

# In-Home Support Services (IHSS) Report

---

*Pursuant to section 25.5-6-1206, C.R.S.*

January 1, 2024

**Submitted to: The Senate Health and Human Services  
Committee, House Health and Insurance Committee, House  
Public Health Care and Human Services Committee, & The  
Joint Budget Committee**



**COLORADO**  
Department of Health Care  
Policy & Financing

## Contents

I. Executive Summary .....	3
II. Introduction .....	4
A. Member Eligibility .....	5
B. Available Services .....	5
C. In-Home Support Services (IHSS) Agencies .....	7
III. Cost Effectiveness of In-Home Support Services.....	8
IV. Increased Participation in In-Home Support Services (IHSS) .....	10
V. Programmatic Updates .....	12
VI. Strategies and Resources .....	15
VII. Conclusion .....	18



## I. Executive Summary

The Colorado Department of Health Care Policy & Financing (the Department) is pleased to submit this report pursuant to section 25.5-6-1206, C.R.S., regarding In-Home Support Services (IHSS) provided in the state of Colorado. Per the statutory requirement, this report addresses:

- The cost-effectiveness of providing IHSS to the elderly, blind, and disabled, to persons with spinal cord injury, and to eligible disabled children;
- The number of persons receiving such services; and
- Any strategies and resources that are available or essential to assist more people in staying in their homes through the utilization of IHSS.

In-Home Support Services (IHSS) is a participant-directed service delivery option available to members on the Elderly, Blind & Disabled (EBD), Complementary and Integrative Health (CIH), and Children's Home and Community Based Services (CHCBS) waivers. IHSS enables members to direct and manage their homemaker, personal care, and health maintenance activities with the support of a licensed home care agency.

IHSS continues to be an optimal choice for medically complex members to receive services in the community. IHSS is preferred by members who rely on family or live-in caregivers to provide their services. Members who have used traditional agency-based personal care or homemaker services, Long-Term Home Health (LTHH) and Private Duty Nursing (PDN), have reported that the flexibility of IHSS better meets their care needs and preferences.

Because IHSS is the optimal choice for many members, it has experienced enrollment, utilization and expenditure growth. As of June 30, 2023, 8,798 Medicaid waiver members utilized IHSS, an increase of 17.26% over the prior fiscal year. IHSS generates cost savings compared to providing services in an institutional setting for adults. The cumulative expense for all HCBS services under EBD and CIH waivers amounts to \$58,181 annually per member, while the overall institutional costs an average of \$89,752 annually per member. While children on IHSS have higher per-member costs, these services are instrumental in preventing more costly institutionalization. Though IHSS continues to be more expensive than traditional agency-based care, IHSS provides higher acuity services where necessary. Colorado does not have nursing facilities for

children. If nursing home level of care through IHSS was not available for children, there would be an increased need for emergency room utilization and overall hospitalizations.

With the increased growth and fiscal impact of IHSS, the Department continues to monitor the service delivery option to ensure service quality and provider compliance with rules and regulations. Potential strategies and resources outlined within the report are intended to improve implementation, support the growth of and interest in IHSS, and ensure sound stewardship of public funds. Two of these initiatives include Community First Choice (CFC) and Third-Party Assessments for Nursing Services (FY 2024-25 R-10).

## II. Introduction

In-Home Support Services (IHSS) was authorized in Home-and Community-Based Services (HCBS) waivers by SB 02-027 in 2002. IHSS is a participant-directed service-delivery option that allows members to direct services accessible through the following waivers: HCBS - Elderly, Blind, and Disabled (HCBS-EBD), Children's HCBS (CHCBS), and Complementary and Integrative Health (HCBS-CIH) (formerly the Spinal Cord Injury or HCBS-SCI waiver).

