



COLORADO
Department of Health Care
Policy & Financing

Department of Health Care Policy and Financing
1570 Grant Street
Denver, CO 80203

November 1, 2015

The Honorable Kent Lambert, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Senator Lambert:

Enclosed please find the Department of Health Care Policy and Financing's response to the Joint Budget Committee's Request for Information #10 regarding the status of the distribution of the full program equivalents for the developmental disabilities waivers.

Legislative Request for Information #10 states:

The Department is request to submit a report to the Joint Budget Committee by November 1, 2015 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 total number of enrollments noted in the FY 2015-16 Long Bill.

The enclosed report includes information regarding the distribution of enrollments and issues impacting enrollment of all full program equivalents for the Home and Community Based Services waivers for Persons with Developmental Disabilities, Supported Living Services and Children's Extensive Support.

If you require further information or have additional questions, please contact the Department's Legislative Liaison, Zach Lynkiewicz, at Zach.Lynkiewicz@state.co.us or 720-854-9882.

Sincerely,

A handwritten signature in black ink that reads "Susan E. Birch".

Susan E. Birch, MBA, BSN, RN
Executive Director

SEB/eeb

Enclosure(s): Health Care Policy and Financing FY 2015-16 RFI #10



Cc: Representative Millie Hamner, Vice-chair, Joint Budget Committee
Representative Bob Rankin, Joint Budget Committee
Representative Dave Young, Joint Budget Committee
Senator Kevin Grantham, Joint Budget Committee
Senator Pat Steadman, Joint Budget Committee
John Ziegler, Staff Director, JBC
Eric Kurtz, JBC Analyst
Henry Sobanet, Director, Office of State Planning and Budgeting
Bettina Schneider, Budget Analyst, Office of State Planning and Budgeting
Legislative Council Library
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John Bartholomew, Finance Office Director, HCPF
Gretchen Hammer, Health Programs Office Director, HCPF
Dr. Judy Zerzan, Client and Clinical Care Office Director, HCPF
Chris Underwood, Health Information Office Director, HCPF
Jed Ziegenhagen, Community Living Office Director, HCPF
Tom Massey, Policy, Communications, and Administration Office Director, HCPF
Rachel Reiter, External Relations Division Director, HCPF
Zach Lynkiewicz, Legislative Liaison, HCPF



Legislative Request for Information #10 states:

The Department is requested to submit a report to the Joint Budget Committee on November 1, 2015 regarding the status of the distribution of the full program equivalents for the developmental disabilities waivers. The report is requested to identify any current or possible future issues which would prevent the distribution and enrollment of all full program equivalents noted in the FY 2015-16 Long Bill.

FY 2015-16 Legislative Request for Information

Background

The Developmental Disabilities waivers include the Home and Community Based Services waiver for Persons with Developmental Disabilities (HCBS-DD), the Home and Community Based Services Supported Living Services (HCBS-SLS) waiver, and the Home and Community Based Services Children's Extensive Support (HCBS-CES) waiver. The Division for Intellectual and Developmental Disabilities (DIDD) is responsible for managing the waiting list and distributing enrollments for the HCBS-DD waiver. Waiting lists and enrollments for the HCBS-SLS and HCBS-CES waivers are managed by the Community Centered Boards. The Department has been appropriated sufficient funding to enroll all individuals on the HCBS-SLS and HCBS-CES waiting lists; however, there is a backlog of enrollments and many individuals are still pending enrollment into these waivers.

Enrollments occur on an ongoing basis throughout the fiscal year. An enrollment occurs once an individual's eligibility has been confirmed and they are added as a participant in a waiver.

Status of Enrollment Distribution

All enrollments appropriated in SB 15-234, the Long Appropriations Bill, have been distributed to CCBs in order to process except for certain HCBS-DD waiver enrollments. For the HCBS-DD waiver, some enrollments are appropriated specifically for foster care transitions, emergency needs, deinstitutionalization and the Colorado Choice Transitions program. These specific enrollments are distributed on an as needed basis throughout the fiscal year. The Department anticipates that all HCBS-DD enrollments will be filled in the current fiscal year.

For the HCBS-CES waiver, there is still a backlog of enrollments that CCBs are currently processing. As of September 30, 2015, there are 88 individuals pending enrollment in to the HCBS-CES waiver. Applicants are consistently enrolling into the waiver at a rate of 30 individuals per month; however, it appears a similar number of individuals are added to the pending enrollment list each month. For example, enrollments as of September 30, 2015 are 400 individuals higher than September 2014, but the pending enrollment numbers have only decreased by 200, indicating approximately 200 additional individuals were determined eligible and added to the pending list during this same timeframe. The Department anticipates the enrollment backlog will be cleared by the end of FY 2015-16; however, if new individuals continue to be added to the pending list at the same rate this year it may present challenges in fully eliminating the backlog.

