

Draft Criteria for Hospital Level of Care (H-LOC) for the CLLI & CHCBS Waivers

This document describes the draft hospital level of care (H-LOC) criteria for the two Colorado children's Medicaid waivers that use H-LOC: the Children with Life Limiting Illness (CLLI) waiver and the Children's Home and Community Base Services (CHCBS) waiver.

Summary of the Draft CLLI H-LOC Criteria

Currently, Department of Health Care Policy and Financing (the Department) requires children seeking or receiving the Children's with Life Limiting Illness (CLLI) waiver to meet Hospital Level of Care (LOC) and be diagnosed with a life-limiting illness certified by a physician. The Department's eligibility determination assessment, the ULTC 100.2, does not distinguish between Hospital LOC and Nursing Facility LOC. Having an objective and prospective assessment process determine if a participant meets H-LOC is a requirement by the Centers for Medicare and Medicaid (CMS) Services.

In response to this requirement, the following draft H-LOC criteria is proposed for CLLI:

- Participant meets the draft nursing facility LOC (NF-LOC) as described in detail in earlier documents. This is the same NF-LOC proposed for adults and requires that the participant meets the eligibility threshold in at least one of the following areas:
 - Two or more Activities of Daily Living (ADLs)
 - One or more Memory & Cognition domains
 - One or more Behavioral domains
- Participant has a life limiting illness, defined as a medical condition that, in the opinion of the medical specialist involved, has a prognosis of death that is highly probable before the client reaches adulthood
- Participant is under age 19

Outcomes of the Pilot Analyses

Nineteen children on the CLLI waiver were assessed as part of the pilot process and all 19 were determined eligible by the ULTC 100.2 and new assessment. All 19 also meet H-LOC using the proposed draft criteria for the new assessment items.

Next Steps for CLLI

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

Each CLLI case manager is being asked to complete a brief Excel spreadsheet to determine if each of their participants would meet the proposed criteria and return the form to the Department. After reviewing the forms, HCBS Strategies and the Department will conduct follow-up phone calls with any case manager who has a participant that does not meet the draft H-LOC to determine what, if any, updates need to be made.

Summary of the Draft CHCBS H-LOC Criteria

The CHCBS waiver uses two different LOC, NF-LOC and H-LOC. The proposed NF-LOC for CHCBS is the same as the draft NF-LOC for adults as described in detail in earlier documents. The draft H-LOC for CHCBS can be met by either of the following criteria:

- Meeting the draft H-LOC for adult waivers: the participant meets the NF-LOC criteria AND requires substantial/maximal assistance in one or more ADL categories; OR
- Meeting at least one of the following medical fragility criteria:
 - Technologically dependent for life or health-sustaining functions
 - Complex medication regimen or medical interventions to maintain or improve health status
 - Need of ongoing assessment or intervention to prevent serious deterioration of health status or medical complications that place life, health or development at risk

Because capturing all the possible conditions that may cause a child to be medically fragile would have required a very extensive addition to the assessment, the justification for meeting the second criteria will be included in a text field. This will require that the Department or an entity designated by the Department to review each case to determine if the child truly is medically fragile.

The Ability of the Proposed LOC Criteria to Meet Budget Neutrality

A primary purpose of the H-LOC is to remove enough high-cost children from the NF-LOC cost category to allow the State to meet budget neutrality. As of FY2017/2018, the State has a maximum daily threshold for nursing facilities (NF) of \$196.76.

Exhibits 1 and 2 present the estimated average costs for people meeting the draft H-LOC and NF-LOC using the new assessment items and proxy items from the ULTC 100.2. These findings suggest that these criteria will allow the Department to meet the waiver budget neutrality requirements that are reported in CMS Form 372.

Exhibit 1: Analysis of Budget Neutrality of Proposed H-LOC and NF-LOC Criteria for CHCBS Using New Assessment Items

Waiver	# of Participants	Meet Hospital LOC			372 Hospital Daily Threshold				Meet NF-LOC Only			372 NF Daily Threshold				Do Not Meet NF-LOC		
		#	%	Avg. \$/Day	Year	\$/Day	Difference	Met	#	%	Avg. \$/Day	Year	\$/Day	Difference	Met	#	%	Avg. \$/Day
Total	447	164	37%	\$184.87					257	57%	\$69.35				26	6%	\$66.96	
Total Children	115	80	70%	\$168.70					31	27%	\$56.38				4	3%	\$68.90	
CHCBS	44	29	66%	\$130.83	FY17-18	\$863.98	\$733.15	Y	12	27%	\$44.92	FY17-18	\$ 196.76	\$151.84	Y	3	7%	\$91.87

Exhibit 2: Analysis of Budget Neutrality of Proposed H-LOC and NF-LOC Criteria for CHCBS Using ULTC 100.2 Items

Waiver	# of Participants	Meet Hospital LOC			372 Hospital Daily Threshold				Meet NF-LOC Only			372 NF Daily Threshold				Do Not Meet NF-LOC		
		#	%	Avg. \$/Day	Year	\$/Day	Difference	Met	#	%	Avg. \$/Day	Year	\$/Day	Difference	Met	#	%	Avg. \$/Day
Total	447	70	16%	\$245.06					364	81%	\$87.96				13	3%	\$54.77	
Total Children	115	36	31%	\$223.65					77	67%	\$96.99				2	2%	\$-	
CHCBS	44	4	9%	\$250.97	FY17-18	\$863.98	\$613.02	Y	40	91%	\$90.12	FY17-18	\$196.76	\$106.64	Y	0	0%	\$ -

Background on the Medically Fragile Criteria

A subset of CHCBS participants who meet NF-LOC under the ULTC 100.2 no longer meet it under the new assessment items. After further review, it appeared that these children should not have met NF-LOC under the ULTC 100.2 if those items were scored as described in the 100.2 narrative. It appears that case managers had been given specific guidance about how to score the items to allow participants to be eligible for the waiver.

