Quarterly Report #1

Implementation of the American Rescue Plan Act of 2021, Section 9817

Enhancing Colorado’s Home and Community-Based Services System through an Enhanced Federal Match

November 1, 2021

Submitted to: The Centers for Medicare and Medicaid Services
# Colorado Spending Plan Quarterly Report

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November 1, 2021

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop: S2-26-12
Baltimore, Maryland 21244-1850

To Whom it May Concern,

The Colorado Department of Health Care Policy & Financing enthusiastically shares the first Quarterly Progress Report in alignment with the CMS Medicaid Director Letter SMD 21-003 dated May 13, 2021 and subsequent guidance. In accordance with that request, this report includes the narrative for our key spending priorities and an updated spending plan. We also assure CMS of the following:

- Colorado will use the federal funds attributable to the increased federal medical assistance percentage (FMAP) to supplement and not supplant existing state funds expended for Medicaid Home and Community-Based Services (HCBS) in effect as of April 1, 2021;
- Colorado will use the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program;
- Colorado will not impose stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;
- Colorado will preserve covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021; and
- Colorado will maintain HCBS provider payments at a rate no less than those in place as of April 1, 2021.

Please provide any response to me with copy to Tracy Johnson, Medicaid Director, at Tracy.Johnson@state.co.us and Kim Bimestefer, Department Executive Director, at Kim.Bimestefer@state.co.us.

Sincerely,

Bonnie Silva

Bonnie Silva
Director, Office of Community Living

cc: Kim Bimestefer, Executive Director, Colorado Department of Health Care Policy & Financing; Tracy Johnson, Health Programs Office, Colorado Department of Health Care Policy & Financing
I. Introduction

Since the submission of Colorado’s American Rescue Plan Act (ARPA) Medicaid Home and Community-Based Services (HCBS) proposed spending plan to the Centers for Medicare and Medicaid Services (CMS) on June 13, 2021, the Department of Health Care Policy & Financing (HCPF) has been actively working to refine the outlined initiatives, engaging with stakeholders, and working collaboratively with both Governor Jared Polis’ Office and the Colorado Joint Budget Committee (JBC). As of September 21, 2021, Colorado has received full approval of the Spending Plan by the Colorado JBC and a conditional approval from CMS.

On the path to obtaining these approvals, the Department has continued to pursue its goals of using this opportunity to supercharge existing initiatives, support the COVID-19 response and recovery, foster innovation and long-term transformative change, and increase quality and fiscal stewardship. Attainment of these goals will result in the simplification of the policies and processes required to access services and better ensure the services provided help people build a life that is meaningful to them.

Over the last four months, the initiatives outlined in our initial proposed spending plan have been further developed, including the creation of project plans and budgets, written by assigned leads with the support of project teams. Over this period, we received further validation from our stakeholders on the initially submitted plan and our collaborative priorities. Adjustments that have been made have been primarily focused on identifying overlapping goals and combining efforts to ensure efficiency and overall success.

The initiatives the Department is undertaking will provide immediate relief for the provider network, direct support to members and their families during the recovery phase following the pandemic, and foster longer-term innovation and transformation to create an HCBS system of the future. These priority initiatives fall into the following categories:

- Strengthen the Workforce & Enhance Rural Sustainability
- Improve Crisis & Acute Services
- Improve Access to HCBS For Underserved Populations
- Support Post-COVID Recovery & HCBS Innovation
- Strengthen Case Management Redesign
- Invest in Tools & Technology
- Expand Emergency Preparedness
- Enhance Quality Outcomes
As part of this refinement process, the Department engaged with stakeholders to gather additional feedback and suggestions on the originally submitted plan. Four stakeholder meetings were attended by over 260 people. Overall, the general consensus was supportive of the Department’s approach, and where suggestions were voiced, adjustments to project plans were made.

