



OPERATIONAL MEMO

Title: Children’s Habilitation Residential Program (CHRP) Support Need Level Review and Negotiated Rate Process	Topic: HCBS-CHRP
Audience: CHRP Providers, Parents/Legally Responsible Parties, Families, and Stakeholders	Sub-Topic: Foster Care Home, Group Home, Habilitation, Support Need Level, Negotiated Rate
Supersedes Number: HCPF OM 19-026, HCPF OM 20-104	Division: Benefits and Services Management
Effective Date: July 1, 2023	Office: Office of Community Living
Expiration Date: July 1, 2025	Program Area: CHRP
Key Words: Home and Community Based Services (HCBS), Children’s Habilitation Residential Program (CHRP), Habilitation, Child Welfare, Foster Care Home, Group Home, Support Need Level, Negotiated Rate, Office of Community Living	
Legal Authority: C.R.S. 25.5-6-903; 10 CCR 2505 8.508.40.B	
Memo Author: Brianna Holmes	
Operational Memo Number: HCPF OM 23-053	
Issue Date: August 28, 2023	
Approved By: Candace Bailey	

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Purpose and Audience:

The purpose of this Operational Memo is to inform Case Management Agencies (CMA), Home and Community-Based Services (HCBS) - Children’s Habilitation Residential Program (CHRP) providers, parents/legally responsible parties, families, and stakeholders of the consolidated process for requesting a Support Need Level Review or Negotiated Rate for CHRP Habilitation services. This includes the implementation of the new Support Need Level 7 negotiated rate for Foster Care Home and Group Home.

Information:

Effective July 1, 2023, the Department of Health Care Policy & Financing (HCPF) is implementing new rates and procedure codes for CHRP Habilitation services, Foster Care Home and Group Home Support Need Level 7 negotiated rates. The updated

rates and procedure codes can be found on the [Provider Rates and Fee Schedule](#) webpage under the “HCBS Rate Schedule” drop-down list.

The Inventory of Child and Agency Planning (ICAP) assessment tool will continue to be used by Case Managers to assess member needs and determine the member’s Support Need Level for CHRP Habilitation services.

As a reminder, Medicaid is prohibited from covering the cost of room and board in HCBS residential settings. All Room and board is to be paid by the member and their family directly to the service provider.

Support Need Level Review Process

The Member, their parents or legal guardian, authorized representative, family member, or CMA may initiate to have a review completed regarding the Support Need Level assigned to meet the Member’s needs.

The CMA shall submit the Support Need Level review request by completing the information required by HCPF on the ‘Children’s Habilitation Residential Program (CHRP) Support Need Level Review and Negotiated Rate Request Form’ found on [HCPF’s CHRP webpage](#). Prior to submitting the request, the CMA shall provide an opportunity for the Member, their parent or legal guardian, authorized representative, or family member, as appropriate, to review the request and provide any additional information to be submitted along with the request to HCPF.

Supporting documentation demonstrating the complex needs of the Member is required to justify the request, and may include, but is not limited to a current copy of the Member’s psychological evaluation, Individual Education Plan (IEP), Applied Behavioral Analysis (ABA) or other therapy care plans and notes, critical incident reports, hospital or nursing notes, and recent medication changes.

HCPF shall examine all the information submitted by the CMA and identify any significant factors not included in the Support Need Level calculation, which may cause the Member to have higher support needs than those in the established Support Need Level.

In cases where HCPF finds that the Member does have higher support needs than those in the initial Support Need Level, HCPF may assign the Member to a Support Need Level that is a closer representation of the Member’s overall support needs.

A Member who has been assigned to a higher Support Need Level shall have this assignment re-examined annually or at a frequency determined by HCPF.

Negotiated Rate Process

Residential Child Care Facility (RCCF) Support Need Levels 1 through 5 are set per diem rates. The Support Need Level 6 rate will be negotiated between the provider, case manager, and HCPF. The Member, their parent or legal guardian, authorized representative, family member, or CMA may request a Support Need Level 6.

Foster Care Home and Group Home Support Need Levels 1 through 6 are set per diem rates. The Support Need Level 7 rate will be negotiated between the provider, case manager, and HCPF. The Member, their parent or legal guardian, authorized representative, family member, or CMA may request a Support Need Level 7.

The CMA shall submit the Negotiated Rate request by completing the information required by HCPF on the 'Children's Habilitation Residential Program (CHRP) Support Need Level Review and Negotiated Rate Request Form' found on [HCPF's CHRP webpage](#) to request a Negotiated Rate for CHRP Habilitation services. Prior to submitting the request, the CMA shall provide an opportunity for the Member, their parent or legal guardian, authorized representative, or family member, as appropriate, to review and provide additional information to be submitted to HCPF.

Supporting documentation demonstrating the complex needs of the Member is required to justify the request, and may include, but is not limited to a current copy of the Member's psychological evaluation, IEP, ABA or other therapy care plans and notes, critical incident reports, hospital or nursing notes, and recent medication changes.

HCPF shall examine all the information submitted by the CMA and seek to identify any significant factors not included in the Support Need Level calculation, which may cause the Member to have higher support needs than those in the established Support Need Level.

In cases where HCPF finds that the Member does have higher support needs than those in the initial Support Need Level, HCPF will determine the Negotiated Rate of reimbursement. HCPF will notify the CMA in writing of the approved amount.

If approved, the Case Manager will submit a Prior Authorization Request (PAR) for RCCF Support Need Level 6, Foster Care Home Support Need Level 7, or Group Home Support Need Level 7. The PAR will be in "Pending State Approval" status. HCPF will enter the approved rate amount in the Bridge.

A Member who has been assigned a RCCF Support Need Level 6, Foster Care Home Support Need Level 7, or Group Home Support Need Level 7 Negotiated Rate shall have this assignment re-examined annually or at a frequency determined by HCPF.

Action To Be Taken:

To request a Support Need Level Review or Negotiated Rate for Foster Care Home, Group Home and Residential Child Care Facility (RCCF) Habilitation services, CMAs must submit the updated 'Children's Habilitation Residential Program (CHRP) Support Need Level Review and Negotiated Rate Request Form' found on [HCPF's CHRP webpage](#) for review.

Attachment(s):

None

HCPF Contact:

hcpf_CHRP@state.co.us