

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2014-15 STAFF FIGURE SETTING
DEPARTMENT OF HEALTH CARE POLICY AND
FINANCING**

(Division for Intellectual and Developmental Disabilities)

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

(Division for Intellectual and Developmental Disabilities)

Department Overview

The Department of Health Care Policy and Financing provides health care services to qualifying Colorado residents through the Medicaid medical, mental health, and intellectual and developmental disability programs, the Colorado Indigent Care Program, the Children's Basic Health Plan, and the Old Age Pension Medical Program. All of these programs are federal and State partnerships. The Department's budget is comprised of the following seven divisions: (1) Executive Director's Office; (2) Medical Services Premiums; (3) Medicaid Mental Health Community Programs; (4) Indigent Care Program; (5) Other Medicaid Services; (6) Department of Human Services Medicaid-Funded Programs; and (6) Office of Community Living.

This Joint Budget Committee staff figure setting document covers the Office of Community Living. For FY 2014-15 the Office houses only the Division for Individuals with Intellectual and Developmental Disabilities (Division) which oversees Medicaid waiver community-based services for individual with intellectual and developmental disability. The Division is responsible for the following functions related to the provision of services by community based providers to individuals with intellectual and developmental disabilities:

- Administration of three 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 Center Boards regarding waiver policies, rate changes, and waiting list information reporting; and
- Administration of the Family Support Services Program.

GENERAL NOTES ABOUT THIS PACKET

Funding for New Enrollments

Funding for new enrollments are appropriated for six months of the first fiscal year, and will annualize to twelve months in the second fiscal year. The reason this occurs is due to the time required to enroll, and onboard enrollments for services which can range from three to six months after eligibility is determined. Therefore conventional practice is to assume that on average a new enrollment will receive billable services for six months of the first fiscal year they are funded. There are a number of tables within this document which include a column titled "Full Year Cost" which represents twelve months of services, and a second column titled "FY 2014-15 Cost" which represents the six month of costs incurred during the first year.

Abbreviations used this in document

Enrollment

Unduplicated individual receiving services.

FPE: Full Program Equivalent is the average monthly paid enrollments.

HCBS-SLS or SLS

Home and Community Based Services – Supported Living Services are non-residential waiver services provided to adults with developmental disabilities.

HCBS-DD or Comprehensive

Home and Community Based Services – Comprehensive Services are residential and support services provided to adults with developmental disabilities

HCBS-CES Home and Community Based Services – Children's Extensive Support Services are non-residential services provided to children under the age of 18.

HCPF Department of Health Care Policy and Financing

DHS Department of Human Services

IDD Intellectual and Developmental Disabilities

CCB Community Center Board

SIS Supports Intensity Scale

SPAL Spending Plan Authorization Limit

Note on Long Bill Appropriations and Rate Setting Authority for IDD Waivers

Expenditures for the Medicaid waiver programs for people with intellectual and developmental disabilities are not capped by the Long Bill appropriation, which could result in the need for mid-year adjustments. Colorado has the authority to limit the number of waiver service recipients, and significant flexibility to customize the rate structure within federal guidelines. Once program eligibility is determined (i.e. the individual begins to receive services), services are paid for based on assessed need and associated rate structure. If assessed needs are higher than expected, expenditures will be higher than expected, potentially resulting in over-expenditures. The Department can adjust the rate structure to manage to the appropriation, but it takes time to get Medicaid approval for rate changes, in addition to the Medicaid rule allowing providers 120 days after service delivery to submit bills resulting in a delay once rate changes are implemented before expenditures are impacted.

Accounting for the FY 2013-14 Supplemental

Due to the complex nature of the FY 2013-14 supplemental for the IDD waivers, this document is written to reflect the annualization of the FY 2013-14 supplemental (H.B. 14-1252) which result in large adjustments (both increases and decreases) to the waiver line items because of how staff is accounting for the changes made in the supplement in the staff budgeting database. Note this document does not take the supplemental reduction twice.

(7) OFFICE OF COMMUNITY LIVING
(A) DIVISION FOR INTELLECTUAL AND DEVELOPMENTAL DISABILITIES

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Division for Intellectual and Developmental Disabilities					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
Base appropriation	\$0	\$0	\$0	\$0	0
Annualize HB 13-1314 IDD transfer	<u>425,056,088</u>	<u>205,509,944</u>	<u>30,802,357</u>	<u>188,743,787</u>	<u>34.5</u>
TOTAL	\$425,056,088	\$205,509,944	\$30,802,357	\$188,743,787	34.5
FY 2014-15 Requested Appropriation					
FY 2013-14 Appropriation	\$425,056,088	\$205,509,944	\$30,802,357	\$188,743,787	34.5
R7 IDD Supported living services	17,357,753	8,503,565	0	8,854,188	0.0
Annualize prior year budget decisions	14,898,386	7,449,194	0	7,449,192	0.0
R11 Provider rate increase	13,096,719	6,596,430	0	6,500,289	0.0
R8 IDD enrollments	4,892,698	2,396,936	0	2,495,762	0.0
Youth transitions from child welfare to IDD	3,548,492	1,738,493	0	1,809,999	0.0
R7 - SPAL increase for SLS	3,479,768	1,704,739	0	1,775,029	0.0
R14 Family support services increase	3,406,321	3,406,321	0	0	0.0
R16 IDD Operating and membership funds	147,702	73,851	0	73,851	0.0
Annualize HB 14-1252	77,459	37,947	0	39,512	1.0
BA10 FMAP change	0	(3,126,700)	0	3,126,700	0.0
Annualize BA5 IDD caseload adjustment	<u>(2,086,242)</u>	<u>(1,022,048)</u>	<u>0</u>	<u>(1,064,194)</u>	<u>0.0</u>
TOTAL	\$483,875,144	\$233,267,553	\$30,802,357	\$219,805,234	35.5
Increase/(Decrease)	\$58,819,056	\$27,757,609	\$0	\$31,061,447	1.0
Percentage Change	13.8%	13.5%	0.0%	16.4%	2.9%
FY 2014-15 Executive Request	\$461,842,580	\$221,836,805	\$31,257,972	\$208,747,803	0.0
Request Above/(Below) Recommendation	(\$22,032,564)	(\$11,430,748)	\$455,615	(\$11,057,431)	35.5

ISSUE DESCRIPTIONS

R7 IDD supported living services: The recommendation includes \$17.4 million total funds, of which \$8.5 million is General Fund to fund an additional 2,040 enrollments for individuals waiting for supported living services that become available as soon as possible. Note the Department request was for 1,526 enrollments, but based on information provided by all Community Center Boards, staff is recommending the higher enrollment number based on actual

data. The above table only includes the increases to the Division for Individuals with Intellectual and Developmental Disabilities. The Medical Services Premiums and Mental Health Community Programs will also receive increases of \$2,626,699 total funds and \$622,616 total funds respectively for Medicaid state plan and behavioral health services.

Annualize prior year budget actions: The recommendation includes an increase of \$14.9 million total funds, of which \$7.5 million is General Fund to annualize funding for new enrollments added in FY 2013-14. Funding for the first year of enrollments is equal to six months of service due to the time it takes to determine eligibility, enrollment and start providing services in the first year.

R11 Provider rate increase: The recommendation includes a 3.0 percent community provider rate increase pursuant to Committee policy for the FY 2014-15 community provider rate. The Department requested a provider rate of 1.5 percent.

R8 IDD enrollments: The recommendation includes \$4.9 million total fund, of which \$2.4 million is General fund for the following new enrollments funded for six months in FY 2014-15:

- 55 comprehensive enrollments for youth who are turning 21 during FY 2014-15 to transition from the child welfare system to the comprehensive waiver;
- 40 comprehensive enrollments for adults who experience emergencies or crisis situations and require comprehensive services;
- 30 comprehensive enrollments to transition individuals who no longer require institutional level care from the Regional Centers and Mental Health Institutes;
- 61 supported living enrollments for youth turning 18 during FY 2014-15 who will transition from the children's extensive support services to adult supported living services.

Note the above table only includes the increases to the Division for Individuals with Intellectual and Developmental Disabilities. The Medical Services Premiums will be reduced by \$1,933,750 total funds and the Mental Health Community Programs will increase by \$14,426 total funds for Medicaid state plan and behavioral health services respectively. The recommendation aligns with the Department request, with the exception of higher funding for the 30 deinstitutionalization enrollments.

Youth transitions from child welfare to IDD: The recommendation includes \$3.5 million total funds, of which \$1.7 million is General Fund to transition youth who will be between 18 and 20 in FY 2014-15 from the Child Welfare System to the adult comprehensive waiver. There are also increases to the Medical Services Premiums and Behavioral Health Community Program lines for Medicaid state plan and behavioral health services. This recommendation was not requested by the Department.

R7 SPAL increase for SLS: The recommendation includes \$3.6 million total funds, of which \$1.7 million is General Fund for a 25.0 percent increase to the support living services spending plan authorization limits for supports intensity scales levels two through six. The recommendation assumes all individuals will utilize additional services made available through

the increase. The Department requested a 20.0 percent increase and assumed only 6.37 percent of individuals would utilize additional services.

R14 Family support services increase: The recommendation includes \$3.4 million General Fund for the Family Support Services Program. The Department request aligns with the recommendation.

R16 IDD operating and membership funds: The recommendation includes \$147,402 total funds of which \$73,851 is General Fund for the following purposes:

- \$35,000 total funds for membership with the State Employment Leadership Network;
- \$69,102 total funds for membership with the National Core Indicators; and
- \$43,900 total funds for training and travel costs for IDD staff.

The recommendation does not include \$24,000 total funds requested by the Department for program quality site reviews and facility certification pending the Committee's action on a bill draft to transfer life safety survey to the Department of Public Health and Environment.

Annualize HB 14-1252: The recommendation includes \$77,459 total funds, of which \$37,947 is General Fund for the full year cost of 1.0 FTE to work on waiver renewal and redesign that was appropriated for two months in FY 2013-14 via H.B. 14-1252.

BA10 FMAP change: The recommendation includes a net zero fund source adjustment between General Fund and federal Medicaid funds to account for the change in the federal medical assistance program (FMAP) match rate effective October 1, 2014. The FMAP will change from a 50 percent/50 percent rate (General Fund to federal funds) to 48.99 percent/51.01 percent rate for the federal fiscal year 2014-15. The fiscal impact of the change on the base appropriation (which excludes new funding recommended for FY 2014-15) is a reduction of \$3,126,700 General Fund and an increase of \$3,126,700 federal funds. The new funding recommendations have incorporated the FMAP change as part of the recommendation.

Annualize BA5 IDD caseload adjustment: The recommendation includes the annualization of the FY 2013-14 caseload adjustment made in H.B. 14-1252 to reflect the fiscal impact in FY 2014-15.

→ R-7: Adult Supported Living Services Waiting List Reduction and Service Plan Authorization Limits Increase Disabilities

Request: The Department requests \$15,472,452 total funds, of which \$7,579,954 is General Fund for the following purposes:

- 1,526 enrollments for the Supported Living Services Waiver;
- A 20.0 percent increase to each spending plan authorization limit (SPAL); and
- A 28.6 percent increase to the maximum SPAL.

