



COLORADO
Department of Health Care
Policy & Financing

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

November 1, 2021

The Honorable Dominick Moreno, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Senator Moreno:

Enclosed please find a legislative report to the Joint Budget Committee from the Department of Health Care Policy & Financing as directed by HB 18-1326 - Support for Transition from Institutional Settings.


Section 25.5-6-1501(8), C.R.S., states that “on or before November 1, 2019, and each November 1 thereafter, the state department shall submit an annual report to the health and human services committee of the senate, the public health care and human services committee of the house of representatives, and the joint budget committee, or any successor committees, on the effectiveness of providing the services and supports required by this part 15. The report must include: (a) an evaluation of the cost-effectiveness of the services; and (b) for each year of the program, the number of persons who: (i) requested services; (ii) received services; (iii) transitioned from an institutional setting to a home or community-based setting; and (iv) transitioned from an institutional setting but later returned to an institutional setting.”

Transition Services within Health First Colorado (Medicaid) has been providing community transition services and supports to people who are in facility settings, are eligible for Medicaid, and desire to transition to a home- or community-based setting since January 1, 2019. Colorado is the first state in the nation to add critical services from a Money Follows the Person (MFP) demonstration grant, known in Colorado as Colorado Choice Transitions (CCT), as ongoing services in Colorado’s Medicaid program.

If you require further information or have additional questions, please contact the Department’s Legislative Liaison, Jo Donlin, at Jo.Donlin@state.co.us or 720-610-7795

Sincerely,





Kim Bimestefer
Executive Director

KB/KB

Enclosure(s): HCPF 2021 Support for Transition from Institutional Setting Annual Report

CC: Representative Julie McCluskie, Vice Chair, Joint Budget Committee
Senator Chris Hansen, Joint Budget Committee
Senator Bob Rankin, Joint Budget Committee
Representative Kim Ransom, Joint Budget Committee
Carolyn Kampman, Staff Director, JBC
Robin Smart, JBC Analyst
Lauren Larson, Director, Office of State Planning and Budgeting
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Tom Massey, Policy, Communications, and Administration Office Director, HCPF
Anne Saumur, Cost Control Office Director, HCPF
Bettina Schneider, Finance Office Director, HCPF
Bonnie Silva, Community Living Interim Office Director, HCPF
Parrish Steinbrecher, Health Information Office Director, HCPF
Rachel Reiter, External Relations Division Director, HCPF
Jo Donlin, Legislative Liaison, HCPF





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Department of Health Care
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1570 Grant Street
Denver, CO 80203

November 1, 2021

The Honorable Rhonda Fields, Chair
Senate Health and Human Services Committee
200 E. Colfax Avenue
Denver, CO 80203

Dear Senator Fields:

Enclosed please find a legislative report to the Senate Health and Human Services Committee from the Department of Health Care Policy & Financing as directed by HB 18-1326 - Support for Transition from Institutional Settings.

Section 25.5-6-1501(8), C.R.S., states that “on or before November 1, 2019, and each November 1 thereafter, the state department shall submit an annual report to the health and human services committee of the senate, the public health care and human services committee of the house of representatives, and the joint budget committee, or any successor committees, on the effectiveness of providing the services and supports required by this part 15. The report must include: (a) an evaluation of the cost-effectiveness of the services; and (b) for each year of the program, the number of persons who: (i) requested services; (ii) received services; (iii) transitioned from an institutional setting to a home or community-based setting; and (iv) transitioned from an institutional setting but later returned to an institutional setting.”

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Sincerely,

A handwritten signature in black ink, appearing to read 'Kim Bimestefer'.

