New Colorado Assessment Hospital Level of Care Report

Report 3 for the Colorado Assessment and Support Plan Pilot
Prepared for the Colorado Department of Health Policy and Financing

HCBS STRATEGIES INCORPORATED

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Executive Summary

The Colorado Department of Health Care Policy and Financing (the Department) contracted with HCBS Strategies to pilot its new assessment and support planning process for Medicaid-funded long-term services and supports (LTSS). The Department undertook this effort because of concerns about the reliability and validity of the items in the current tool used for eligibility determinations, the Uniform Long-Term Care (ULTC) 100.2 assessment.

For several of its waivers, the Department needs to have both a nursing facility level of care (NF-LOC) and a hospital level of care (H-LOC) to meet federally mandated budget neutrality requirements for 1915(c) waivers. By classifying high-cost individuals as meeting H-LOC and comparing their costs to average hospital costs (which are substantially higher), the State can meet budget neutrality for the remaining participants who only meet NF-LOC.

Colorado also uses H-LOC as the sole eligibility criteria for its Children with Life-Limiting Illness (CLLI) waiver.

Unfortunately, the Department does not have a prospective and standardized methodology for establishing hospital level of care (H-LOC).

Using data from a pilot of the new assessment process, HCBS Strategies modeled H-LOC criteria to establish standardized and prospective H-LOC criteria that will classify sufficient numbers of participants with high costs as meeting H-LOC to allow the Department to meet both the H-LOC and NF-LOC budget neutrality requirements included on The Centers for Medicare & Medicaid Services (CMS) Form 372. This modeling effort also examined the impact on eligibility for children because H-LOC also establishes eligibility for many children, notably those on CLLI.

While Colorado can only have one NF-LOC criteria that is applied to all its 1915(c) waivers as well as nursing facilities, it may choose to have different H-LOC. CMS allows this because people go into hospitals for a variety of reasons. The Department gave guidance that while it is preferable to have the same H-LOC criteria across waivers, it was more important to minimize disruptions in eligibility and meet budget neutrality requirements.

It was possible to establish a single H-LOC criteria across the waivers serving adults. This draft H-LOC criteria is that the individual meets the NF-LOC and requires substantial assistance or is

fully dependent on supports in the past three days on any of the following activities of daily living (ADLs) from the new assessment[1]:

- Bathing
- Dressing – Upper Body
- Dressing – Lower Body
- Toilet Hygiene
- Toilet Transfer
- Chair to Bed Transfer
- Eating
- Tube Feeding

It is possible to simulate a similar H-LOC for the adult waivers using the current ULTC 100.2 data by classifying people who received a score of 3 or higher on one or more of the 100.2 ADLs that correspond to the ADLs from the new assessment and who met the nursing facility LOC as meeting H-LOC.

The adult H-LOC criteria (using items from the new assessment versus ULTC 100.2 items) for the pilot participants results in budget neutrality amounts that fall well below the CMS Form 372 (using data from SFY 2017-2018) thresholds for all relevant adult waivers.

It was necessary to craft distinct H-LOCs for the Children's Home and Community Based Services (CHCBS) and CLLI waivers to minimize disruptions in eligibility and meet budget neutrality. The proposed H-LOC for CHCBS is a combination of the adult H-LOC and additional criteria based on medical fragility. The proposed H-LOC for CLLI is that these children must have a diagnosis of a life limiting illness and meet one of the following: meet NF-LOC or be medically fragile.

The major concern is the small sample sizes for the waivers make it challenging to claim that these samples are statistically valid representatives for the entire waiver. This is somewhat allayed by the finding that the ratios for the average spending for people meeting versus not meeting H-LOC for the entire sample (which was much larger because it included participants on all of the waivers) were similar to the ratios for the sample participants in the impacted waivers. However, we recommend that the Department model the impact on relevant waivers by creating mock CMS Form 372 submissions using the draft ULTC 100.2 criteria.

[1] The draft H-LOC uses many of the same assessment items used for establishing NF-LOC, however, H-LOC uses a more stringent response option, substantial/maximal assistance or higher. The Substantial/maximal assistance response is defined as, "Helper does more than half the effort. Helper lifts or holds trunk or limbs and provides more than half the effort."

