



INFORMATIONAL MEMO

Title: Long-Term Tier 3 Day Habilitation Services	Topic: HCBS-Multiple
Audience: Home and Community-Based Services (HCBS) Provider Agencies, Case Management Agencies, Members, and Stakeholders	Sub-Topic: Day Habilitation Services
Supersedes Number: OM 21-025	Division: Benefits & Services Management Division
Effective Date: November 11, 2023	Office: Office of Community Living
Expiration Date: November 11, 2024	Program Area: HCBS Services
Key Words: Home and Community-Based Services, HCBS, Day Habilitation, Supported Community Connections, SCC, Specialized Habilitation, SH	
Legal Authority: N/A	
Memo Author: Kyra Acuna	
Informational Memo Number: HCPF IM 23-033	
Issue Date: October 5, 2023	
Approved By: Candace Bailey	

HCPF Memo Series can be accessed online: <https://www.colorado.gov/hcpf/memo-series>

Purpose and Audience:

The purpose of this Operational Memo is to provide updated information to Home and Community-Based Services (HCBS) Day Habilitation provider agencies, Case Management Agencies (CMAs), HCBS waiver members, and stakeholders on one-on-one (1:1), Tier 3 Day Habilitation services. Day Habilitation services includes both Specialized Habilitation (SH) and Supported Community Connections (SCC) services. This memorandum impacts the HCBS Developmental Disabilities (HCBS-DD) and Supported Living Services (HCBS-SLS) waivers.

Information:

On March 1, 2021, the Department of Health Care Policy & Financing (HCPF) implemented 1:1, Tier 3 Day Habilitation services to reduce the spread of COVID-19 by allowing providers the ability to render services in a way that was safe and better

met members' needs through [Operational Memo 21-025](#). After receiving stakeholder feedback over the past three years, HCPF is in the process of permanently implementing 1:1, Tier 3 Supported Community Connections (SCC). HCPF is updating the regulations and waivers with these changes.

Specialized Habilitation

As of Nov. 11, 2023, 1:1, Tier 3 Specialized Habilitation (SH) services will no longer be available through the Public Health Emergency (PHE) and the Appendix K waiver. 1:1 Tier 3 SH services do not comply with the intent and definitions of SH services or current regulations. As such, it will no longer be an available service option after November 11, 2023. Members should instead work with their case managers to find a Tier 1 (telehealth) or Tier 2 (traditional group) SH service provider who can best meet their needs.

Supported Community Connections

Tier 3 - Supported Community Connections services are provided 1:1, to a single member, and billed for at the Tier 3 SCC rate. Members who receive Supported Community Connections services under Tier 3 are also required to stay within the member's pre-pandemic Day Habilitation utilization dollar limits, as well as the unit limit, for the combination of group and 1:1 Day Habilitation services for that Support Plan year. This utilization is based on pre-pandemic paid claims, not units authorized in the Person-Center Support Plan. Tier 3 services must be delivered in-person.

- Members who have an exceptional need to exceed their individualized annual dollar limit can work with their case manager to request additional funding through the Department's exception process.

Ongoing Tier 3 SCC Services

- Members enrolled in either the HCBS-DD or the HCBS-SLS waivers will continue to have the option to receive 1:1, Tier 3 SCC services, *offered in-person only*.
- Any member wishing to receive 1:1, Tier 3 SCC services may work with their Case Manager to add the service to their Person-Centered Support Plan.
- Members receiving 1:1, Tier 3 SCC services will need to remain within their pre-pandemic Day Habilitation utilization dollar limits for that Support Plan year. Dollar limits are continuously updated to account for rate increases that have occurred.

- Members receiving 1:1, Tier 3 SCC services may utilize these services and Tier 1 and Tier 2 services in any combination that works for their needs, up to their utilization dollar limit.
- For those members who do not have pre-pandemic utilization, their dollar limits are based on the average utilization of their Support Level. Dollar limits based on the average utilization by Support Level have been provided to each Case Management Agency. Dollar limits are continuously updated to account for rate increases that have occurred.
- Members can substitute previous Supported Employment utilization for additional 1:1, Tier 3 Day Habilitation services. When this is done, a member's pre-pandemic utilization dollar amounts will include their previous Supported Employment utilization. When the Supported Employment utilization is used, then Supported Employment services, in addition to Day Habilitation services, would need to stay within the member's dollar limit.
- For those members who only had previous Supported Employment utilization, and no previous Day Habilitation utilization, the member can use either the average utilization based on Support Level or their Supported Employment utilization dollar limits.
- For those members whose prior utilization is below \$1,000, the average utilization based on the member's Support Level should be utilized instead.

Regardless of whether 1:1 Tier 3 SCC services are provided, members must continue to stay within the existing unit limitations for each of the HCBS-DD and HCBS-SLS waivers outlined below.

- HCBS-DD Support Plan Limits
 - Maximum of 4,800 combined units of SH, SCC & Prevocational Services
 - Maximum of 7,112 combined units of SH, SCC, Prevocational Services & Supported Employment
- HCBS-SLS Support Plan Limits
 - Maximum of 7,112 combined units of SH, SCC, Prevocational Services & Supported Employment

Support Level 6 & 7

Members receiving Day Habilitation services at Support Levels 6 or 7 should continue to utilize Tier 1 and Tier 2 rates, even if services are provided individually or in a group setting. Tier 1 and Tier 2 Day Habilitation services alone do not have the additional requirement of the utilization dollar limit.

Exception to the Individual Annual Dollar Limit

HCPF recognizes that some members require more services or funding than their utilization dollar limit will allow. In those individual cases, the Department has developed an Individual Limit Exception form to be completed by the case manager. Once the form has been submitted, the Department will review the request for additional funding and provide a response in a timely manner.

Attachment(s):

None

HCPF Contact:

HCPF_HCBS_Questions@state.co.us