Delivered by Judy Brown, DDS
For December 8-9, 2008
Presentation and Teleconference Slides

Effective: January 1, 2009

New Rates & Support Levels

For the HCBS-DD Waiver
Based on additional surveys which resulted in the 5-50 proposed rates.

Rate Committee – This committee reviewed and made improvements.

Navient estimated that new rates would overspend budget by $67 million. Thus, the State could only afford 76% of the original Navient proposed rates to avoid overspending available funds.

and providers, and a Technical Advisory Committee.

Values were set for each cost factor in the rate model based on industry standards, survey of CBRS overhead, etc.)

mileage bands for transportation, non-direct cost allocation factors (such as facility costs,

reduced intensity of support needs, supervisor to direct care, staffing ratio, nursing costs,

Cost Factors – Examples: Salaries, wages, benefits, types of employees, staffing ratios to

which captures underlying cost factors for each service.

Navient – (a sub-contractor to HSRI) developed a rate model

AEF, medical, SIS 34 and Behavioral (SIS 32), plus Community Safety Risk.

Algorithm uses Supports Intensity Scale (SIS) for needs related to adaptive living skills (SIS.

into six Support Levels.

HSRI – developed a method (algorithm) to classify consumers

Background, Continued
increase of $140k in year four and each year thereafter. We estimate this increase in expenses to be approximately $52k in the first year,compounding to an

These figures do not reflect the impact that the increase in Colorado's minimum wage will have on Medicaid SIS.

<table>
<thead>
<tr>
<th>Year</th>
<th>Expense %</th>
<th>Revenue %</th>
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</thead>
<tbody>
<tr>
<td>FY 2010</td>
<td>6.4%</td>
<td>6.6%</td>
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<tr>
<td>FY 2011</td>
<td>6.9%</td>
<td>6.6%</td>
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<td>FY 2012</td>
<td>7.0%</td>
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<tr>
<td>FY 2014</td>
<td>7.9%</td>
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<tr>
<td>FY 2015</td>
<td>9.4%</td>
<td>6.6%</td>
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**Expenses**

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<tr>
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<th>Revenue</th>
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<td>FY 2010</td>
<td>107,050</td>
</tr>
<tr>
<td>FY 2011</td>
<td>115,183</td>
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<tr>
<td>FY 2012</td>
<td>106,053</td>
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<td>90,013</td>
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<tr>
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<tr>
<td>FY 2015</td>
<td>107,003</td>
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**Revenue**

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**Net Loss**

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**Community Options, Inc.**