Background

The Department of Health Care Policy and Financing (Department) does not have a prospective and standardized methodology for establishing hospital level of care (H-LOC) criteria for its Home and Community Based Services (HCBS) waivers that use H-LOC. These waivers include Brain Injury (BI), Children's Home and Community Based Services (CHCBS), Children with Life-Limiting Illness (CLLI), and Spinal Cord Injury (SCI). Except for CLLI, these waivers also use the nursing facility LOC (NF-LOC) for establishing eligibility. The Department currently establishes H-LOC for CLLI using subjective criteria applied by case management staff. H-LOC for other waivers is determined retrospectively based on service use.

Using data from the level of care (LOC) and Nursing Facility (NF)/Hospital (H)-LOC and Reliability pilots (further discussed in the *Background on the New Assessment Process Pilot* section), HCBS Strategies modeled H-LOC criteria to establish standardized and prospective H-LOC criteria that will classify sufficient numbers of participants with high costs as meeting H-LOC to allow the Department to meet both the H-LOC and NF-LOC budget neutrality requirements included on CMS Form 372. The modeling effort also tried to minimize changes in eligibility for children on CHCBS and CLLI.

BACKGROUND ON THE NEW ASSESSMENT PROCESS PILOT

The Department contracted with HCBS Strategies to pilot the new assessment and support planning process because of concerns about the reliability and validity of the items in the current tool used for eligibility determinations; the lack of consistent collection of all necessary data; and the ability of the current tool to support a person-centered process, including the development of a person-centered Support Plan. Senate Bill 16-192, which was enacted after the Department began developing a new assessment and support planning process, added a legislative mandate to create a added a legislative mandate to create a single assessment process for all individuals seeking or receiving long term services and supports (LTSS).

The data for these analyses were collected from the first two phases of this pilot:

- The level of care (LOC) pilot only collected data using the LOC Screen, which includes both current assessment items from the ULTC 100.2 and the items designed to replace them. The purpose of this pilot was to compare the items across the current and new assessment and comply with the Center for Medicare & Medicaid Services' (CMS) Testing Experience Functional Tools (TEFT) grant.
- The Nursing Facility (NF)/Hospital (H)-LOC and Reliability pilot collected data necessary to fulfill the following functions:

- Replicating the NF-LOC for adults.
- Establishing a more objective NF-LOC criteria for children.
- Establishing objective and prospective H-LOC for all of Colorado's relevant HCBS waivers.
- Testing the reliability, including the inter-rater reliability, of select items in the new assessment that may be used for NF-LOC, H-LOC, and resource allocation that have not previously been tested for reliability.

Methodology

CASE MANAGERS

Case managers were drawn from the existing pool of case managers at the Single-Entry Points (SEPs), Community Centered Boards (CCBs), and the Department of Human Services (DHS). An invitation that emphasized the importance of this effort and the compensation available went out to all case managers. One hundred and twenty-three case managers expressed a desire to participate. Information on the number of assessments these case managers conducted in the past year and the populations they assessed was obtained from the Department, and this information was utilized to select a pool of 68 case managers based on the following criteria:

- The total number of assessments they had conducted in the past year.
- The populations they had assessed.
- The geographic area they served, to have a range of agencies and representation in urban, rural, and frontier settings.

This pool of 68 case managers also included four additional case managers who, after not being selected, indicated that the number of assessments they would be conducting would be substantially higher than the information from the past year predicted.

For both the LOC and NF/H-LOC & Reliability pilots, case managers participated in day-long trainings held in-person at five sites across the state. Several case managers withdrew from the pilot because they left their agencies or had other family or work pressures they did not originally anticipate. At the end of the LOC pilot, there were 62 case managers, 52 of whom continued to the NF/H-LOC & Reliability pilot.

PARTICIPANTS

Participants were selected from scheduled ULTC 100.2 initial assessments or reassessments. A target of 100 assessments was set for each of the following categories: Individuals with intellectual

and developmental disabilities (IDD); older adults and adults with physical disabilities (APD); individuals with mental health conditions; and children, who were broken into two cohorts: 1) Non-CLLI children, which includes children on the CES, CHCBS, and CHRP waivers and 2) CLLI children, who are children enrolled in the CLLI waiver.

Case managers were instructed to offer all participants with scheduled ULTC 100.2 assessments during the pilot timeframes for the opportunity to participate in the pilot to prevent them from introducing a selection bias (e.g., only selecting cases that would take less time to assess). As shown in **Exhibit 1**, 447 participants agreed to participate in the pilot.

