



## Project Brief

January 2007

This project brief informs Colorado stakeholders about the work that the Human Services Research Institute (HSRI) and Navigant Consulting, Inc. (NCI) are performing on behalf of the Department of Human Services and the Division for Developmental Disabilities (DDD). The HSRI/NCI team is providing consultation to the state concerning Colorado's Comprehensive and SLS Waivers for people with developmental disabilities to bring them into alignment with federal requirements. The team also is assisting the state to restructure waiver payment rates so that they are based on individual support needs. These new rates will replace the interim rates that were implemented in 2006 to address concerns raised by the federal Centers for Medicare & Medicaid Services (CMS) about Colorado's payments for waiver services.

### Project Activities to Date

In December 2006, HSRI submitted a report to DDD. In the report, HSRI reviewed Colorado's HCBS waivers for people with developmental disabilities and outlined steps that the state should consider to align Colorado's waivers and policies with federal requirements. The report also identified additional potential changes identified by stakeholders to meet the needs of Colorado citizens. DDD distributed this report to stakeholders. DDD and Health Care Policy Finance (HCPF) are currently reviewing the HSRI recommendations and by the end of January will be communicating to the system which policy recommendations will be accepted and which issues will be postponed until a later time.

NCI also submitted a report that outlined its recommended approach for establishing Comprehensive Waiver rates. NCI recommended basing rates on a cost-model approach that will tie rates to explicit levels of

staffing intensity and linked to the Supports Intensity Scale (SIS).

On December 18<sup>th</sup>, the HSRI and Navigant teams made presentations to the CMS Waiver Steering Committee and other stakeholders regarding the waiver report recommendations and Navigant's proposed approach to building new community services rates.

In collaboration with DDD, a Technical Advisory Group (TAG) has been established to provide input to NCI concerning rate restructuring. The Technical Advisory Group is comprised of membership from the Division for Developmental Disabilities, Health Care Policy and Financing, providers, Community Centered Boards, a parent and an ARC representative. NCI is conducting bi-weekly calls with the TAG. These calls began in early January and will continue over the next several months. Beginning in February a tracking log on policy issues discussed during the TAG will be made available to keep the system informed of the content of these calls

### Upcoming Project Activities

During January 2007, the HSRI team will analyze the data from the Supports Intensity Scale (SIS) sample. This analysis will identify alternatives for assigning waiver participants to rate tiers that are based on the assessed support needs of waiver participants. HSRI will complete this analysis by the end of January. Once DDD and HCPF have reviewed the alternatives identified by HSRI for assigning individuals to rate tiers, the tier-assignment methodology will be linked to waiver rate restructuring.

In February 2007, the NCI team, in collaboration with DDD, will distribute a provider cost data collection survey tool. Data captured in this survey will be considered along with information from other sources to complete the rate

restructuring analysis. NCI will propose new rates to DDD and HCPF at the end of March.

In the meantime, work is commencing on preparing the necessary waiver applications to address the issues that were raised by CMS and incorporate additional changes to ensure that the waivers align with federal requirements. HSRI will review and comment on draft waiver materials prepared by DDD.