



January 1, 2022

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

Dear Representative McCluskie:

In accordance with § 25.5-6-409.3 (4), C.R.S., 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).

Following our previous October 2021 update, the Department has continued to make progress on the IDD consolidated waiver and complimentary initiatives. The Department continues working to align service design, policies, and implementation across all HCBS waivers to serve all populations, including those who would access the IDD consolidated waiver. In doing so, the Department will advance the mutual aims of IDD waiver redesign while ensuring needed HCBS services are designed to be flexible and simplified. The Department will make accessing services more straightforward and easier, while helping build provider capacity to streamline and stabilize the future workforce.

Specifically, and as noted below, this quarter, the Department was able to make significant strides in various complementary initiatives that not only support a consolidated waiver, but also strengthen and align the HCBS system 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%. The Department has begun to implement the approved ARPA Spending Plan. This plan includes various projects and initiatives that will benefit and strengthen our alignment work. The originally submitted plan which outlines how the state intends to enhance, expand, or strengthen Medicaid HCBS, are publicly available on the [Department's website](#). In particular, the Department's pursuit of Community First Choice will significantly improve service option availability to all HCBS members and make consolidation easier.
- There has been continued work on the [Direct Care Workforce Initiative](#), where, in addition to a robust stakeholder collaborative formed to work in partnership with stakeholders to identify and move forward strategies to support the

recruitment and retention of Colorado's direct care workforce, the Department has been working with stakeholders to implement a \$15.00 an hour Base Wage Requirement for Direct Care Workers effective January 1, 2022. This wage increase would target workers who currently receive the lowest rate of pay yet provide the vast majority of hands-on care to older adults and individuals with disabilities within our state, including personal care workers, homemakers, direct support professionals, and others. The funding associated with this initiative is part of the overarching effort to leverage the HCBS ARPA funds to stabilize and increase the Direct Care Workforce, while supporting hiring and retention efforts. 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.


- The Department is on track to implement Budget Request R-08 Supported Living Services Flexibilities approved in [SB 21- 205](#). The intent of this request is to expand access to care for adults with Intellectual or Developmental Disabilities (IDD) who are likely on the waiting list for the HCBS-DD waiver by offering additional Long-Term Services and Supports (LTSS) to members enrolled in the HCBS-SLS waiver program to avoid emergency enrollment into HCBS-DD waiver. This R-08 Supported Living Services Flexibilities initiative directly impacts a consolidated waiver as the Department is using direct feedback and recommendations received from Waiver Redesign stakeholders for the design and implementation. Furthermore, the Department anticipates these flexibilities and the availability of additional services and supports will not only give members the appropriate level of care they need, but also the opportunity to remain in the community of their choice and the residence of their choosing.
- 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 continued planning for a "Soft Launch" of the [New Assessment and Person-Centered Support Plan](#), targeted for early 2022, for case managers to experience the assessment and support planning automation functionality within the new Care and Case Management Information Technology (IT) system prior to full system implementation. The Department will also be working with stakeholders in the spring of 2022 to begin development of a new Exceptions Process to account

for exceptional outlier cases of 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: Senator Dominick Moreno, 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
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