

# Update on the Health-Related Social Needs 1115 Waiver Amendment

Presented by the Department of Health Care Policy and  
Financing  
January 16, 2025

# Webinar Logistics

- We are recording - Avoid sharing protected health information
- Accessibility: Spanish language interpretation is available through the toolbar at the bottom of your screen



- Attendees will be muted during the presentation
- Use Q and A function to ask questions
- Materials will be distributed after the meeting

# Our Mission

Improving health care equity, access and outcomes for the people we serve while saving Coloradans money on health care and driving value for Colorado.

# What We Do

The Department of Health Care Policy and Financing administers Health First Colorado (Colorado's Medicaid program), Child Health Plan *Plus* (CHP+) and other health care programs for Coloradans who qualify.

# Colorado's 1115 Demonstration Waiver

- Federal rules set minimum standards related to Medicaid and CHP+ eligibility and required benefits.
- States may WAIVE some federal rules to have more flexibility, offer coverage to more people and cover more services under an 1115 Demonstration.
  - Waivers are a Five-Year Agreement with an option for renewal
  - States can amend existing 1115 waivers to cover additional services.

# Colorado's 1115 Demonstration Waiver

- The federal Centers for Medicare & Medicaid Services (CMS) required additional reporting and evaluation to demonstrate waiver effectiveness.
- HCPF received approval for a demonstration to cover Substance Use Disorder (SUD) services in Institutions for Mental Disease (IMDs) and other settings for the period of January 1, 2021 - December 31, 2025
- Renewal for the next 5 years submitted in December 2024

# Health Related Social Needs (HRSN) Amendment

Submitted August 12, 2024

In alignment with HB 24-1322, HCPF submitted an amendment to the current 1115 SUD waiver, which would authorize the addition of housing & nutrition services for the following populations:

- Individuals eligible for Permanent Supportive Housing (PSH) vouchers experiencing a behavioral health need and/or chronic health condition
- Individuals eligible for Colorado Fostering Success (CFS) vouchers
- Individuals eligible for Community Access Team (CAT) vouchers

# Housing Services



- Pre-tenancy and housing transition navigation services
- Rent/temporary housing up to 6 months, including utility costs
- One-time transition and moving costs
- Tenancy sustaining services



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# Nutrition Services



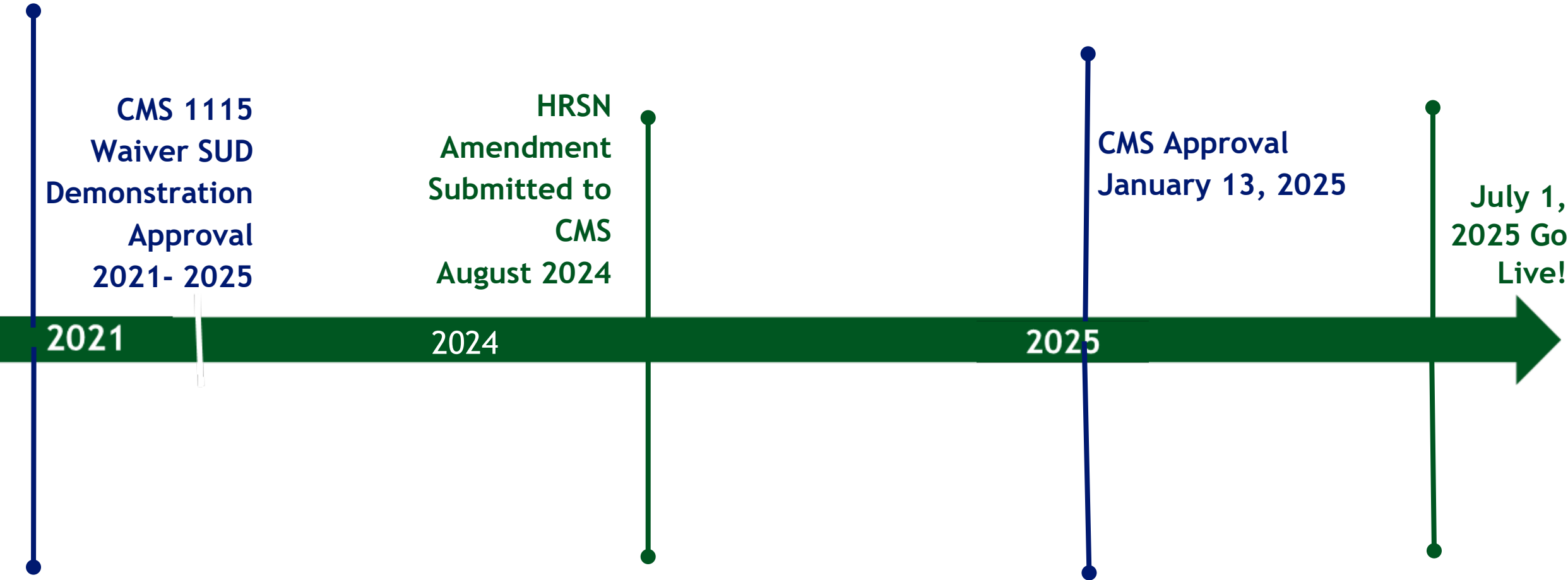
- Nutrition counseling and instruction
- Medically tailored meals
- Home-delivered meals or pantry stocking