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Recommendation: Staff recommends an appropriation of \$27,001,367 total funds of which \$13,227,972 is General Fund for the following purposes:

- \$2,040 new SLS enrollments;
- A 25.0 percent increase to the SPALs for levels two through six;
- A 25.0 percent increase to the maximum SPAL; and
- Increases for Medicaid state plan and behavioral health services.

The following table summarizes the recommendation and provides a comparison of the recommendation to the request.

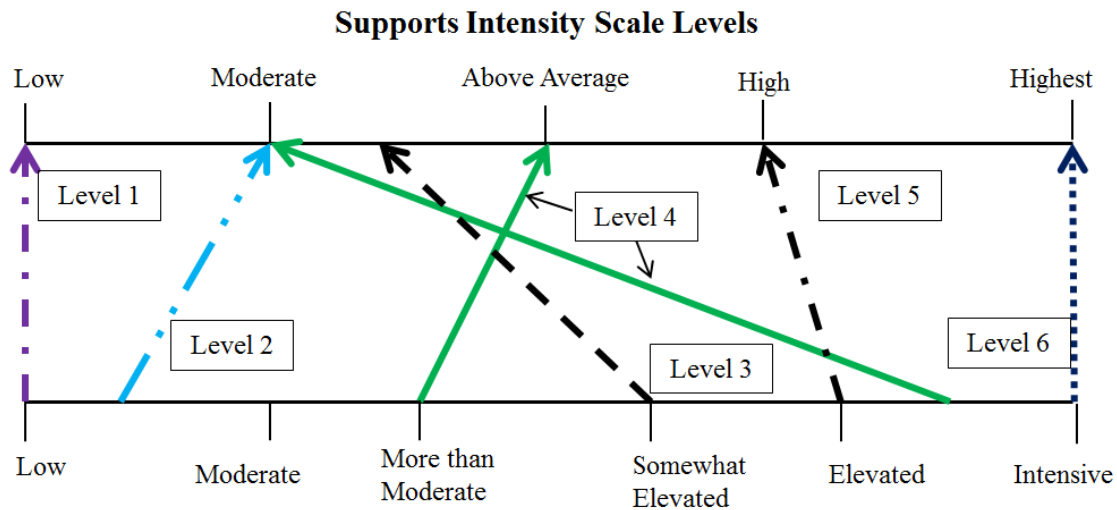
Recommendation for R7 New Enrollments and SPAL Increases				
	FY 2014-15 Total Funds	General Fund	Federal Funds	Total Funds Diff. from Request
New Enrollments				
Waiver Services	\$14,235,533	\$6,973,988	\$7,261,545	\$3,932,227
Case Management and associated administrative costs	3,122,220	1,529,577	1,592,643	786,677
Medical Services Premiums	5,032,276	2,465,312	2,566,964	2,281,776
Behavioral Health Community Programs	<u>1,131,570</u>	<u>554,356</u>	<u>577,214</u>	<u>508,954</u>
<i>Subtotal - New Enrollments</i>	<i>\$23,521,599</i>	<i>\$11,523,233</i>	<i>\$11,998,366</i>	<i>\$7,509,634</i>
<i>SPAL Increases</i>	<i>\$3,479,768</i>	<i>\$1,704,739</i>	<i>\$1,775,029</i>	<i>\$3,064,056</i>
Total	\$27,001,367	\$13,227,972	\$13,773,395	\$10,573,690

Analysis:

Overview of the SIS and the SPAL

The following discussion provides a brief overview of how the Supports Intensity Scale (SIS) and associated Spending Plan Authorization Limits (SPAL) are determined for each individual receiving supported living services.

Step 1 - Determine the Supports Intensity Scale Score. Each person eligible for waiver services is evaluated using the Supports Intensity Scale (SIS). The SIS uses a structured interview process to identify and quantify the basic daily, behavioral and medical needs of the individual. The SIS score takes into account if the person is a public safety risk. There are six SIS scores and the following graphic illustrates how an individual's needs translate into a SIS score.



The following table shows the actual SIS distribution of individuals enrolled on the SLS waiver for FY 2011-12 and FY 2012-13. Staff calculated the average percent of individuals that fall within each SIS level, which is used in the assumptions for calculations made later in the discussion.

SIS Level Distribution					
Level	FY 2011-12 SIS Distribution	Percent of FY 11-12 Total	FY 12-13 SIS Distribution	Percent of FY 12-13 Total	Two Year Average
1	1,255	38.0%	1,231	38.5%	38.3%
2	919	27.8%	896	28.0%	27.9%
3	322	9.7%	294	9.1%	9.4%
4	258	7.8%	245	7.7%	7.8%
5	300	9.1%	289	9.0%	9.1%
6	252	7.6%	245	7.7%	7.7%
Total	3,306	100.0%	3,200	100.0%	100.0%

Step 2 - Determine the Service Plan Authorization Limit

Each SIS score is tied to one of the six Service Plan Authorization Limits (SPALs). Each SPAL identifies the maximum dollar amount available to a person with the corresponding SIS score for all ongoing services. The SPAL ensures that higher needs individuals are able to access higher funding amounts as compared to lower needs individuals. Ongoing services include all services except intermittent services like: transportation, dental services, vision services, assistive technology, and environmental modifications. Note the level seven SPAL requires special permission from the Department and is for individuals who require more intensive care than individuals with a SIS score of six. It is very uncommon for there to be individuals with a level seven on the SLS waiver.

Step 3 - Determine the Individual's Maximum Allowable Amount of Support Service Units

Each support service (day services, behavioral services, respite, etc.) is broken down into units. For most services, one unit of service is equal to fifteen minutes. Two other services, job placement and non-medical transportation are billed based on dollar amount and mileage respectively. Each service has a maximum number of units the individual can utilize depending

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on the SIS score. Appendix B includes the services rates, effective July 1, 2013 for the supported living services waiver.

Recommended Increase to the SPAL

The Department request included a 20.0 percent increase to each SPAL and a 28.6 increase to the maximum SPAL (\$35,000 to \$45,000). Staff asked why the request was set at 20.0 percent and received conflicting messages from the Department and stakeholders. The lack of a consistent response raised some concerns about the request. Since most services are billed on a 15 minute increments, which is equal to 25.0 percent of an hour, it would make sense to increase the SPAL by 25.0 percent not 20.0 percent because a provider cannot bill for 12 minutes (which is equal to 20.0 percent of an hour). It does not make sense to increase the SPAL by a percentage amount which could not translate into one unit of service.

The next part of staff's recommendation is to apply the 20.0 percent increase to levels 2 through 6 only. The utilization of individuals with a level 1 SIS score is on average 66.1 percent of the associated SPAL. Even if the individuals with a level 1 SIS score utilized an additional 20.0 percent of their SPAL, they would only be utilizing, on average 86.1 percent of the SPAL. In conclusion, since the billing for most services is a 15 minute (25.0 percent of an hour) basis, staff recommends the SPAL be increased by 25.0 percent for SIS levels 2 through 6 and the maximum SPAL be increased by 25.0 percent for individuals who require the maximum SPAL amount. The following table summarizes the staff recommendation for the SPAL increases, as compared to the Department's request.

Calculation of Staff Recommendation for SPAL Increases								
Level	FY 11-12 Expenditures	FY 12-13 Expenditures	2-year Average	SPAL Limits	2-year Average as percent of SPAL Limit	Recommended 25% increase	New SPAL	Difference from Dept. request*
	a	b	c=(a+b)/2	d	=c/d	e=d*25%	f=d+e	
1	\$8,070	\$8,040	\$8,055	\$12,193	66.1%	\$0	\$12,193	(\$2,439)
2	10,936	10,926	10,931	13,367	81.8%	3,342	\$16,709	669
3	13,184	13,320	13,252	15,038	88.1%	3,760	\$18,798	752
4	14,878	14,899	14,888	17,296	86.1%	4,324	\$21,620	865
5	18,329	18,842	18,585	20,818	89.3%	5,205	\$26,023	1,041
6	20,445	20,622	20,534	27,366	75.0%	6,842	\$34,208	1,369
Maximum				35,000		8,750	\$43,750	(1,250)

*Positive number indicates staff is higher than the Department request.

To provide the Committee with an example of how the additional funding in the SPAL could translate to services, staff prepared the following table to show the additional services individuals will be able to access with the recommended SPAL increases.

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Level	Recommended 25% SPAL Increase	What a 25% SPAL Increase for Levels 2-6 Will Buy			Remainder for additional services paid on a per individual basis [^]
		Respite Cost for 2 extra days per month	Individual Behavioral Counseling* Cost of 1 additional hours per month	Day Habilitation Cost for an additional 6 days	
2	\$3,342	\$390.37	\$1,182.60	\$1,343.78	\$425.00
3	3,760	390.37	1,182.60	1,508.41	678.11
4	4,324	390.37	1,182.60	1,735.34	1,015.68
5	5,205	390.37	1,182.60	2,091.31	1,540.21
6	6,842	390.37	1,182.60	2,749.85	2,518.67

*Note there is an existing cap the number of behavioral service units an individual can use.

[^]Additional services paid on an actual cost basis include: transportation, specialized medical equipment, home and vehicle modifications dental and vision services.

Cost of the SPAL Increase

The Department's request was based on the assumption that only individuals who were utilizing 80.0 or more of their current SPAL would utilize the additional funding if the SPALs are increased. Based on the Department's request, they anticipated 6.37 percent of individuals currently enrolled, and 6.37 percent of the new SLS enrollments, would utilize the additional funding. The total fiscal impact of the SPAL increases based on this methodology is \$415,712 total funds, of which \$204,706 is General Fund. Staff is concerned that if the intent of the SPAL increase is ensure that the funds available for services are adequate to meet the needs of the individual, and the appropriation is only a fraction of the funding, this may result in significant over expenditures. To assume that only 6.37 percent of the individuals receiving services do not have sufficient funds within the existing SPAL raises questions if there really is a need to request an entire system change.

Since the Department's request states that the existing SPALs are not adequate to meet the need of individuals in the waivers, and the request would enable the Department to meet the needs of individuals with higher SIS scores, staff is not convinced that only 6.37 percent of the individuals receiving services would access the additional funds. Based on the historical utilization of the SPAL by individuals at each SIS score, staff determined that individuals with levels two to five were accessing 81.8 to 89.3 percent of the SPAL. Therefore staff believes that on average individuals will access a similar percentage of the additional funds. The following table summarizes how staff calculated the impact of the SPAL changes.

Level	Cost of SPAL Increases for Existing Enrollments							
	FY 2014-15 Base*	SPAL Change	Percent use of additional SPAL	Additional Cost per enrollment	Full Year Cost of All Enrollments Utilizing Additional SPAL	FY 13-14 Partial Year Cost	General Fund	Federal Medicaid Funds
	a	b	c	d=b*c	E=a*d	=e/2		
1	1,238	\$0	n/a	\$0	\$0	\$0	\$0	\$0
2	901	3,342	81.8%	2,733	2,461,534	1,230,767	602,953	627,814
3	293	3,760	88.1%	3,313	969,903	484,952	237,578	247,374
4	248	4,324	86.1%	3,722	922,001	461,001	225,845	235,156

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Level	Cost of SPAL Increases for Existing Enrollments							
	FY 2014-15 Base*	SPAL Change	Percent use of additional SPAL	Additional Cost per enrollment	Full Year Cost of All Enrollments Utilizing Additional SPAL	FY 13-14 Partial Year Cost	General Fund	Federal Medicaid Funds
	a	b	c	d=b*c	E=a*d	=e/2		
5	288	5,205	89.3%	4,646	1,338,150	669,075	327,780	341,295
6	247	6,842	75.0%	5,133	1,267,947	633,974	310,584	323,390
Total	3,214				\$6,959,536	\$3,479,768	\$1,704,739	\$1,775,029

*Based on the two year average SIS level distribution.