There also remains a backlog of enrollments for the HCBS-SLS waiver with 1,006 individuals pending enrollment as of September 30, 2015. In order to fully enroll all the pending enrollments for the HCBS-SLS waiver, approximately 111 individuals need to be enrolled per month. Current average is 76 individuals newly enrolled each month; therefore, there may still exist some barriers to getting all eligible individuals enrolled in this fiscal year. However, significant progress has been made in processing these enrollments and the Department expects this progress to continue.

Current or Possible Future Issues Preventing the Distribution and Enrollment of the FY 2015-16 Full Program Equivalents

There are no barriers preventing the distribution of enrollments as all appropriated enrollments have been distributed to the CCBs, with the exception of any HCBS-DD enrollments that are distributed on an as-needed basis.

The following are issues or barriers identified as preventing or delaying full enrollment of all program equivalents:

- **Process of Enrollment:** There is a time lag between the dates a person is authorized for enrollment and the date of active enrollment. It can take several months for a CCB to confirm Medicaid eligibility, for the family to accept the enrollment and choose a provider, and the family and CCB complete arrangements for services.

In addition, with the influx of new enrollments, most CCBs needed to hire additional staff in order to handle the increased workload associated with processing the new enrollments, as well as handle the additional ongoing caseload. The General Assembly provided funding from HB 14-1252, Concerning Funding for System Capacity Changes Related to Intellectual and Developmental Disabilities Waiver Services, in April 2014 to build capacity to process the high volume of enrollments. The General Assembly provided additional funding at the end of FY 2014-15 to build capacity for enrollments, but it can take a significant amount of time to get new staff hired and fully trained. Getting new staff fully functional has taken longer than anticipated and impacts the timeliness of enrollments. For more information regarding how funding has been used to address capacity for processing enrollments, please see the Department's response to Legislative Request for Information #11 regarding capacity increases.

- **Provider Capacity:** Like the CCBs, many providers also need to build capacity by hiring and training new staff in order to serve the influx of newly enrolled individuals. Providers also received funding through HB 14-1252 to build additional capacity to serve these individuals; however, stakeholders have indicated capacity issues still exist. The Department continues to work with stakeholders to better identify and define capacity needs to determine what resources are necessary to serve newly enrolled individuals.

- **Elimination of the HCBS-CES and HCBS-SLS Waiting Lists:** The Department believes that there are individuals who have historically not applied for services because of the presence of the waiting list. Since the General Assembly approved funding to enroll all eligible individuals, there has been higher rate of applications for HCBS-CES services compared to years past. The Department believes that as families learned that there was no longer a waiting list for services, families who previously declined to apply for their child due to the low probability of receiving services chose to submit applications (a phenomenon frequently referred to the "welcome mat" or "woodwork" effect). The additional processing of applications further increases the workload necessary to process enrollments, further compounding existing capacity issues.
- **Person/Guardian Decline to Accept Enrollment:** In some cases the person or guardian is no longer interested or not ready to receive an enrollment when it has been authorized. There are several reasons this may occur, including: person is satisfied with existing services (Elderly, Blind and Disabled waiver, Home Care Allowance) changes in circumstances; the person or family is not ready to accept services; the family is not interested in receiving services from the currently available providers; or, there is no provider available to meet the specific needs of the individual.
- **Eligibility for Medicaid is denied:** In some cases Medicaid eligibility cannot be established or the person's circumstances have changed and they are no longer Medicaid eligible.
- **Individual cannot be located:** Some individuals have moved out of state, left no forwarding address or otherwise cannot be located.
- **Colorado Choice Transitions (CCT):** The Department is responsible for the distribution of CCT enrollments and the concurrent enrollment in the HCBS-DD waiver. Currently there is an under-utilization of the CCT enrollments due to individuals and guardians declining the program.

The Colorado Revised Statutes, specifically 25.5-10-207.5(4), C.R.S., requires the Department to develop a strategic plan to ensure individuals have access to services at the time they need and want services. The strategies identified in that plan, submitted to the General Assembly on November 1, 2014 and updated November 1, 2015, will work to address these identified barriers to enrollment in the long term to ensure all eligible individuals are enrolled timely and have access to necessary services.