Kim Bimestefer



Executive Director

KB/KB

Enclosure(s): HCPF 2021 Support for Transition from Institutional Setting Annual Report

Cc: Senator Joann Ginal, Vice Chair, Health and Human Services Committee
Senator Janet Buckner, Health and Human Services Committee
Senator Sonya Jaquez Lewis, Health and Human Services Committee
Senator Barbara Kirkmeyer, Health and Human Services Committee
Senator Cleave Simpson, Health and Human Services Committee
Senator Jim Smallwood, Health and Human Services Committee
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Bonnie Silva, Office of Community Living Division Director, HCPF
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Jo Donlin, Legislative Liaison, HCPF





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Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

November 1, 2021

The Honorable Susan Lontine, Chair
House Health and Insurance Committee
200 E. Colfax Avenue
Denver, CO 80203

Dear Representative Lontine:

Enclosed please find a legislative report to the House Health and Insurance Committee from the Department of Health Care Policy & Financing as directed by HB 18-1326 - Support for Transition from Institutional Settings.

Section 25.5-6-1501(8), C.R.S., states that “on or before November 1, 2019, and each November 1 thereafter, the state department shall submit an annual report to the health and human services committee of the senate, the public health care and human services committee of the house of representatives, and the joint budget committee, or any successor committees, on the effectiveness of providing the services and supports required by this part 15. The report must include: (a) an evaluation of the cost-effectiveness of the services; and (b) for each year of the program, the number of persons who: (i) requested services; (ii) received services; (iii) transitioned from an institutional setting to a home or community-based setting; and (iv) transitioned from an institutional setting but later returned to an institutional setting.”

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Kim Bimestefer



Executive Director

KB/KB

Enclosure(s): HCPF 2021 Support for Transition from Institutional Setting Annual Report

Cc: Representative Yadira Caraveo, Vice Chair, Health & Insurance Committee
Representative Mark Baisley, Health & Insurance Committee
Representative Ron Hanks, Health & Insurance Committee
Representative Dominique Jackson, Health & Insurance Committee
Representative Chris Kennedy, Health & Insurance Committee
Representative Karen McCormick, Health & Insurance Committee
Representative Kyle Mullica, Health & Insurance Committee
Representative David Ortiz, Health & Insurance Committee
Representative Matt Soper, Health & Insurance Committee
Representative Brianna Titone, Health & Insurance Committee
Representative Tonya Van Beber, Health & Insurance Committee
Representative Dave Williams, Health & Insurance Committee
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Jo Donlin, Legislative Liaison, HCP



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Department of Health Care
Policy & Financing

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

November 1, 2021

The Honorable Dafna Michaelson Jenet, Chair
House Public & Behavioral Health & Human Services Committee
200 E. Colfax Avenue
Denver, CO 80203

Dear Representative Michaelson Jenet:

Enclosed please find a legislative report to the House Public Health Care and Human Services Committee from the Department of Health Care Policy & Financing as directed by HB 18-1326 - Support for Transition from Institutional Settings.

Section 25.5-6-1501(8), C.R.S., states that “on or before November 1, 2019, and each November 1 thereafter, the state department shall submit an annual report to the health and human services committee of the senate, the public health care and human services committee of the house of representatives, and the joint budget committee, or any successor committees, on the effectiveness of providing the services and supports required by this part 15. The report must include: (a) an evaluation of the cost-effectiveness of the services; and (b) for each year of the program, the number of persons who: (i) requested services; (ii) received services; (iii) transitioned from an institutional setting to a home or community-based setting; and (iv) transitioned from an institutional setting but later returned to an institutional setting.”

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Sincerely,

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Kim Bimestefer



Executive Director

KB/KB

Enclosure(s): HCPF 2021 Support for Transition from Institutional Setting Annual Report

Cc: Representative Emily Sirota, Vice Chair, Public & Behavioral Health & Human Services Committee
Representative Mary Bradfield, Public & Behavioral Health & Human Services Committee
Representative Lisa Cutter, Public & Behavioral Health & Human Services Committee
Representative Serena Gonzales-Gutierrez, Public & Behavioral Health & Human Services Committee
Representative Richard Holtorf, Public & Behavioral Health & Human Services Committee
Representative Iman Jodeh, Public & Behavioral Health & Human Services Committee
Representative Colin Larson, Public & Behavioral Health & Human Services Committee
Representative David Ortiz, Public & Behavioral Health & Human Services Committee
Representative Rod Pelton, Public & Behavioral Health & Human Services Committee
Representative Naquetta Ricks, Public & Behavioral Health & Human Services Committee
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Bonnie Silva, Office of Community Living Division Director, HCPF
Rachel Reiter, External Relations Division Director, HCPF
Jo Donlin, Legislative Liaison, HCPF



