



**COLORADO**  
Department of Health Care  
Policy & Financing

1570 Grant Street  
Denver, CO 80203

## **Vote YES on SB 23-289 Community First Choice Medicaid Benefit**

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*HCPF Fact Sheet updated 4/20*

### **Bill Sponsors:**

**Senator Zenzinger, Senator Bridges, Representative Bird, and Representative Sirota**

### **What is Community First Choice (CFC)?**

Community First Choice (CFC) was established by the Affordable Care Act in 2010 and allows the Department of Health Care Policy & Financing (Department) to offer attendant care services on a state-wide basis to eligible members, instead of only those who meet criteria for a 1915(c) waiver. CFC is a State Plan option, 1915(k) authority, that enables more people to access and provide these services to support and promote independence in the home and community. States receive an extra six percentage points of federal match for CFC service expenditures.

### **What does this bill do?**

In 2021, the Department received authority from the Joint Budget Committee to include CFC as a Section 9817 American Rescue Plan Act (ARPA) project. ARPA funds in the CFC project are being used for administrative costs associated with the development and implementation of CFC, including system costs, stakeholder engagement, Full-time Employees (FTE), and a new Wellness Education Benefit. This bill will establish CFC in Colorado Revised Statute alongside other home and community-based services offered through Health First Colorado. In addition to establishing CFC in statute, the implementation of CFC requires several technical changes to existing home and community-based services including:

- Removing duplicative services in statute for existing 1915(c) waivers,
- Updating eligibility for consumer directed programs to include CFC,
- Repealing outdated statute;

CFC will include both self-direction models established in Colorado: In-Home Support Services (IHSS) and Consumer Directed Attendant Support Services (CDASS). Additionally, the Department proposes that CFC include the following services:

- Personal Care
- Homemaker
- Health Maintenance Activities

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saving Coloradans money on health care and driving value for Colorado.

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- Acquisition, Maintenance, and Enhancement of Skills (new service)
- Remote Supports & Remote Supports Technology
- Electronic Monitoring (including Personal Emergency Response System and Medication Reminders)
- Life Skills Training
- Home Delivered Meals
- Peer Mentorship
- Transition Set Up

### **Why is this bill needed?**

In March 2022, the Department of Justice (DOJ) issued a findings letter stating that Colorado is violating Title II of the Americans with Disabilities Act (ADA) by “administering its long-term care system in a way that unnecessarily segregates individuals with physical disabilities in nursing facilities and places others with physical disabilities at serious risk of unnecessary institutionalization.” The letter suggested four main areas for improvement:

- Provide Information to Prevent Unnecessary Institutionalization,
- Provide Effective Transition Services,
- Expand Access to Colorado’s Community-Based Service System, and
- Increase Access to Integrated Community-Based Housing Opportunities

Through CFC, the Department can expand access to community-based services and transition services while saving the state money.

### **What are the consequences if this bill is not passed?**

CFC seeks to expand the Home and Community-Based Services (HCBS) programs managed by the Department. The services provided through CFC assist individuals with the activities of daily living needed to live within the community. Additionally, the transition services provided through CFC allow for individuals to transition back into the community. Without this bill, the Department will not meet the solution proposed to address the DOJ findings, nor will the Department have the ability to expand services to current HCBS program members and those that are not currently utilizing services. Additionally, work of six current full-time employees dedicated to CFC implementation and system changes funded through ARPA will be unnecessary.

### **What is the fiscal impact of this bill?**

The Department estimates that implementing Community First Choice (CFC) will cost \$122,539 total funds and \$0 General fund in FY 2023-24, \$6,099,139 total funds and \$2,403,213 General fund in FY 2024-25, and \$79,313,005 total funds and savings of (\$40,329,280) General fund in FY 2025-26. The Department anticipates significant General Fund savings upon service implementation on July 1, 2025 as existing services receive an enhanced match by being offered on the State Plan.



Under CFC regulation 42 CFR 441.570(b) states implementing CFC are required to maintain the same share of Medicaid expenditures for home and community-based attendant services and supports provided under a Medicaid 1915(c) waiver at the same level of state expenditures attributable to the preceding 12 months. This will ensure that a state does not overestimate CFC savings as we transition to this new system and inadvertently create a funding shortfall affecting CFC members' access to services. To allow the State to offset costs from implementing CFC, a cash fund is needed to deposit savings and transfer the offset after the 12-month period.

### **For more information contact**

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