



COLORADO
Department of Health Care
Policy & Financing

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

July 1, 2021

The Honorable Dominick Moreno, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Senator Moreno:

In accordance with C.R.S. § 25.5-6-409.3 (4), the Colorado Department of Health Care Policy & Financing (the Department) respectfully submits our quarterly status report on the redesign of a consolidated Home and Community-Based Services (HCBS) waiver for Adults with Intellectual and Developmental Disabilities (IDD).

Since the April 2021 update, the Department has continued to make progress on the IDD consolidated waiver and complimentary initiatives. The Department is working to align service design, policies, and implementation across all HCBS waivers to serve all populations, including those who will access the IDD consolidated waiver. In doing so, the Department will advance the mutual aims of IDD waiver redesign, ensuring needed HCBS services are designed to be flexible, individualized and cost effective, and the larger effort to simplify and align across the state's system of HCBS Waivers. In simplifying and aligning services, the Department will make accessing services more straightforward and effortless and will help build provider capacity creating a more stable workforce for the future.

Specifically, this quarter the Department was able to make significant strides in various complimentary initiatives that not only support a consolidated waiver, but also, strengthen and align the HCBS system as a whole, and the services our members receive.

- The American Rescue Plan Act (ARPA) Funding includes a provision to increase the federal matching rate (FMAP) for spending on Medicaid HCBS by 10 percentage points. The Department has submitted an initial HCBS spending plan to the Centers for Medicare and Medicaid Services (CMS) that includes various projects and initiatives that would benefit and strengthen the IDD consolidated waiver.
- The Medicaid Provider Rate Review Advisory Committee (MPRRAC) finished their review cycle this quarter, reviewing all applicable HCBS provider rate reimbursements and will be making recommendations to the Joint Budget Committee (JBC) for areas

for process improvement. This review and the recommendations will help to align and improve all applicable HCBS rates, including the rates for the IDD services that will be consolidated.

- There has been continued work on the Direct Care Workforce Initiative, where the Department has worked with the Colorado Department of Public Health and Environment (CDPHE) to revise rules surrounding training and oversight requirements for Homemaker and Personal Care Services. This work is essential in a consolidated waiver to ensure we have a robust and prepared provider workforce to serve our members in a consolidated waiver.

Lastly, the Department continues to build upon the work completed in the actuarial analysis conducted by Bolton Health Actuarial, (2019) “Intellectual and Developmental Disabilities Waiver Redesign Project Cost Modeling.” Specifically, the Department has been and will continue to closely engage stakeholders on the development of the Person-Centered Budget Algorithm (PCBA), which is essential to implement a consolidated waiver. Using information gathered during the new assessment process, the PCBA will help identify a range of resources to be used during the support planning process.

This quarter, the Department has been planning for a “Soft Launch” of the new Assessment and Person-Centered Support Plan for this summer, for case managers and members to experience the automation within the new Care and Case Management Information Technology (IT) system, to collect data for the basic assessment rate methodology, and to obtain a more robust data set for development of the PCBA. The Department will be working with stakeholders this winter to continue development of the PCBA and begin to develop the structure for a new exceptions process to be implemented in tandem with the PCBA to address exceptional cases for individual’s whose needs are extraordinary and not fully captured within the PCBA.

Background information on the consolidated waiver is available on the Waiver Redesign Stakeholder Engagement [website](#). If you require further information or have additional questions, please contact the Department’s Legislative Liaison, Jo Donlin, at Jo.Donlin@state.co.us.

Sincerely,

Kim Bimestefer
Executive Director

KB/mab

Cc: Representative Julie McCluskie, Vice-chair, Joint Budget Committee
Senator Bob Rankin, Joint Budget Committee
Representative Leslie Herod, Joint Budget Committee
Representative Kim Ransom, Joint Budget Committee
Senator Chris Hansen, Joint Budget Committee
Carolyn Kampman, Staff Director, JBC
Eric Kurtz, JBC Analyst
Lauren Larson, Director, Office of State Planning and Budgeting
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