Support for Transitions from Institutional Settings

November 1, 2021

Report Submitted to: Health and Human Services Committee of the Senate, Public Health Care and Human Services Committee of the House of Representatives, Joint Budget Committee



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Policy & Financing

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I. Introduction

The Transition Services program in the Department of Health Care Policy & Financing (the Department) was established on April 30, 2018 by House Bill 18-1326, Support For Transition From Institutional Settings. Passed with unanimous support, this enactment directs the Department to provide community transition services and supports to people who are in institutional settings, are eligible for Medicaid, and desire to transition to a home- or community-based setting. The program officially began enrolling Medicaid members on January 1, 2019.

Since then, the Department has implemented Targeted Case Management-Transition Coordination (TCM-TC) in addition to four Home- and Community-Based Services (HCBS): Home Delivered Meals, Life Skills Training, Peer Mentorship, and Transition Setup. These permanent Medicaid benefits were implemented with modifications to the eligibility requirements used during the earlier demonstration period; specifically, the Department removed the length-of-stay in a facility requirement for TCM-TC and made the HCBS Transition Services available to members facing a life-changing event while living in the community.

The Department conducted a public stakeholder engagement effort that concluded in June 2021. The public discussions focused on eliciting information regarding barriers to and opportunities for programmatic growth. Public engagement occurred through the Transitions Stakeholder Advisory Council monthly forum. The effort expanded stakeholder attendance and built awareness around issues critical to supporting members in the community. Building on the success of this effort, the Department has planned another year of public stakeholder engagement with this group to conclude in June 2022.

In September 2020, the Centers for Medicare & Medicaid Services (CMS) offered a \$5 million maximum award connected to Money Follows the Person (MFP). This grant opportunity existed apart from standard operating funds and was the result of the Public Health Emergency (PHE). The Department's proposals were awarded in full in August 2021. The award of \$5 million allows for further investment by the Department in the services and supports implemented under HB 18-1326. It will provide resources to measure provider capacity for transition services and supports and to focus on innovative solutions that streamline access

to care and address housing disparities and other barriers critical to community-based living.

The award of \$5 million is to be used for administrative expenses and indirect costs, and as such is not considered within the cost-effectiveness analysis.

II. Evaluation of the Cost-Effectiveness of the Services

The Transition Services program is cost-effective in meeting needs and supporting skill acquisition for members who wish to live in the community long-term. The benefits bridge the gap between institution-based and community-based care. Providing a means to community living for all members reflects the value of choice in service delivery. The provision of quality care in the community also increases the state's savings and allows nursing facilities (NFs) to focus on those who require care in a skilled setting.

The concurrent existence of two transition services and supports programs—the Colorado Choice Transitions (CCT) demonstration and Transition Services—made it challenging to assess the overall cost-effectiveness of the programs during calendar years (CYs) 2019 and 2020. Transition Services represents the State's permanent transition services and supports program and became the primary service delivery option for members who wished to return to the community and receive community-based care as of January 1, 2021.

In light of allowable claiming timelines, there is limited information available to measure the cost of the State's permanent Transition Services at this time. The Department plans to present a cost comparison following CY 2021 that will adequately measure the State's savings from the permanent program.

The table below illustrates the State's savings for all members, regardless of program (the CCT demonstration or the permanent program), who transitioned from a NF to the community during State Fiscal Year (SFYs) 2020 and 2021.