All assessments for these analyses were conducted between March 2019 and January 2020. Targets were met or close to being met for all populations except for children (see **Exhibit 1**). While extensive efforts were made to involve more children in the pilot, there are far fewer assessments done with this population and some of the agencies that provide case management to a large number of children declined to participate.

Exhibit 1: Number of Pilot Participant Assessments by Population and Assessor Method

Population	Single/Primary Assessor
Children - Non-CLLI	96
Children - CLLI	19
APD	134
IDD	98
Mental Health	100
Total	**447**

IDENTIFYING ITEMS PREDICTIVE OF HIGH MEDICAID EXPENDITURES

The first step was to identify the variables that had the strongest relationship to costs (both waiver and other Medicaid costs). These variables would be the focus of the model.

The Department provided HCBS Strategies with Medicaid waiver and other Medicaid expenditure data for each pilot participant. HCBS Strategies converted these numbers into average monthly costs to allow for more comparability regardless of the length of stay within the waivers.

HCBS Strategies used regression analyses to calculate the coefficient of determination (R^2) between the new assessment items and costs. The items in **Exhibit 2** had an R^2 score greater than .20 were selected to include in the modeling exercise.

Exhibit 2: R^2 Score Greater Than .20 That Were Included in the Model

Variable	R^2
Tube feeding - usual	0.43
Tube feeding - dependent	0.38
Toilet hygiene - dependent	0.37
Toilet hygiene - usual	0.36
Bathing - dependent	0.30
Bathing - usual	0.30
Lower body dressing - usual	0.30
Eating - usual	0.29
Lower body dressing - dependent	0.29
Eating - dependent	0.28
Upper body dressing - usual	0.28
Upper body dressing - dependent	0.27
Car transfer - usual	0.27
Car transfer - dependent	0.26
Chair to bed transfer - dependent	0.25
Chair to bed transfer - usual	0.24
Footwear - usual	0.24
Footwear - dependent	0.22
Toilet transfer - dependent	0.20

DEVELOPING THE H-LOC MODELING FILE

The H-LOC modeling file is similar to the NF-LOC modeling file, with the following differences:

- The H-LOC modeling file considers far fewer new assessment item levers because only items with an R^2 above .20 were included. Levers allow the users of the modeling file spreadsheet to manipulate individual item response values for meeting LOC to determine the impact of changing the response threshold (e.g., supervision vs. partial moderate assistance) or removing an item on the entire pilot population. **Exhibit 3** below shows the setup of the levers for this modeling exercise.
- Items from the ULTC 100.2 were added to the H-LOC modeling file as a parallel set of levers to determine if the criteria could also be used using only ULTC 100.2 data.
- The H-LOC outcome tables were altered to show comparisons across the entire population, adults, children, and the waivers with H-LOC for the following:
  - The number, percent, and average daily cost of individuals who meet H-LOC, NF-LOC only, and neither H-LOC nor NF-LOC.
  - The daily threshold rate for Hospital and Nursing Facility in Colorado from the Fiscal Year (FY) 2017-2018 372 reports.

- The difference between the facility costs and corresponding LOC and identification of whether it meets the cost neutrality threshold.

Note that CLLI does not have a NF Daily Threshold from the 372 reports because this waiver only has an H-LOC.

Outcomes

H-LOC FOR THE ADULT WAIVERS

HCBS Strategies developed draft H-LOC criteria that resulted in meeting the budget neutrality thresholds using the smallest number of new assessment items necessary. The draft H-LOC criteria is that the individual meets the nursing facility LOC and requires substantial assistance or is fully dependent on supports on usual performance on any of the following activities of daily living (ADLs):

- Bathing
- Dressing – Upper Body
- Dressing – Lower Body
- Toilet Hygiene
- Toilet Transfer
- Chair to Bed Transfer
- Eating
- Tube Feeding

To meet H-LOC, participants would also need to meet NF-LOC. This is important to prevent the possibility of someone qualifying for services based on meeting the threshold for LOC on only one ADL item from the new assessment (although this is very unlikely).

It is possible to simulate a similar H-LOC using the current ULTC 100.2 data by classifying people who received a score of 3 or higher on one or more of the identified ADLs and who met the nursing facility LOC as meeting H-LOC. This is shown in **Exhibit 3**.