In addition to engaging with stakeholders, the Department was also required to submit and present the proposed spending plan to the Colorado Joint Budget Committee (JBC) per Senate Bill 21-286. In collaboration with the Governor’s Office, a more detailed version of the plan previously submitted to CMS, was provided to the JBC in mid-September. Kim Bimestefer, Executive Director of HCPF, and Bonnie Silva, Director of the Office of Community Living at HCPF, presented the spending plan to the JBC on September 21, 2021. Much of the content provided to the JBC is provided herein, and additional information, including the PowerPoint presented can be found on the Department’s ARPA webpage. The JBC voted following the presentation to approve the spending plan by a vote of 5-1. On that same day, the Department received the letter from CMS indicating the conditional approval of the Spending Plan. The Department recognizes that conditional approval solely addresses the state’s compliance with the applicable requirements set forth under section 9817 and fulfillment of the requirements as stated in SMDL # 21-003. The Department further acknowledges the requirements for claiming Federal Financial Participation (FFP), the obligations related to 1915(c) waivers and 1115 demonstrations, and submission requirements to the State Plan Amendment, where applicable.

Included within this report is an update to Colorado’s initially submitted ARPA HCBS Spending Plan. Specifically noted are areas where substantive changes have been made. Additionally, information about whether Colorado has or will be requesting approval for a change to an HCBS program, and details about which HCBS program, the authority it operates under, and when the requested change is planned, has been included when applicable as it relates to a given project. We have also included the additional information provided to CMS in our response letter dated August 2, 2021. Finally, we outline below how Colorado intends to sustain the activities we are implementing to enhance, expand, or strengthen HCBS under the Medicaid program.

Appendix 1 provides projected spending amounts for each of Colorado’s planned activities, including when we intend to draw down additional FFP for any of our initiatives, the amount of state and federal share for any activities for which we plan to claim additional FFP, and whether these activities will be eligible for the HCBS increased FMAP under ARP section 9817. Appendix 1 also provides an update to the
amount of funds attributable to the increase in FMAP that Colorado has claimed and anticipates claiming between April 1, 2021, and March 31, 2022.

As we have just received our approvals, and have only recently launched our initiatives, this report outlines the more detailed plans for moving this work forward. We anticipate that the next quarterly report will have additional information about project implementation, timelines, and actual spending.

II. Budget Overview

The Department’s HCBS Spending Plan includes $512.3 million to support enhancing, expanding and strengthening our HCBS system, including $304.0 million from reinvested state funds and $208.3 million from matching federal funds. The funding will be spread out over three fiscal years as shown in the table below.

<table>
<thead>
<tr>
<th>Total</th>
<th>FY 2021-22</th>
<th>FY 2022-23</th>
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<td>$512.3 million</td>
<td>$179.8 million</td>
<td>$252.2 million</td>
<td>$80.3 million</td>
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III. Project Overview

The Department has put forward a plan that includes 67 initiatives to enhance, expand and strengthen the State’s HCBS system. These initiatives have been prioritized into four phases with achievability and resource concerns in mind. Projects will launch during their determined phase: phase 1 launched October 18, 2021, phase 2 will launch in January 2022, phase 3 in April 2022, and phase 4 in July 2022. The project teams for the phase 1 initiatives are assembling resources, drafting statements of work to engage contractors and vendors to assist, and planning for stakeholder engagement. Additionally, teams are working to hire the staff needed to appropriately lift these incredible projects. The internal leadership team is setting up the processes and systems needed to appropriately monitor progress across all 67 projects, as well as setting up reporting mechanisms for an array of audiences. As transparency is at the forefront of our efforts, we are working to build out our ARPA webpage, stand up public-facing dashboards to display progress, and arrange for ongoing project-level and Department-level updates and communication to our stakeholders. Below, we outline additional details about each of our proposed initiatives that we are excited to move forward over the next two and a half years, including their phase for roll-out:
1. Strengthen the Workforce & Enhanced Rural Sustainability

Initiative 1.1. Increase Payments to Providers and Workers- Phase 1

At the heart of the ARPA is the call to support the recovery for those most impacted by the COVID-19 pandemic. Older adults and people with disabilities, their families, and those that support them have been devastatingly affected by this virus and the full extent of the impact has yet to be felt. As we emerge from the pandemic, stabilizing the direct care workforce is the most immediate priority. For that reason, the Department, in collaboration with the Polis-Primavera administration, will be implementing a $15/hour base wage for Colorado’s Medicaid, HCBS direct care workers and a rate increase for provider agencies.

