



INFORMATIONAL MEMO

INFORMATIONAL MEMO NUMBER: HCPF IM 19-016

TITLE: IMPLEMENTATION OF HOUSE BILL 18-1407, STABILIZATION OF DIRECT SUPPORT PROFESSIONAL WORKFORCE – SUPPORT PLAN AUTHORIZATION LIMIT INCREASE

SUPERSEDES NUMBER: N/A

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DIVISION AND OFFICE: OFFICE OF COMMUNITY LIVING, BENEFITS AND SERVICES MANAGEMENT DIVISION

PROGRAM AREA: HCBS WAIVERS

APPROVED BY: COLIN LAUGHLIN

KEY WORDS: HB 18-1407, WAGE PASS THROUGH, DIRECT SUPPORT PROFESSIONAL, SERVICE PLAN AUTHORIZATION LIMIT

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Purpose and Audience:

The purpose of this Informational Memo is to provide information to all stakeholders regarding the House Bill (HB) 18-1407 corresponding Service Plan Authorization Limit increase.

Information:

With the upcoming implementation of HB 18-1407, the Department of Health Care Policy & Financing (Department) has calculated new Service Plan Authorization Limits (SPALs) to ensure that clients are able to receive the same amount of services given the new increased rates of reimbursement. The new SPALs account for the increases effective March 1, 2018 were updated and posted to the Department’s website in January. As HB 18-1407 applied the 6.5% rate increases to a specific set of services, the SPALs were not increased by 6.5%. The prior SPAL amounts, new SPAL amounts and % increase are provided in the table below:

Supported Living Services (SLS) Waiver: Support Level Authorization Limits (SPAL)	Support Level	New SPAL Effective 3/1/2019	% Increase
Support Level 1	\$13,538.37	\$14,379.06	7.27%
Support Level 2	\$18,099.99	\$19,206.56	7.17%
Support Level 3	\$20,362.36	\$21,607.47	7.18%
Support Level 4	\$23,419.48	\$24,830.58	7.09%
Support Level 5	\$28,188.99	\$29,904.77	7.15%
Support Level 6	\$37,055.14	\$39,225.90	6.92%

Overall Limit	\$47,524.86	\$50,713.65	6.97%
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The calculation utilized the following methodology:

1. The Department determines total reimbursement for all services on the waiver.
2. The Department determines the total reimbursement of each individual service to find the proportion of total current SPAL dollars associated with each service.
3. Using the current SPAL amount, the Department determined the proportion of the SPAL impacted by each service.
4. The proportion of the SPAL for each of the services impacted by HB 18-1407 is then multiplied by the percentage of the services reimbursement to the total reimbursement.
5. The increased SPALs by services are then added together to produce the final SPAL calculation.

	Methodology	Example Calculations
1	Total Reimbursement for SLS waiver	\$10,000,000.00
2	Total Reimbursement for Mentorship/Total Reimbursement for all Services= Mentorship Proportion of Total Reimbursement	\$100,000.00/10,000,000.00= 1%
3	Proportion of Total Reimbursement*Current SPAL= Mentorship Proportion of SPAL	\$20,000.00*1%= \$200.00
4	Mentorship Proportion of SPAL increased by 6.5%= Mentorship Proportion of New SPAL	\$200.00*1.065= \$213.00
5	Mentorship SPAL increase + Other Services SPAL increase= NEW SPAL AMOUNT	\$213+.....= \$21,000.00

Attachments:

None

Department Contact:

Bryan Fife at Bryan.Fife@state.co.us