Cost to provide services to all eligible SLS individuals

The Department request, and staff recommendation share the same goal, to provide sufficient funding so that all adults waiting for supported living services can access them. The differences reside in the data used to determine the number of individuals waiting for services. The Department used data from the June 30, 2013 waiting list report. Staff used a report put together by all the Community Center Boards as of January 14, 2014. Staff used the data that was direct from the CCBs because the CCBs are ultimately the ones who provide the waiting list data to the Department, and the data provided by the CCBs was the most current available. The CCB report indicates there are 3,306 individuals waiting for services and of those, 2,040 are waiting for services that are available as soon as possible.

The Committee approved, as part of the FY 2013-14 supplemental, approximately \$4.4 million cash funds to increase the community capacity to serve individuals on both the SLS and comprehensive waiver wait list. The expansion of community capacity ensures that issues raised in the past about insufficient community capacity are not an issue going forward. The benefit to serving as many individuals as possible through the SLS waiver means individuals have a better chance to remain out of institutional settings and reduce the probability they will experience a crisis situation which could result in the need for comprehensive or institutional services. Additionally, the General Assembly has historically made it a point to ensure funding for individuals with intellectual and development disabilities is a priority, approving this funding request provides the General Assembly the chance to continue that priority.

The following table summarizes the fiscal impact of providing funding to ensure services are available for all individuals waiting for supported living services in FY 2014-15. The recommendation assumes a 25.0 percent increase in the SPAL for levels 2 through 6, but does not include the community provider rate increase (which will be calculated on the whole line item not each requested change). Staff used a slightly different methodology than the Department by distributing the new enrollments across the SIS levels and calculating the appropriation based on the number of individuals at each SIS level.

*JBC Staff Figure Setting – FY 2014-15
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Waiver Services Cost of FY 2014-15 New SLS Enrollments to Eliminate the Waiting List							
Level	Projected Distribution of FY 14-15 Enrollments	SPAL Max	Average Use of SPAL	Full Year Cost	FY14-15 costs (6 months)	General Fund	Federal Funds
1	780	\$12,193	66.1%	\$6,282,572	\$3,141,286	\$1,538,916	\$1,602,370
2	569	16,709	81.8%	7,774,617	3,887,308	1,904,392	1,982,916
3	193	18,798	88.1%	3,197,151	1,598,576	783,143	815,433
4	158	21,620	86.1%	2,940,471	1,470,235	720,268	749,967
5	185	26,023	89.3%	4,297,878	2,148,939	1,052,765	1,096,174
6	155	34,208	75.0%	3,978,377	1,989,189	974,504	1,014,685
Total	2,040			\$28,471,067	\$14,235,533	\$6,973,988	\$7,261,545

In addition to the cost of services, there will be additional costs for case management, quality assurance and utilization reviews, and performing the supports intensity scale for the new enrollments. The following table summarizes those costs.

Calculation of Additional Waiver Costs					
	Full year cost for 1 enrollment	Full Year Cost for all 1,526 Enrollments	FY 14-15 Total Cost	FY 14-15 General Fund	Comments
Targeted Case Management	\$2,157	\$3,291,582	\$1,645,791	\$806,274	Funding for 6 months
Quality Assurance	300	457,800	228,900	112,139	Funding for 6 months
Utilization Review	78	119,028	119,028	58,312	This is an annual cost
Supports Intensity Scale	224	341,824	341,824	167,460	One time cost.
Total	\$2,759	\$4,210,234	\$2,335,543	\$1,144,185	

Finally, because the new enrollments will be a mix of individuals previously receiving some type of Medicaid services and individuals who did not receive any Medicaid services, there is a cost for state plan services that will be utilized by the new enrollments. These are costs to the Medical Services Premiums line item as more individuals on the waiver will have access to state plan services. There will also be a cost to the Behavioral Health Community Programs for behavioral health services that will be utilized by new enrollments. The following table summarizes the total fiscal impact to the Medical Services Premiums and Behavioral Health Community Programs.

Cost of State Plan Services			
	Total Funds	General Fund	Federal Funds
Medical Services Premiums	\$2,626,699	\$1,286,820	\$1,339,879
Behavioral Health Community Programs	622,616	305,020	317,596
Total	\$3,249,315	\$1,591,840	\$1,657,475

→ R8: Intellectual and Developmental Disabilities New Full Program Equivalents

Request: The Department requests funding for 125 adult comprehensive enrollments and 61 supported living enrollments and the associated costs of state plan services.

	R8 Request			
	Total	General Fund	Federal Funds	Enrollments
Adult Comprehensive	\$4,102,000	\$2,009,570	\$2,092,430	125
Supported Living	393,389	192,722	200,667	61
Case Management and Quality Assurance	228,501	111,943	116,558	n/a
Utilization Review	14,508	7,108	7,400	n/a
Supports Intensity Scale	41,664	20,412	21,252	n/a
State Plan Costs*	(1,933,750)	(947,345)	(986,405)	n/a
Behavioral Health*	14,426	7,068	7,358	n/a
Total	\$2,860,738	\$1,401,478	\$1,459,260	186

*These funds are appropriated to line items within other Department Divisions.

Recommendation: **Staff recommends an appropriation of \$2,973,374 total funds of which \$1,456,659 is General Fund and 125 comprehensive enrollments and 61 supported living enrollments.** The following table summarizes the recommendation and provides a comparison of the recommendation and the request.

	Recommendation R8 IDD Enrollments				Difference from Request
	Total	General Fund	Federal Funds	Enrollments	
Adult Comprehensive	\$4,214,636	\$2,064,751	\$2,149,885	125	\$112,636
Supported Living	393,389	192,722	200,667	61	0
Case Management and Quality Assurance	228,501	111,943	116,558	n/a	0
Utilization Review	14,508	7,108	7,400	n/a	0
Supports Intensity Scale	41,664	20,412	21,252	n/a	0
State Plan Costs	(1,933,750)	(947,345)	(986,405)	n/a	0
Behavioral Health	14,426	7,068	7,358	n/a	0
Total	\$2,973,374	\$1,456,659	\$1,516,715		\$112,636

Analysis: The funding for the new enrollments fall into the following categories:

- 28 enrollments for youth turning 21 and aging out of the child welfare system into the adult comprehensive;
- 40 enrollments for adults who experience emergency or crisis situations and require immediate residential services;

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- 30 enrollments to transition individuals from the Mental Health Institutes and Regional Centers to community settings who no longer require the institutional level of services; and
- 61 enrollments for youth transitioning from the children's extensive support services to the adult supported living services waiver.

The staff recommendation differs from the Department's request in one way, the cost of the transition enrollments. The difference is due to a different calculation methodology for the annual enrollment cost for individuals transitioning from institutions. The Department used the average FY 2012-13 annual cost of \$65,632 per enrollment, while the staff recommendation used the FY 2012-13 actual waiver costs, weighted by the number of individuals at support levels three through six to ensure that enrollments for transitions are funded at sufficient levels. Staff believes this will ensure the enrollments are properly funded, minimizing the chance a transition would fail due to lack of services. The following table summarizes staff's calculation of cost per enrollment for the deinstitutionalization enrollment.

FY 2014-15 Funding to Deinstitutionalize Individuals				
SIS	Enrollments	Percent of Total	Actual Cost	
	3	714	25.8%	\$55,194
	4	703	25.4%	65,589
	5	817	29.5%	75,496
	6	535	19.3%	94,588
Average				\$72,717

The following table summarizes the waiver cost of the new enrollments for FY 2014-15.

FY 2014-15 Recommendation for New Enrollments								
	Enrollments	Months	Request		Recommendation			
			Full year Cost	FY 2014-15 Cost	Full year Cost	FY 2014-15 Cost	General Fund	
Comprehensive								
Foster Care Transitions Comprehensive	55	6	\$65,632	\$1,804,880	\$65,766	\$1,808,563	\$890,581	
Emergencies	40	6	65,632	1,312,640	\$65,766	\$1,315,318	\$647,696	
Deinstitutionalization	<u>30</u>	<u>6</u>	<u>65,632</u>	<u>984,480</u>	<u>72,717</u>	<u>\$1,090,755</u>	<u>\$537,115</u>	
<i>Subtotal Comprehensive</i>	<i>125</i>			<i>\$4,102,000</i>		<i>\$4,214,636</i>	<i>\$2,107,318</i>	
Supported Living								
CES Age Outs	61	6	12,898	393,389	12,898	\$393,389	\$193,715	
Targeted Case Management & Quality Assurance	186	6	2,457	228,501	2,457	\$228,501	\$112,520	
Utilization Review	186	Annual	78	14,508	78	\$14,508	\$7,144	
Supports Intensity Scale Assessment	186	One time	224	41,664	224	\$41,664	\$20,516	
Total	186			\$4,780,062		\$4,892,698	\$2,441,213	

→ Annualize FY 2013-14 Supplemental (BA5: Community Living Caseload and Per Capita Changes)

Request: The Department requests two changes to the appropriation for the three waivers for individuals with intellectual and developmental disabilities (IDD) to continue the changes made through the FY 2013-14 supplemental process:

- **Base alignment** - This change was made in the FY 2013-14 supplemental appropriation to adjust the funding levels for the three waivers and targeted case management to align the Long Bill appropriation with the projected expenditures. Note since the Department's request did not compound the reduction taken in FY 2013-14, the request shows the reduction occurring again in FY 2014-15 because the structural over appropriation still exists, but the base reduction is partially offset by the cost of the enrollments added in FY 2013-14.
- **Funding for new enrollments** - This change represents the FY 2014-15 number of enrollments released by the Department in November 2013 (200 comprehensive and 150 supported living), and the enrollments funded through the FY 2013-14 supplement including 134 comprehensive enrollments and 279 children's enrollments.

The following table summarizes the fiscal impact for each change.

Summary of Changes Requested in BA-5			
Waiver	Base Adjustment	Annualize FY 2013-14 enrollments*	Total
FY 2014-15 Impact			
Comprehensive	(\$15,367,639)	\$6,698,906	(\$8,668,733)
Supported Living	\$2,509,091	0	2,509,091
Children's Extensive Support	(\$279,003)	5,504,440	5,225,437
Case Management	(\$2,266,576)	835,536	(1,431,040)
State Plan		126,472	126,472
FY 2014-15 Total	(\$15,404,127)	\$13,165,354	(\$2,238,773)
Positive means an increase/(negative) means a reduction *The funding increase does not include the 3.0 percent community provider rate increase recommended for FY 2014-15.			

Recommendation: Staff recommends that the Committee approve the request, and adjust the line items by the amount shown in the "Waiver Totals" column of the above table.