IHSS implementation is a collaborative effort between the member, their IHSS agency, and their case manager. The case manager is responsible for initiating a referral to the IHSS agency and authorizing appropriate services. The member or their Authorized Representative (AR) has flexibility and control over their services and is encouraged to select, train, and manage attendants. The IHSS agency is the employer of record for attendants and is responsible for providing training, back-up care, nursing oversight and supervision, and the financial management of services. IHSS is similar to Consumer Directed Attendant Support Services (CDASS), where a member or their AR selects and trains the attendant; however, it differs in that the IHSS agency is the employer of record, not the member or their AR. The primary differences between the three service delivery options are detailed below:

Table 1 - Service Delivery Options

<i>Traditional Agency-Based Care</i>	<i>In-Home Support Services (IHSS)</i>	<i>Consumer Directed Attendant Support Services (CDASS)</i>
<p>Agency selects, employs, and trains attendants</p> <p>Agency manages financial aspects of service delivery</p>	<p><b>Member or Authorized Representative (AR) selects and trains attendants</b></p> <p><b>IHSS agency employs attendants and manages financial aspects of service delivery</b></p>	<p>Member or AR selects, employs, and trains attendants</p> <p>Member or AR manages annual allocation</p>

**A. Member Eligibility**

As set forth at 10 C.C.R. 2505-10 section 8.552.2, a member is eligible for In-Home Support Services (IHSS) when the following three criteria are met:

- The member is enrolled in an HCBS waiver approved to offer IHSS (currently the Elderly, Blind, and Disabled (EBD), Complementary and Integrative Health (CIH), and Children’s Home and Community-Based Services (CHCBS) waivers);
- The member’s physician documents that the member has sound judgment and the ability to direct their own care, or they have elected an Authorized Representative to assist in directing their care; and
- The member demonstrates a current need for covered attendant support services.

**B. Available Services**

Services are based on the member’s needs and functional assessment, conducted by the case manager. Adults enrolled in the HCBS-EBD or HCBS-CIH waivers may be eligible to receive health maintenance activities, homemaker services, and personal care services. A child enrolled in the CHCBS waiver may be eligible to receive health maintenance activities. Personal Care includes non-skilled assistance with activities such as

bathing, dressing, or eating. Homemaker Services include assistance with general household activities needed to maintain a healthy and safe living environment, such as housekeeping, meal preparation, and laundry. Health Maintenance Activities (HMAs) are defined as routine and repetitive skilled health-related tasks, which are necessary for health and normal bodily functioning, that an individual with a disability would carry out if they were physically able, or that would be carried out by family members or friends if they were available. HMA includes services such as wound care, ventilator care, and tracheostomy care. Tasks that require the clinical assessment and judgment of a licensed nurse are not performed or permitted in IHSS.

In-Home Support Services (IHSS) members also have access to other services available through the Medicaid State Plan benefit and their HCBS waiver. State plan services include all other Medicaid benefits that are not provided by the HCBS waivers, which may include physician visits, medications, hospitalizations, and durable medical equipment. HCBS waivers offering IHSS include the below services:

Table 2 - Other Home-and Community-Based Services (HCBS) Services by Waiver

<i>Elderly, Blind, and Disabled (EBD)/ Complementary and Integrative Health (CIH)</i>	<i>Children’s HCBS (CHCBS)</i>
<ul style="list-style-type: none"> <li>• Adult Day Services</li> <li>• Alternative Care Facility (ACF) (EBD ONLY)</li> <li>• Complementary and Integrative Health Services (CIH ONLY)</li> <li>• Home Delivered Meals</li> <li>• Home Modification</li> <li>• Homemaker Services</li> <li>• Life Skills Training</li> <li>• Medication Reminder Systems</li> <li>• Non-Medical Transportation</li> <li>• Peer Mentorship</li> <li>• Personal Care</li> </ul>	<ul style="list-style-type: none"> <li>• Case Management</li> </ul>

<ul style="list-style-type: none"> <li>• Personal Care/Remote Supports</li> <li>• Personal Emergency Response Systems (PERS)</li> <li>• Respite</li> <li>• Transition Set Up</li> </ul>	
---	--

In accordance with section 25.5-6-1203(3), C.R.S., the following sections of the Nurse Practice Act and Nurse Aide Legislation do not apply to IHSS:

- 12-255-104(7) Definition of Practical Nurse;
- 12-225-104(11) Definition of Registered Nurse;
- 12-255-124 Penalties for practicing without a license;
- 12-255-104(3.3) Definition of Nurse Aide; and
- 12-255-214(1)(b) Limitation of duties of Nurse Aide.

