

JOINT BUDGET COMMITTEE



STAFF BUDGET BRIEFING FY 2023-24

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

(Office of Community Living)

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
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ADDITIONAL RESOURCES

Brief summaries of all bills that passed during the 2021 and 2022 legislative sessions that had a fiscal impact on this department are available in Appendix A of the annual Appropriations Report: <https://leg.colorado.gov/publications/appropriations-report-fiscal-year-2022-23>.

The online version of the briefing document, which includes the Numbers Pages, may be found by searching the budget documents on the General Assembly's website by visiting leg.colorado.gov/content/budget/budget-documents. Once on the budget documents page, select the name of this department's *Department/Topic*, "Briefing" under *Type*, and ensure that *Start date* and *End date* encompass the date a document was presented to the JBC.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

DEPARTMENT OVERVIEW

The Department of Health Care Policy and Financing helps pay health and long-term care expenses for low-income and vulnerable populations. To assist with these costs, the Department receives significant federal matching funds, but must adhere to federal rules regarding program eligibility, benefits, and other features, as a condition of accepting the federal money. The major programs administered by the Department include:

- Medicaid – serves people with low income and people needing long-term care;
- Children's Basic Health Plan – provides a low-cost insurance option for children and pregnant women with income slightly higher than the Medicaid eligibility criteria;
- Colorado Indigent Care Program – defrays a portion of the costs to providers of uncompensated and under-compensated care for people with low income, if the provider agrees to program requirements for discounting charges to patients on a sliding scale based on income; and
- Old Age Pension Health and Medical Program – serves elderly people with low income who qualify for a state pension but do not qualify for Medicaid or Medicare.

The Department also performs functions related to improving the health care delivery system, including advising the General Assembly and the Governor, distributing tobacco tax funds through the Primary Care and Preventive Care Grant Program, financing Public School Health Services, administering Medicaid Waivers, and housing the Commission on Family Medicine Residency Training Programs.

This Joint Budget Committee staff budget briefing covers the Office of Community Living Division that oversees home- and community-based services for individuals with intellectual and developmental disabilities. The division is responsible for the following functions related to the provision of services by community-based providers:

- Administration of four Medicaid waivers for individuals with developmental disabilities;
- Establishment of service reimbursement rates;
- Ensuring compliance with federal Centers for Medicare and Medicaid rules and regulations;
- Communication and coordination with Community Centered Boards regarding waiver policies, rate changes, and waiting list information reporting; and
- Administration of the Family Support Services Program.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

| FUNDING SOURCE | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 * |
|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| General Fund | \$2,814,718,278 | \$3,058,051,411 | \$4,084,846,478 | \$4,430,841,585 |
| Cash Funds | 1,652,320,542 | 1,678,436,542 | 1,838,980,393 | 1,733,776,198 |
| Reappropriated Funds | 45,994,354 | 87,047,288 | 95,058,195 | 105,359,098 |
| Federal Funds | 7,563,106,406 | 8,637,872,527 | 8,202,179,331 | 8,624,193,930 |
| TOTAL FUNDS | \$12,076,139,580 | \$13,461,407,768 | \$14,221,064,397 | \$14,894,170,811 |
| Full Time Equiv. Staff | 557.2 | 654.9 | 741.8 | 752.9 |

*Requested appropriation.

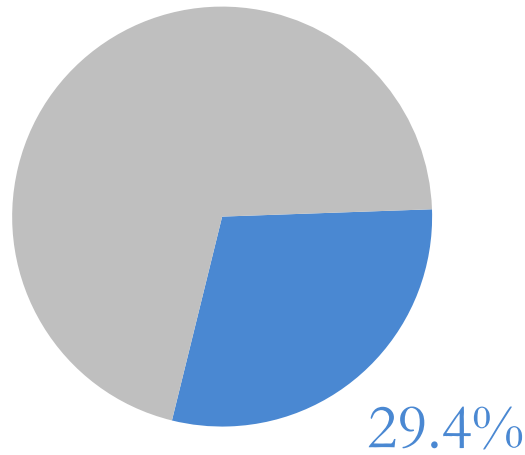
OFFICE OF COMMUNITY LIVING

| FUNDING SOURCE | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 * |
|------------------------|----------------------|----------------------|----------------------|------------------------|
| General Fund | \$286,328,411 | \$286,292,050 | \$463,584,702 | \$520,174,062 |
| Cash Funds | 16,526,567 | 51,811,995 | 36,456,851 | 17,795,220 |
| Federal Funds | 393,671,265 | 521,426,251 | 476,126,754 | 515,170,419 |
| TOTAL FUNDS | \$696,526,243 | \$859,530,296 | \$976,168,307 | \$1,053,139,701 |
| Full Time Equiv. Staff | 37.5 | 37.5 | 39.5 | 39.5 |

*Requested appropriation.

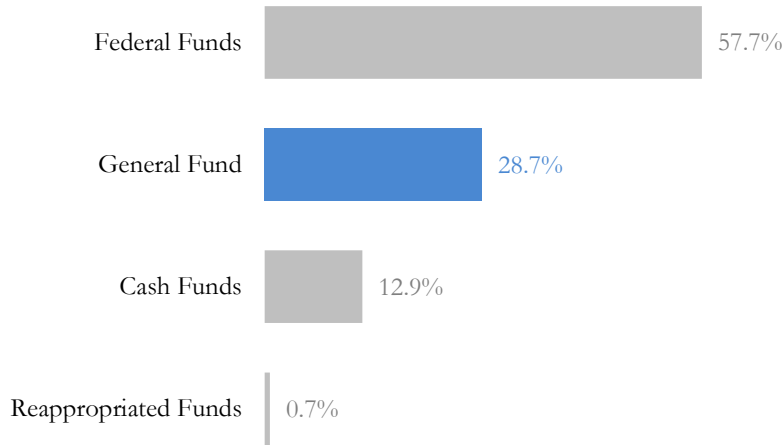
DEPARTMENT BUDGET: GRAPHIC OVERVIEW

Department's Share of Statewide General Fund



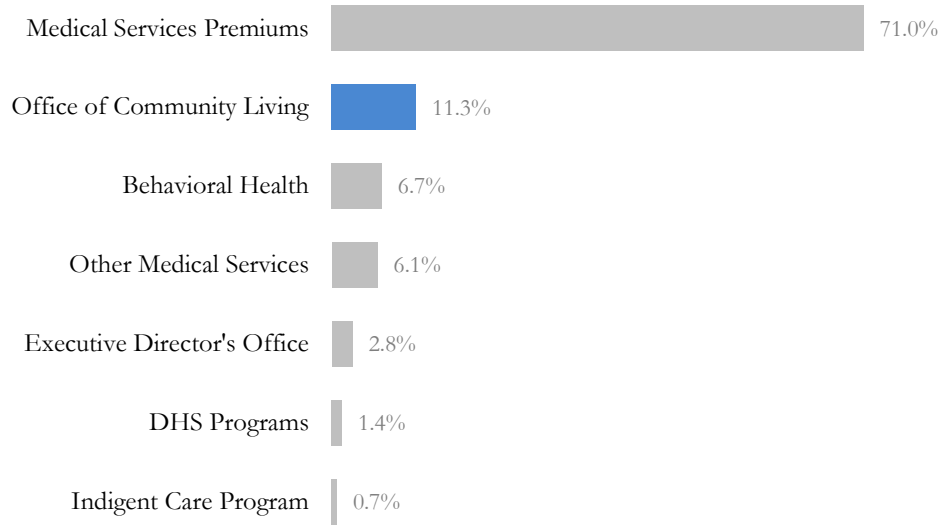
Based on the FY 2022-23 appropriation.

Department Funding Sources



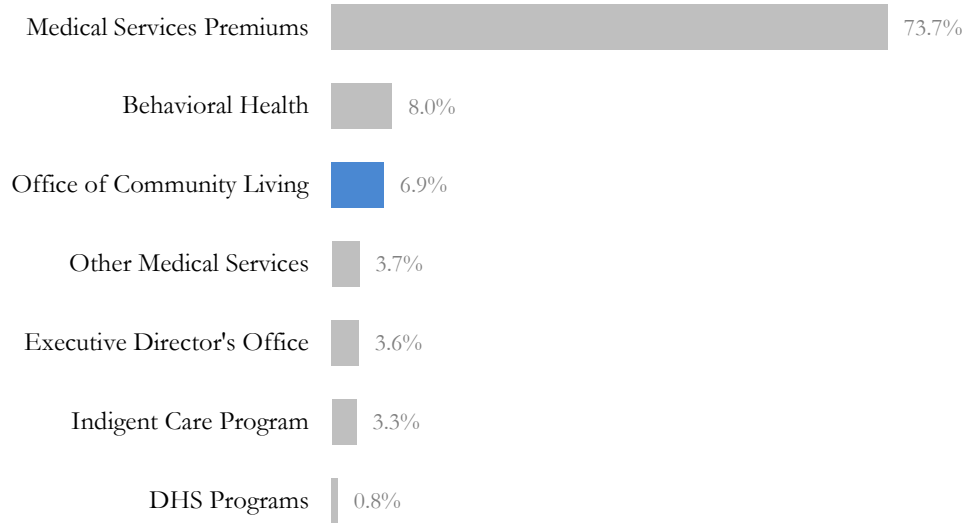
Based on the FY 2022-23 appropriation.

Distribution of General Fund by Division



Based on the FY 2022-23 appropriation.

Distribution of Total Funds by Division



Based on the FY 2022-23 appropriation.

GENERAL FACTORS DRIVING THE BUDGET

Medicaid vs Medicaid Waivers

Medicaid provides health insurance to people with low income and people needing long-term care. Participants generally do not pay annual premiums and copayments at the time of service are either nominal or not required. The federal government and state government share responsibility for financing, administering, and policy setting for the program. Medicaid generally operates as an entitlement program, meaning the people deemed eligible have a legal right to the plan benefits. As a result, if the eligible population and/or the eligible services utilized are greater than expected, then the state and federal government must pay the higher cost, regardless of the initial appropriation.

A Medicaid waiver is a provision in Medicaid law which allows the federal government to waive rules that usually apply to the Medicaid program. The intention is to allow individual states to accomplish certain goals, such as reducing costs, expanding coverage, or improving care for certain target groups. There are several different types of Medicaid waivers, all of which serve different purposes.

- **Section 1115 waivers** – Often referred to as research and demonstration waivers, these allow states to temporarily test out new approaches to delivering Medicaid care and financing.
- **Section 1915(c) waivers** – Home and Community-Based Services (HCBS) waivers are designed to allow states to provide home and community-based services to people in need of long-term care. This means they can stay in their own home or a community setting (such as a relative's home or a supported living community) instead of going into a facility.
- **Section 1915(b) waivers** – “Freedom of choice waivers” allow states to provide care via managed care delivery systems. These organizations contract with state Medicaid agencies, and are paid from the state Medicaid fund for providing health care services to the beneficiaries.

HCBS waivers must demonstrate that providing waiver services won't cost more than providing these services in an institution, sometimes known as budget neutrality.

Office of Community Living

Medicaid intellectual and developmental disability (IDD) waiver services are not subject to standard Medicaid State Plan service and duration limits, but rather are provided under a Medicaid waiver program. Colorado has four Medicaid waivers for intellectual and developmental disability services:

- Adult Comprehensive/Developmental Disabilities waiver (DD waiver) is for individuals over the age of 18 who require residential and daily support services to live in the community.
- Supported Living Services waiver (SLS waiver) is for individuals over the age of 18 who do not require residential services but require daily support services to live in the community.
- Children's Extensive Services waiver (CES waiver or children's waiver) is for youth aged 5 to 18 who do not require residential services but do require daily support services to be able to live in their family home.
- Children's Habilitation Residential Services waiver (CHRP waiver) is for children with intellectual and developmental disabilities and complex behavioral support needs requiring home and community based services.

