



INFORMATIONAL MEMO

Title: American Rescue Plan Act (ARPA) Home and Community-Based Services (HCBS) Direct Provider Payment	Topic: HCBS
Audience: HCBS Providers	Sub-Topic: Provider Funding
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Purpose and Audience:

The purpose of this informational memo is to inform select HCBS Providers that, as outlined in last year's supplemental budget request that was signed into effect on Feb. 27, 2025, the Department of Health Care Policy and Financing (HCPF) is implementing an American Rescue Plan Act (ARPA) Home and Community-Based Services (HCBS) direct provider payment.

Information:

Background

Funding has been made available to states through ARPA so that states may improve HCBS programs and services. States were given authority to use funding to supplement their efforts but not supplant current spending on HCBS. HCPF has been working to implement sixty-one (61) initiatives based on these requirements since 2021 and will

end all ARPA spending by March 31, 2025. See the [HCPF's ARPA web page](#) for more information.

HCPF is providing a final HCBS provider payment for select services utilizing ARPA HCBS funding with Joint Budget Committee (JBC) approval because providers have been, and continue to be, extremely valued partners in Colorado's efforts and mission to see people receive services needed to remain living in the community of their choice.

In HCPF's previous [Informational Memo \(IM\) 24-033](#), HCBS providers were instructed to submit all claims for dates of service July 1, 2024 - Dec. 31, 2024, quickly in order to be eligible for this retroactive rate increase. HCPF was able to include claims for dates of service July 1, 2024 - Dec. 31, 2024, and billed by Thursday, Feb. 28, 2025.

Next Steps

HCPF was approved to apply a 4.5% rate increase retroactively to select HCBS benefits identified through last year's supplemental request. The 4.5% rate increase was applied to HCBS claims that were submitted by Feb. 28, 2025, as outlined in [IM 24-033](#), for services rendered July 1, 2024 - Dec. 31, 2024. Each provider will receive a one-time direct payment in this sum, reflected on their provider Remittance Advice (RA). Providers may see multiple payment entries that represent this one-time payment on their RAs, but each payment entry will have the same reason code, 2025, description: "ARPA HCBS - DPP". Providers will not need to resubmit claims and claims will not be reprocessed. Please see the table below for information on which HCBS benefits were included in this retroactive rate increase.

This one-time retroactive payment will not be on-going. Rates have not increased for these services. If you have questions about current rates for services, please review the current [Rates Schedules](#).

HCPF expects this payment to be used to support the direct care workforce. While this one-time payment is not sustainable for the long-term needs of providers and the direct care workforce, there are ways to use this funding to support and meet short-term needs. Potential fund uses include, but are not limited to:

- Training opportunities
- Performance bonuses for direct care staff
- Emergency assistance funds
- Temporary business project needs

Home and Community-Based Services (HCBS)		
Service	Procedure Code(s)	Rate Increase
Adult Day Services	S5100 U6, S5100 UA, S5105 UA, S5105 UA TF, S5100 U1, S5105 U1, S5105 U1 TF, S5100 U1 SC, S5105 U1 SC, S5105 U1 SC TF	4.5%
Alternative Care Facility (ACF)	T2031 U1, T2031 UA	4.5%
Consumer Directed Attendant Support Services (CDASS)	T2025 U6, T2025 UA, T2025 U1 SC, T2025 U8, T2025 U1	4.5%
Day Habilitation	T2021 U3 HQ, T2021 U3 22 HQ, T2021 U3 TF HQ, T2021 U3 TF ST, T2021 U3 TG HQ, T2021 U3 TG ST, T2021 U3 SC HQ, T2021 U8 HQ, T2021 U8 22 HQ, T2021 U8 TF HQ, T2021 U8 TF TU, T2021 U8 TG HQ, T2021 U8 TG TU, T2021 U3, T2021 U3 22, T2021 U3 TF, T2021 U3 TF 22, T2021 U3 TG, T2021 U3 TG, T2021 U3 SC, T2021 U8, T2021 U8 22, T2021 U8 TF, T2021 U8 TF 22, T2021 U8 TG, T2021 U8 TG 22	4.5%
Homemaker (including Enhanced)	S5130 U1, S5130 U1 SC, S5130 U1, S5130 U7, S5130 U7 22	4.5%
In-Home Support Services (IHSS)	S5130 U1 SC KX, S5130 U1 KX, H0038 U1, H0038 U5, H0038 U1 SC	4.5%