Because they are not required to work with licensed or certified health professionals, an IHSS member has more flexibility and control over their services and supports. The member may choose to hire a neighbor, friend, or family member to provide both skilled and unskilled care. Attendants are employed by an IHSS agency that provides twenty-four-hour back-up services and supervision by a Registered Nurse (RN). This is particularly valuable to members with complex medical needs who reside in rural areas of Colorado where access to care and services is a concern. IHSS is often used to support members transitioning from nursing facilities (NF), Hospital Back-up Units (HBU), or members at risk of institutionalization.

**C. In-Home Support Services (IHSS) Agencies**

An IHSS agency must be a licensed home care agency, certified by the Colorado Department of Public Health & Environment (CPDHE), and enrolled as a Medicaid provider with the Department. There are enrolled IHSS agencies serving the entire state of Colorado. IHSS agencies are required to provide the following in accordance with 10 C.C.R. 2505-10 section 8.552.6.A:

- Independent Living Core Services (information and referral services, independent living skills training, peer and cross-disability peer counseling, individual and systems advocacy, transition services or diversion from nursing homes and institutions to home and community-based living, and transition services upon leaving secondary education);
- Attendant training, oversight, and supervision by a state-licensed Registered Nurse (RN); and
- Twenty-four-hour back-up services for scheduled visits.

Table 3 - Number of In-Home Support Services (IHSS) Agencies

FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
130	157	165	189	198	222

### III. Cost Effectiveness of In-Home Support Services

IHSS generates cost savings compared to providing services in an institutional setting for adults. While children on IHSS have higher per-member costs, these services are instrumental in preventing institutionalization. While IHSS continues to be more expensive than traditional agency-based care, IHSS provides higher acuity services where necessary. Without access to nursing home-level care through IHSS for children, there would be a higher reliance on emergency room visits and an overall increase in hospitalizations. IHSS continues to be an optimal choice for medically complex members to receive services in the community.



Table 4 - In-Home Support Services (IHSS) Per-Member Cost versus Institutional Per-Member Cost FY 2022-23

Waiver	IHSS Cost per Member	Other HCBS Cost per Member <sup>1</sup>	State Plan Cost per Member <sup>2</sup>	Total Cost per Member - HCBS	Institutional Cost per Member <sup>3</sup>	State Plan Cost per Member <sup>2</sup>	Total Cost per Member - Institutionalization
EBD/CIH	\$42,321	\$2,904	\$12,955	\$58,181	\$80,060	\$9,691	\$89,752
CHCBS	\$84,720	\$702	\$35,332	\$120,755	\$87,496	\$10,591	\$98,087

Table 5 - In-Home Support Services (IHSS) Per-Member Cost Percentage Change

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
EBD/CIH <sup>2</sup>	9.08%	-17.02%	10.18%	-2.37%	4.47%	1.17%
CHCBS	3.76%	15.60%	8.56%	14.70%	18.54%	20.19%

The increase in the per-member costs for children on the CHCBS waiver is related to rate increases directly related to the minimum wage increases and an increase in serving members with more complex medical needs. Many families with children on the CHCBS waiver have transitioned some or all of their care from state plan Long-Term Home Health (LTHH) and/or Private Duty Nursing (PDN) to IHSS. Staffing and workforce shortages are a challenge; however, the flexibility of IHSS and the agency-required backup care make IHSS a good alternative for members and families needing skilled care. Additionally, there is cost avoidance within IHSS regarding the increase in actual utilization of services in IHSS versus LTHH and/or PDN. This is because the authorized

<sup>1</sup> Other HCBS Costs are the costs for the services listed in Table 2 - Other HBCS Services by Waiver.