Four factors determine the overall cost of waiver services, including:

- The number of individuals eligible for services;
- The number of enrollments funded for the DD waiver;
- The number of providers willing and able to provide services; and
- The rates of reimbursement for each type of services.

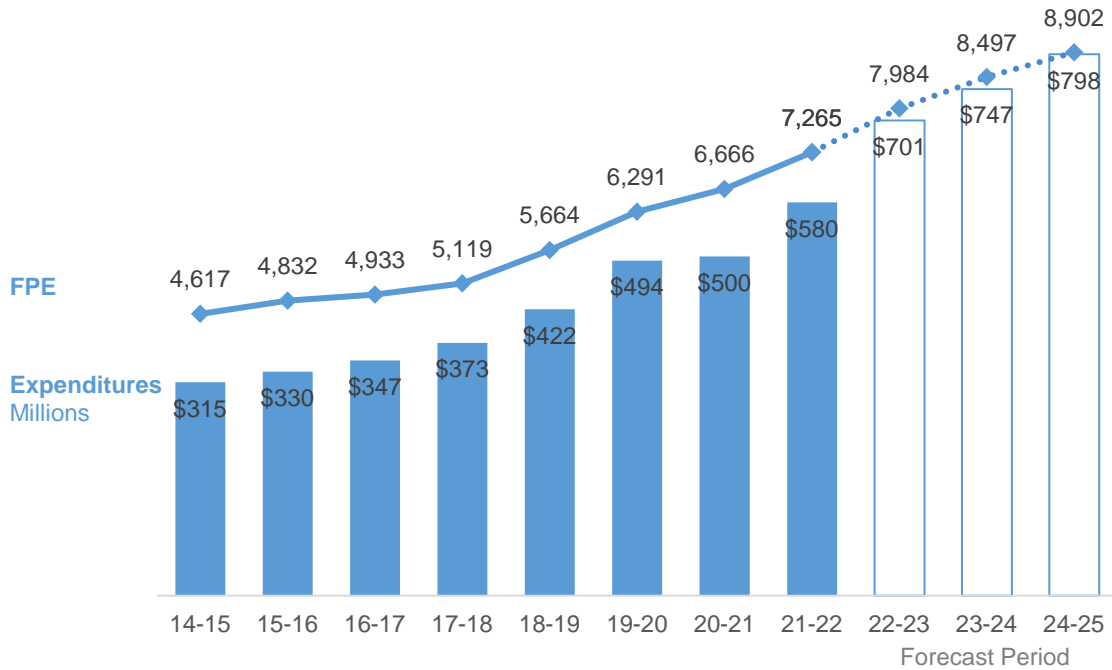
As part of the waivers, Colorado is allowed to limit the number of waiver program participants. Annually, the General Assembly appropriates sufficient funding to ensure no waiting list for the SLS, CES, and CHRP waivers.

Unlike the SLS, CES, and CHRP waivers, the DD program continues to have a waiting list for enrollments. The Department's annual budget request is based on forecasts of the cost per full-program-equivalent (FPE) in each of the waivers. FPE is calculated as the number of clients with a paid claim in a given month or year. Adjustments to targeted appropriations reflect the current average cost per FPE, are based upon current spending trends, and are intended to maximize the number of individuals that can be served in each program. Because the DD and CHRP waivers provide residential services in addition to daily support services, the average cost of the individuals receiving services through this waiver are significantly higher than those for individuals receiving services through other waivers.

The FY 2021-22 average monthly enrollment on the DD waiver was 7,404, up 8.9 percent from the previous fiscal year. As of November 2022, 2,973 individuals were identified as needing DD services as soon as available, an increase of 154 from the previous year's waitlist of 2,819. While the majority of these individuals receive services through other programs, including the SLS waiver, some may not be receiving the level of services required to meet their needs. New DD waiver enrollments are funded annually for youth transitioning to adult services, individuals requiring services resulting from emergency situations, and individuals transitioning from institutions.

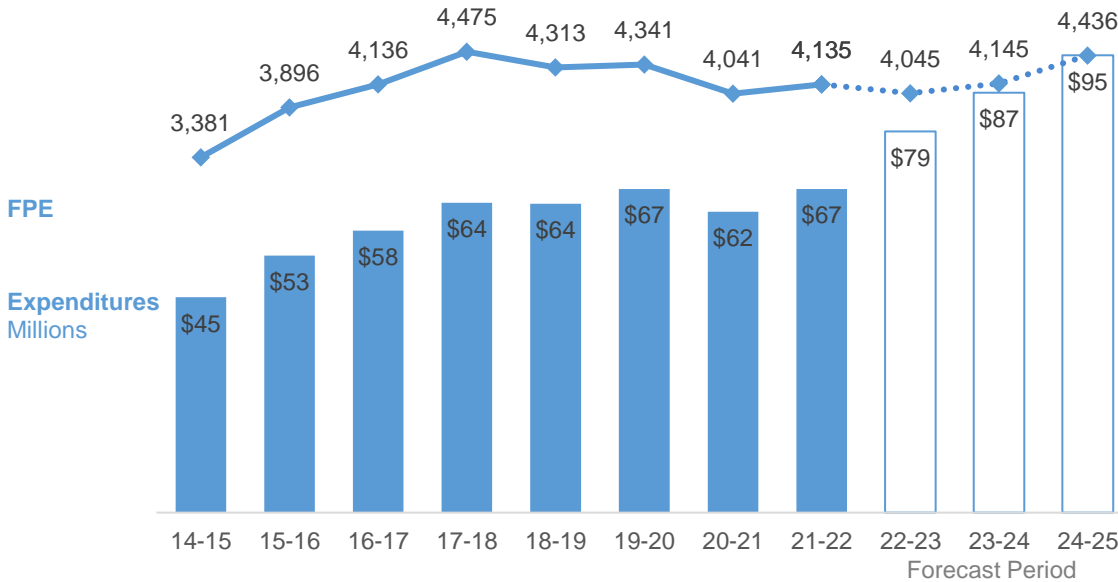
The Comprehensive waiver provides access to 24-hour/seven-day-a-week supervision through Residential Habilitation and Day Habilitation Services and Supports.

Comprehensive Services



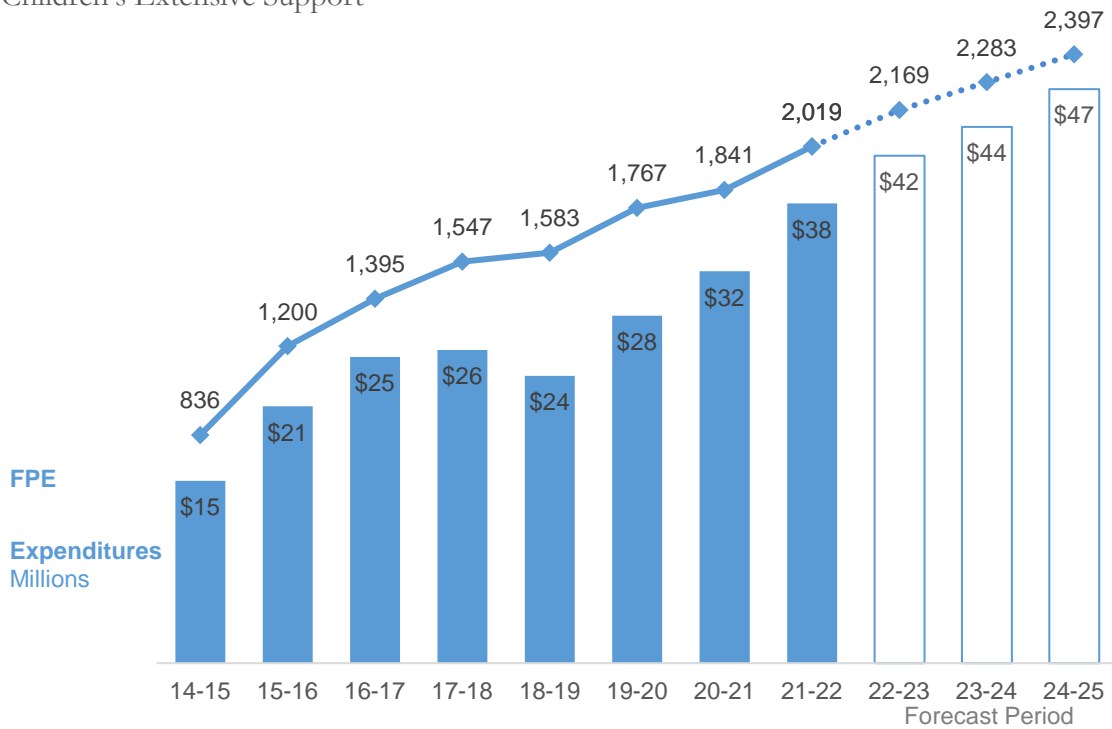
The Supported Living Services (SLS) waiver provides necessary services and supports for adults with intellectual or developmental disabilities so they can remain in their homes and communities with minimal impact to the individual’s community and social supports.

Supported Living Services



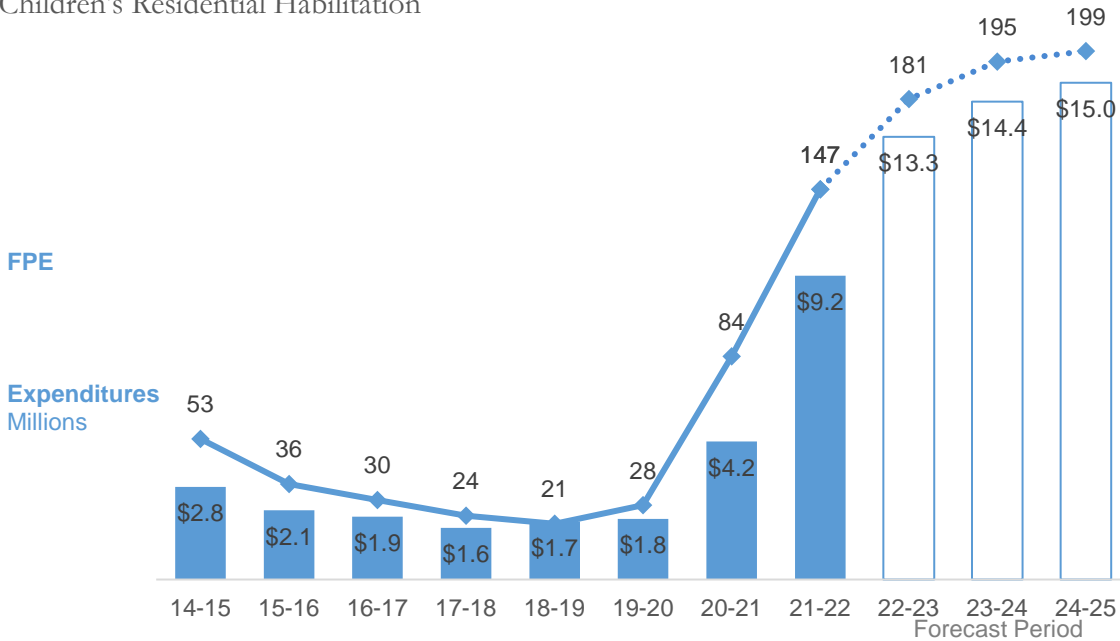
The Children’s Extensive Support (CES) waiver provides services and supports to children and families that will help children establish a long-term foundation for community inclusion as they grow into adulthood.