Exhibit 3: Hospital Level of Care Levers for New Assessment and 100.2 ADL Items

New Assessment Variable Name	New Item Lever	100.2 Variable Name	100.2 Item Lever
Bathing- Usual	Substantial/maximal assistance	Bathing	3
Bathing- Most Dependent			
Dressing- Upper Body- Usual	Substantial/maximal assistance	Dressing	3
Dressing- Upper Body- Most Dependent			
Dressing- Lower Body- Usual	Substantial/maximal assistance		
Dressing- Lower Body- Most Dependent			
Dressing- Footwear- Usual			
Dressing- Footwear- Most Dependent			
Toileting- Toilet Hygiene- Usual	Substantial/maximal assistance	Toileting	3
Toileting- Toilet Hygiene- Most Dependent			
Toileting- Toilet Transfer- Most Dependent	Substantial/maximal assistance		
Transfer- Chair/Bed to Chair- Usual	Substantial/maximal assistance	Transferring	3
Transfer- Chair/Bed to Chair- Most Dependent			
Transfer- Car Transfer- Usual			
Transfer- Car Transfer- Most Dependent			
Eating- Eating- Usual	Substantial/maximal assistance	Eating	3
Eating- Eating- Most Dependent			
Eating- Tube Feeding- Usual	Substantial/maximal assistance		
Eating- Tube Feeding- Most Dependent			

The effect of the draft H-LOC for adult waivers on budget neutrality using the criteria based on the new items and the ULTC 100.2 are presented in **Exhibits 4 and 5**.

OUTCOMES

H-LOC Outcome Exhibit 4: Analysis of H-LOC Eligibility and Costs Across BI and SCI Waivers for New Assessment Items																
Waiver	# of Participants	Meet Hospital LOC			372 Hospital Daily Threshold			Meet NF-LOC Only			372 NF Daily Threshold			Do Not Meet NF-LOC		
		#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day
Total	**447**	**158**	**35%**	**$181.13**				**273**	**61%**	**$74.04**				**15**	**3%**	**$54.55**
Total Adults	**333**	**84**	**25%**	**$200.28**				**236**	**71%**	**$71.27**				**12**	**4%**	**$60.21**
BI	15	7	47%	$232.97	$478.93	$245.96	Y	7	47%	$106.48	$196.76	$90.28	Y	1	7%	$526.02
SCI	15	10	67%	258.64	$474.04	$215.41	Y	5	33%	$29.34	$196.76	$167.42	Y	0	0%	$ -

H-LOC Outcome Exhibit 5: Analysis of H-LOC Eligibility and Costs Across BI and SCI Waivers for 100.2 Items																
Waiver	# of Participants	Meet Hospital LOC			372 NF Daily Threshold			Meet NF-LOC Only			372 NF Daily Threshold			Do Not Meet NF-LOC		
		#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day
Total	**447**	**70**	**16%**	**$241.72**				**364**	**81%**	**$87.96**				**12**	**3%**	**$59.33**
Total Adults	**333**	**34**	**10%**	**$267.72**				**287**	**86%**	**$85.54**				**11**	**3%**	**$64.73**
BI	15	2	13%	300.87	$478.93	$178.06	Y	12	80%	147.87	$196.76	$48.89	Y	1	7%	$526.02
SCI	15	7	47%	$259.68	$474.04	$214.36	Y	8	53%	114.41	$196.76	$82.35	Y	0	0%	$ -

ADAPTATION FOR THE WAIVERS SUPPORTING CHILDREN

While the draft H-LOC achieved the budget neutrality goal for all the waivers, applying that version of H-LOC did not achieve the other goal, minimizing disruptions with eligibility.

CHCBS H-LOC Criteria

The CHCBS waiver uses two different LOCs, NF-LOC and H-LOC. The proposed NF-LOC for CHCBS must be the same as the draft NF-LOC used for the other waivers.

Exhibit 6 shows that one-fourth of the children on CHCBS would lose eligibility if only the draft NF-LOC is used. After further review, it appeared that these 11 children should not have met NF-LOC under the ULTC 100.2 if those items were scored as described in the 100.2 narrative. The Department indicated that because the ULTC 100.2 does not capture information on medical fragility, case managers have been guided to capture this information in the memory & cognition or behaviors sections and score those sections with a consideration for medical fragility to allow participants to be eligible for the waiver. This use of the ULTC 100.2 items has likely resulted in a broadening of the eligibility criteria, allowing inappropriate participants to qualify for the waiver.