<sup>2</sup> State Plan Costs include all other Medicaid benefits that are not provided by the HCBS waivers, which may include long-term home health, in-home therapies, physician visits, medications, hospitalizations, and durable medical equipment.

<sup>3</sup> Institutional Costs are the average costs of services provided in an institutional setting.

services in IHSS can be provided by family members. If there was no workforce shortage, and all authorized services within LTHH and/or PDN were being utilized, the cost of care would be similar, if not higher, than costs for IHSS. For both adults and children, utilization management and review of skilled care needs—discussed in more detail below—has helped control per-member cost increases.

The inherent flexibility of IHSS is extremely beneficial for members with medically complex needs; several members have transitioned out of institutional settings to their homes with the support of IHSS agencies. The spectrum of members on IHSS varies from those receiving homemaker services a few times per week to technology-dependent adults and children receiving life-sustaining health maintenance activities.

#### **IV. Increased Participation in In-Home Support Services (IHSS)**

Like other state plan skilled services like Long-Term Home Health (LTHH) and Private Duty Nursing (PDN), IHSS permits family members to provide skilled health maintenance activities to members with a documented and demonstrated need. Pursuant to a legislative change made in 2014 by HB 14-1357, family members, including spouses, can provide up to forty hours per week of personal care services to adults.

Because of these flexibilities, approximately 78% of members receiving IHSS have live-in attendants providing their health maintenance activities or personal care services. In high acuity cases, IHSS can be authorized in conjunction with non-duplicative PDN or LTHH services. Additionally, IHSS requires an agency to provide back-up care for all scheduled visits and tasks in the care plan, ensuring services are rendered to the member. This is not required in the PDN and LTHH benefits. In many instances, families choose IHSS as an alternative to PDN or LTHH.

As a result of these flexibilities and the requirement for back-up care, the number of IHSS (Tables 6 and 7) and total IHSS expenditures (Tables 8 and 9) continue to increase. Although the allocated units could be the same, such as 24 hours of care in some cases, PDN experiences lower actual utilization compared to IHSS due to the staffing availabilities seen in the latter.

Specifically for children, IHSS enrollment increased 21.72% from FY 2020-2021 to FY 2021-2022 and from FY 2021-2022 to FY 2022-2023 enrollment increased by 18.75%. In the CHCBS waiver overall, the increase in enrollment from FY 2020-2021 to FY 2021-2022 was 9.27% and increased 5.44% from FY 2021-2022 to FY 2022-2023. This demonstrates that IHSS enrollees are already on the CHCBS waiver. This has increased steadily over the last several years as families learn about the benefits of self-direction over agency care. Comparatively, the increase to all IHSS waivers from FY 2020-2021 to FY 2021-2022 was 1.41% and increased 4.17% from FY 2021-2022 to FY 2022-2023.

There has also been a corresponding increase in the number of IHSS agencies throughout the state, allowing increased access to the service (Table 3). The number of IHSS Agencies has grown by more than 80% between FY 2017-2018 and FY 2022-2023. Moreover, the Department has instituted annual mandatory provider training covering the principles of self-direction; initial and ongoing provider training helps improve agency administration and service provision for members. A required post-training assessment ensures competency and comprehension of the material. This provider training has aided providers in their administration efforts and allowed for growth of agencies and therefore increased capacity to serve more members.

Table 6 - In-Home Support Services (IHSS) Member Count

	<i>FY 2017-18</i>	<i>FY 2018-19</i>	<i>FY 2019-20</i>	<i>FY 2020-21</i>	<i>FY 2021-22</i>	<i>FY 2022-23</i>
EBD/CIH	3,491	4,201	4,690	5,637	6,063	7,088
CHCBS	578	763	953	1,183	1,440	1,710

Table 7 - In-Home Support Services (IHSS) Percent Change in Participation

	<i>FY 2017-18</i>	<i>FY 2018-19</i>	<i>FY 2019-20</i>	<i>FY 2020-21</i>	<i>FY 2021-22</i>	<i>FY 2022-23</i>
EBD/CIH	47.99%	20.34%	11.64%	20.19%	7.56%	16.91%
CHCBS	42.36%	32.01%	24.90%	24.13%	21.72%	18.75%