Children's Extensive Support



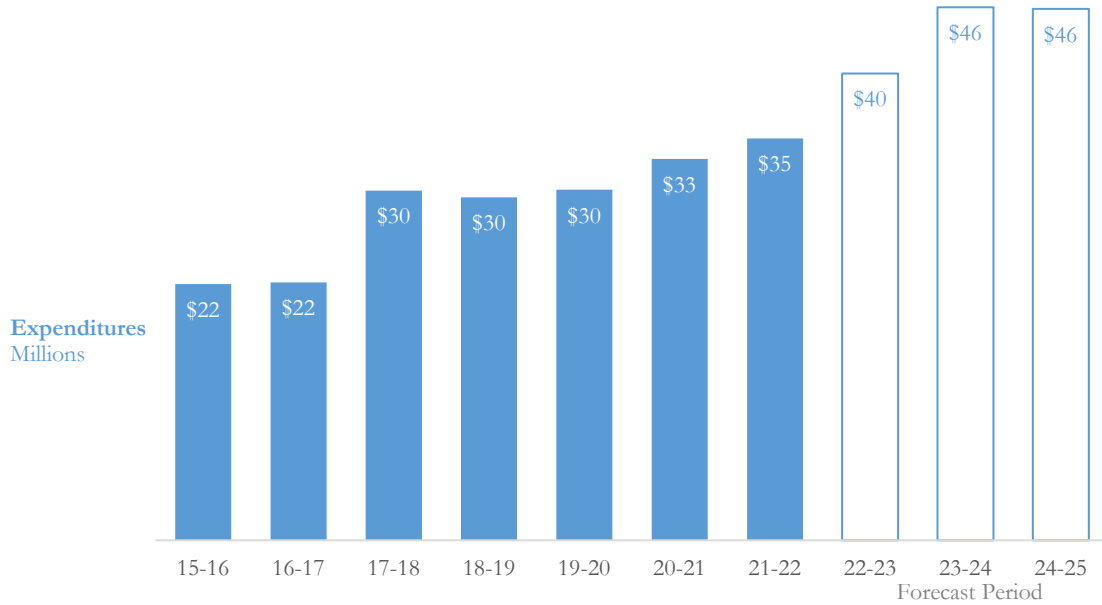
The Children’s Habilitation Residential Program (CHRP) waiver provides residential services for children and youth in foster care or at risk of child welfare involvement who have a developmental disability and very high needs that put them at risk for institutional care.

Children's Residential Habilitation



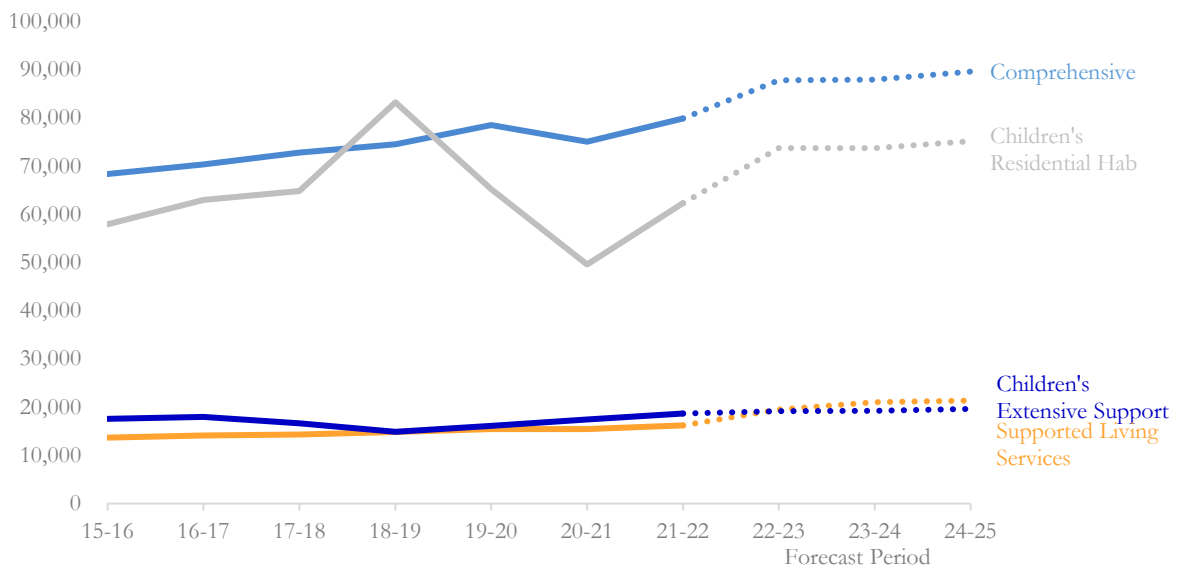
Targeted Case Management (TCM) provides assessment of each client’s long-term care needs, the development and implementation of personalized care plans, coordination and monitoring of the delivery of services, and evaluation of the effectiveness of services.

Case Management



The average number of individuals receiving a billable service at a given time is referred to as Full Person Equivalent (FPE).

Average Cost Per FPE



SUMMARY: FY 2022-23 APPROPRIATION & FY 2023-24 REQUEST

| DEPARTMENT OF HEALTH CARE POLICY AND FINANCING | | | | | | |
|--|------------------------|----------------------|---------------------|----------------------|----------------------|-------------|
| | TOTAL FUNDS | GENERAL FUND | CASH FUNDS | REAPPROPRIATED FUNDS | FEDERAL FUNDS | FTE |
| FY 2022-23 APPROPRIATION: | | | | | | |
| H.B. 22-1329 (Long Bill) | 976,168,307 | 463,584,702 | 36,456,851 | 0 | 476,126,754 | 39.5 |
| TOTAL | \$976,168,307 | \$463,584,702 | \$36,456,851 | \$0 | \$476,126,754 | 39.5 |
| FY 2023-24 REQUESTED APPROPRIATION: | | | | | | |
| FY 2022-23 Appropriation | \$976,168,307 | 463,584,702 | \$36,456,851 | \$0 | \$476,126,754 | 39.5 |
| R5 Office of Community Living | 29,857,884 | 14,353,416 | (37,375) | 0 | 15,541,843 | 0.0 |
| R7 Targeted provider rates | 26,931,008 | 7,573,818 | 5,891,693 | 0 | 13,465,497 | 0.0 |
| R7 Provider rates | 1,921,104 | 979,318 | 34,607 | 0 | 907,179 | 0.0 |
| R10 Children with complex needs | 3,538,858 | 0 | 1,769,429 | 0 | 1,769,429 | 0.0 |
| R13 Case management redesign | 2,956,309 | 0 | 1,478,155 | 0 | 1,478,154 | 0.0 |
| Annualize prior year budget actions | 11,766,231 | 33,682,808 | (27,798,140) | 0 | 5,881,563 | 0.0 |
| TOTAL | \$1,053,139,701 | \$520,174,062 | \$17,795,220 | \$0 | \$515,170,419 | 39.5 |
| INCREASE/(DECREASE) | \$76,971,394 | \$56,589,360 | (\$18,661,631) | \$0 | \$39,043,665 | 0.0 |
| Percentage Change | 7.9% | 12.2% | (51.2%) | 0.0% | 8.2% | 0.0% |

R5 OFFICE OF COMMUNITY LIVING: The request includes an increase of \$29.9 million total funds, including \$14.4 million General Fund, for caseload adjustments to maintain zero waitlists for the Home and Community Based Services Supported Living Services, Children’s Extensive Services, and Children’s Habilitation Residential Program waivers for individuals with intellectual and developmental disabilities, and fund 411 transition enrollments onto the Comprehensive waiver.

R7 TARGETED PROVIDER RATES: The request includes an increase of \$26.9 million total funds, including \$7.6 million General Fund, for a targeted rate increase for direct care workers providing HCBS services. During the 2022 Legislative Session a \$15 per hour base wage was implemented. This request would raise the base wage to \$15.75 in non-Denver counties, and \$17.29 in Denver (to comply with the recent increase in Denver’s minimum wage).

R7 PROVIDER RATES: The request includes an increase of \$1.9 million total funds, including \$1.0 million General Fund, for a 0.5 percent common policy provider rate adjustment. Provider rates were discussed by Ms. Smart at a previous briefing.

R10 CHILDREN WITH COMPLEX NEEDS: The Department requests \$3.5 million total funds in the Office of Community Living to: (1) create a department team for children with complex and co-occurring needs; (2) move certain payments for Autism Spectrum Disorder from fee-for-service to the managed care behavioral health program; and (3) expand skilled and therapeutic respite care for children with high physical and behavioral health needs. The Department proposes using federal funds made available through the American Rescue Plan Act to expand Home and Community Based Services through December 2024. This issue was discussed by Mr. Kurtz at a previous briefing.

R13 CASE MANAGEMENT REDESIGN: The request includes a net increase of \$3.6 million total funds, including \$168,000 General Fund in FY 2023-24, annualizing to \$9.0 million total funds including \$2.0

million General Fund in FY 2024-25 and \$9.0 million total funds including \$4.0 million General Fund in FY 2025-26 and beyond. The request seeks to: (1) Provide onetime costs for Community Centered Board and Single Entry Point closeout reviews, (2) increase rates and expand reimbursable activities for case management. (3) Provide Case Management training and learning management system licenses, and (4) Provide resources for the new Care/Case Management tool

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes adjustments for out-year impacts of prior year legislation and budget actions.

| ANNUALIZE PRIOR YEAR LEGISLATION AND BUDGET ACTIONS | | | | | | |
|---|---------------------|---------------------|-----------------------|----------------------|--------------------|------------|
| | TOTAL FUNDS | GENERAL FUND | CASH FUNDS | REAPPROPRIATED FUNDS | FEDERAL FUNDS | FTE |
| FY 2022-23 R10 Provider rates | \$60,238,749 | \$30,116,661 | \$4,265 | \$0 | \$30,117,823 | 0.0 |
| FY 2021-22 667 IDD enrollments | 6,455,911 | 3,227,956 | 0 | 0 | 3,227,955 | 0.0 |
| SB 21-039 Elimination of subminimum wage | 471,421 | 235,710 | 1 | 0 | 235,710 | 0.0 |
| FY 2022-23 R9 OCL program enhancements | 280,038 | 140,018 | 0 | 0 | 140,020 | 0.0 |
| FY 2022-23 BA10 HCBS ARPA spending authority | (55,602,668) | 0 | (27,801,334) | 0 | (27,801,334) | 0.0 |
| FY 2021-22 R6 Remote supports for HCBS programs | (77,220) | (37,537) | (1,072) | 0 | (38,611) | 0.0 |
| TOTAL | \$11,766,231 | \$33,682,808 | (\$27,798,140) | \$0 | \$5,881,563 | 0.0 |

ISSUE: R5 OFFICE OF COMMUNITY LIVING CASELOAD

The Department of Health Care Policy and Financing submits an annual budget request for adjustments in appropriations that fund services to individuals with intellectual and developmental disabilities. Budget requests are based on projected caseload and the associated costs for the Home and Community Based Services Comprehensive, Supported Living Services, Children's Extensive Services, and Children's Habilitation Residential Program waivers as well as for Targeted Case Management.

SUMMARY

The Department of Health Care Policy and Financing's R5 Office of Community Living Cost and Caseload budget request includes:

- A FY 2022-23 decrease of \$21.7 million total funds, including \$39.1 million General Fund.
- A FY 2023-24 increase of \$29.9 million total funds, including \$14.4 million General Fund.

This request is based on prior year utilization and expenditure data and includes funding to maintain a zero enrollment waitlist for the Adult Supported Living Services, Children's Extensive Services, and Children's Habilitation Residential Program waivers and for an additional 411 transitional enrollments for the Adult Comprehensive Services waiver. Adjustments to appropriations are frequently requested as new information becomes available and forecasts are updated.