Average Total Cost of Care Per Member Per Month (PMPM) Expenditures for Members Who Transitioned From a Nursing Facility (NF) to Home- and Community-Based Services (HCBS)			
Row	Item	Amount	Source/Calculation
A	Average NF PMPM - Pre-Transition	\$7,288.28	Department actuals
B	Average HCBS PMPM - Post-Transition	\$4,035.26	Department actuals
C	Difference	(\$3,253.03)	Row B - Row A
D	Average Annual Total Funds Savings Per Capita	(\$39,036)	Row C * 12
E	Average Annual General Fund Savings Per Capita	(\$19,518)	Row D * 1/2

Throughout the COVID-19 pandemic and the Public Health Emergency (PHE) the healthcare system has seen unprecedented challenges to the workforce and delivery of supports and services. This report demonstrates that in spite of the challenges faced, the program has continued to support our most vulnerable members as they pursue options for community living. Primarily through virtual service delivery, transition coordination has represented a bridge to ensure that members continue to receive the care they require during this critical time. The Department will continue to work closely with stakeholders to determine the most appropriate service delivery options as the PHE continues to evolve.

Options Counseling referrals for Medicaid members residing in NFs are still lower than what was typical prior to the PHE. Between SFY 2019-2020 and SFY 2020-2021 there was a 21 percent decrease in options counseling visits. Since March 2020 options counseling agencies were required to conduct all visits virtually. As a result, new enrollments for TCM-TC are still below what would be projected based on the first two years of the program's operation. However, with the pressures facing members in isolation that are compounded by workforce shortages across HCBS providers, there was an increase in the amount of support and monitoring asked by members of their Transition Coordination Agencies. During this period, 147 members in the community were authorized for additional TCM-TC services, above the 240-unit cap (1 unit = 15 minutes), to bridge service gaps and prevent returns to an institutional setting.

The Department continues to work with HCBS providers and Case Management Agencies (CMAs) during the PHE to support the growth of these benefits through creative service delivery options, such as remote supports, that are both safe and cost-effective.

III. Program by the Numbers

A. Number of Members Who Requested Services

The following table outlines the number of Medicaid members who have received Options Counseling visits by Department-contracted Aging and Disability Resource Centers (ADRCs) and non-profit agencies across the state. This is the first step in the Transition Coordination process for members residing in facilities.

	Medicaid Members Who Received Options Counseling
CY 2019	470
CY 2020	522
CY 2021 ¹	342
Total Medicaid Members Who Received Options Counseling ²	822

B. Number of Members Who Received Services

The following table outlines the number of Medicaid members who have received Targeted Case Management - Transition Coordination since January 1, 2019.

	Medicaid Members Received Targeted Case Management - Transition Coordination
CY 2019	275
CY 2020	824
CY 2021 ¹	628
Total Medicaid Members Who Transitioned ³	1082

¹ The CY 2021 data in this report go through September 2021.

² This reflects the total number of unique members who received options counseling. Some members received multiple options counseling visits over multiple CYs.

³ This reflects the total number of unique members who received Targeted Case Management - Transition Coordination. Some members received services over multiple CYs.

C. Number of Members Who Transitioned from an Institutional Setting to a Home- or Community- Based Setting

The following table outlines the number of Medicaid members who have used this program to transition to the community since the benefit went into effect in January 1, 2019.

	Medicaid Members Who Transitioned from an Institutional Setting to a Home- or Community-Based Setting
CY 2019	69
CY 2020 ⁴	250
CY 2021 ¹	125
Total Medicaid Members Who Transitioned	370

D. Number of Members Who Transitioned from an Institutional Setting but Later Returned to an Institutional Setting

Some individuals participating in the new benefits have returned to a facility setting; however, counts of 30 or fewer have been suppressed to protect confidentiality, in compliance with Health Insurance Portability and Accountability Act (HIPAA) Safe Harbor requirements.

⁴The Department anticipates lower total transitions for CY 2020 as a result of workforce shortages attributed to COVID-19 and the Public Health Emergency. Shortages currently affect all Medicaid provider types.