Table 8 - In-Home Support Services (IHSS) HCBS-EBD/CIH (Adults) Total Expenditures

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Health Maintenance	\$60,011,211	\$69,631,194	\$81,378,639	\$92,752,021	\$100,036,085	\$113,055,822
Homemaker	\$6,575,568	\$11,019,541	\$16,092,053	\$21,447,910	\$27,768,526	\$34,763,016
Personal Care	\$24,456,533	\$39,311,538	\$14,352,938	\$17,014,342	\$19,627,599	\$26,550,208
Relative Personal Care	n/a	n/a	\$43,466,216	\$61,493,845	\$89,869,196	\$125,604,341
Total Cost	\$91,043,312	\$119,962,273	\$155,289,846	\$192,708,118	\$237,301,406	\$299,973,387

The aggregate costs for the services in Table 8 have increased by \$208 million, or 229% between FY 2017/18 and 2022/23.

Table 9 - In-Home Support Services (IHSS) CHCBS (Children) Total Expenditures

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Health Maintenance (Total Cost)	\$23,878,144	\$36,438,607	\$49,408,687	\$70,346,846	\$101,501,213	\$144,871,544

The total IHSS CHCBS services to children have increased by \$121 million, or 500% between FY 2017-2018 and FY 2022-2023.

## V. Programmatic Updates

With the continuation of the Public Health Emergency (PHE) and through the passage of the American Rescue Plan Act (ARPA), two initiatives have impacted IHSS. First, the Department maintained the Base Wage of \$15 per hour and prepared for an increase to \$15.75 per hour effective in the following fiscal year 2023-2024 to support the direct care workforce by significantly increasing reimbursement rates and requiring providers to increase direct care worker base wages. The Joint Budget Committee extended this initiative in 2023,



ensuring the continuation of supporting direct care workers. The Department spent an additional \$48,441,522 in Total Funds on IHSS through rate increases approved through the General Assembly in FY 2022-23. This specific initiative increased IHSS rate increase expenditures over the prior year by 315.6%. Secondly, the Department received approval from the General Assembly in SB 23-289 to implement Community First Choice (CFC), which will expand access to self-directed service delivery options, including IHSS. The implementation of CFC will significantly impact IHSS participation by opening the service beyond the current three waivers. Additional information is provided at the end of this report in Section VI, Strategies and Resources.

The Department has made great strides in ensuring members receive the appropriate level of service based on their medical and functional conditions. In 2020, the Department received funding through its R13 Budget Request to enhance the scope of work of the Long-Term Care Utilization Management (LTC UM) contract. The goal of the R13 Budget Request was to develop a robust and thorough UM program with oversight of IHSS and CDASS, ensuring case managers authorize appropriate services for members who choose to receive their health maintenance activities through participant-directed service delivery options. With the additional programmatic funding, the Department has been able to contract with the Utilization Review/Utilization Management (UR/UM) vendor, Telligen, for skilled Health Maintenance Activities (HMA) reviews to determine the appropriate clinical skill level. Telligen initiated HMA reviews in March 2021; as of March 2022, all members with IHSS HMA have had at least one UR/UM review.

As a result of the reviews, the data has shown that some requests for higher-level skilled services are not always justified by the member's functional or medical conditions. In some cases, skilled services requested overlapped with private duty nursing or long-term home health services already in place. UR/UM activities have resulted in shifts from skilled HMA to unskilled personal care for some members with lower acuity and care needs. Reviewing the proportion of authorized IHSS units outlined in Tables 10 and 11, HMA is no longer the dominant service for adults in IHSS. Prior to 2019, personal care and relative personal care data were combined. With the data now separated, there is a more accurate distribution of personal care needs.

If the workforce was not an issue, the Per Member Per Month (PMPM) cost for each of these services would be similar if not higher in home health, but due to the full utilization of allocated services, there are higher costs in IHSS. Consistent service plan reviews ensure that members with a documented medical or functional need for skilled services can effectively obtain these through IHSS.