RECOMMENDATION

Historically, there has been considerable concern regarding the Comprehensive (DD) Waiver enrollment waitlist. As of November 2022, 2,973 individuals were identified as needing DD services as soon as available, an increase of 154 from the previous year's waitlist of 2,819. If the Committee wishes to eliminate the year over year increase in the waitlist, JBC Staff recommends appropriating \$13.5 million total funds, including \$6.8 million General Fund, to return the waitlist to its FY 2021-22 levels.

DISCUSSION

The Department is responsible for the administration of four Medicaid waivers through which eligible individuals with intellectual and developmental disabilities (IDD) may access services. Individuals who are not eligible for Medicaid may access IDD services through programs funded with state General Fund. The Department uses per capita costs and average full program equivalent (FPE) to calculate the funding needs for each waiver.

Comprehensive/Developmental Disabilities Waiver

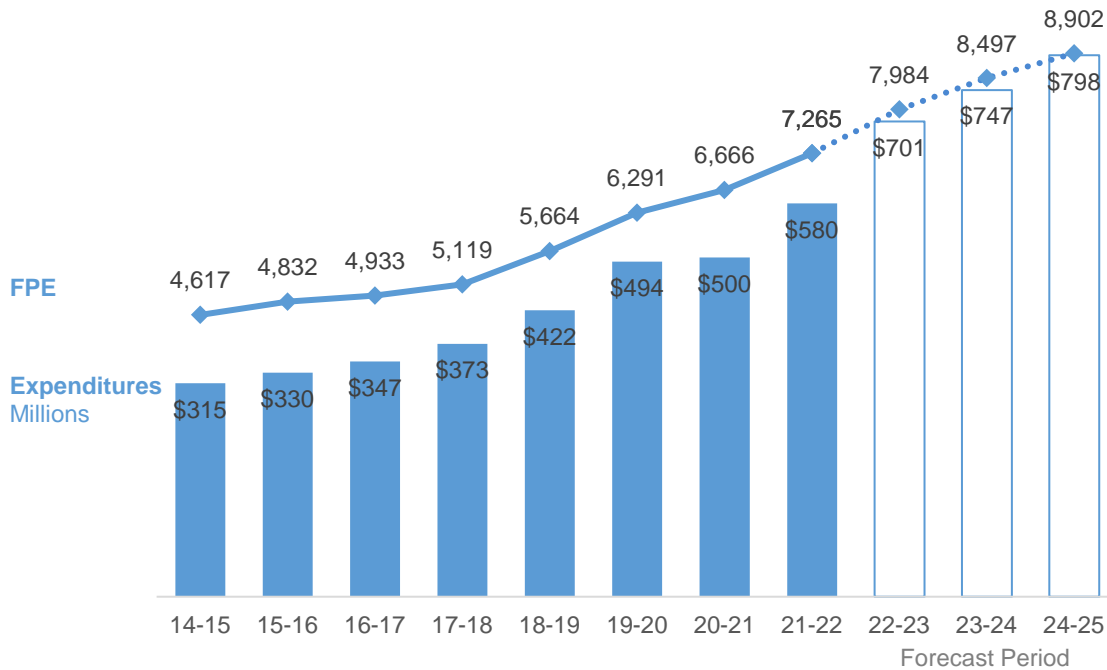
The Comprehensive waiver provides access to 24-hour/seven-day-a-week supervision through Residential Habilitation and Day Habilitation Services and Supports. The service provider is responsible for supporting individuals in securing living arrangements that can range from host home settings with 1-2 persons, individualized settings of 1-3 persons, and group settings of 4-8 persons. Support is also available for participants who live in their own home or who live with and/or are provided services by members of their family.

Annually, the Department requests funding for reserved capacity and emergency enrollments. The FY 2022-23 appropriation includes funding for 411 enrollments, including 41 transitions from

institutions, 47 ageing caregiver enrollments, 189 emergency enrollments, 43 foster care transitions, and 91 youth transitions. The Department is requesting the same 411 enrollment spots for FY 2023-24 as well.

The estimated FY 2023-24 maximum enrollment in the Comprehensive waiver is 9,202 members. With the accounting for churn and enrollment lag, the estimated fiscal year-end enrollment is an estimated 8,803 members. The forecast is based on the number of FPE who are anticipated to be served, in this case 8,497 at an anticipated cost of \$87,926 per FPE. It reflects a net increase of \$26.7 million total funds, including an increase of \$13.2 million General Fund.

Comprehensive Services

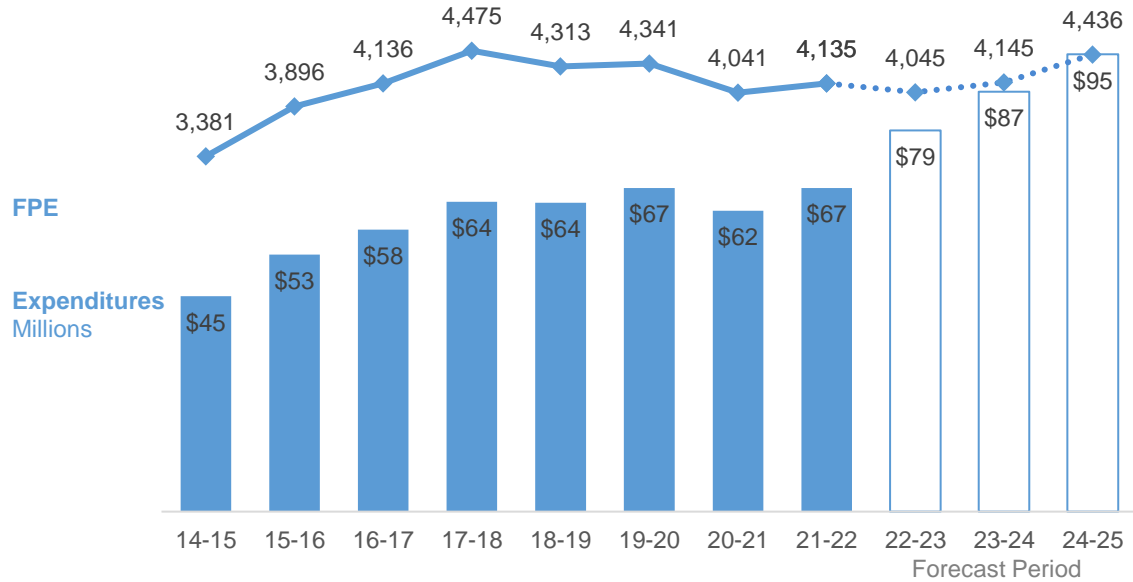


Supported Living Services Waiver

The Supported Living Services (SLS) waiver provides necessary services and supports for adults with intellectual or developmental disabilities so they can remain in their homes and communities with minimal impact to the individual’s community and social supports. It promotes individual choice and decision-making through the individualized planning process and the tailoring of services and supports to address prioritized, unmet needs. In addition, this waiver is designed to supplement existing natural supports and traditional community resources with targeted and cost-effective services and supports. The person receiving services is responsible for his or her living arrangements that can include living with family or in their own home. Up to three persons receiving services can live together. Participants on this waiver do not require twenty-four (24) hour supervision on a continuous basis for services and supports offered on this waiver. The rate of some services and the Service Plan Authorization Limit (SPAL) is determined through member intake and assessments. The number of FPE anticipated to be served in FY 2023-24 is 4,145 with an average cost of \$20,996. There is no waiting list for SLS waiver enrollment, therefore the Department will adjust the costs based on actual enrollment, utilization, and per capita trends.

The forecast reflects a pretty stable FPE for previous and upcoming fiscal years related to enrollment trends. Increased enrollment on the Comprehensive waiver results in a reduction in the number of members enrolled on the SLS waiver. The Department projects a net decrease of \$0.2 million total funds, including \$13,109 General Fund in FY 2023-24.

Supported Living Services

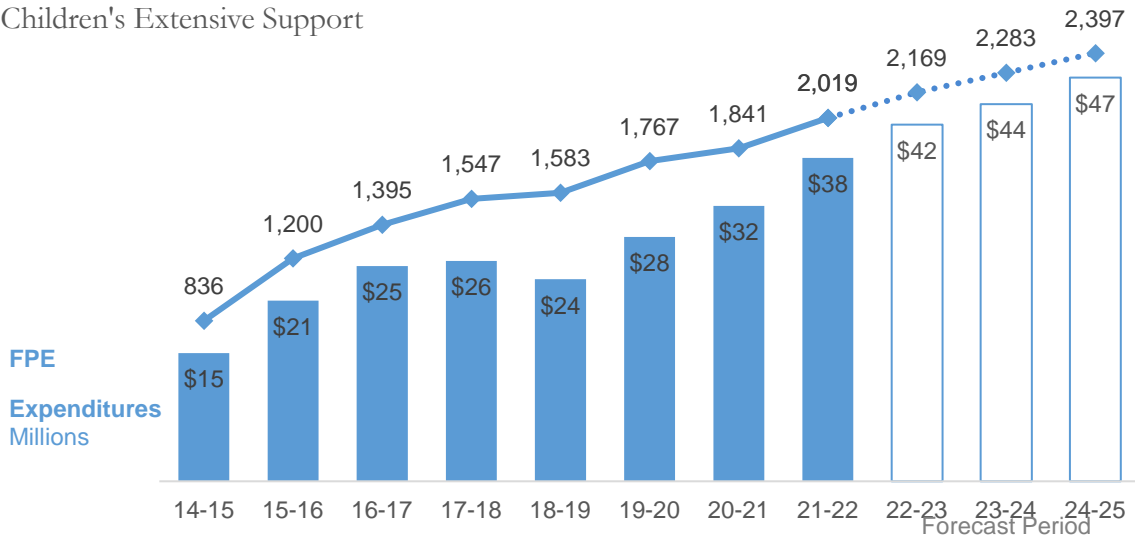


Children’s Extensive Support Waiver

The Children’s Extensive Support (CES) waiver provides services and supports to children and families that will help children establish a long-term foundation for community inclusion as they grow into adulthood. The number of FPE anticipated to be served in FY 2023-24 is 2,283, at an average cost of \$19,180. There is no waiting list for CES enrollment, therefore the Department will adjust the costs based on actual enrollment, utilization, and per capita trends.

The forecast reflects an upward adjustment related to enrollment trends, resulting in a net increase of \$1.3 million total funds, including an increase of \$656,146 General Fund.

