

Review of Colorado's HCBS Waivers for People with Developmental Disabilities

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Topics

- Overview
- Other Federal Authorities
- Waiver Consolidation
- Near-term changes
- Stage two changes

Overview

- Question #1: Would it be advantageous for Colorado to use a different federal Medicaid authority to finance community developmental disabilities services?
- Question #2: Should the waivers be consolidated?
- Question #3: What changes are necessary to align the Comp and SLS waivers to federal policies?
- Question #4: What other changes would improve the value/utility of the waivers?

Other Federal Authorities

- §1915(b)/§1915(c) Hybrid Waiver
- §1115 Research and Demonstration Waiver
- Coverage of HCBS under Medicaid State Plan (§1915(i) – DRA 2005)
- Self-Direction Personal Assistance (§1915(i) – DRA 2005)

Bottom Line

- Hybrid waivers pose significant design challenges
 - 2 year time-horizon
 - More, not less requirements
 - Entitlement exposure
- 1115s have similar design challenges and time horizons
- DRA HCBS benefit is an imperfect substitute for 1915(c) waiver
 - Eligibility problems
 - Coverage problems
- DRA self-direction provisions already addressed by CMS in new waiver application
- Bottom line: Other authorities may be worth considering down the road but are not realistic near-term options

Consolidation?

- Combine the SLS and Comp waivers?
- PROBLEM: CMS *Olmstead* Letter #4
 - Anyone enrolled in a waiver must be able to receive any service covered in the waiver
 - Can't wait list people already enrolled in a waiver for services covered under the waiver
 - Financial issue: SLS waiver participants who are wait-listed for Comp Waiver/residential services
- Bottom line: Consolidation is not financially viable

Waiver Changes

- Examined current waivers against current CMS policies and technical guidance
- Conducted stakeholder interviews
- Sorted changes into two classes –
 - Near-term changes needed to secure CMS approval of revised waivers this summer
 - Other changes that would increase value/utility of the waiver in supporting people

Some key points ...

- Recent CMS issues revolve around payments and financial accountability
 - Issues concern compliance with general Medicaid policy rather than HCBS waiver policies and requirements
- Colorado already has taken many of the fundamental steps necessary to address these issues with respect to Comp Waiver (e.g., interim rates, direct billing to MMIS)
- Upcoming waiver amendment must address the full range of CMS requirements contained in the new HCBS waiver application

Two-Stage Strategy

- Make the most essential changes this summer – point toward having SLS and Comp Waiver amendments ready to go in late March
- Make other changes via second-stage, follow-along amendments
- Once basic platform is on solid footing, it will be easier/simpler to secure CMS approval for additional changes

Near-Term Changes

- Major changes to the waivers are not necessary in the near-term
- Many of the problems that stakeholders have identified are operational rather than policy issues

Recommendations

- Clarify roles and responsibilities of HCBPF, DHS/DDD, and CCBs in administering and operating the waivers (Phase 2)
- Provide for intermittent delivery of services in the SLS waiver
- Used reserved capacity to set aside slots for crises and other legislatively-approved purposes
- Reexamine waiver participant financial liability provisions in the Comp Waiver (financial impact)

Recommendations (2)

■ Comp Waiver Services

- Specify living arrangements for res hab
- Reintegrate nursing into scope of res hab services
- Substitute SLS supported employment definition for current comp waiver definition; identify types of s/e services provided
- Consider adding coverage of supervised day activities*
- Specify types of SMES that may be authorized*
- Institute maximum expenditure limitations to extent necessary
- Used reserved capacity to set aside slots for crises and other legislatively-approved purposes

*Also applies to SLS

Recommendations (3)

- SLS Waiver Services
 - Delete coverage of prevocational services
 - Add prompting/cuing to definition of personal assistance
 - Remove supported living consultation from personal assistance
 - Separately cover SMES and housing adaptations
 - Substitute Comp Waiver definition of vision services for current SLS definition
 - Delete coverage of hearing services
 - Delete therapies covered under the state plan; add coverage of therapies not covered under the State Plan
 - Include a more detailed definition of covered nursing services
- Institute a step-up method for authorizing the overall amount of SLS services

Recommendations (4)

- Review rules to make sure that there are no impermissible restrictions on providers furnishing services anywhere in the state
- Establish worker qualifications as necessary
- Standardize IP development and risk assessment processes
- Ensure that PQ processes place sufficient emphasis on administrative separation of case management and service provision
- Adopt standard explanation of Fair Hearing rights
- Add a PQ process to test the validity of Comp Waiver claims

Stage 2 Changes

- Incorporate self-direction into both waivers – develop an operational design that can be embedded in both waivers. Use new waiver application as jumping off point.
 - Likely will trigger additional changes to services
- Add coverage of customized day services
- Change Comp Waiver to include provision of services in the family home
- Redesign coverage of behavioral services (Phase 2 – clear up rates)
- Address absent day issues as part of rate restructuring (Phase 2)