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

The Department made the decision to include medical fragility criteria within the H-LOC for CHCBS to ensure these children maintained eligibility on the waiver. HCBS Strategies was tasked with researching criteria other states use for medical fragility. **Exhibit 3** presents a summary of this effort.

Exhibit 3: National Overview of Medically Fragile Criteria

State	Descriptive language	Technology	Medical Regimens	Ongoing Monitoring/ Intervention	Life Threatening
NY	<p>A medically fragile child is defined as an individual who is under 21 years of age and has a chronic debilitating condition or conditions, who may or may not be hospitalized or institutionalized, and is:</p> <ul style="list-style-type: none"> • technologically-dependent for life or health-sustaining functions, and/or • requires a complex medication regimen or medical interventions to maintain or to improve their health status, and/or • in need of ongoing assessment or intervention to prevent serious deterioration of their health status or medical complications that place their life, health or development at risk. 	X	X	X	
ND	<p>Child between the ages of 3 -18 years, who has a serious illness or condition which is anticipated to last at least 12 or more months, have medically intensive needs and prolonged dependency on medical care, including supervision, consultation, and monitoring by appropriately trained personnel including specially trained family members; may have a dependency on medical technology which</p>	X	X	X	

State	Descriptive language	Technology	Medical Regimens	Ongoing Monitoring/ Intervention	Life Threatening
	requires use of devices to compensate for loss of bodily functions; and are at times medically stable but still may require skilled nursing care or specialized medical equipment and supplies to enhance or sustain their lives.				
NM	<p>Medically Fragile is defined as a chronic physical condition which results in a prolonged dependency on medical care for which daily skilled (nursing) intervention is medically necessary and is characterized by one or more of the following:</p> <ul style="list-style-type: none"> • There is a life threatening condition characterized by a reasonably frequent period of acute exacerbation, which requires frequent medical supervision, and/or physician consultation, and which in the absence of such supervision or consultation, would require hospitalization. • The individual requires frequent time-consuming administration of specialized treatments, which are medically necessary. • The individual is dependent on medical technology such that without the technology, a reasonable level of health could not be maintained. Examples include, but are not limited to, ventilators, dialysis machines, enteral or parenteral nutrition support, and continuous oxygen. 	X	X	X	X
OR/ IL	Be accepted by the Department by scoring 45 or greater on the clinical criteria prior to starting services and have a status of medical need that is likely to last for more than two months and maintain a score of 45 or greater on the clinical criteria as assessed every six months	X	X	X	X

State	Descriptive language	Technology	Medical Regimens	Ongoing Monitoring/ Intervention	Life Threatening
WA	Children who meet the following criteria are identified as medically fragile: <ul style="list-style-type: none"> • Child has medical conditions that require the availability of 24-hour skilled care from a health care professional or specially trained family or foster family member. • These conditions may be present all the time or frequently occurring. • If the technology, support, and services provided to a medically fragile child are interrupted or denied, the child may, without immediate health care intervention, experience death. 	X		X	X

HCBS Strategies recommends using the medical fragility criteria from New York as the basis for Colorado’s criteria because it did the best job at including the children in the CHCBS waiver who did not meet NF-LOC without requiring dramatic changes to the new assessment process.

Outcomes of the Pilot Analyses

Exhibit 4 shows that one fourth of the children on CHCBS would lose eligibility if only the draft NF-LOC is used.

Exhibit 4: NF-LOC Eligibility for CHCBS Participants

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

Exhibit 5 shows that New York’s medically fragile criteria restores eligibility for eight of the 11 participants who no longer met eligibility under the new items.

Exhibit 5: Eligibility for CHCBS Participants Including Medically Fragile H-LOC Criteria

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

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

- A 13 year old with Cystic Fibrosis who experiences minor fatigue with mobility but otherwise is age appropriate in all ADLs and IADLs. At this time does not require any additional support to manage Cystic Fibrosis symptoms beyond oral medication management and reminders to eat enough calories, which is age appropriate.
- A 12 year old who was diagnosed with rare, potentially terminal cancers several year ago but is now in remission. Is age appropriate in all ADLs and IADLs. Requires hospital testing (blood work and full body scans) every four months but otherwise does not require additional supervision or treatment.
- A 2 year old who is age appropriate in for all ADLs and has some “concerns” related to neurological impairment and speech delay as a result of hemorrhagic neonatal stroke with subsequent seizure activity. Parents report he has hit all developmental milestones but does have some delay in mobility and speech. ULTC 100.2 narrative indicated that participant qualified because the PMIP indicated participant may be at risk for Cerebral Palsy and behavioral/learning disabilities, however these have not manifested.

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

Modifications to the Assessment to Include Medically Fragile Children

If the Department chooses to adopt the proposed H-LOC for CHCBS, the assessment would only require minor modifications. The proposed approach is to include following item in the LOC Screen:

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

This item would only be asked of participants age 0-18 who did not meet NF-LOC to determine whether they are potentially eligible for CHCBS under the medically fragile H-LOC criteria. Narrative explanation of the conditions/diagnoses, treatments, and other details of the participant’s situation would be required for all selected responses other than “None apply”.