A rate increase with a required wage passthrough and new $15 per hour minimum wage for frontline staff providing direct hands-on care will be implemented beginning Jan. 1, 2022, through April 15, 2023. The services targeted for this increase include:

- Adult Day
- Alternative Care Facility
- Consumer-Directed Attendant Support Services (CDASS)
- Community Connector
- Day Habilitation
- Homemaker
- In-Home Support Services (IHSS)
- Mentorship
- Personal Care
- Prevocational Services
- Residential Habilitation
- Respite Care
- Supported Community Connections
- Supported Employment
- Supportive Living Program

The Department understands that direct care workers’ wages vary considerably across geography, provider type, and internally, depending on experience and length of employment. For this reason, the expectation will be that all direct care workers currently employed will have their wage increased to receive the new required base wage of $15 an hour. All new Home and Community-Based Services direct care workers hired after Jan. 1, 2022, must also have a wage of at least $15 per hour.
Understanding that the ARPA funds have an end date and the increased compensation for these workers cannot, we are committed to identifying funds to ensure long-term sustainability of this effort. The Department submitted an Emergency Preparedness and Response Appendix K (Appendix K) amendment on October 20, 2021, which included these rate increases and wage passthrough. As Colorado’s Appendix K amendment is effective until July 1, 2022, the Department plans to submit a 1915(c) waiver amendment to ensure these changes continue long-term. We will continue to work in collaboration with our state and federal partners to pursue all avenues to continue to support these compensation increases for our HCBS workers.

In addition to the rate increase with a required wage passthrough, the Department has also increased provider rates for the services listed above with the exception of Consumer-Directed Attendant Support Services (CDASS), and adding Non-Medical Transportation, by 2.11% retroactively to April 1, 2021, and going forward through March 31, 2022. The Department received approval from CMS on October 19, 2021 for an Appendix K amendment for this rate increase with an effective date of April 1, 2021 through March 31, 2022.

To ensure stability across the long-term services and supports continuum, case management will be increased by 2.11% from April 1, 2022 through March 31, 2023, pending federal approval.

Additional adjustments for PACE due to common policy changes within HCBS as well as a specific rate increase next calendar year. The Department has scheduled stakeholder meetings with each PACE Organization during October. While the Department has received the outline of the policy impact, the Department is still working to assess the corresponding changes to the UPL and capitation rates for each PACE provider with our actuary. The Department anticipates the retroactive capitation adjustment to be effective by 12/1/2021.

Initiative 1.2. Direct Care Workforce Data Infrastructure - Phase 1
Under this project, the Department will expand the data infrastructure to better understand the current supply and demand for direct care workers and to track the impact of each investment strategy on recruitment, retention, and turnover. The Department will develop two surveys for the direct care workforce. The first survey will be a staff stability survey for providers of long-term services and supports (LTSS) waiver services and will include data collection on the number of direct care workers (DCWs) providing care, turnover rates of DCWs, percentage of DCWs that are full-time or part-time, DCW vacancy rates, and hourly wages for all DCWs. The second survey
will be for direct care workers rather than the employers to determine their satisfaction with compensation, benefits, career advancement, training, and their overall satisfaction with their employment. This survey will evaluate why there is a workforce crisis among direct care workers and what the Department can do to address it. The surveys will be administered multiple times to supply comparative data. This project will fund the development of the surveys, data collection, and analysis. These surveys will assist in strengthening the data infrastructure in the short and long-term to better understand the workforce and evaluate the strategies outlined in this plan. These surveys would be updated and used to establish all baseline data to inform direct care workforce efforts, recruitment and retention policies, and even skills-based career latticing.

**Initiative 1.3. Standardized Core Curriculum & Specialization- Phase 1**
The Department will develop a standardized curriculum and training program for homemakers and personal care workers to establish quality standards, as well as increasing specialized qualifications tied to wage increases. The Department will develop a homemaker and personal care worker curriculum to include modules on specialized topics, such as Alzheimer’s disease and related dementias and mental and behavioral health care and make the training available for free in-person through a train-the-trainer model and online. Initial work has already been completed via the Training Advisory Committee per SB 19-238, “Improve Wages and Accountability Home Care Workers.”