Analysis: The base alignment is recommended for FY 2014-15 based on how staff has structured the recommendation. This is the annualization of the reduction from FY 2013-14 to FY 2014-15. The reduction column represents the over-appropriation of the waivers as it exists in the FY 2014-15 base (which does not include the reduction taken in FY 2013-14). The Committee made the decision to fund additional enrollments in FY 2013-14 to utilize the over-appropriation by funding new enrollments (the other option was simply to reduce the

appropriation). Due to the limited time remaining in FY 2013-14, the new enrollments were funded at a cost of \$962,972 total funds in FY 2013-14. The FY 2014-15 annualization of the enrollments as shown in the table above, is \$13,165,354, which utilizes most of the structural over-appropriation.

→ R11: Community Provider Rate Increase

Request: The Department requests a 1.5 percent community provider rate increase for FY 2014-15.

Recommendation: **Staff recommends a 3.0 percent community provider rate increase in accordance with the Committee's policy for the FY 2014-15 provider rate.** The following table summarizes the total cost of the provider rate for the IDD waivers.

Summary of the FY 2014-15 Provider Rate Increase			
Line Item	Total Funds	General Fund	Federal Funds
Adult Comprehensive Services	\$9,184,475	\$4,522,665	\$4,661,810
Adult Supported Living Services	2,029,801	999,525	1,030,276
Children's Extensive Support Services	728,688	358,828	369,860
Case Management	862,449	424,696	437,753
Family Support Services	199,865	199,865	0
Preventive Dental Hygiene	1,818	1,818	0
Eligibility Determination and Waiting List Management	89,623	89,033	590
Total	\$13,096,719	\$6,596,430	\$6,500,289

→ R14: Family Support Services Funding Restoration

Request: The Department requests \$3,406,321 General Fund for the Family Support Services Program to restore the funding level to the FY 2009-10 level.

Recommendation: **Staff recommends the Committee approve the request and increase the Family Support Services Program by \$3,406,321 General Fund.**

Analysis: The Family Support Services Program (FSSP) is General Fund dollars provided directly to Community Center Board for distribution to individuals and families for services and supports. Individuals and families use this funding to purchase assistive technology, make home and vehicle modifications, medical and dental expenses, respite care, and transportation. Services provided to individuals and families from FSSP funding are documented in the individuals/families individualized family support plan.

Community Center Boards (CCBs) manage the eligibility determinations for FSSP and ensure that services and supports are targeted towards families that are most in need. The CCBs have developed written policies to ensure that the following five parameters are factored into the decision for which families receive funding:

- The type and complexity of the child's needs;
- The degree to which the child's behavior affects the day to day family operation;
- The composition and stability of the family;
- The family's level of isolation or lack of support networks; and
- The family's access to other resources.

As of September 30, 2013 there are 6,151 families waiting for FSSP funding, therefore if all families received the same amount, each family would receive approximately \$553. The costs of services and supports needed by families vary so staff is unable to say specifically how many families would be served off the waiting list.

→ R16: New Operational and Membership Funds for the Division for Intellectual and Developmental Disabilities

Request: The Department requests \$172,002 total funds for membership dues, travel, and training costs for the Division for Intellectual and Developmental Disabilities staff including:

- \$35,000 for membership with the State Employment Leadership Network;
- \$69,102 for membership with the National Core Indicators; and
- \$67,900 for training and travel costs for IDD staff.

Recommendation: **Staff recommends an appropriation of \$147,702 total funds, of which \$72,359 is General Fund.** The recommendation does not include \$24,000 for program quality reviews pending the Committee's action on a bill draft to transfer life safety survey to the Department of Public Health and Environment.

Analysis:

Funding for the State Employment Leadership Network

The Division was a member of the State Employment Leadership Network (SELN) prior to 2006, but relinquished the membership after 2006 due to budget reductions. Participation in SELN provides Division staff with access to resources for improving employment outcomes for people with developmental disabilities who are enrolled in day services. There is strong support from the community for the Division to obtain this membership. Staff recommends funding be appropriated for the SELN membership dues.

Funding for National Core Indicators

Membership with the National Core Indicators (NCI) provides Division staff with the ability to measure and track their NCI performance, and compare results across states and established national benchmarks. NCI are standard measures used across states to assess the outcomes of

services provided to individuals. The Division was notified in May 2013 they were accepted into NCI. The costs of the FY 2013-14 membership dues were funded by a one-time grant. The community indicated to staff that there is strong support for the Division to participate in NCI. Staff recommends funding be appropriated for the NCI membership dues.

Funding for Travel and Training

The request is for \$9,600 total funds for four staff to travel around the state to engage with stakeholders. Staff believes that it is essential that Division staff to visit all parts of the State where individuals receiving services live to ensure the transfer and ongoing work of the Department regarding waivers can be integrated within the existing structure and minimize disruption to individuals and providers.

The request also includes \$34,000 total funds for staff training and \$24,300 total funds for program quality reviews. The \$34,000 for staff training accompanies the recommended funding for the membership dues and will enable staff to travel to conferences and obtain new training material. The request for \$24,300 for program quality reviews will be used for provider surveys, licensing and certification. Staff is not recommending the \$24,300 for program quality reviews because of the recommendation made in the Department of Public Health and Environment to transfer the life safety survey staff from the Division to the Department of Public Health and Environment. The Committee is waiting to review a bill draft for the transfer of those staff, and if the bill is approved, **staff recommends this appropriation be placed in the Department of Public Health and Environment via the bill's appropriation clause.** If the Committee does not approve the bill, staff recommends this appropriation be included in this Department's appropriation. Staff requests permission to adjust the appropriation based on Committee action on the bill.

→ BA10: Enhanced Federal Medical Assistance Percentages

Request: The Department requests funding adjustments for General Fund and Medicaid federal funds to account for the increased federal medical assistance percentages (FMAP) rate the State will receive, effective October 1, 2014. The current FMAP rate is 50.0 percent state funds, 50.0 percent federal Medicaid funds. Effective October 1, 2014, the FMAP rate will be 48.99 percent state funds and 51.01 percent federal Medicaid funds.

Recommendation: **Staff recommends the Committee approve the FMAP changes.** The following table summarizes the fiscal impact to the Division for Intellectual and Developmental Disabilities.

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BA10 FMAP Change on Division's Base Appropriation			
	Total Funds	General Fund	Federal Funds
(A) Administration			
Personal Services	\$0	(\$19,765)	\$19,765
Operating Expenses	0	(1,129)	1,129
Community and Contract Management System	0	(729)	729
Support Level Administration	0	(434)	434
(B) Program Costs			
Adult Comprehensive Services	0	(2,327,169)	2,327,169
Adult Supported Living Services	0	(453,103)	453,103
Children's Extensive Support Services	0	(142,297)	142,297
Case Management	0	(184,039)	184,039
Eligibility Determination and Waiting List Management	0	(293)	293
Total	\$0	(\$3,128,958)	\$3,128,958

Analysis: The FMAP is calculated annually using a formula which considers per capita personal income. During the recession Colorado's per capita income fell so much that the State will qualify for an enhanced match in federal fiscal year 2014-15 (October 1, 2014 to September 30, 2015). It is anticipated the enhanced match will be temporary as the impact of recession phases out of the per capita personal income used to calculate the match.

→ Staff Initiated: HB 13-1314 Transfer Annualization

Request: As part of the annualization of H.B. 13-1314, the Department of Health Care Policy and Financing (Department) moved all personal services and operating expenses appropriated separately from the general administration of the Department of Human Services, to the General Administration personal services and operating expenses line items within the Department's Executive Director's Office.

Recommendation: **Staff recommends the personal services and operating expenses for the administration of the intellectual and developmental disabilities waivers remain in separate line items in the Division for Intellectual and Developmental Disabilities.** The recommendation has a net zero cost because the Department's General Administration personal services and operating expenses lines will be reduced by the amount the Division's personal services and operating expenses line items are increased.

Analysis: One of the primary concerns expressed by stakeholders when the draft for H.B. 13-1314 was discussed, and continued throughout the process was that funding for the intellectual and developmental disabilities waivers would become engulfed by the larger Medicaid Services Premiums, and Department activities related to administration of the state plan. The stakeholders expressed concern that the elimination of the personal services and operating expenses line items represents the initial steps of this process.

On the other hand, the Department indicated that the existing IDD staff would become integrated within the existing structure of the Department and would not remain as a stand-alone unit within the Department. While the General Assembly cannot dictate how the Department should structure their programs, the General Assembly can keep the funding for the IDD program separate from the larger Department administration staff.

In order to provide transparency and accountability for the number of staff and administrative costs of administering the IDD waivers, staff recommends the personal services and operating expenses remain separate line items within the Division. Additionally, H.B. 14-1252 added an appropriation for administrative costs for waiver renewal and redesign to the Division, therefore this recommendation would align with precedent set in the appropriation clause of H.B. 14-1252.

→ Staff Initiated: Transitioning Youth with Intellectual and Developmental Disabilities Ages 18-21 from the Child Welfare System to the IDD System

Request: The Department did not request this change.

Recommendation: **Staff recommends all youth aged 18 to 20 with an intellectual or developmental disability be served through the adult comprehensive waiver starting in FY 2014-15. Additionally, staff recommends the transition of youth with an IDD turning 18 during FY 2014-15 from the child welfare system to the adult comprehensive waiver system.** The following table summarizes the fiscal impact of the staff recommendation.

Total Fiscal Cost of CHRP Transitions				
	Total Funds	General Fund	Local Funds	Federal Funds
FY 2014-15				
Child Welfare Block Grant*	(\$3,691,433)	(\$1,439,659)	(\$1,734,973)	(\$516,801)
Comprehensive Services	3,527,571	1,728,243	0	1,799,328
Total	(\$163,862)	\$288,584	(\$1,734,973)	\$1,282,527
FY 2015-16				
Child Welfare Block Grant*	(\$7,382,865)	(\$2,879,317)	(\$1,033,601)	(\$3,469,947)
Comprehensive Services	7,020,408	3,439,298	0	3,581,110
Total	(\$362,457)	\$559,981	(\$1,033,601)	\$111,163

*The change to the Child Welfare Block Grant will occur in the Department of Human Services

Analysis: Youth who do not have an IDD in the child welfare system are determined to be adults when they turn 18 and transition out of the child welfare system. For youth with an IDD, because they are guaranteed educational services system until the age of 21, current policy has them remaining within the child welfare system until they turn 21. This presents a number of challenges for child welfare case workers in ensuring that these youth are receiving appropriate services because not only are these youth older than all the other youth the case workers handle, they have unique needs associated with their IDD. The recommendations from the Department of Human Services task group on this issue specifically stated "The task group concluded that the 18-20 year old youth with developmental disabilities, who are already adults by age, should be

phased out of the child welfare system over a three year period to be served in the adult DD system. The phase out is recommended due to the need to “ramp up” the adult DD system, Community Centered Boards and service providers for the increased number of new clients from child welfare.”¹. Since the General Assembly is considering funding system capacity increases, staff is recommended these transitions occur within the same year.

The report noted that there is virtually unanimous support for the recommendation but the rationale for the recommendation was based on "what is right for these children and families. Families with children with developmental disabilities are in the child welfare system largely due to the inability to access services that include out-of-home placement without surrendering custody of their children to the Department of Human Services. The child welfare system then inherits a child or youth not in need of protection, but in need of long-term services that require special expertise to manage the considerable resources efficiently." It should be noted that this transition, while ideally seamless for the youth, could be disruptive for the youth depending on the number of changes that would have to occur. It is important that in the mind set of person-centered services all possible methods are employed to ensure that the transition appears seamless.