Table - 10 In-Home Support Services (IHSS) HCBS-EBD/CIH (Adults) Percentage of Authorized Units by Service & Skill Level

	<i>FY 2017-18</i>	<i>FY 2018-19</i>	<i>FY 2019-20</i>	<i>FY 2020-21</i>	<i>FY 2021-22</i>	<i>FY 2022-23</i>
Health Maintenance	65.9%	58.0%	52.4%	48.1%	42.2%	37.7%
Homemaker	7.2%	9.2%	10.4%	11.1%	11.7%	11.6%
Personal Care	26.9%	32.8%	9.2%	8.8%	8.3%	8.9%
Relative Personal Care	n/a	n/a	28.0%	31.9%	37.9%	41.9%
<b>Total Percent Skilled</b>	65.9%	58.0%	52.4%	48.1%	42.2%	37.7%
<b>Total Percent Unskilled</b>	34.1%	42.0%	47.6%	51.9%	57.8%	62.3%

Table - 11 In-Home Support Services (IHSS) HCBS-EBD/CIH/CHCBS (Adults and Children) Percentage of Authorized Units by Skill Level\*

	<i>FY 2017-18</i>	<i>FY 2018-19</i>	<i>FY 2019-20</i>	<i>FY 2020-21</i>	<i>FY 2021-22</i>	<i>FY 2022-23</i>
<b>Total Percent Skilled</b>	73.0%	67.8%	63.9%	62.0%	59.5%	58%
<b>Total Percent Unskilled</b>	27.0%	32.2%	36.1%	38.0%	40.5%	42%

\*CHCBS members only have access to skilled services in IHSS.

The Training and Operations Vendor, Consumer Direct of Colorado (CDCO), has several IHSS deliverables outlined in its contract. CDCO's role is to provide training and support to participant-directed programs stakeholders. In the past fiscal year, CDCO has conducted the following:

- Case management training
  - ✓ 23 trainings were conducted with 338 case managers participating.
- Case mediation services
  - ✓ 3 case mediations were facilitated.
- Resources and support for new and existing IHSS members
  - ✓ 2,370 IHSS Member Guides were distributed.
- Mandatory provider training for new and existing IHSS agencies
  - ✓ 18 trainings were conducted with 545 agency administrators in attendance.

The Department has worked with CDCO to build upon the current training curriculum for case managers and IHSS agencies. An interactive online IHSS member/Authorized Representative training course was developed to provide members with the education and tools to engage more fully in the development and management of their services; it was made available in the Spring of 2023.

## VI. Strategies and Resources

The Department works proactively with stakeholders to develop strategies and resources that improve implementation, support the growth of and interest in IHSS, and ensure sound stewardship of public funds. Specifically, the Department:

- Engages in regular stakeholder meetings, including the Participant-Directed Programs Policy Collaborative (PDPPC), the IHSS Subcommittee, and workgroups to increase awareness of IHSS and to solicit IHSS stakeholder feedback in policy development;
- Works proactively with new and existing IHSS agencies, providing resources and support for billing, training, and dispute resolution;

- Ensures sound stewardship of public funds through case reviews, audits, and training initiatives;
- Promotes the principles of self-direction in developing training and information for members, case managers, and agencies;
- Monitors provider reimbursement and cost controls while promoting the member's choice of attendants and services;
- Develops policy and programmatic updates necessary to maintain and enhance the effectiveness of service authorization and delivery;
- Maintains a list of current IHSS agencies for the use of members, families, and case management agencies;
- Provides resources for IHSS through Department communications, web-based training and resources, reference documents, and fact sheets; and
- Revises and submits waiver amendments to the federal Centers for Medicare & Medicaid Services (CMS) to allow greater participant-directed options when approved by the general assembly.