Children's Extensive Support

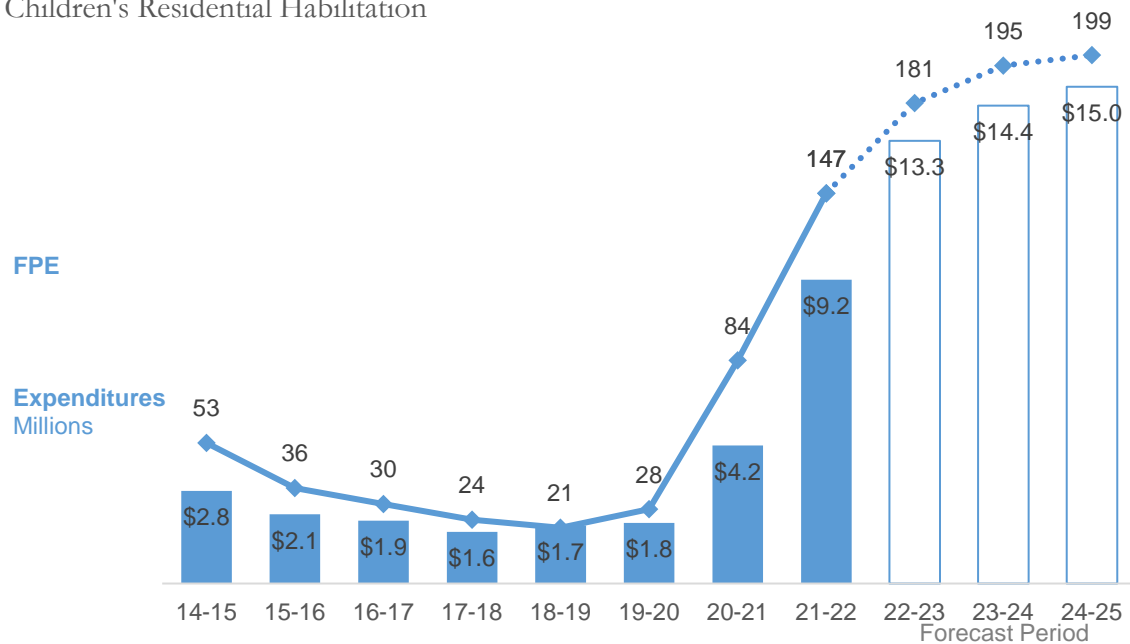


Children's Habilitation Residential Program Waiver

The Children's Habilitation Residential Program (CHRP) waiver provides residential services for children and youth in foster care or at risk of child welfare involvement who have a developmental disability and very high needs that put them at risk for institutional care. Services are intended to help children and youth learn and maintain skills that are necessary for successful community living. The number of FPE anticipated to be serviced in FY 2023-24 is 181 at an average cost of \$73,679. There is no waiting list for CHRP enrollment, therefore the Department will adjust the costs based on actual enrollment, utilization, and per capita trends.

The November forecast reflects an upward trend resulting in an increase of \$2.1 million total funds, including \$1.0 million General Fund.

Children's Residential Habilitation



Case Management

Individuals with IDD who are enrolled in HCBS waivers receive case management, monitoring, and assessment services.

- Targeted Case Management (TCM) provides assessment of each client's long-term care needs, the development and implementation of personalized care plans, coordination and monitoring of the delivery of services, and evaluation of the effectiveness of services. The State's 20 Community Centered Boards receive a per member per month TCM payment for each client which is expected to total \$26.4 million in FY 2023-24.
- Four monitoring visits per year are provided to each client. These quarterly visits with a case manager include an evaluation of service delivery and quality, evaluation of choice in providers, and the promotion of self-determination, self-representation, and self-advocacy (an estimated \$7.4 million in FY 2023-24).
- Intake, an annual Continued Stay Review assessment, and a Supports Intensity Scale (SIS) assessment are required and are necessary to determine the member's functional level for activities of daily living (an estimated \$10.2 million in FY 2023-24). The SIS specifically measures support needs in the areas of home living, community living, lifelong learning, employment, health and safety, social activities, and protection and advocacy. For children enrolled in the CHRP waiver, the Inventory for Client and Agency Planning assessment is used to measure support needs by determining adaptive behavior skills. Support needs identified by the assessments help determine the level of support each client needs, which subsequently informs the Service Plan Authorization Limit (SPAL).

The forecast reflects a net increase of \$36,570, including a decrease of \$565,390 General Fund for case management activities in FY 2023-24.

STATE-ONLY PROGRAMS

State-only programs are made available to individuals with intellectual and developmental disabilities who do not meet the Medicaid eligibility requirements. State supported programs include:

- *FAMILY SUPPORT SERVICES (FSSP)* - Provides support for families who have children with developmental disabilities or delays with costs that are beyond those normally experienced by other families, with the intent of keeping children with their own family.
- *PREVENTATIVE DENTAL HYGIENE* – Supports a contract with the Colorado Foundation of Dentistry for the Handicapped to provide services to improve oral hygiene in persons with developmental disabilities in order to prevent dental disease.

The Department is not requesting any changes to state-only appropriations.

COMPREHENSIVE WAIVER WAITLIST

Individuals are placed on waiting lists when enrollments meet the limit of a federally-approved waiver application or when additional enrollments would exceed the General Fund appropriation for a given program. The waitlist includes four timelines:

- As soon as available (ASAA) – The individual has requested enrollment as soon as available;
- Date specific – The individual does not need services at this time but has requested enrollment at a specific future date, including those who have not yet reached the age of 18.

- Safety net – The individual does not need or want services at this time, but requests to be on the waiting list in case a need arises at a later time, including those who have not yet reached the age of 18; and
- Internal Management – Individuals who have indicated interest in SLS waiver services and are in the enrollment process.

In FY 2021-22 1,216 individuals were added to the DD waitlist while 1,757 were carried over from the previous year. As of August 1, 2022, 79 percent of those on the DD ASAA waiting list are between 18-39 years of age, with the average age being 26. The average person on the waitlist is waiting six years from their order of selection date and enrollment date. This is a three-year decrease from June 30, 2018, when the average was nine years.

Total enrollment in the waivers targeted to individuals with intellectual and developmental disabilities grew 76 percent between FY 2013-14 and FY 2021-22 overall (by program, enrollment in DD grew by 65 percent, SLS by 53 percent, and CES by 239 percent). Overall growth, grew by 76% as shown in the table below. The CHRP wavier is not included since it was not transferred to the Department until 2018.

| ENROLLMENT IN I/DD PROGRAMS | | | | |
|---------------------------------|-------|-------|-------|--------|
| | DD | SLS | CES | TOTAL |
| FY 2013-14 | 4,848 | 3,519 | 800 | 9,167 |
| FY 2021-22 | 8,015 | 5,412 | 2,713 | 16,140 |
| % Change | 65% | 53% | 239% | 76% |
| WAITING LISTS FOR I/DD PROGRAMS | | | | |
| As of Aug. 30, 2014 | 1,454 | 954 | 331 | 2,739 |
| As of July 1, 2022 | 2,973 | 0 | 0 | 2,973 |
| % Change | 104% | -100% | -100% | 9% |

Most individuals who are waiting for enrollment into the DD waiver as soon as available are receiving other services while they wait. The Department reports that of the 2,973 waiting for DD waiver enrollment, approximately 2,854 are receiving some services.

| INDIVIDUALS WAITING FOR SERVICES AS SOON AS AVAILABLE OR INTERNAL MANAGEMENT WHO ARE RECEIVING OTHER MEDICAID SERVICES | | | | | | | | | |
|--|------------------------------------|-------------------------|---------------------------|---------------------------|------------------------------|-----------------------------------|-------------------------------|-----------------------------|---------------------------------|
| PROGRAM | UNDUPLICATED NUMBER OF INDIVIDUALS | RECEIVING SOME SERVICES | RECEIVING WAIVER SERVICES | RECEIVING DENTAL SERVICES | RECEIVING INPATIENT SERVICES | RECEIVING LONG TERM CARE SERVICES | RECEIVING OUTPATIENT SERVICES | RECEIVING PHARMACY SERVICES | RECEIVING PROFESSIONAL SERVICES |
| DD Waiver | 2,973 | 96% | 73% | 29% | 2% | 0% | 40% | 41% | 69% |
| SLS, in enrollment process | 154 | 64% | 24% | 19% | 1% | 1% | 25% | 32% | 47% |

WAIVER ENROLLMENT AND EXPENDITURES

Although the Department utilizes the average full program equivalent (FPE) as the basis for annual caseload forecasts, the number of individuals served through each waiver can be communicated in three ways:

- Maximum enrollment represents the allowable number of individuals that can be served in a given year.

- Average monthly enrollment represents an average of the actual number of individuals enrolled in each waiver during a 12 month period.
- Full program equivalent (FPE) represents the number of clients with a paid claim in a given year. The average monthly FPE is determined by multiplying the average monthly enrollment for a 12 month period by the FPE conversion factor of 80.0 percent (because not every client who is authorized to receive services has a paid service each month).

Appropriations to line items that funds waiver services and targeted case management for individuals with intellectual and developmental disabilities are set in advance of the fiscal year, based on prior year utilization and expenditures. The Department performs forecast analyses throughout a given fiscal year and uses the information to determine necessary adjustments to the appropriations for the current fiscal year and for the upcoming fiscal year. If necessary, current fiscal year adjustments are made to the appropriation through the Department’s supplemental bill based on the November forecast, and/or through a Long Bill add-on based on the February forecast. Appropriations for the upcoming fiscal year are determined at figure setting and are based on the February caseload forecast provided by the Department. Appropriations reflect the current cost per FPE and are based on current spending trends in the waiver programs. The Department’s requested FY 2023-24 appropriation for the waiver programs, includes:

- Adult Comprehensive Services – \$720.5 million total funds, including \$359.1 million General Fund;
- Adult Supported Living Services – \$87.3 million total funds, including \$37.7 million General Fund;
- Children’s Extensive Support Services – \$42.7 million total funds, including \$21.3 million General Fund; and
- Children’s Habilitation Residential Program – \$12.3 million total funds, including \$6.2 million General Fund.

In its forecasting process, the Department uses several categories of data, two of which are significant in understanding adjustment made to current-year appropriations. The first data type that is monitored is an indicator of the number of clients actually enrolled and the types of services each client is authorized to receive. This data type is referred to as the Prior Authorized Request (PAR). The Department reports a consistent increase in the number of PARs entered into the system in the past 15 months, and as a result forecasts a consistent monthly increase in the number of PARs/enrolled individuals in each waiver into the future.

Office of Community Living Average Monthly Enrollment (AME) Forecast

| Fiscal Year | Comprehensive Services | | Supported Living Services | | Children’s Extensive Services | | Children’s Habilitation Res. Program | | Target Case Management | |
|-------------|------------------------|--------|---------------------------|-------|-------------------------------|--------|--------------------------------------|---------|------------------------|--------|
| | AME | Chg | AME | Chg | AME | Chg | AME | Chg | AME | Chg |
| 2007-08 | 4,399 | n/a | 2,871 | n/a | 383 | n/a | - | - | 7,773 | n/a |
| 2008-09 | 4,390 | (0.2%) | 2,992 | 4.2% | 400 | 4.4% | - | - | 7,911 | 1.8% |
| 2009-10 | 4,401 | 0.3% | 3,104 | 3.7% | 404 | 1.0% | - | - | 8,027 | 1.5% |
| 2010-11 | 4,397 | (0.1%) | 3,116 | 0.4% | 385 | (4.7%) | - | - | 8,020 | (0.1%) |
| 2011-12 | 4,397 | 0.0% | 3,140 | 0.8% | 373 | (3.1%) | - | - | 8,032 | 0.2% |
| 2012-13 | 4,384 | (0.3%) | 3,178 | 1.2% | 377 | 1.1% | 72 | n/a | 8,074 | 0.5% |
| 2013-14 * | 4,392 | 0.2% | 3,183 | 0.2% | 607 | 61.0% | 64 | (11.1%) | 8,309 | 2.9% |
| 2014-15 | 4,685 | 6.7% | 3,678 | 15.6% | 971 | 60.0% | 51 | (20.3%) | 9,458 | 13.8% |
| 2015-16 | 4,903 | 4.7% | 4,311 | 17.2% | 1,373 | 41.4% | 36 | (29.4%) | 10,703 | 13.2% |
| 2016-17 | 5,077 | 3.5% | 4,637 | 7.6% | 1,602 | 16.7% | 34 | (5.6%) | 11,428 | 6.8% |

Office of Community Living Average Monthly Enrollment (AME) Forecast

| Fiscal Year | Comprehensive Services | | Supported Living Services | | Children's Extensive Services | | Children's Habilitation Res. Program | | Target Case Management | |
|---------------|------------------------|-------|---------------------------|--------|-------------------------------|------|--------------------------------------|--------|------------------------|------|
| | AME | Chg | AME | Chg | AME | Chg | AME | Chg | AME | Chg |
| 2017-18 | 5,162 | 1.7% | 4,778 | 3.0% | 1,696 | 5.9% | 31 | (8.8%) | 11,740 | 2.7% |
| 2018-19 * | 5,741 | 11.2% | 4,788 | 0.2% | 1,861 | 9.7% | 30 | (3.2%) | 12,523 | 6.7% |
| 2019-20 | 6,316 | 10.0% | 4,652 | (2.8%) | 2,037 | 9.5% | 52 | 86.7% | 13,129 | 4.8% |
| 2020-21 | 6,802 | 7.7% | 4,853 | 4.3% | 2,227 | 9.3% | 123 | 136.5% | 14,090 | 7.3% |
| 2021-22 | 7,404 | 8.9% | 4,668 | (3.8%) | 2,375 | 6.6% | 193 | 56.9% | 14,723 | 4.5% |
| 2022-23 (est) | 8,094 | 9.3% | 4,568 | (2.1%) | 2,508 | 5.6% | 229 | 18.7% | 15,398 | 4.6% |
| 2023-24 (est) | 8,614 | 6.4% | 4,680 | 2.5% | 2,640 | 5.3% | 247 | 7.9% | 16,180 | 5.1% |
| 2024-25 (est) | 9,025 | 4.8% | 5,009 | 7.0% | 2,772 | 5.0% | 252 | 2.0% | 17,057 | 5.4% |

*Administration of waiver programs (excluding the Children's Habilitation Residential Program (CHRP) waiver) was transferred from the Department of Human Services (DHS) to the Department of Health Care Policy and Financing (HCPF) in March 2014. Administration of the CHRP waiver was transferred from DHS to HCPF in July 2018.