Exhibit 6: NF-LOC Eligibility for CHCBS Participants

Waiver Population		ULTC 100.2		New Items	
		#	%	#	%
CHCBS Waiver	Met NF-LOC	44	100%	33	75%
	NF-LOC Not Met	0	0%	11	25%

While none of these 11 children met NF-LOC, all were medically fragile. Examples of medical fragility included medication and monitoring following a transplant, supports needed during cancer treatment, and medical monitoring and oversight needed because of comorbid complex diagnoses.

The Department made the decision to include medical fragility criteria within the H-LOC for CHCBS to ensure these children maintained eligibility on the waiver. HCBS Strategies was tasked with researching criteria other states use for medical fragility.

After reviewing criteria from other states, New York's definition of medical fragility was selected because 1) it would not require the addition of a substantial number of new assessment items; 2) it did not require that a nurse or other medical professional complete these items; and 3) it included all of the children that Department staff agreed should remain on the waiver.

New York's definition[2] classifies children as medically fragile if they meet at least one of the following criteria:

- Technologically dependent for life or health-sustaining functions
- Complex medication regimen or medical interventions to maintain or improve health status
- Need for ongoing assessment or intervention to prevent serious deterioration of health status or medical complications that place life, health or development at risk

After further discussion with stakeholders and the Department, the first component of this criteria was refined to match a definition used by the United States Congress' Office of Technology. This definition describes a technology dependent child as *"a child who requires a medical device to compensate for the loss of a vital bodily function and substantial and ongoing nursing care to avert death or further disability*."[3]

Exhibit 7 shows that New York's medically fragile criteria restores eligibility for eight of the 11 participants who no longer met eligibility under the new assessment items.

Exhibit 7: Eligibility for CHCBS Participants Including Medically Fragile H-LOC Criteria

Waiver Population		ULTC 100.2		New Items	
		#	%	#	%
CHCBS Waiver	Met NF or H-LOC	44	100%	41	93%
	H or NF-LOC Not Met	0	0%	3	7%

The remaining three children who would no longer be eligible do not appear to have substantial needs. The following are short summaries of their assessments:

- A 13-year-old with Cystic Fibrosis who experiences minor fatigue with mobility but otherwise is age-appropriate in all ADLs and IADLs. At this time does not require any additional support to manage Cystic Fibrosis symptoms beyond oral medication management and reminders to eat enough calories, which is age-appropriate.
- A 12-year-old who was diagnosed with rare, potentially terminal cancers several year ago but is now in remission. Is age appropriate in all ADLs and IADLs. Requires hospital testing (blood work and full body scans) every four months but otherwise does not require additional supervision or treatment.
- A 2-year-old who is age-appropriate in for all ADLs and has some "concerns" related to neurological impairment and speech delay as a result of hemorrhagic neonatal stroke with

[2] Medically Fragile Children Work Group Report, Submitted by the Commissioners of the Department of Health and Office for People with Developmental Disabilities to the Governor and the Legislature, February 2013. https://www.health.ny.gov/health_care/medicaid/redesign/docs/2013-01-24_final_mfc_wrkgrp_rpt.pdf

[3] Office of Technology Assessment Technology-Dependent Children: Hospital v. Home Care A Technical Memorandum (Report No. OTA-TM-H-38). US Government Printing Office, Washington, DC 1987

subsequent seizure activity. Parents report he has hit all developmental milestones but does have some delay in mobility and speech. ULTC 100.2 narrative indicated that participant qualified because the PMIP indicated that the participant may be at risk for Cerebral Palsy and behavioral/learning disabilities, however, these have not manifested.

Expanding the eligibility criteria to include these children could potentially result in a substantial increase in the number of children who could be eligible.

The Ability of the Proposed LOC Criteria to Meet Budget Neutrality Requirements

A primary purpose of the H-LOC is to allow the State to meet the budget neutrality requirements. Because CLLI only uses H-LOC and the average spending for children on this waiver is below the average spending for hospital care, budget neutrality is not a concern for this waiver.

On the other hand, because CHCBS uses both NF-LOC and H-LOC criteria, the H-LOC criteria needs to shift enough high-cost children from the NF-LOC pool so that pool can be below the threshold based on average nursing facility spending.