In addition, the following partnerships and resources are crucial to ensuring consistent implementation of In-Home Support Services (IHSS):

- The Colorado Department of Public Health & Environment (CDPHE) licenses home care agencies, conducts surveys required for IHSS certification, and investigates complaints about home care agencies' safety and quality of care.
- The Training and Operations Vendor supports stakeholders, including members, case managers, and IHSS agencies.
- The Utilization Review/Utilization Management (UR/UM) Vendor conducts health maintenance activity and over-cost containment reviews for case management agencies.

### **Community First Choice (CFC)**

Created by the 2010 Affordable Care Act and incorporated into Title XIX of the Social Security Act at Section 1915(k), CFC allows states to move select mandatory services and related optional services that promote independence or substitute for human assistance into the Medicaid state plan. These services become available to all Medicaid-eligible beneficiaries who meet the



institutional level of care, along with the needs-based criteria for each CFC service (42 CFR 441.500-590). As an incentive for adopting CFC, states receive an ongoing six additional percentage points on the federal medical assistance percentage (FMAP).

The Department anticipates implementing CFC by July 2025 and for the transition of waiver members to be completed by 2026. This transition will increase access beyond the three waivers in which IHSS is currently available. The Department anticipates that within the first three years of CFC being available, IHSS will see a 24% increase in participation.

### **Third-Party Assessments for Nursing Services (FY 2024-25 R-10)**

The Department requested funding in FY 2024-25 to modernize and streamline the state plan nursing services by securing funding for a third-party nurse assessor using one acuity tool for all nursing benefits, including HMA services. If approved by the General Assembly, the Department anticipates that establishing a third-party assessor for the PDN, LTHH, and HMA benefits will result in long-term cost savings by assessing members for the appropriate level of nursing services across the service modalities, thereby reducing duplicative service authorizations and potential conflicts of interest with the service providers. Furthermore, a streamlined assessment process will reduce the burden on members and their families, improving access to medically necessary services.

The Department has seen great success in implementing the UR/UM process to ensure the appropriateness of HMA service authorizations since 2021. While this process is working, the Department would like to make operational improvements to the UR/UM process. The anticipated increases in IHSS utilization through the expansion of the program with the implementation of Community First Choice (CFC) in July 2025, make the need for a streamlined approach to HMA authorization crucial for program sustainability.

The third-party assessor approach will allow for consistent, reliable review of all skilled care needed by members while streamlining the process. Not only will this approach allow for greater clarity for members, families, and advocates, but it also facilitates holistic, person-centered assessments. Stakeholders will benefit from reduced time and effort in the assessment, review, and approval process and from the incorporation of clinicians who are well-informed and knowledgeable about medically necessary skilled services and participant direction.

## VII. Conclusion

IHSS continues to experience growth in enrollment and authorized service utilization. The Department has enacted significant policy changes, stakeholder resources, and process improvements to ensure appropriate authorization of services. Programmatic growth is attributed to the fact that IHSS is one of the most reliable options for service provision in the long-term care continuum. While costs are increasing, more members benefit by receiving all medically necessary services authorized in a person-centered way. The work conducted by the UR/UM Vendor ensures adherence to existing policy and programmatic controls while ensuring members' identified needs are met. The Department will continue to analyze options on how to better manage this critical service.

Members who have experienced staffing shortages or missed visits in other skilled service delivery options, like Private Duty Nursing, have successfully transitioned to IHSS. Because attendants are not required to be licensed nurses or certified nurse aides, there is a larger potential pool of attendants who can assist the member. Many members rely on their friends or family members to provide the services needed to stay independent in their homes and communities. Home care agencies across the state have reported challenges in hiring and retaining staff; IHSS agencies have been less impacted thanks to the built-in workforce for IHSS members and the inherent flexibility of the services.

By empowering members with access to direct care, supporting member independence through Independent Core Living Services provisions, education on critical aspects of participant-directed programs, and the involvement of stakeholders and advocates, IHSS continues to be an essential part of the service-delivery continuum. The implementation of Community First Choice

will have long-lasting impacts on the Home and Community-Based Services landscape in Colorado and IHSS. The Community First Choice major initiative is expected to further increase IHSS enrollment. The Department remains dedicated to meeting members' needs, as appropriately authorized.