The second type of data is the projected cost of the claims filed for the delivery of the services identified in the PAR, and the estimated date the payment will be made. Because Medicaid expenditures are reported on a cash basis as opposed to an accrual basis, forecasting for the purpose of the budget is not based on the date the individual begins receiving services, but rather on the date and the fiscal year in which the payment for those services is expected to be made. This results in a lag between the actual start of services and the payment for those services, subsequently affecting the fiscal year in which the Department will need the funding to cover the associated cost. It is important to note that a reduction in a given year's appropriation does not mean that enrollments have declined, nor does it mean that individuals have not been served. Since March 2014 when the administration of the HCBS waivers (excluding the CHRP waiver) was transferred from the Department of Human Services to the Department of Health Care Policy and Financing, the numbers of individuals enrolled on each waiver has increased annually.

OFFICE OF COMMUNITY LIVING TOTAL PROGRAM EXPENDITURES

| FISCAL YEAR | COMPREHENSIVE SERVICES | | SUPPORTED LIVING SERVICES | | CHILDREN'S EXTENSIVE SERVICES | | CHILDREN'S HABILITATION RES. PROGRAM | | TARGET CASE MANAGEMENT | |
|----------------|------------------------|--------|---------------------------|---------|-------------------------------|--------|--------------------------------------|---------|------------------------|---------|
| | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG |
| 2007-08 | \$202,943,588 | n/a | \$39,607,629 | n/a | \$5,894,263 | n/a | - | - | \$13,661,560 | n/a |
| 2008-09 | 223,362,025 | 10.1% | 46,391,718 | 17.1% | 6,913,410 | 17.3% | - | - | 13,848,967 | 1.4% |
| 2009-10 | 253,798,612 | 13.6% | 37,399,799 | (19.4%) | 7,158,025 | 3.5% | - | - | 16,484,735 | 19.0% |
| 2010-11 | 273,096,876 | 7.6% | 37,579,497 | 0.5% | 7,956,073 | 11.1% | - | - | 19,114,672 | 16.0% |
| 2011-12 | 264,899,518 | (3.0%) | 37,030,578 | (1.5%) | 7,361,601 | (7.5%) | 4,167,690 | - | 16,875,522 | (11.7%) |
| 2012-13 | 261,817,957 | (1.2%) | 37,273,663 | 0.7% | 7,015,707 | (4.7%) | 3,410,635 | (18.2%) | 16,117,073 | (4.5%) |
| 2013-14* | 282,475,249 | 7.9% | 39,288,448 | 5.4% | 9,125,302 | 30.1% | 3,089,752 | (9.4%) | 17,441,960 | 8.2% |
| 2014-15 | 314,878,204 | 11.5% | 44,654,327 | 13.7% | 14,967,843 | 64.0% | 2,793,542 | (9.6%) | 20,230,023 | 16.0% |
| 2015-16 | 330,217,987 | 4.9% | 53,275,897 | 19.3% | 21,074,423 | 40.8% | 2,084,490 | (25.4%) | 22,103,255 | 9.3% |
| 2016-17 | 347,057,913 | 5.1% | 58,395,990 | 9.6% | 25,113,943 | 19.2% | 1,889,200 | -9.4% | 22,242,358 | 0.6% |
| 2017-18 | 372,706,454 | 7.4% | 64,188,404 | 9.9% | 25,698,431 | 2.3% | 1,556,384 | (17.6%) | 30,164,217 | 35.6% |
| 2018-19* | 422,166,719 | 13.3% | 64,028,069 | (0.2%) | 23,559,173 | (8.3%) | 1,747,427 | 12.3% | 29,560,074 | (2.0%) |
| 2019-20 | 493,903,708 | 17.0% | 67,042,737 | 4.7% | 28,486,561 | 20.9% | 1,826,561 | 4.5% | 30,231,811 | 2.3% |
| 2020-21 | 500,009,085 | 1.2% | 62,348,319 | (7.0%) | 32,136,505 | 12.8% | 4,163,856 | 128.0% | 32,871,410 | 8.7% |
| 2021-22 | 580,126,261 | 16.0% | 67,044,692 | 7.5% | 37,704,513 | 17.3% | 9,153,153 | 119.8% | 34,650,834 | 5.4% |
| 2022-23 (est.) | 700,788,286 | 20.8% | 78,957,004 | 17.8% | 41,609,767 | 10.4% | 13,338,243 | 45.7% | 40,254,867 | 16.2% |
| 2023-24 (est.) | 747,145,083 | 6.6% | 87,032,508 | 10.2% | 43,984,322 | 5.7% | 14,397,006 | 7.9% | 45,951,170 | 14.2% |
| 2024-25 (est.) | 798,217,203 | 6.8% | 94,755,183 | 8.9% | 47,072,104 | 7.0% | 14,970,715 | 4.0% | 45,820,118 | (0.3%) |

OFFICE OF COMMUNITY LIVING TOTAL PROGRAM EXPENDITURES

| FISCAL YEAR | COMPREHENSIVE SERVICES | | SUPPORTED LIVING SERVICES | | CHILDREN'S EXTENSIVE SERVICES | | CHILDREN'S HABILITATION RES. PROGRAM | | TARGET CASE MANAGEMENT | |
|-------------|------------------------|-----|---------------------------|-----|-------------------------------|-----|--------------------------------------|-----|------------------------|-----|
| | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG | TOTAL FUNDS | CHG |

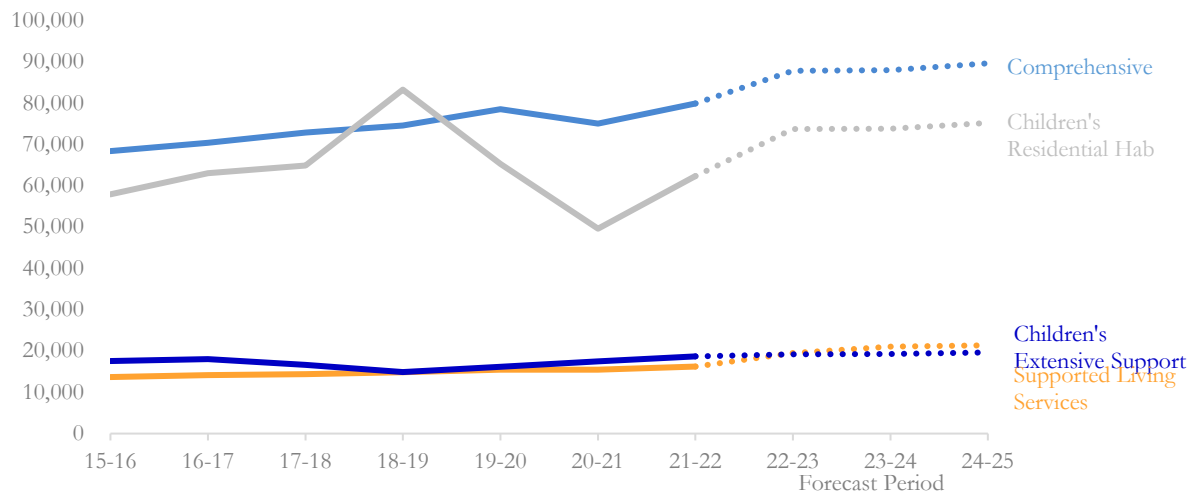
*Administration of waiver programs (excluding the Children's Habilitation Residential Program (CHRP) waiver) was transferred from the Department of Human Services (DHS) to the Department of Health Care Policy and Financing (HCPF) in March 2014. Administration of the CHRP waiver was transferred from DHS to HCPF in July 2018.

Office of Community Living Cost per FPE

| Fiscal Year | Comprehensive Services | | Supported Living Services | | Children's Extensive Services | | Children's Habilitation Res. Program | |
|----------------|------------------------|--------|---------------------------|---------|-------------------------------|---------|--------------------------------------|---------|
| | Total Funds | Chg | Total Funds | Chg | Total Funds | Chg | Total Funds | Chg |
| 2007-08 | \$55,540 | n/a | \$17,319 | n/a | \$20,255 | n/a | - | - |
| 2008-09 | 57,956 | 4.4% | 19,583 | 13.1% | 21,077 | 4.1% | - | - |
| 2009-10 | 62,466 | 7.8% | 14,248 | (27.2%) | 22,025 | 4.5% | - | - |
| 2010-11 | 66,237 | 6.0% | 13,195 | (7.4%) | 22,224 | 0.9% | - | - |
| 2011-12 | 64,405 | (2.8%) | 12,948 | (1.9%) | 21,780 | (2.0%) | - | - |
| 2012-13 | 62,998 | (2.2%) | 12,338 | (4.7%) | 20,219 | (7.2%) | 50,905 | n/a |
| 2013-14* | 65,101 | 3.3% | 13,031 | 5.6% | 18,324 | (9.4%) | 48,277 | (5.2%) |
| 2014-15 | 68,200 | 4.8% | 13,207 | 1.4% | 17,904 | (2.3%) | 52,708 | 9.2% |
| 2015-16 | 68,340 | 0.2% | 13,675 | 3.5% | 17,562 | (1.9%) | 57,903 | 9.9% |
| 2016-17 | 70,354 | 2.9% | 14,119 | 3.2% | 18,003 | 2.5% | 62,973 | 8.8% |
| 2017-18 | 72,808 | 3.5% | 14,343 | 1.6% | 16,611 | (7.7%) | 64,849 | 3.0% |
| 2018-19 | 74,535 | 2.4% | 14,845 | 3.5% | 14,882 | (10.4%) | 83,210 | 28.3% |
| 2019-20 | 78,509 | 5.3% | 15,444 | 4.0% | 16,121 | 8.3% | 65,234 | (21.6%) |
| 2020-21 | 75,008 | (4.5%) | 15,248 | (1.3%) | 17,456 | 8.3% | 49,569 | (24.0%) |
| 2021-22 | 79,852 | 6.5% | 16,213 | 6.3% | 18,674 | 7.0% | 62,266 | 25.6% |
| 2022-23 (est.) | 87,769 | 9.9% | 19,514 | 20.4% | 19,180 | 2.7% | 73,679 | 18.3% |
| 2023-24 (est.) | 87,926 | 0.2% | 20,996 | 7.6% | 19,261 | 0.4% | 73,732 | 0.1% |
| 2024-25 (est.) | 89,659 | 2.0% | 21,357 | 1.7% | 19,631 | 1.9% | 75,150 | 1.9% |

*Administration of waiver programs (excluding the Children's Habilitation Residential Program (CHRP) waiver) was transferred from the Department of Human Services (DHS) to the Department of Health Care Policy and Financing (HCPF) in March 2014. Administration of the CHRP waiver was transferred from DHS to HCPF in July 2018.