When using the medical fragility criteria as the H-LOC criteria, the analyses suggest that the State should meet budget neutrality for NF-LOC (see ***Exhibit 8***). This is because children who met the medical fragility criteria, but not the NF-LOC had substantially lower spending, leaving high-cost children in the NF-LOC pool.

Exhibit 8: Analysis of Budget Neutrality if Only Medical Fragility is Considered for CHCBS H-LOC																
Waiver	# of Participants	Meet Hospital LOC						Meet NF-LOC Only						Do Not Meet NF-LOC		
		#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day
Total	**447**	**158**	**35%**	**$ 181.13**				**273**	**61%**	**$ 74.04**				**15**	**3%**	**$ 54.55**
Total Children	**115**	**74**	**64%**	**$ 159.99**				**38**	**33%**	**$ 89.60**				**3**	**3%**	**$ 42.85**
CHCBS	44	22	50%	$ 97.15	$863.98	$ 766.84	Y	19	43%	$ 115.57	$ 196.76	$ 81.19	Y	3	7%	$ 42.85

The Department could further enhance the ability of draft H-LOC to meet budget neutrality if it uses both the draft H-LOC for the adult waivers and the medical fragility criteria. Under this proposal, a participant would meet H-LOC if they meet the following:

- Meeting the draft H-LOC for adult waivers: the participant meets the NF-LOC criteria AND requires substantial/maximal assistance in one or more ADL categories; OR
- Meeting at least one of the following medical fragility criteria:
    - Requiring a medical device to compensate for the loss of a vital bodily function and substantial and ongoing nursing care to avert death or further disability.
    - Complex medication regimen or medical interventions to maintain or improve health status
    - Need for ongoing assessment or intervention to prevent serious deterioration of health status or medical complications that place life, health or development at risk

An advantage of this approach is that it would allow the Department to start applying this H-LOC prior to the implementation of the new assessment by using items from the ULTC 100.2 as proxies for the first criteria. In this case, it would need to only use the functioning-based criteria because the medically fragile criteria cannot be replicated using ULTC 100.2 items.

Exhibits 9 and 10 present the estimated average costs for CHCBS participants meeting this draft alternative H-LOC and NF-LOC using the new assessment items and proxy items from the ULTC 100.2 and the estimated average costs for CLLI participants meeting the draft H-LOC using the new assessment items and proxy items from the ULTC 100.2. These findings suggest that these criteria will allow the Department to meet the waiver budget neutrality requirements that are reported in CMS Form 372.

H-LOC Outcome Exhibit 9: Analysis of Alternative H-LOC Eligibility and Costs Across CHCBS and CLLI Waivers for New Assessment Items																
Waiver	# of Participants	Meet Hospital LOC			372 Hospital Daily Threshold			Meet NF-LOC Only			372 NF Daily Threshold			Do Not Meet NF-LOC		
		#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day
Total	**447**	**158**	**35%**	**$181.13**				**273**	**61%**	**$74.04**				**15**	**3%**	**$54.55**
Total Children	**115**	**74**	**64%**	**$159.40**				**37**	**32%**	**$91.75**				**3**	**3%**	**$31.92**
CHCBS	44	23	52%	$101.18	$863.98	$762.80	Y	18	41%	$121.43	$196.76	$75.33	Y	3	7%	$31.92
CLLI	19	11	58%	$239.37	$863.63	$624.26	Y	8	42%	$99.15				0	0%	$0

H-LOC Outcome Exhibit 10: Analysis of Alternative H-LOC Eligibility and Costs Across CHCBS and CLLI Waivers for 100.2 Items																
Waiver	# of Participants	Meet Hospital LOC			372 NF Daily Threshold			Meet NF-LOC Only			372 NF Daily Threshold			Do Not Meet NF-LOC		
		#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day	$/Day	Difference	Met	#	%	Avg. $/Day
Total	**447**	**71**	**16%**	**$241.60**				**364**	**81%**	**$87.96**				**12**	**3%**	**$59.33**
Total Children	**115**	**34**	**32%**	**$217.61**				**77**	**67%**	**$96.99**				**1**	**1%**	**$-**
CHCBS	44	4	9%	250.97	$863.98	$613.02	Y	39	89%	$92.43	$196.76	$104.33	Y	1	2%	$-
CLLI	19	10	53%	$180.14	$863.63	$683.49	Y	9	47%	$180.53				0	0%	$-

CLLI H-LOC

Of the 19 children in the pilot on CLLI, 9 (47%) did not meet the draft H-LOC set for the adult waivers. Thus, it became clear that CLLI would require different H-LOC criteria.

