitates a subcommittee of the Participant Directed Programs Policy Collaborative (PDPPC) to identify operational needs, reporting requirements, and consistent technical and clinical guidance for the authorization of HMA services.

Data in this report only includes the first quarter of the UR/UM contracted HMA review activities. The Department will be able to better assess the true impact of the UR/UM HMA review process in FY 21-22, once all IHSS HMA service authorizations will have received at least one UR/UM HMA review.

In preparation for the start of the UR/UM HMA reviews, the Department collaborated with stakeholders to develop the HMA Documentation Guide. The guide is a resource for members receiving services, advocates, case managers, and agencies; it helps clarify the requirements to justify skilled level of care. The guide standardizes how each skilled task should be documented and is publicly available for all stakeholders. For example, a member may use the guide to see what documents or information is needed during their annual reassessment, and help by providing this information. The Department has received positive feedback from stakeholders about the guide, and will continue to work with stakeholders to make updates and adjustments as needed.

The Training and Operations Vendor, Consumer Direct of Colorado, has been working to establish a new platform for participant-directed training. The new E-Learning is more engaging, interactive, and efficient. In addition, the Department has worked to develop a new IHSS Member & Authorized Representative training, which will provide members with education and tools to participate more fully in directing and managing their services. This training and E-Learning platform will be available by early 2022.

In January 2021, the Department worked with stakeholders to address changes needed within regulation regarding the process of IHSS members electing an Authorized Representative (AR). IHSS regulations historically allowed an IHSS agency to serve as a member's AR. Because this creates a conflict of interest, the Department is discontinuing this practice. Over the next fiscal year, the workgroup will continue to improve the AR process, update forms, and develop training to ensure members have access to the services and supports they need. Lastly, the workgroup aims to create a resource list that can be utilized by both members and agencies.

IV. Strategies and Resources

The Department works proactively with stakeholders to develop strategies and resources that improve implementation; support the growth of and interest in IHSS as a means of helping people stay in their homes, pursuant to *Olmstead v. L.C.*, 527 U.S. 581 (1999) and Colorado's Community Living Plan; and ensure sound stewardship of public funds. Specifically, the Department:

- Engages in regular stakeholder meetings, including the Participant-Directed Programs Policy Collaborative (PDPPC), the IHSS Subcommittee, and workgroups to increase awareness about IHSS and to solicit IHSS stakeholder feedback in policy development;
- Works proactively with new and existing IHSS agencies, providing resources and support for billing, training, and dispute resolution;
- Ensures sound stewardship of public funds through case reviews, audits, and training initiatives;
- Promotes the principles of self-direction in developing training and information for members, case managers, and agencies;

- Monitors provider reimbursement and cost controls while promoting the participant’s choice of attendants and services;
- Maintains a list of current IHSS agencies for the use of participants, families, and case management agencies;
- Provides resources for IHSS through Department communications, web-based training and resources, reference documents, and fact sheets; and

In addition, the following partnerships and resources are crucial to ensuring consistent implementation of IHSS:

- The Colorado Department of Public Health & Environment licenses home care agencies, conducts surveys required for IHSS certification, and investigates complaints related to safety and quality of care for home care agencies.
- The Training and Operations Vendor, Consumer Direct of Colorado (CDCO), provides training and support to members, authorized representatives, case managers, and IHSS agencies. CDCO operates the Attendant Directory, which is a free tool to help employers connect with direct care workers available for hire.
- The UR/UM vendor provides consistency in authorization of skilled health maintenance activities.

V. Conclusion

IHSS continues to experience rapid growth in enrollment and utilization. While the Department has enacted significant policy amendments, stakeholder resources, and process improvements, the expenditure rate of IHSS continues to increase. There is strong stakeholder interest in the expansion of IHSS, which will be further explored as the Department implements Community First Choice as part of the American Rescue Plan Act (ARPA). However, due to continued increases in utilization and cost, the Department will continue to ensure appropriate utilization of skilled services in IHSS and monitor programmatic impacts of the Utilization Review/Utilization Management (UR/UM) contract. The Department has committed to ongoing stakeholder engagement in the implementation of the UR/UM contract.

Through empowering participants to direct their care, supporting member independence through Independent Core Living Services provision, education on key aspects of participant directed programs, and the continued involvement of stakeholders and advocates, IHSS continues to be an important part of the service-delivery continuum. The Department is dedicated to ensuring that participants' needs are met while assuring services are appropriately authorized.