Average Cost Per FPE



In addition to the variables discussed above, the Department accounts for enrollment lag time, cost shifts related to changes in the State Medicaid Plan, and movement of individuals from one waiver to another.

ISSUE: R13 CASE MANAGEMENT REDESIGN

The Department requests \$3.6 million total funds, including \$168,000 General Fund in FY 2023-24, to support case management rate increases, continuous system enhancements to the Care/Case Management Tool, case management training resources, and financial closeout reviews for existing entities. The request annualizes to \$9.0 million total funds, including \$2.1 million General Fund in FY 2024-25 and \$9.0 million total funds, including \$4.0 million General Fund in FY 2025-26 and ongoing.

SUMMARY

The Department of Health Care Policy and Financing's R13 Case Management Redesign includes:

- A FY 2023-24 increase of \$3.6 million total funds, including \$168,000 General Fund with roll forward authority.
- A FY 2024-25 increase of \$9.0 million total funds, including \$2.1 million General Fund.
- A FY 2025-26 and ongoing increase of \$9.0 million total funds, including \$4.1 million General Fund.

DISCUSSION

BACKGROUND

The Department currently serves members with Intellectual & Developmental Disabilities (IDD) through Community Centered Boards (CCBs) and members in need of Long-Term Services & Support (LTSS) through Single Entry Point (SEP) Agencies. House Bill 21-1187 (Long-term Services and Support Case Management Redesign) directed the Department to consolidate IDD, LTSS, and private agencies into overarching Case Management Agencies (CMAs). Beginning in FY 2021-22, the Department consolidated CCB and SEP funding to a single case management appropriation in preparation for updated CMA service rates. The Department is currently using a Contractor to perform a review of current CCB and SEP case management rates. The Contractor's responsibilities include:

- Conducting a study of all Department case management activities required in regulation, contract, and Home and Community Based Services (HCBS) waivers;
- Conducting stakeholder engagement with CCB and SEP leadership and case management staff to gather information and establish areas of work that are not currently captured in existing CCB and SEP rates; and
- Make recommendations to the Department where current rates are not sufficient to support the volume and quality of work required.

The Department has also developed new CMA defined service areas to be implemented upon consolidation of CCB, SEP, and private case management entities. Currently, service areas are split differently for SEPs than they are for CCBs, making it difficult for members and families to access necessary services, especially if they are navigating between LTSS or IDD services. The Department created new defined service areas based on population size, environment, and ease of transportation.

The Department is currently developing a new Care/Case Management (CCM) Tool to simplify the process of member intake assessments, as well as a Learning Management System (LMS) for CMA

training. To receive waiver services, members must take an assessment to determine the appropriate level of care. The CCM Tool consolidates all IDD and LTSS case management intake assessments to a single system.

The Department's FY 2023-24 request specifically seeks:

- \$336,000 total funds including \$168,000 General Fund with roll forward for financial closeout reviews of 20 CCBs (\$4,500 per agency) and 24 SEPs (\$14,000 per agency).
- \$3.0 million total funds, including \$1.5 million from the HCBS Improvement Fund, for increased rates for the new CMAs, and the inclusion of previously unbillable activities.
- \$60,000, including \$30,000 from the HCBS Improvement Fund for the LMS and Case Management Training/licenses.
- \$250,000 total funds, including \$25,000 General Fund, for ongoing CCM updates and enhancements.

CLOSEOUT REVIEWS

The Department is federally required to perform financial closeout reviews of all SEPs and CCBs while they transition to a single CMA model. The transition process will begin in November and end by June 30th 2024 as specified in H.B. 21-1187. The financial reviews include an examination of financial records to determine if funding provided through the contract was used on federally allowable expenditures, if there is unexpended funding, and the fair market value of any equipment purchased by the program. Roll forward authority will allow this closeout period to span multiple fiscal years as the Department has 90 days to complete closeout related activities, which may push the process into FY 202425 and verify that all funding was used on CCB and SEP programs, returning funding to the Department and federal partners where appropriate.

RATE CHANGES

The proposed incremental rate changes for CMAs are to address two areas found to be inadequate by the Department hired contractor: 1) an increase to existing rates determined insufficient for the work being done, and 2) the inclusion of currently unreimbursed activities that should be included in case management services. Preliminary efforts to review existing CCB and SEP rates and develop new rates for CMAs have shown that certain tasks such as intake, screening, and referral are not being reimbursed under the current methodology. It has also indicated that current case manager salaries in Colorado are below national averages identified by the Bureau of Labor and Statistics and that caseload sizes at some existing SEPs are three times higher than recommended averages per case manager. Rate changes will be implemented in eight phases beginning November 2023 through June 2024. All CMAs will be operating under the new rates by July 1, 2024.

The Department currently reimburses CCBs for IDD waiver members' Case Management at a rate of \$144.59 per member per month. The Department reimburses SEPs for Case Management at tiered rates based on the size of the SEP entity, currently ranging anywhere between \$74.84 and \$91,42 per member per month. After the redesign is implemented the consolidated Case Management rate is expected to be \$118.04 per member per month, with an intended caseload of 65 clients per case manager.

CASE MANAGER TRAINING

The Department is seeking resources for ten hours of administrative duties per week related to material development, user account access, and training platform maintenance for the Department's Learning Management System. In addition, the Department provides LMS software licenses to Case Managers free of charge, at a cost of \$16 per license. There are roughly 1,300 Case Managers in the state at any given time. Because of high turnover in the industry the Department assumes a need of 2,000 licenses need annually, as licenses are not transferable between users.

CASE MANAGEMENT SYSTEM ENHANCEMENTS

The Department's Care and Case Management tool is used by both Case Managers and members to add and track assessments and support plans, as well as allow for critical incident reporting. Funding for the CCM tool will allow for modifications to the system related to policy changes and other needs resulting in required system modifications. System enhancements for the CCM tool are subject to a 90 percent federal match rate.

APPENDIX A
NUMBERS PAGES
(DIGITAL ONLY)

Appendix A details actual expenditures for the last two state fiscal years, the appropriation for the current fiscal year, and the requested appropriation for next fiscal year. This information is listed by line item and fund source. *Appendix A is only available in the online version of this document.*

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING
Kim Bimestefer, Executive Director

(4) OFFICE OF COMMUNITY LIVING

(A) Division for Individuals with Intellectual and Developmental Disabilities

(i) Administrative Costs

| | | | | |
|--|------------------|------------------|------------------|------------------|
| Personal Services | <u>3,407,396</u> | <u>3,129,269</u> | <u>3,469,613</u> | <u>3,469,613</u> |
| FTE | 34.7 | 29.1 | 39.5 | 39.5 |
| General Fund | 1,539,405 | 1,307,493 | 1,858,480 | 1,858,480 |
| Cash Funds | 255,113 | 210,643 | 0 | 0 |
| Reappropriated Funds | 0 | 0 | 0 | 0 |
| Federal Funds | 1,612,878 | 1,611,133 | 1,611,133 | 1,611,133 |
| Operating Expenses | <u>160,560</u> | <u>72,072</u> | <u>281,510</u> | <u>281,510</u> |
| General Fund | 112,261 | 36,038 | 164,636 | 164,636 |
| Cash Funds | 0 | 0 | 0 | 0 |
| Reappropriated Funds | 0 | 0 | 0 | 0 |
| Federal Funds | 48,299 | 36,034 | 116,874 | 116,874 |
| Community and Contract Management System | <u>61,582</u> | <u>62,840</u> | <u>137,480</u> | <u>137,480</u> |
| General Fund | 30,791 | 31,420 | 89,362 | 89,362 |
| Cash Funds | 0 | 0 | 0 | 0 |
| Reappropriated Funds | 0 | 0 | 0 | 0 |
| Federal Funds | 30,791 | 31,420 | 48,118 | 48,118 |

* Includes a Decision Item

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|--|----------------------|------------------------|-----------------------------|-----------------------|------------------------------|
| Support Level Administration | <u>49,266</u> | <u>51,404</u> | <u>59,317</u> | <u>58,350</u> | |
| General Fund | 24,633 | 25,702 | 29,403 | 28,920 | |
| Cash Funds | 0 | 0 | 255 | 255 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 24,633 | 25,702 | 29,659 | 29,175 | |
| Cross-System Response Pilot Program Services | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | |
| General Fund | 0 | 0 | 0 | 0 | |
| SUBTOTAL - | 3,678,804 | 3,315,585 | 3,947,920 | 3,946,953 | (0.0%) |
| <i>FTE</i> | <u>34.7</u> | <u>29.1</u> | <u>39.5</u> | <u>39.5</u> | 0.0% |
| General Fund | 1,707,090 | 1,400,653 | 2,141,881 | 2,141,398 | (0.0%) |
| Cash Funds | 255,113 | 210,643 | 255 | 255 | 0.0% |
| Reappropriated Funds | 0 | 0 | 0 | 0 | 0.0% |
| Federal Funds | 1,716,601 | 1,704,289 | 1,805,784 | 1,805,300 | (0.0%) |
| Medicaid Programs | | | | | |
| Adult Comprehensive Waiver Services | <u>503,845,540</u> | <u>593,246,267</u> 0.0 | <u>713,885,548</u> | <u>771,106,835</u> * | |
| General Fund | 208,587,557 | 188,425,770 | 333,336,878 | 379,027,394 | |
| Cash Funds | 800,001 | 31,135,458 | 23,605,897 | 6,526,024 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 294,457,982 | 373,685,039 | 356,942,773 | 385,553,417 | |
| Adult Supported Living Waiver Services | <u>65,883,070</u> | <u>68,257,740</u> | <u>80,658,077</u> | <u>89,948,025</u> * | |
| General Fund | 24,941,566 | 19,279,569 | 30,977,592 | 38,516,307 | |
| Cash Funds | 4,090,144 | 5,981,477 | 9,351,449 | 6,457,708 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 36,851,360 | 42,996,694 | 40,329,036 | 44,974,010 | |

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
| Children's Extensive Support Services | <u>32,668,165</u> | <u>37,846,959</u> | <u>42,487,893</u> | <u>48,241,851</u> | * |
| General Fund | 14,105,642 | 13,413,358 | 20,280,542 | 22,483,692 | |
| Cash Funds | 0 | 623,899 | 963,405 | 1,637,236 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 18,562,523 | 23,809,702 | 21,243,946 | 24,120,923 | |
| Children's Habilitation Residential Program | <u>4,229,118</u> | <u>9,153,153</u> | <u>12,047,333</u> | <u>15,105,423</u> | * |
| General Fund | 1,708,771 | 3,335,090 | 6,023,119 | 7,420,518 | |
| Cash Funds | 0 | 5,089 | 548 | 132,193 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 2,520,347 | 5,812,974 | 6,023,666 | 7,552,712 | |
| Case Management for People with IDD | <u>0</u> | <u>80,740,234</u> | <u>102,087,659</u> | <u>103,641,349</u> | * |
| General Fund | 0 | 36,766,240 | 49,770,813 | 49,435,488 | |
| Cash Funds | 0 | 762,621 | 2,535,297 | 3,041,804 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 43,211,373 | 49,781,549 | 51,164,057 | |
| Home and Community Based Services for People with Intellectual and Developmental Disabilities | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | |
| General Fund | 0 | 0 | 0 | 0 | |
| Eligibility Determination and Waiting List Management | <u>1,597,270</u> | <u>0</u> | <u>0</u> | <u>0</u> | |
| General Fund | 1,301,521 | 0 | 0 | 0 | |
| Federal Funds | 295,749 | 0 | 0 | 0 | |