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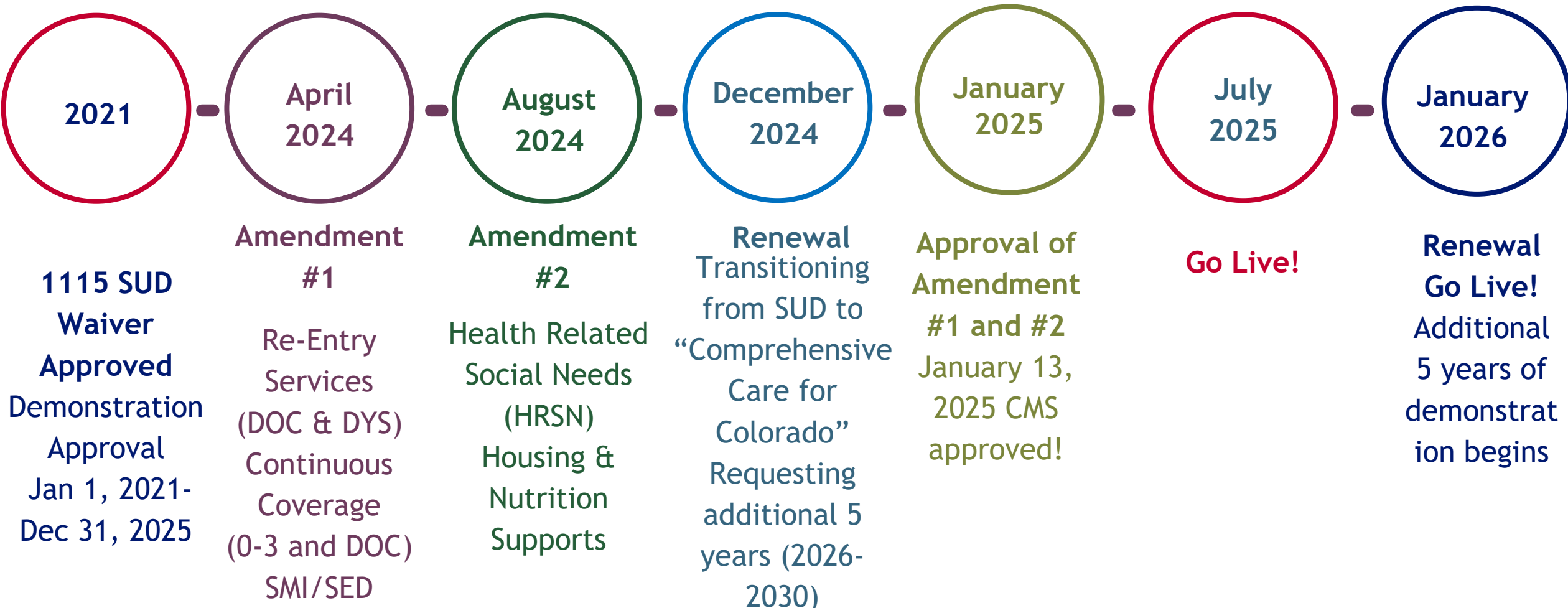
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# 1115 Waiver: HRSN Amendment



# 1115 Waiver

## Key Events and Timeline



# Budget Amendment

- [BA-07 Interagency Financing for 1115 Waiver](#)
  - Submitted January 2, 2025
  - FY 2025-26: July 1, 2025 Effective Date
- Goal: Maintain compliance with CMS waiver requirements, improve health outcomes
  - Adding funding across state agencies - HCPF, DOLA, DHS, DOC - to reflect the services that will receive Medicaid funding under the 1115 waiver
  - Requests administrative resources to implement and manage these financing changes (11 FTE with Medicaid match)