In order to calculate the fiscal impact to the Child Welfare Block Grant and adult comprehensive services, staff utilized the following steps and noted the assumptions used to make the calculations.

Step 1: Calculate the estimated number of youth who will be impacted by the transition.

The first step to determining the fiscal impact of this recommendation is to identify how many youth will transition. The following table summarizes how the total number of 105 youth was calculated.

Calculation of the Number of Youth				
Youth Ages 18 to 21 by June 30, 2014[^]	Estimation of Youth Turning 18 During FY 2014-15*	Total Youth	Transition Enrollments Recommended in R8	Remaining Enrollments
110	50	160	55	105

[^]Number from page 29 of the Department's December 23, 2013 hearing responses.

*Average number of youth transition from Child Welfare Services since FY 2008-09

Step 2: Calculation of the estimated total reduction to the Child Welfare Block Grant

The Policy and Finance Task Group of the Developmental Disabilities and Child Welfare Subcommittee produced a report on October 26, 2012 which identified the average child welfare cost of \$70,313 for serving an individual between 18 and 20 years old with an intellectual and developmental disabilities. The report collected the following financial data used to calculate the average cost of \$70,313 per youth: out-of-home, Core Services, Children's Habilitation

1 Page 2 from the "Interim Report from the Policy & Finance Task Group, 10-26-12. Concerning Moving Service Delivery and Case Management of 18-20 year old Youth with Developmental Disabilities from the Child Welfare System to the Division of Developmental Disabilities".

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Residential Program (CHRP), case services, adoption assistance, and Medicaid costs. Based on this average cost, staff calculated the total reduction to the Child Welfare Block Grant.

Calculation of Child Welfare Block Grant Reduction			
Average Child Welfare Cost*	Number of Youth	Total reduction to Child Welfare (Full Year)	FY 2014-15 Reduction
\$70,313	105	\$7,382,865	\$3,691,433

Based on the fund source split used in the 2012 report, staff calculated the reduction of General Fund, local county funds, and federal funds:

Child Welfare Block Grant Reduction by Fund Source			
Fund Source	Percent	Full Year Amount	FY 2014-15 Amount
General Fund	39.0%	\$2,879,317	\$1,439,659
Federal Funds	47.0%	3,469,947	1,734,973
Local Funds	14.0%	1,033,601	516,801
Total	100.0%	\$7,382,865	\$3,691,433

Step 3: Cost of New Comprehensive Enrollments

Based on the actual SIS scores of youth transitioned in FY 2012-13 (the most recent year with a full year's worth of transition data), and the most recent average cost per enrollment by SIS level, staff calculated the additional Medicaid cost of transitioning the 18 to 20 year olds in FY 2014-15.

Calculation of Comprehensive Waiver Costs for Additional Youth Transitions							
Level	FY 2012-13 SIS of the 37 Youth Transitioned	Percent of Total Youth from FY 2012-13 transition	Projection of New Enrollments	Average Cost per Enrollment*	Full Year Cost	FY 2014-15 Cost	FY14-15 General Fund
	a	b=a/37	c=b*110	d	e=c*d	f=e/2	=f*48.99%
1	6	16.2%	17	\$33,480	\$570,156	\$285,078.00	\$139,660.00
2	6	16.2%	17	48,628	828,138	414,069	202,853
3	4	10.8%	11	57,651	654,339	327,170	160,281
4	7	18.9%	20	68,046	1,351,391	675,696	331,024
5	5	13.5%	14	77,953	1,106,149	553,075	270,952
6	9	24.3%	26	97,045	2,478,525	1,239,263	607,115
Total	37	100.0%	105		\$6,988,698	\$3,494,351	\$1,711,885

*Average cost per enrollment includes \$2,457 for targeted case management and quality assurance.

The following table summarizes costs for both twelve months and six months the cost of waiver services, quality assurance, utilization reviews, case management, and one-time cost of performing the supports intensity scale.

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FY 2014-15 Recommendation for New Enrollments						
			Cost Per Enrollment	Twelve Month Cost	FY 2014-15 6 Month Cost	General Fund
Services for Foster Care Transitions	105	6	varies	\$6,988,698	\$3,494,351	\$1,711,885
Utilization Review	105	Annual	\$78	8,190	\$8,580	\$4,225
Supports Intensity Scale Assessment	105	One time	\$224	23,520	\$24,640	\$12,133
Total				\$7,020,408	\$3,527,571	\$1,728,243

The following table summarizes costs for both twelve months and six months the cost of state plan services funded through the Medical Services Premiums line item and behavioral health services funded through the Behavioral Health Community Programs line item.

State Plan Costs for New Transition Enrollments					
State Plan Costs	Cost per enrollment	New Enrollments	Twelve Month Cost	FY 2014-15 Cost	General Fund
Medical Services Premiums	\$8,365	105	\$878,289	\$439,145	\$215,137
Behavioral Health Community Programs	1,980	105	207,869	103,935	50,918
Total			\$1,086,158	\$543,080	\$266,055

→ Staff Initiated: Options for the IDD Cash Fund

Due to an underutilization of enrollments and an over-appropriation of the base budget, the FY 2012-13 General Fund expenditures were \$6,969,500 less than the FY 2012-13 appropriation. Pursuant to Section 27-10.5-104.2, C.R.S., any funds not expended by the waivers roll into the Intellectual and Developmental Disabilities Cash Fund at the end of the fiscal year. There has not been a proposal put forth by the Department for how to expend the funds in the IDD Cash Fund, and for the Committees consideration staff has provided the following options for how the funds could be spent. It is important to note these are one time funds, and any changes which are base building will require General Fund in future years.

Option 1- Adjust service caps: There were a number of caps implemented during FY 2010-11 and FY 2011-12 as budgeting mechanisms to avert an over expenditure. The Department could reduce or eliminate these caps and use a portion of the balance to fund the initial cost of additional services. This process would require waiver amendments and it is not clear if the Department is willing to make such amendments.

Option 2 - Additional Enrollments to Avoid Vacancies: Since there is turn over in enrollments, the Fund could be used for six months of services for additional individuals so when a vacancy occurs, there is an individual already enrolled and receiving services that could transition into the vacancy. This would eliminate vacancy savings which have contributed to the expenditure.

Option 3 - Increase funding for Family Support Services Program: This is could be a one-time or ongoing expenditure that would provide additional funding to the Family Support Services

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Program. The following table summarizes the cost of providing additional funds to families at various levels.

Summary of the Number of Individuals Waiting for Family Support Services as of Sept. 30, 2013							
Age Range	Families	Cost to Fund Additional Individuals Through Family Support Services					
		\$534	\$750	\$1,000	\$1,250	\$1,500	\$2,000
Birth - 2.9	1,639	\$907,651	\$1,229,250	\$1,639,000	\$2,048,750	\$2,458,500	\$3,278,000
3-13.9	3,348	\$1,854,066	2,511,000	3,348,000	4,185,000	5,022,000	6,696,000
14-15.9	171	\$94,697	128,250	171,000	213,750	256,500	342,000
16-17.9	156	\$86,390	117,000	156,000	195,000	234,000	312,000
18-27.9	671	\$371,589	503,250	671,000	838,750	1,006,500	1,342,000
28-37.9	109	\$60,362	81,750	109,000	136,250	163,500	218,000
38-47.9	35	\$19,382	26,250	35,000	43,750	52,500	70,000
48-57.9	18	\$9,968	13,500	18,000	22,500	27,000	36,000
58+	4	\$2,215	3,000	4,000	5,000	6,000	8,000
Total	6,151	\$3,406,321	\$4,613,250	\$6,151,000	\$7,688,750	\$9,226,500	\$12,302,000

Option 4 - Capacity Increases: This option would continue to provide funding to providers and Community Center Boards for costs related to increasing capacity including recruiting and training of host home providers, expansion of service options, and increases in the number of group homes able to service high needs individuals transitioning out of institutions.

Option 5 - Offset General Fund: This option would simply use the funds as a one-time offset to General Fund.

(A) ADMINISTRATIVE COSTS

Personal Services

***RECOMMENDED TO ADD IN FY 2014-15**

Description: This line item will fund the staff responsible for administration of the intellectual and developmental disability waiver programs.

Request: The Department did not request this line item, and has indicated they are not supportive of separating out the staff responsible for the Intellectual and Developmental Disabilities Program (IDD Program) from the other Department staff because of how the Department plans to integrate IDD Program staff within the existing staff structure of the Department. The Department requested \$2,849,657 total funds, of which \$1,545,039 is General Fund be transferred from the Department of Human Services for the IDD personal services. The request included \$27,789 total funds for the annualization of the FY 2013-14 salary survey and merit pay.

Recommendation: **Staff recommends an** appropriation of \$2,927,116 total funds, of which \$1,563,221 is General Fund and 35.5 FTE. The recommendation includes the following changes:

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- annualization of the FY 2013-14 salary survey and merit pay appropriations;
- Full year funding for the 1.0 FTE to work on waiver redesign and renewal; and
- Net zero fund adjustment for the FMAP change.

The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Personal Services				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0</u>
TOTAL	\$0	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	2,849,657	1,545,039	1,304,618	34.5
Annualize HB 14-1252	77,459	37,947	39,512	1.0
BA10 FMAP change	<u>0</u>	<u>(19,765)</u>	<u>19,765</u>	<u>0.0</u>
TOTAL	\$2,927,116	\$1,563,221	\$1,363,895	35.5
Increase/(Decrease)	\$2,927,116	\$1,563,221	\$1,363,895	35.5
Percentage Change	0.0%	0.0%	0.0%	0.0%
Request Above/(Below) Recommendation	(\$2,927,116)	(\$1,563,221)	(\$1,363,895)	(35.5)

Operating Expenses

Description: This line item pays for operating expenses of the Division.

Request: The Department did not request this line item, and has indicated they are not supportive of separating out the staff and associated costs responsible for the Intellectual and Developmental Disabilities Program (IDD Program) from the other Department staff because of how the Department plans to integrate IDD Program staff within the existing staff structure of the Department. The Department requested \$148,808 total funds, of which \$74,542 is General Fund be transferred from the Department of Human Services for the IDD personal services. The transferred amount did not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an appropriation of \$296,786 total funds.** The recommendation includes \$147,702 total funds for membership dues and staff training. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

JBC Staff Figure Setting – FY 2014-15
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Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Operating Expenses				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0</u>
TOTAL	\$0	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
R16 IDD Operating/membership funds	147,702	72,732	74,970	0.0
Annualize HB 13-1314 IDD transfer	149,084	74,542	74,542	0.0
BA10 FMAP change	<u>0</u>	<u>1,129</u>	<u>(1,129)</u>	<u>0.0</u>
TOTAL	\$296,786	\$148,403	\$148,383	0.0
Increase/(Decrease)	\$296,786	\$148,403	\$148,383	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
Request Above/(Below) Recommendation	(\$296,786)	(\$148,403)	(\$148,383)	0.0

Community and Contract Management System

Description: This line item funds the maintenance and development upgrades of the Community Contract and Management System (CCMS) which does the following:

- tracks financial information relating to the developmental disabilities waivers including: contracts, payments, and program information;
- collects information on the general demographics of individuals seeking services and the waiting list; and
- transmits financial information to the Medicaid Management Information System (MMIS) for Medicaid reimbursement to providers.

