

Joint Budget Committee Meeting with
Departments of Health Care Policy and Financing and Human Services and
Community Centered Boards

Wednesday, September 20, 2006

Response of CCB Partners to Questions for Community-Centered Board Representatives

1. How are the current interim- and proposed long-term changes to billing and rate setting affecting the community centered board system, providers, and consumers?

In the past few weeks, the collaborative efforts between the departments have significantly improved and working relationships appear to be much more productive.

Even though both departments and community centered boards are working intensely to mitigate effects on consumers and the system, the strain on community centered board and provider capacity to implement interim billing methods along with different and/or new requirements for contracting, budget management, assessment of individuals, and data system(s) utilization for reporting and documentation is taking a significant toll. Transitional issues are much more complicated than anyone anticipated and there is simply too much rapid change taking place for the system as a whole to respond as well as we would all like.

2. What are the current and anticipated budgetary impacts on CCBs?

Specific dollar amounts in total are very difficult to calculate at this point because of the interdependence of the functions that have changed in the new way of doing business. In fact, CCBs and providers are just now beginning to be able to build budgets for the current fiscal year because so much information has been unknown.

The system is in the process of trying to estimate the “ramp up” costs of initial administration of the Supports Intensity Scale (SIS), the acuity tool selected by the state, and already know that the short timeframes required for application to everyone receiving comprehensive services will be extremely labor intensive and costly. There is a requirement to complete 500 assessments between now and December 31st and another 3400 between January 1 and May 31, 2007. Once staffs are trained to administer this tool, conservative estimates are that each assessment will require approximately 3.5 hours to complete.

No one is arguing about the need to gather this information as it ultimately will be invaluable to better individualized planning and is essential to the structuring of the long term rate-setting methodology. The difficulty lies in doing so much so fast with only existing resources available (both staff and financial). Other states that have converted to new assessment and rates processes have taken several years to make full transitions. Colorado is attempting to implement massive systems change that includes a complex interim funding strategy at the same time as the state is designing the long term changes that are intended to replace the interim by July 1, 2007.

3. To the extent you have experienced problems in the conversion to interim rates, are those being resolved?

Any problems with conversion to the interim rates are being identified; however it would be inaccurate to say that they have been fully resolved particularly where there are questions about the adequacy of rates for particular services such as transportation and day program. Problems with billing for services delivered are also being addressed as they become known and the turnaround time between HCPF and DHS for fixes to technical problems has vastly improved in the past few weeks.

4. Do CCBs have additional recommendations on how to proceed in both the short and long term? Does the work plan provide a reasonable road map?

The term of concern when discussing the work plan is the word "reasonable". The work plan is an evolving document that pretty well describes what needs to be done in many areas and who is responsible for specific portions of it. However, as discussed earlier, the timeframe within which the transitions are expected to take place is so short that it lends itself to error-making that could otherwise be avoided with adequate ability to fully analyze the implications of the potential changes. If any recommendation could be seriously entertained, it would be to seek additional time from CMS to allow for a more realistic approach. We believe that the stated concerns of CMS about use of a uniform rate setting methodology and improvement of the audit trail have been responded to in a serious and satisfactory fashion and that the desire to act in such a rapid fashion needs to be re-evaluated by the state.