Mentorship	H2021 U8	4.5%
Non-Medical Transportation (NMT)	<p>Mileage Band: T2003 U3, T2003 U3 22, T2003 U3 TF, T2003 U8, T2003 U8 22, T2003 U8 TF,</p> <p>Mobility Van: A0120 U1 HB, A0120 U1 TT HB, A0120 U1 TN HB, A0120 U1 HB, A0120 U1, A0120 U1 TT HB, A0120 U1 TN HB, A0100 U1, A0120 U1 TT, A0120 TN, A0120 UA HB, A0120 UA TT HB, A0120 UA TN HB, A0130 UA HB, A0130 UA TT HB, A0120 UA TN HB, A0120 U6 HB, A0120 U6 TT HB, A0120 U6 TN HB, A0120 U6, A0120 U6 TT, A0120 U6 TN, A0120 U1 SC HB, A0120 U1 SC ST, A0120 U1 SC TU, A0120 U1 SC, A0120 U1 SC TT, A0120 U1 SC TN</p> <p>Wheelchair Van A0130 U1 HB, A0130 U1 TT HB, A0130 U1 TN HB, A0120 U1, A0130 U1 TT, A0130 U1 TN, A0130 UA, A0130 UA TT, A0130 UA TN, A0130 U6 HB, A0130 U6 TT HB, A0130 U6 TN HB, A0130 U6, A0130 U6 TT, A0130 U6 TN, A0130 U1 SC HB, A0130 U1 SC ST, A0130 U1 SC TU, A0130 U1 SC, A0130 U1 SC TT, A0130 U1 SC TN</p>	4.5%
Other HCBS Services	T2027 U7	4.5%
Personal Care	T1019 UA, T1019 UA HR, T1019 UA, T1019 UA HR, T1019 U1 SC, T1029 U1 SC HR, T1019 U8, T1019 U1, T1019 U1 HR	4.5%

Prevocational Services	T2015 U3 HQ, T2015 U3 22 HQ, T2015 U3 TF HQ, T2015 U3 TF 22, T2015 U3 TG HQ, T2015 U3 TG 22, T2015 U8 HQ, T2015 U8 22 HQ, T2015 U8 TF HQ, T2015 U8 TF 22, T2015 U8 TG HQ, T2015 U8 TG 22	4.5%
Residential Habilitation under the Developmental Disabilities (DD) waiver and Children's Habilitation Residential Program (CHRP) waiver	T2016 U3 HQ, T2016 U3 22 HQ, T2016 U3 TF HQ, T2016 U3 TF ST, T2016 U3 TG HQ, T2016 U3 TG ST, T2016 U3 SC HQ, T2016 U3, T2016 U3 22, T2016 U3 TF, T2016 U3 TF 22, T2016 U3 TG, T2016 U3 TG 22, T2016 U3 SC, T2016 U3 TT, T2016 U3 22 TT, T2016 U3 TF TT, T2016 U3 TF TU, T2016 U3 TG TT, T2016 U3 TG TU, T2016 U3 SC TT, H0041 U9, H0041 U9 22, H0041 U9 TF, H0041 U9 TF 22, H0041 U9 TG, H0041 U9 TG 22, H0041 U9 HA TG HK, T2016 U, T2016 U9, T2016 U9 TF, T2016 U9 TF 22, T2016 U9 TG, T2016 U9 TG 22, T2016 U9 HA TT TG, T2016 U9 HA, T2016 U9 HA TJ, U9 HA TF, T2016 U9 HA TG, T2016 U9 HA TT, T2016 U9 HA 22	4.5%
Respite Care (includes Nursing Facility Respite)	S5150 U6, S5151 UA (ACF), S5150 U1 SC (ACF), S5151 U8 HQ, T2036 U8, S5150 U8, S5151 U8, S5151 U1 (ACF), S5150 U1, S5151 U7, S5151 U7 HQ, S5150 U9, HA, S5151 U9 HA, S5150 UD, H0045 U1 SC	4.5%
Supported Employment	T2019 U3 HQ, T2019 U3 22 HQ, T2019 U3 TF HQ, T2019 U3 TF 22, T2019 U3 TG HQ, T2019 U3 TG 22, T2019 U3 SC, H2023 U3 HQ, H2023 U3, H2023 U3 22, H2023 U3 TF, T2019 U8 HQ, T2019 U8 22 HQ, T2019 U8 TF HQ, T2019 U8	4.5%

	TF 22, T2019 U8 TG HQ, T2019 U8 TG 22, T2019 U8 SC, H2023 U8 HQ, H2023 U8, H2023 U8 22, H2023 U8 TF	
Supported Living Programs (SLP)	T2033 U6, T2033 U6, T2033 U6 HE, T2033 U6 HK, T2033 U6 HB HE, T2033 U6 HB HK, T2033 U6 HB HK SC	4.5%

Definition(s):

None

Attachment(s):

None

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