A variety of different criteria were explored using items that were added to the pilot to capture information based upon the types of factors that Department staff who reviewed and determined eligibility for CLLI considered. Unfortunately, even after establishing complex criteria that considered multiple different therapies, conditions, and treatments, sizeable numbers of children still did not meet LOC.

The analyses also revealed that all of the children on CLLI in the pilot met NF-LOC. Therefore, the proposed H-LOC for CLLI is that the children must 1) meet NF-LOC and 2) have a life limiting illness, defined as a medical condition that, in the opinion of the medical specialist involved, has a prognosis of death that is highly probable before the client reaches adulthood and 3) be under age 19.

Because of the relatively small sample size obtained during the pilot and the critical, life-sustaining nature of the services provided on the CLLI waiver, the Department reached out to agencies that oversee the CLLI waiver to ensure that the proposed H-LOC criteria would allow all appropriate individuals to remain on the CLLI waiver.

Each CLLI case manager was asked to complete a brief Excel spreadsheet to determine if each of their participants would meet the proposed criteria. All eight agencies that have current CLLI clients completed the spreadsheet, providing summaries of 199 total participants. The responding agencies included Adult Care Management, Inc. (ACMI), Alamosa County Public Health Department, Colorado Access, Jefferson County Department of Human Services, Larimer County Department of Human Services, Montezuma County Public Health Department, The Resource Exchange (TRE), and Weld County Area Agency on Aging.

HCBS Strategies and the Department conducted three follow-up interviews with the agencies (ACMI, Colorado Access, Jefferson County) that identified participants who did not meet the draft H-LOC criteria. These interviews revealed that there is a subset of individuals who do not meet NF-LOC but are medically fragile. HCBS Strategies discussed the CHCBS medical fragility criteria during each of the follow-up meetings and the agency representatives agreed that the medically fragile participants would be made eligible by including these criteria.

After conducting a detailed review of the medically fragile cases, the Department decided that it is critical to establish criteria that includes consideration for medical fragility in addition to functional needs identified through NF-LOC. The same items to identify medical fragility for CHCBS will be used for CLLI.

MODIFICATIONS TO THE ASSESSMENT TO ASSESS MEDICALLY FRAGILITY IN CHILDREN

Adopting the proposed medical fragility for H-LOC for CHCBS and CLLI would only require minor modifications to the assessment. The proposed approach is to include the following item in the LOC Screen:

1. Identify the conditions that apply to the participant:
   - ☐ Technologically-dependent for life or health-sustaining functions, describe:_____
   - ☐ Complex medication regimen or medical interventions to maintain or improve health status, describe:_____
   - ☐ Need for ongoing assessment or intervention to prevent serious deterioration of health status or medical complications that place life, health or development at risk, describe:_____
   - ☐ None apply

This item would only need to be asked of participants age 0-18 to determine whether they are potentially eligible for CHCBS or CLLI under the medically fragile H-LOC criteria. A narrative explanation of the conditions/diagnoses, treatments, and other details of the participant's situation would be required for all selected responses other than "None apply".

Conclusion

Both NF-LOC and H-LOC fall well below the CMS Form 372 (using data from SFY 2017-2018) thresholds for all relevant waivers for both the criteria based on the new items and the ULTC 100.2 items. Though these costs do meet budget neutrality, the G and G' are substantially different than what is currently reported on CMS Form 372. In addition, the proposed H-LOCs maintain eligibility for all children on CLLI and all children with substantial needs on CHCBS.

The major concern is the small pilot sample sizes for these waivers. This is somewhat allayed by the finding that the spending amounts for the entire waiver population were similar to the spending amounts for the sample participants. However, we recommend that the Department model the impact on current BI, SCI, and CHCBS participants by creating mock CMS Form 372 submissions using the draft ULTC 100.2 criteria. If these findings support the efficacy of the draft H-LOC, given the similarities between the ULTC 100.2 and new items version, the Department can be confident that it will work for the criteria based on the new items as well.