Request: The Department requests an appropriation of \$137,480 total funds, of which \$89,362 is General Fund. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$137,480 total funds, of which \$88,633 is General Fund.** The recommendation includes a net zero fund adjustment for the FMAP change. The following table summarizes the recommendation which is calculated in accordance with Committee policy.

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Community and Contract Management System				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$0	\$0	\$0	0
TOTAL	\$0	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	137,480	89,362	48,118	0.0
BA10 FMAP change	0	(729)	729	0.0
TOTAL	\$137,480	\$88,633	\$48,847	0.0
Increase/(Decrease)	\$137,480	\$88,633	\$48,847	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$137,480	\$89,362	\$48,118	0.0
Request Above/(Below)				
Recommendation	\$0	\$729	(\$729)	0.0

Support Level Administration

Description: The funding in this line item is used to pay for the ongoing costs associated with the administration of support level determination, including the Supports Intensity Scale which is used to determine the needs and authorized funding for individuals with developmental disabilities receiving waiver services.

Request: The Department requests an appropriation of \$57,368 total funds, of which \$28,684 is General Fund. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$57,368 total funds, of which \$28,250 is General Fund.** The recommendation includes a net zero fund adjustment for the FMAP change. The following table summarizes the recommendation which is calculated in accordance with Committee policy.

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Support Level Administration				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$0	\$0	\$0	0
TOTAL	\$0	\$0	\$0	\$0

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Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Support Level Administration				
	Total Funds	General Fund	Federal Funds	FTE
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	57,368	28,684	28,684	0.0
BA10 FMAP change	<u>0</u>	<u>(434)</u>	<u>434</u>	<u>0.0</u>
TOTAL	\$57,368	\$28,250	\$29,118	0.0
Increase/(Decrease)	\$57,368	\$28,250	\$29,118	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$57,368	\$28,684	\$28,684	0.0
Request Above/(Below)				
Recommendation	\$0	\$434	(\$434)	0.0

(B) PROGRAM COSTS

→ Program Costs Footnotes

Waiver Enrollment and FPE Footnote

Recommendation: Staff recommends the following footnote be **amended and continued** to identify the number of FPE and the maximum enrollment number that would be funded by the appropriation. The amendment to the footnote would change the header to reflect the transfer of the line to the Department of Health Care Policy and Financing, and would adjust the enrollment and FPE numbers based on Committee action.

Department of Human services, Services for People with Disabilities, Community Services for People with Developmental Disabilities, Program Costs -- The appropriations in this subdivision assume the following caseload and cost estimates for Medicaid clients:

<u>Waiver</u>	<u>Enrollment</u>	<u>Full Program Equivalent</u>	<u>Cost Per Enrollment</u>
Comprehensive	4,695	4,356.75	\$65,765.91
Supported Living Services	3,217	3,098.00	\$12,898.74
Children's Extensive Support	1,204	623.41	\$19,929.64
Targeted Case Management	9,116	8,039.41	\$2,192.62

Comment: This footnote was added through the FY 2013-14 supplemental bill (H.B. 14-1252) to provide a standard basis understood by both the Department and staff, from which the appropriation is calculated. The definition for enrollments is the number of individuals receiving services. The definition for FPE is the average monthly paid claims.

In order to provide an explanation of factors used to calculate the appropriation, similar to how the General Assembly footnotes the Medical Services Premiums line item with Department of Health Care Policy and Financing footnote #8, staff recommended the addition of the footnote to outlines the maximum enrollment and FPE number that would be funded with the appropriation. This footnote will assist with future appropriation changes and associated changes in maximum enrollment and FPE numbers.

Program Costs Flexibility Footnote

Recommendation: **Staff recommends the footnote be amended and continued** to provide the Department with flexibility to manage the costs associated with the provision of services in community-based settings to individuals with developmental disabilities. The amendment to the footnote would change the header to reflect the transfer of the line to the Department of Health Care Policy and Financing.

Department of Human Services, Services for People with Disabilities, Community Services for People with Developmental Disabilities, Program Costs -- It is the intent of the General Assembly that expenditures for these services be recorded only against the Long Bill group total for Program Costs.

Comment: Waiver costs vary from individual to individual and it is important to provide the Division with the ability to effectively manage the funds without requiring numerous emergency and regular supplemental requests. The footnote will mean the Program Costs line item appropriations are shown for informational purposes because the Department had the authority to transfer funds between these line items. Expenditures were limited by the total for the subsection, rather than totals for individual line items within the subsection.

Preventive Dental Hygiene Footnote

Recommendation: **Staff recommends the footnote be amended and continued** to clearly express the General Assembly's intended use of the funds appropriated to the line item. The amendment to the footnote would change the header to reflect the transfer of the line to the Department of Health Care Policy and Financing.

Department of Human Services, Services for People with Disabilities, Community Services for People with Developmental Disabilities, Program Costs, Preventive Dental Hygiene -- It is the intent of the General Assembly that this appropriation be used to provide special dental services for persons with developmental disabilities.

Analysis: Since the line item is recommended to be moved into the Program Costs section, staff believes it is important to ensure the General Assembly continues to express their intent that the funds appropriated for this purposes are not used for non-preventive dental hygiene costs.

→ Monthly Expenditure RFI

Recommendation: Staff recommends a the Department's request for information number one be amended to include asking the Department to report monthly expenditure and enrollment data for the Division for Intellectual and Developmental Disabilities. The following language shows the staff recommendation, and suggested changes.

Department of Health Care Policy and Financing, Executive Director's Office -- The Department is requested to submit monthly Medicaid expenditure and caseload reports on the Medical Services Premiums, ~~and~~ mental health capitation line items, AND THE INTELLECTUAL AND DEVELOPMENTAL DISABILITIES LINE ITEMS to the Joint Budget Committee, by the fifteenth or first business day following the fifteenth of each month. The Department is requested to include in the report the managed care organization caseload by aid category. The Department is also requested to provide caseload and expenditure data for the Children's Basic Health Plan, the Medicare Modernization Act State Contribution Payment, and the Old Age Pension State Medical Program within the monthly report.

Comment: The Department indicated they would support the change to the request for information. By asking the Department to report this information will provide the Committee and staff with monthly data on which to base the appropriation for the upcoming fiscal year.

→ FPE Request for Information

Recommendation: Staff recommends the following request for information be amended and sent to the Department in order to inform the Joint Budget Committee on the status of the distribution of the full program equivalents and any issues that have, or could prevent the distribution of all the full program equivalents funded by the General Assembly.

~~Department of Human Services, Services for People with Disabilities, Community Servicers for People with Developmental Disabilities, Program Costs~~ DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, OFFICE OF COMMUNITY LIVING, DIVISION FOR INTELLECTUAL AND DEVELOPMENTAL DISABILITIES – The Department is request to submit a report to the Joint Budget Committee on ~~December 1, 2013~~ NOVEMBER 1, 2014 regarding the status of the distribution of the full program equivalents for the developmental disabilities waivers. The report is requested to include any current or possible future issues, which would prevent the distribution of the enrollments ~~full number of full program equivalents~~ noted in the FY ~~2013-14~~ 2014-15 Long Bill.

Analysis: Due to the large number of enrollments recommended for FY 2014-15, staff believes it is important for the Joint Budget Committee to be informed about the distribution of enrollments throughout the fiscal year, and be knowledgeable about any issues which may prevent the distribution of enrollments.

Adult Comprehensive Services

Description: This line item funds the costs of adult comprehensive service waivers. Adult comprehensive services are provided to individuals who require extensive supports to live safely in the community including: residential services in community based settings, day services, and transportation.

Request: The Department requests an appropriation of \$338,580,732 total funds, of which \$151,052,881 is General Fund. The request includes the following changes:

- An increase of \$4,102,000 total funds for 125 comprehensive enrollments;
- An increase of \$5,131,765 total funds for the requested 1.5 percent provider rate increase ;

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- A reduction of \$8,668,733 total funds for the second year impact of the caseload adjustment; and
- An increase of \$8,108,245 for the annualization of partial year funding for enrollments added in FY 2013-14.
- A net zero change for the FMAP change beginning October 1, 2014.

Recommendation: Staff recommends an appropriation of \$346,132,357 total funds, of which \$155,280,869 is General Fund. The recommendation includes the following changes from the FY 2013-14 appropriation:

- An increase of \$4,214,636 total funds for 125 enrollments for youth transitioning from the child welfare system or institution, and for adults experiencing emergency situations;
- An increase of \$9,184,475 total funds for the 3.0 percent provider rate increase;
- An increase of \$8,108,245 total funds for annualization of partial year prior funding for new enrollments;
- An increase of \$3,386,279 total funds to transition youth who will be between 18 and 20 in FY 2014-15 from the child welfare system to the adult comprehensive waiver;
- A net zero adjust for the FMAP change; and
- A reduction of \$8,668,733 for annualization of the FY 2013-14 supplemental caseload adjustment.

The recommendation is calculated in accordance with Committee policy and outlined in the table below.

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Adult Comprehensive Services					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0</u>
TOTAL	\$0	\$0	\$0	\$0	0.0
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0	0.0
Annualize HB 13-1314 IDD transfer	329,907,455	149,554,370	30,798,715	149,554,370	0.0
R11 Provider rate increase	9,184,475	4,522,665	0	4,661,810	0.0
Annualize prior year budget decisions	8,108,245	4,054,123	0	4,054,122	0.0
R8 IDD Increase funded FPE	4,214,636	2,064,751	0	2,149,885	0.0
Youth transitions from child welfare to IDD	3,386,279	1,658,941	0	1,727,338	0.0
BA10 FMAP change	<u>0</u>	<u>(2,327,169)</u>	<u>0</u>	<u>2,327,169</u>	<u>0.0</u>
Annualize BA5 IDD Caseload adjustment	(8,668,733)	(4,246,812)	0	(4,421,921)	0.0
TOTAL	\$346,132,357	\$155,280,869	\$30,798,715	\$160,052,773	0.0

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Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Adult Comprehensive Services					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
Increase/(Decrease)	\$346,132,357	\$155,280,869	\$30,798,715	\$160,052,773	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$338,580,732	\$151,052,881	\$31,254,275	\$156,273,576	0.0
Request Above/(Below) Recommendation	(\$7,551,625)	(\$4,227,988)	\$455,560	(\$3,779,197)	0.0

Adult Supported Living Services

Description: This line item funds the costs of adult supported living services waiver which provides support services to adults with disabilities who are either living independently, or with support from family or friends. Services provided through this waiver are flexible and individualized based on the needs of each individual and intended to avoid or delay the individual's need for services through the comprehensive waiver. Services provided through this waiver include: personal assistance for daily care and/or homemaking needs, home modification, day services including employment, professional therapies, and transportation services.

Request: The Department requests an appropriation of \$60,667,175 total funds, of which \$33,818,237 is General Fund. The request includes the following changes from the FY 2013-14 appropriation:

- An increase of \$9,887,594 total funds for 1,526 new supported living enrollments and an across the board increase in the spending plan authorization limit of 20.0 percent;
- An increase of \$378,627 total funds for 61 new enrollments for youth transitioning off the children's extensive support services waiver;
- An increase of \$2,509,091 total funds for annualization of the FY 2013-14 supplemental caseload adjustment;
- An increase of \$859,627 for the requested 1.5 percent provider rate increase; and
- Net zero fund adjustment for the FMAP change.