# Budget Amendment

- Requests that a new Cash Fund - Medicaid Comprehensive 1115 Waiver Reinvestment Fund - be established by legislation to capture the General Fund savings across agencies and across fiscal years
- Request includes Housing (Department of Local Affairs, Department of Human Services) and Reentry Services (Department of Corrections, Department of Human Services) for Medicaid Members

# Budget Amendment - Requirements

- HCPF was authorized to seek the HRSN 1115 Waiver Amendment via House Bill 24-1322, which also stipulates that HCPF shall only apply for the HRSN waiver component if it is found to be General Fund neutral in state fiscal year terms
- Demonstrates the implementation process by which this service expansion will be executed in a General Fund neutral way
  - No new General Fund is requested
  - Refinancing existing state programs that are General Fund only
- Ultimately this will expand services to historically underserved populations and maximize existing General Fund resources by leveraging Medicaid federal funds

# Budget Amendment - Housing

- Currently General Fund dollars fund three primary programs that can be refinanced using the health-related social needs (HRSN) Amendment
  - Permanent Supportive Housing (PSH) administered by DOLA
    - Individuals with a disabling condition who are experiencing or at risk of homelessness
    - Assumes 1,000 Medicaid Members
    - DOLA experiences a housing unit turnover rate of approximately 18%

# Budget Amendment - Housing

- Community Access Team (CAT) rental assistance administered by DOLA
  - Individuals who are at risk of requiring a nursing facility level of care
  - Assumes 325 Medicaid Members
- Colorado Fostering Success (CFS) which is jointly administered by DOLA and CDHS
  - Young adults ages 18 through 26 who left foster care on or after their 18th birthday
  - Assumes 100 Medicaid Members



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# Budget Amendment - Housing

- Rental Assistance Payments to DOLA include their costs for:
  - Housing Assistance
  - Utility Assistance
  - Voucher Administration Fee
- Tenancy Support Services (TSS) cover services to help individuals maintain stable housing through supportive services like case management, financial literacy, and other assistance mechanisms

# Budget Amendment - Phased Approach

- The scope of HRSN 1115 Waiver Amendment approved by CMS is broad
- In order to build the appropriate infrastructure and maintain General Fund neutrality, the Department plans to implement a phased approach
  - In the initial phase, limited to up to 6-months of Rental Assistance and Tenancy Support Service (TSS) for same individuals receiving rental assistance
    - 1:1 relationship between the Rental Assistance and TSS

# Budget Amendment - Phased Approach

- Includes Rental Assistance and TSS for Community Access Team (CAT) rental assistance for individuals at-risk of institutionalization
  - For individuals transitioning out of an institution, current Money Follows the Person (MFTP) federal funds are available through September 2027
- Includes Rental Assistance for Colorado Fostering Success (CFS)
  - The options and funding TSS for CFS is through a combination of Counties and DHS contracted third-party providers, so this is not included in the current budget request

# Budget Amendment - Phased Approach

- Future Budget Requests must be approved through the budget process before we can expand services and funding
  - Will work with the Governor's Office, the legislature, and stakeholders to phase-in allowable services under the waiver and subsequent budget requests
- In the next phase, the plan is to expand TSS to Medicaid Members beyond those receiving the initial 6 months of rental assistance and include move-in goods provided through DOLA programs

# Budget Amendment - Phased Approach

- In addition, the Department would expand the scope to include nutrition assistance (panty stocking, medically tailored meals)
- Savings generated in the Medicaid Comprehensive 1115 Waiver Reinvestment Fund can be used to fund these additional services
  - Money is available in future fiscal years
  - Money can only be used to cover services under the 1115 Waiver

# Budget Amendment - Operations

- DOLA will bill HCPF directly for the up to six months of rental assistance for each member eligible to receive HRSN support in a five year demonstration period
  - DOLA will be acting as a “fiscal intermediary” so all services will need to be documented and Medicaid eligibility verified

# Budget Amendment - Operations

- The billing process for (TSS) is more complex as DOLA contracts with third-party providers to deliver TSS to eligible individuals
  - To navigate this complexity, DOLA and HCPF have agreed that third-party providers contracted through DOLA can bill Medicaid directly for TSS and then DOLA's current General Fund can be used to offset HCPF's share of the Medicaid match
  - Information on how DOLA's third-party providers can bill will be available closer to June/July 2025



# Questions?





# Thank you!