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|---------------------------------|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
| Case Management Services | <u>32,871,410</u> | <u>0</u> | <u>0</u> | <u>0</u> | |
| General Fund | 14,019,555 | 0 | 0 | 0 | |
| Cash Funds | 187,939 | 0 | 0 | 0 | |
| Federal Funds | 18,663,916 | 0 | 0 | 0 | |
| SUBTOTAL - | 641,094,573 | 789,244,353 | 951,166,510 | 1,028,043,483 | 8.1% |
| <i>FTE</i> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0%</u> |
| General Fund | 264,664,612 | 261,220,027 | 440,388,944 | 496,883,399 | 12.8% |
| Cash Funds | 5,078,084 | 38,508,544 | 36,456,596 | 17,794,965 | (51.2%) |
| Reappropriated Funds | 0 | 0 | 0 | 0 | 0.0% |
| Federal Funds | 371,351,877 | 489,515,782 | 474,320,970 | 513,365,119 | 8.2% |
| State-only Programs | | | | | |
| Family Support Services Program | <u>8,636,298</u> | <u>9,818,346</u> | <u>7,825,842</u> | <u>10,763,585</u> * | |
| General Fund | 8,636,298 | 9,373,496 | 7,825,842 | 10,763,585 | |
| Cash Funds | 0 | 444,850 | 0 | 0 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |
| State Supported Living Services | <u>5,539,938</u> | <u>4,898,139</u> | <u>10,337,979</u> | <u>5,089,811</u> * | |
| General Fund | 5,422,133 | 4,898,139 | 10,337,979 | 5,089,811 | |
| Cash Funds | 117,805 | 0 | 0 | 0 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|---|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
| State Supported Living Services Case Management | <u>3,703,361</u> | <u>4,494,161</u> | <u>2,519,109</u> | <u>4,924,590</u> | * |
| General Fund | 3,430,432 | 4,494,161 | 2,519,109 | 4,924,590 | |
| Cash Funds | 272,929 | 0 | 0 | 0 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |
| Preventive Dental Hygiene | <u>64,894</u> | <u>64,894</u> | <u>67,789</u> | <u>68,121</u> | * |
| General Fund | 64,894 | 64,894 | 67,789 | 68,121 | |
| Cash Funds | 0 | 0 | 0 | 0 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |
| Supported Employment Provider and Certification | | | | | |
| Reimbursement | <u>157,100</u> | <u>148,800</u> | <u>303,158</u> | <u>303,158</u> | * |
| General Fund | 157,100 | 148,800 | 303,158 | 303,158 | |
| Cash Funds | 0 | 0 | 0 | 0 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |
| Supported Employment Pilot Program | <u>153,814</u> | <u>415,969</u> | <u>0</u> | <u>0</u> | |
| General Fund | 0 | 415,969 | 0 | 0 | |
| Cash Funds | 153,814 | 0 | 0 | 0 | |
| Reappropriated Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |
| Eligibility Determination and Waiting List Management | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | |
| General Fund | 0 | 0 | 0 | 0 | |

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
| State-only Programs for People with Intellectual and Developmental Disabilities | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | |
| General Fund | 0 | 0 | 0 | 0 | |
| SUBTOTAL - | 18,255,405 | 19,840,309 | 21,053,877 | 21,149,265 | 0.5% |
| <i>FTE</i> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | 0.0% |
| General Fund | 17,710,857 | 19,395,459 | 21,053,877 | 21,149,265 | 0.5% |
| Cash Funds | 544,548 | 444,850 | 0 | 0 | 0.0% |
| Reappropriated Funds | 0 | 0 | 0 | 0 | 0.0% |
| Federal Funds | 0 | 0 | 0 | 0 | 0.0% |

(ii) Program Costs

| | |
|---|----------|
| Adult Comprehensive Services | <u>0</u> |
| General Fund | 0 |
| Adult Supported Living Services | <u>0</u> |
| General Fund | 0 |
| Children's Extensive Support Services | <u>0</u> |
| General Fund | 0 |
| Children's Habilitation Residential Program | <u>0</u> |
| General Fund | 0 |
| Case Management | <u>0</u> |
| General Fund | 0 |
| Family Support Services | <u>0</u> |
| General Fund | 0 |

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
| Preventive Dental Hygiene General Fund | 0 | 0 | | | |
| Eligibility Determination and Waiting List Management General Fund | 0 | 0 | | | |
| Supported Employment Provider and Certification Reimbursement General Fund | 0 | 0 | | | |
| Supported Employment Pilot Program General Fund | 0 | 0 | | | |
| SUBTOTAL - | 0 | 0.0% | | | |
| <i>FTE</i> | 0.0 | 0.0% | | | |
| General Fund | 0 | 0.0% | | | |
| TOTAL - (4) Office of Community Living | 663,028,782 | 812,400,247 | 976,168,307 | 1,053,139,701 | 7.9% |
| <i>FTE</i> | 34.7 | 29.1 | 39.5 | 39.5 | 0.0% |
| General Fund | 284,082,559 | 282,016,139 | 463,584,702 | 520,174,062 | 12.2% |
| Cash Funds | 5,877,745 | 39,164,037 | 36,456,851 | 17,795,220 | (51.2%) |
| Reappropriated Funds | 0 | 0 | 0 | 0 | 0.0% |
| Federal Funds | 373,068,478 | 491,220,071 | 476,126,754 | 515,170,419 | 8.2% |

Appendix A: Numbers Pages

| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Appropriation | FY 2023-24 Request | Request vs. Appropriation |
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|
|--|----------------------|----------------------|-----------------------------|-----------------------|------------------------------|

| | | | | | |
|---|-------------|-------------|-------------|---------------|---------|
| TOTAL - Department of Health Care Policy and Financing | 663,028,782 | 812,400,247 | 976,168,307 | 1,053,139,701 | 7.9% |
| <i>FTE</i> | <u>34.7</u> | <u>29.1</u> | <u>39.5</u> | <u>39.5</u> | 0.0% |
| General Fund | 284,082,559 | 282,016,139 | 463,584,702 | 520,174,062 | 12.2% |
| Cash Funds | 5,877,745 | 39,164,037 | 36,456,851 | 17,795,220 | (51.2%) |
| Reappropriated Funds | 0 | 0 | 0 | 0 | 0.0% |
| Federal Funds | 373,068,478 | 491,220,071 | 476,126,754 | 515,170,419 | 8.2% |

APPENDIX B FOOTNOTES AND INFORMATION REQUESTS

UPDATE ON LONG BILL FOOTNOTES

The General Assembly includes footnotes in the annual Long Bill to: (a) set forth purposes, conditions, or limitations on an item of appropriation; (b) explain assumptions used in determining a specific amount of an appropriation; or (c) express legislative intent relating to any appropriation. Footnotes to the 2022 Long Bill (H.B. 22-1329) can be found at the end of each departmental section of the bill at <https://leg.colorado.gov/bills/HB22-1329>. The Long Bill footnotes relevant to this document are listed below.

- 22 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, Medicaid Programs-- It is the General Assembly's intent that expenditures for these services be recorded only against the Long Bill group total for Medicaid Programs.

COMMENT: This footnote provides flexibility for the Department to move money between line items within the Office of Community Living. The Department is in compliance with the footnote.

- 23 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, Medicaid Programs, Adult Comprehensive Services -- Of this appropriation, the \$22,474,658 cash funds appropriated from the Home- and Community-based Services Improvement Fund remain available for expenditure until the close of the 2023-24 state fiscal year.

COMMENT: This footnote expresses legislative intent, and provides roll-forward authority for the Department to spend this appropriation over multiple fiscal years. The Department is in compliance with this footnote.

- 24 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, Medicaid Programs, Adult Supported Living Services -- Of this appropriation, the \$2,733,070 cash funds appropriated from the Home- and Community-based Services Improvement Fund remain available for expenditure until the close of the 2023-24 state fiscal year.

COMMENT: This footnote expresses legislative intent, and provides roll-forward authority for the Department to spend this appropriation over multiple fiscal years. The Department is in compliance with this footnote.

- 25 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, Medicaid Programs, Children's Extensive Support Services -- Of this appropriation, the \$963,405 cash funds appropriated from the Home- and Community-based Services Improvement Fund remain available for expenditure until the close of the 2023-24 state fiscal year.

COMMENT: This footnote expresses legislative intent, and provides roll-forward authority for the Department to spend this appropriation over multiple fiscal years. The Department is in compliance with this footnote.

- 26 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, Medicaid Programs, Children's Habilitation Residential Program -- Of this appropriation, the \$548 cash funds appropriated from the Home- and Community-based Services Improvement Fund remain available for expenditure until the close of the 2023-24 state fiscal year.

COMMENT: This footnote expresses legislative intent, and provides roll-forward authority for the Department to spend this appropriation over multiple fiscal years. The Department is in compliance with this footnote.

- 27 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, Medicaid Programs, Case management for People with Disabilities -- Of this appropriation, the \$951,927 cash funds appropriated from the Home- and Community-based Services Improvement Fund remain available for expenditure until the close of the 2023-24 state fiscal year.

COMMENT: This footnote expresses legislative intent, and provides roll-forward authority for the Department to spend this appropriation over multiple fiscal years. The Department is in compliance with this footnote.

- 28 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, State-only Programs-- It is the General Assembly's intent that expenditures for these services be recorded only against the Long Bill group total for State-only Programs.

COMMENT: This footnote provides flexibility for the Department to move money between line items within the Office of Community Living. The Department is in compliance with the footnote.

- 29 Department of Health Care Policy and Financing, Office of Community Living, Division of Intellectual and Developmental Disabilities, State-only Programs, Preventive Dental Hygiene -- It is the General Assembly's intent that this appropriation be used to provide special dental services for persons with intellectual and developmental disabilities.

COMMENT: This footnote was first added to the FY 2022-23 Long Bill, and reflects the legislative intent that funds appropriated in this line be used for a specific purpose. The Department is in compliance with the footnote.

UPDATE ON LONG BILL REQUESTS FOR INFORMATION

The Joint Budget Committee annually submits requests for information to executive departments and the judicial branch via letters to the Governor, other elected officials, and the Chief Justice. Each request is associated with one or more specific Long Bill line item(s), and the requests have been prioritized by the Joint Budget Committee as required by Section 2-3-203 (3), C.R.S. Copies of these letters are included as an Appendix in the annual Appropriations Report (Appendix H in the FY 2022-23 Report):

<https://leg.colorado.gov/publications/appropriations-report-fiscal-year-2022-23>

There are no requests for information relevant to this document for FY 2022-23.

APPENDIX C

DEPARTMENT ANNUAL PERFORMANCE REPORT

Pursuant to Section 2-7-205 (1)(b), C.R.S., the Department of Health Care Policy and Financing is required to publish an **Annual Performance Report** for the *previous state fiscal year* by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation for the designated fiscal year. In addition, pursuant to Section 2-7-204 (3)(a)(I), C.R.S., the Department is required to develop a **Performance Plan** and submit the plan for the *current fiscal year* to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year.

For consideration by the Joint Budget Committee in prioritizing the Department's FY 2023-24 budget request, the FY 2022-23 Annual Performance Report and the FY 2022-23 Performance Plan can be found at the following link:

<https://www.colorado.gov/pacific/performancemanagement/department-performance-plans>