Recommendation: **Staff recommends an appropriation of \$69,689,818 total funds, of which \$38,128,550 is General Fund.** The recommendation includes the following changes from the FY 2013-14 appropriation:

- An increase of \$14,235,533 for 2,040 new enrollments to serve all individuals waiting for supported living services that are available as soon as possible;
- An increase of \$3,479,768 for staff projected cost of additional service utilization that will result from increase the spending plan authorization limit for levels two through six;
- An increase of \$2,509,091 for annualization of the FY 2013-14 supplemental caseload adjustment;
- An increase of \$2,029,801 total funds for the 3.0 percent community provider rate increase;
- An increase of \$393,389 total funds for 61 new enrollments for youth transitioning from the children's extensive support services to the adult supported living services;

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- An increase of \$313,515 to annualize partial year funding added for new enrollments in FY 2013-14; and
- Net zero fund adjustment for the FMAP change.

The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Adult Supported Living Services				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$0	\$0	\$0	0
TOTAL	\$0	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	46,728,721	27,324,717	19,404,004	0.0
R7 IDD Supported living services	14,235,533	6,973,988	7,261,545	0.0
R7 - SPAL increase	3,479,768	1,704,739	1,775,029	0.0
Annualize BA5 IDD Caseload adjustment	2,509,091	1,229,204	1,279,887	0.0
R11 Provider rate increase	2,029,801	999,525	1,030,276	0.0
R8 IDD Increase funded FPE	393,389	192,722	200,667	0.0
Annualize prior year budget decisions	313,515	156,758	156,757	0.0
BA10 FMAP change	0	(453,103)	453,103	0.0
TOTAL	\$69,689,818	\$38,128,550	\$31,561,268	0.0
Increase/(Decrease)	\$69,689,818	\$38,128,550	\$31,561,268	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$60,677,175	\$33,818,237	\$26,858,938	0.0
Request Above/(Below) Recommendation	(\$9,012,643)	(\$4,310,313)	(\$4,702,330)	0.0

Children's Extensive Support Services

Description: This line item funds the costs of children's extensive support services waiver which provides services to children and their families with developmental disabilities whose behavior and/or medical condition require constant supervision, and are at high risk of out-of-home placements. The services provided through this waiver enable the child to remain in the family home and include: personal assistance, behavioral services, environmental modifications, respite care, and assistive technology.

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Request: The Department requests an appropriation of \$24,292,404 total funds, of which \$11,961,381 is General Fund. The request includes the following changes from the FY 2013-14 appropriation:

- An increase of \$281,778 total funds for 1.5 percent requested provider rate increase;
- An increase of \$5,225,437 total funds for the annualization of the FY 2013-14 caseload adjustment; and
- A net zero fund adjustment for the FMAP change.

Recommendation: **Staff recommends an appropriation of \$25,018,317 total funds, of which \$12,305,751 is General Fund.** The recommendation includes the following changes from the FY 2012-13 appropriation:

- \$5,504,440 total funds for annualization of the FY 2013-14 supplemental caseload adjustment;
- \$5,584,138 total funds for annualization of partial year funding added for new enrollments;
- \$728,688 total funds for the 3.0 percent community provider rate increase; and
- Net zero fund adjustment for the FMAP change.

The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Children's Extensive Support Services				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
Other legislation	\$0	\$0	\$0	0.0
TOTAL	\$0	\$0	\$0	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	0.0
R11 Provider rate increase	728,688	358,828	369,860	0.0
Annualize HB 13-1314 IDD transfer	13,201,051	6,600,525	6,600,526	0.0
Annualize prior year budget decisions	5,584,138	2,792,069	2,792,069	0.0
Annualize BA5 IDD Caseload adjustment	5,504,440	2,696,626	2,807,814	0.0
BA10 FMAP change	0	(142,297)	142,297	0.0
TOTAL	\$25,018,317	\$12,305,751	\$12,712,566	0.0
Increase/(Decrease)	\$25,018,317	\$12,305,751	\$12,712,566	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$24,292,404	\$11,961,381	\$12,331,023	0.0
Request Above/(Below) Recommendation	(\$725,913)	(\$344,370)	(\$381,543)	0.0

Case Management

Description: This line item funds the cost of coordinating an individual's Medicaid waiver services (called cash management). Since Community Center Boards (CCBs) are designated as the single point of entry, they provide case management services which include planning and coordination of services based on the individual's needs and SPAL. Target case management refers to case management services funded with Medicaid reappropriated funds.

Request: The Department requests an appropriation of \$28,237,881 total funds, of which \$15,050,072 is General Fund. The request includes the following changes from the FY 2012-13 appropriation:

- An increase of \$2,335,543 total funds for new supported living enrollments requested in R7;
- An increase of \$284,673 total funds for the new enrollments requested in R8;
- An increase of \$892,844 total funds for annualization of new enrollments added in the FY 2013-14 Long Bill;
- An increase of \$438,457 total funds for the requested 1.5 percent provider rate increase; and
- A reduction of \$1,431,040 total funds to annualize the FY 2013-14 caseload supplemental.

Recommendation: **Staff recommends an appropriation of \$29,610,763 total funds.** The recommendation includes the following changes from the FY 2012-13 appropriation:

- An increase of \$3,122,220 total funds for the case management and associated costs for the 2,040 new supported living enrollments;
- An increase \$892,488 total funds for annualization of partial year funding for new enrollments added in FY 2013-14;
- An increase of \$862,499 total funds for 3.0 percent provider rate increase;
- An increase of \$284,679 total funds for new comprehensive and supported living enrollments recommended in request eight;
- An increase of \$162,213 total funds for case management costs for the youth ages 18 to 20 recommended to be transitioned from the Child Welfare System to the adult comprehensive waiver;
- A net zero fund adjustment for the FMAP change; and
- A reduction of \$1,431,040 total funds for the annualization of the FY 2013-14 supplemental caseload adjustment.

The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Case Management				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$0	\$0	\$0	0
TOTAL	\$0	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation				

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Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Case Management				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	25,717,760	14,008,200	11,709,560	0.0
R7 IDD Supported living services	3,122,220	1,529,577	1,592,643	0.0
Annualize prior year budget decisions	892,488	446,244	446,244	0.0
R11 Provider rate increase	862,449	424,696	437,753	0.0
R8 IDD Increase funded FPE	284,673	139,463	145,210	0.0
Youth transitions from child welfare to IDD	162,213	79,552	82,661	0.0
BA10 FMAP change	0	(184,039)	184,039	0.0
Annualize BA5 IDD Caseload adjustment	<u>(1,431,040)</u>	<u>(701,066)</u>	<u>(729,974)</u>	<u>0.0</u>
TOTAL	\$29,610,763	\$15,742,627	\$13,868,136	0.0
Increase/(Decrease)	\$29,610,763	\$15,742,627	\$13,868,136	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$28,237,881	\$15,050,072	\$13,187,809	0.0
Request Above/(Below) Recommendation	(\$1,372,882)	(\$692,555)	(\$680,327)	0.0

Family Support Services

Description: This line item funds family support services which are used to assist families with the additional costs associated with have a child with a developmental disability, and provide supports which reduce the likelihood of out-of-home placements. Services include: respite care, counseling, physical and speech therapies, transportation, assistive technology, and environmental modifications.

Request: The Department requests an appropriation of \$6,762,095 General Fund. The request includes an increase of \$3,406,321 General Fund to restore Program funding to FY 2009-10 levels.

Recommendation: **Staff recommends an appropriation of \$6,862,028 General Fund.** The recommendation includes the following changes from the FY 2013-14 appropriation:

- An increase of \$3,406,321 General Fund to increase Program funding; and
- An increase of \$199,865 General Fund for the 3.0 percent provider rate increase.

The recommendation is calculated in accordance with Committee policy and is outlined in the table below.

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Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Family Support Services			
	Total Funds	General Fund	FTE
FY 2013-14 Appropriation			
SB 13-230 (Long Bill)	<u>\$0</u>	<u>\$0</u>	<u>0</u>
TOTAL	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation			
FY 2013-14 Appropriation	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	3,255,842	3,255,842	0.0
R14 Family Support restoration	3,406,321	3,406,321	0.0
R11 Provider rate increase	<u>199,865</u>	<u>199,865</u>	<u>0.0</u>
TOTAL	\$6,862,028	\$6,862,028	0.0
Increase/(Decrease)	\$6,862,028	\$6,862,028	0.0
Percentage Change	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$6,762,095	\$6,762,095	0.0
Request Above/(Below)			
Recommendation	(\$99,933)	(\$99,933)	0.0

Preventive Dental Hygiene

Description: This line item provides funding for the Preventive Dental Hygiene Program administered by a contract with the Colorado Foundation of Dentistry for the Handicapped. The Program is designed to improve the oral hygiene skills in order to prevent dental disease for persons with developmental disabilities, and provides referrals to dentist for special treatments. For individuals who have no funds available for dental services the Program connects these individuals with dentists who are will to provide services at no charge. The Program exists due to Colorado's decision to not include dental care for adults in the Medicaid program. Medicaid eligible children may receive dental screening through the federal Early and Periodic, Screening, Diagnosis and Treatment Program.

Request: The Department requests an appropriation of \$65,203 total funds, of which \$61,506 is General Fund. The request includes an increase of \$854 total funds for the 1.5 percent community provider rate increase.

Recommendation: **Staff recommends an appropriation of \$66,057 total funds, of which \$62,415 is General Fund.** The recommendation includes \$1,818 General Fund for the 3.0 percent provider rate increase. The recommendation does not include the community provider rate increase to the local funds because they are included in the Long Bill for informational purposes only. The recommendation was calculated in accordance with Committee policy and outlined in the table below.

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Preventive Dental Hygiene				
	Total Funds	General Fund	Cash Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$0	\$0	\$0	0
TOTAL	\$0	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	64,239	60,597	3,642	0.0
R11 Provider rate increase	1,818	1,818	0	0.0
TOTAL	\$66,057	\$62,415	\$3,642	0.0
Increase/(Decrease)	\$66,057	\$62,415	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$65,203	\$61,506	\$3,697	0.0
Request Above/(Below) Recommendation	(\$854)	(\$909)	\$55	0.0

Eligibility Determination and Waiting List Management Special Purpose

Description: This line item funds statutory required functions of the CCBs which are not eligible for Medicaid reimbursement, including: Medicaid and DD waiver eligibility determinations for individuals seeking services, managing the waiting list for their catchment area, and provision of emergency services for individuals on the waiting list in emergency situations.

Request: The Department requests an appropriation of \$3,032,242 total funds, of which \$3,012,587 is General Fund. The request includes the following changes from the FY 2013-14 appropriation:

- An increase of \$44,812 total funds for the requested 1.5 percent provider rate increase; and
- Net zero fund adjustment for the FMAP change.

Recommendation: **Staff recommends the Department request of \$3,077,054 total funds, of which \$3,056,806 is General Fund.** The request includes the following changes from the FY 2013-14 appropriation:

- An increase of \$89,623 total funds for the 3.0 percent provider rate increase; and
- Net zero fund adjustment for the FMAP change.

The recommendation is calculated in accordance with Committee policy and outlined in the table below.

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Office of Community Living, Division for Individuals with Intellectual and Developmental Disabilities, Eligibility Determination and Waiting List Management				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0</u>
TOTAL	\$0	\$0	\$0	\$0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	\$0
Annualize HB 13-1314 IDD transfer	2,987,431	2,968,066	19,365	0.0
R11 Provider rate increase	89,623	89,033	590	0.0
BA10 FMAP change	<u>0</u>	<u>(293)</u>	<u>293</u>	<u>0.0</u>
TOTAL	\$3,077,054	\$3,056,806	\$20,248	0.0
Increase/(Decrease)	\$3,077,054	\$3,056,806	\$20,248	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$3,032,242	\$3,012,587	\$19,655	0.0
Request Above/(Below) Recommendation	(\$44,812)	(\$44,219)	(\$593)	0.0

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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DEPARTMENT OF HEALTH CARE POLICY AND FINANCING
Sue Birch, Executive Director

OFFICE OF COMMUNITY LIVING

(A) Division for Individuals with Intellectual and Developmental Disabilities

(i) Administrative Costs

Personal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,927,116</u> *
FTE	0.0	0.0	0.0	0.0	35.5
General Fund	0	0	0	0	1,563,221
Federal Funds	0	0	0	0	1,363,895
Operating Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>296,786</u> *
General Fund	0	0	0	0	146,145
Federal Funds	0	0	0	0	150,641
Community and Contract Management System	<u>0</u>	<u>0</u>	<u>0</u>	<u>137,480</u>	<u>137,480</u>
General Fund	0	0	0	89,362	88,633
Federal Funds	0	0	0	48,118	48,847
Support Level Administration	<u>0</u>	<u>0</u>	<u>0</u>	<u>57,368</u>	<u>57,368</u>
General Fund	0	0	0	28,684	28,250
Federal Funds	0	0	0	28,684	29,118

SUBTOTAL - (i) Administrative Costs	0	0	0	194,848	3,418,750
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>35.5</u>
General Fund	0	0	0	118,046	1,826,249
Federal Funds	0	0	0	76,802	1,592,501

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
(ii) Program Costs					
Adult Comprehensive Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>338,580,732</u>	<u>346,132,357</u> *
General Fund	0	0	0	151,052,881	155,280,869
Cash Funds	0	0	0	31,254,275	30,798,715
Federal Funds	0	0	0	156,273,576	160,052,773
Adult Supported Living Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>60,677,175</u>	<u>69,689,818</u> *
General Fund	0	0	0	33,818,237	38,128,550
Federal Funds	0	0	0	26,858,938	31,561,268
Children's Extensive Support Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,292,404</u>	<u>30,243,754</u> *
General Fund	0	0	0	11,961,381	14,865,693
Federal Funds	0	0	0	12,331,023	15,378,061
Case Management	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,237,881</u>	<u>29,610,763</u> *
General Fund	0	0	0	15,050,072	15,742,627
Federal Funds	0	0	0	13,187,809	13,868,136
Family Support Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,762,095</u>	<u>6,862,028</u> *
General Fund	0	0	0	6,762,095	6,862,028
Preventive Dental Hygiene	<u>0</u>	<u>0</u>	<u>0</u>	<u>65,203</u>	<u>66,057</u> *
General Fund	0	0	0	61,506	62,415
Cash Funds	0	0	0	3,697	3,642
Eligibility Determination and Waiting List Management	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,032,242</u>	<u>3,077,054</u> *
General Fund	0	0	0	3,012,587	3,056,806
Federal Funds	0	0	0	19,655	20,248

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
SUBTOTAL - (ii) Program Costs	0	0	0	461,647,732	485,681,831
<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	0	0	0	221,718,759	233,998,988
Cash Funds	0	0	0	31,257,972	30,802,357
Federal Funds	0	0	0	208,671,001	220,880,486
TOTAL - Office of Community Living	0	0	0	461,842,580	489,100,581
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>35.5</u>
General Fund	0	0	0	221,836,805	235,825,237
Cash Funds	0	0	0	31,257,972	30,802,357
Federal Funds	0	0	0	208,747,803	222,472,987
TOTAL - Department of Health Care Policy and Financing	0	0	0	461,842,580	489,100,581
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>35.5</u>
General Fund	0	0	0	221,836,805	235,825,237
Cash Funds	0	0	0	31,257,972	30,802,357
Federal Funds	0	0	0	208,747,803	222,472,987

Appendix B - Supported Living Services Rates Effective July 1, 2013

7/1/2013

Description	Procedure Code	Modifiers	Level (Individual, Group or Support Level)	Unit Designation	
Personal Care	T1019	U8	Individual	15 Minutes	4.75
Respite					
Respite	S5150	U8	Individual	15 Minutes	4.75
Respite	S5151	U8	Individual	DAY	189.85
Respite	S5151	U8, HQ	Group	DOLLAR	\$ 1.00
Respite - Camp	T2036	U8	Group	DOLLAR	\$ 1.00
Homemaker					
Basic Homemaker	S5130	U8	Individual	15 Minutes	3.64
Enhanced Homemaker	S5130	U8, 22	Individual	15 Minutes	5.88
SLS: Mentorship	H2021	U8	Individual	15 Minutes	9.59
Day Habilitation					
Specialized Habilitation	T2021	U8, HQ	Level 1	15 Minutes	2.27
Specialized Habilitation	T2021	U8, 22, HQ	Level 2	15 Minutes	2.49
Specialized Habilitation	T2021	U8, TF, HQ	Level 3	15 Minutes	2.77
Specialized Habilitation	T2021	U8, TF, 22, HQ	Level 4	15 Minutes	3.26
Specialized Habilitation	T2021	U8, TG, HQ	Level 5	15 Minutes	4.04
Specialized Habilitation	T2021	U8, TG, 22, HQ	Level 6	15 Minutes	5.8
Supported Community Connections	T2021	U8	Level 1	15 Minutes	2.76
Supported Community Connections	T2021	U8, 22	Level 2	15 Minutes	3.02
Supported Community Connections	T2021	U8, TF	Level 3	15 Minutes	3.39
Supported Community Connections	T2021	U8, TF, 22	Level 4	15 Minutes	3.9
Supported Community Connections	T2021	U8, TG	Level 5	15 Minutes	4.7
Supported Community Connections	T2021	U8, TG, 22	Level 6	15 Minutes	6.18
Prevocational Services					
Prevocational Services	T2015	U8,HQ	Level 1	15 Minutes	2.27
Prevocational Services	T2015	U8,22,HQ	Level 2	15 Minutes	2.49
Prevocational Services	T2015	U8,TF,HQ	Level 3	15 Minutes	2.77
Prevocational Services	T2015	U8,TF,22,HQ	Level 4	15 Minutes	3.26
Prevocational Services	T2015	U8,TG,HQ	Level 5	15 Minutes	4.04
Prevocational Services	T2015	U8,TG,22,HQ	Level 6	15 Minutes	5.8

Description	Procedure Code	Modifiers	Level (Individual, Group or Support Level)	Unit Designation	
Supported Employment					
Supported Employment	T2019	U8, SC	Individual - All Levels	15 Minutes	12.49
Supported Employment	T2019	U8, HQ	Group - Level 1	15 Minutes	3.04
Supported Employment	T2019	U8, 22, HQ	Group - Level 2	15 Minutes	3.32
Supported Employment	T2019	U8, TF, HQ	Group - Level 3	15 Minutes	3.7
Supported Employment	T2019	U8, TF, 22, HQ	Group - Level 4	15 Minutes	4.27
Supported Employment	T2019	U8, TG, HQ	Group - Level 5	15 Minutes	5.11
Supported Employment	T2019	U8, TG, 22, HQ	Group - Level 6	15 Minutes	6.66
Supported Employment DVR					
SE - Job Development	H2023	U8	Individual, Levels 1-2	15 Minutes	12.49
SE - Job Development	H2023	U8, 22	Individual, Levels 3-4	15 Minutes	12.49
SE - Job Development	H2023	U8, TF	Individual, Levels 5-6	15 Minutes	12.49
SE - Job Development	H2023	U8, HQ	Group - All Levels 1-6	15 Minutes	3.12
SE - Job Placement	H2024	U8	Individual - All Levels 1-6	DOLLAR	\$ 1.00
SE - Job Placement	H2024	U8, HQ	Group - All Levels 1-6	DOLLAR	\$ 1.00
Non-Medical Transportation					
Other (public conveyance)	T2004	U8	Individual	DOLLAR	\$ 1.00
To/From Day Program	T2003	U8	Mileage Range 1	TRIP	5.55
To/From Day Program	T2003	U8, 22	Mileage Range 2	TRIP	11.64
To/From Day Program	T2003	U8, TF	Mileage Range 3	TRIP	17.72
Not Day Program	T2003	U8, SC	Individual	TRIP	5.55
Behavioral Services					
Behavioral Services - Line Staff	H2019	U8	Individual	15 Minutes	6.36
Behavioral Services - Plan Specialist	H2019	U8, 22	Individual	15 Minutes	
Behavioral Services - Senior	H2019	U8, TF	Individual	15 Minutes	
Behavioral Services - Lead	H2019	U8, TF, 22	Individual	15 Minutes	
Behavioral Services - Assessment	T2024	U8	Individual	DOLLAR	
Behavioral Consultation	H2019	U8, 22.TG	Individual	15 Minutes	23.92
Behavioral Counseling - Individual	H2019	U8, TF.TG	Individual	15 Minutes	23.92
Behavioral Counseling - Group	H2019	U8, TF,HQ	Group	15 Minutes	8.06
Behavioral Plan Assessment	T2024	U3	Individual	DOLLAR	\$ 1.00
Behavioral Plan Assessment	T2024	U3,22	Individual	15 Minutes	23.92
Specialized Medical Equipment and Supplies					
Specialized Medical Supplies - Disposable	T2028	U8	Individual	DOLLAR	\$ 1.00
Specialized Medical Equipment	T2029	U8	Individual	DOLLAR	\$ 1.00

Description	Procedure Code	Modifiers	Level (Individual, Group or Support Level)	Unit Designation	
Professional Services					
Massage Therapy	97124	U8	Individual	15 Minutes	17.89
Movement Therapy - Bachelors Degree	G0176	U8	Individual	15 Minutes	14.91
Movement Therapy - Masters Degree	G0176	U8, 22	Individual	15 Minutes	21.86
Hippotherapy	S8940	U8	Individual	15 Minutes	19.87
Hippotherapy	S8940	U8, HQ	Group	15 Minutes	8.44
Fee (Rec Pass)	S5199	U8	Individual	DOLLAR	\$ 1.00
Personal Emergency Response System (PERS)	S5161	U8	Individual	DOLLAR	\$ 1.00
Home Accessibility Adaptations	S5165	U8	Individual	DOLLAR	\$ 1.00
Assistive Technology			Individual	DOLLAR	\$ 1.00
Vehicle Modifications	T2039	U8	Individual	DOLLAR	\$ 1.00
Dental Services	D2999	U8	Individual	DOLLAR	\$ 1.00
Vision Services	V2799	U8	Individual	DOLLAR	\$ 1.00

* Some service limitations can be exceeded with prior State approval.