These trainings will be developed using a ‘universal worker’ structure, designed for use by individuals working in a variety of settings and with different populations. The modules will be adaptable depending on the employer, client, and worker’s needs, the training certificate will be transferable across employers. Funding will support training development, creation and launch of the online training platform, hosting statewide train-the-trainer sessions, and pilot testing and evaluating the new curriculum. These trainings will ‘live’ on the newly created Resource & Job Hub (initiative 1.4) for sustainability and ongoing management. The Department will review and submit a waiver amendment after development efforts are complete should training be deemed a condition of provider qualification.

**Initiative 1.4. Resource & Job Hub- Phase 1**
The Department will create a resource, job search, and employer matching hub for direct care workers to ease their entry into the job. This funding will support the development of a website for the direct care workforce where interested individuals could go to receive information and resources about direct care positions, access free training, and view job boards to quickly be placed in positions. The newly developed
personal care/homemaker worker training will be accessible through this site, and individuals who completed the training would be entered into a database for easy tracking of certification. The Department is partnering with our internal health information office and the State’s Office of Information Technology to ensure long-term sustainability of the site.

**Initiative 1.5. Establish a Training Fund- Phase 2**
Providing more training opportunities and incentives for workers to gain higher level skills would promote greater retention within the workforce. The Department will establish a training fund targeted to high demand jobs and to support specialization and advancement opportunities for the HCBS workforce, including the behavioral health workforce. Funds may be distributed directly to the prospective or current worker, to the employer to provide the training to their employees, or to a training provider. Additionally, funds may be used to expand standard training provider resources or trainer availability where gaps exist. The training will include cultural competency elements for all populations served. The goal of this fund is to provide short-term funding to incentivize and expand training opportunities for the HCBS workforce with the goal of increasing recruitment and retention.

**Initiative 1.6. Career Pathways- Phase 2**
The Department will establish income-based, affordable pathways for health professions to build career advancement opportunities for the workforce. The Department will partner with the Colorado Community College System, the Department of Higher Education, and the Department of Labor and Employment to work on career development pathways for direct care workers. This project will leverage the existing work within our sister agencies and incorporate the deliverable into ongoing initiatives.

**Initiative 1.7. Public Awareness Campaign- Phase 3**
The Department will launch a public awareness campaign about the value and importance of the direct care workforce. The campaign will garner workforce pride as well as greater respect and appreciation for these positions, which will ultimately help with recruiting and retaining individuals into the field.

**Initiative 1.8. Home Health Delegation- Phase 4**
One way to expand the workforce in the home health field is to ensure that all workers are working at the top of their licenses. For example, Registered Nurses (RNs) may delegate skilled tasks to a Certified Nurse Aide (CNA) that they otherwise would not be able to perform. An RN provides training to the CNA to perform the skilled task
and the task is then delegated to them. The theory is that this would allow a CNA to practice to the top of their license and potentially increase their wages, leading to longer-term retention. The Department will explore opportunities for further developing the home health workforce. This includes an environmental scan to identify care deserts, a survey to understand barriers, and subsequently, implementing solutions to increase delegation to this workforce, thereby enabling increased wages, retention, and recruitment. In addition, the Department will provide incentive payments to home health agencies that provide innovative models of care, such as increased delegation. In the event that identified solutions change scopes of service or reimbursement methodologies, the Department will submit a State Plan Amendment to support these efforts in the longer term.

**Initiative 1.9. Workforce Compensation Research- Phase 3**
Wages are not the only consideration in someone’s decision to work in a certain field. The Department will research innovative opportunities for increasing compensation for the HCBS workforce in other ways. The Department will identify ways to provide childcare for direct care workers; explore funding for shift differentials; and identify other practices that could better support low-income workers, such as hiring retention specialists or case managers within home care agencies whose job is to support the frontline workers.

**Initiative 1.10. Rural Sustainability and Investments- Phase 1**
Investing in rural communities to strengthen care access is critical in Colorado. This initiative will include implementation of three key strategies to ensure the sustainability of providers in rural communities, with the focused aim of strengthening and enhancing Colorado’s Medicaid and HCBS workforce. These initiatives are especially targeted at bolstering Colorado’s rural Medicaid and HCBS infrastructure, providers and members. These strategies include: Identifying Care Gaps, Developing Geographic Modifiers, and Creating Shared Systems in Rural Communities.

The first of these strategies is to expand the provider network in rural communities by identifying gaps and potential opportunities for expansion. A care desert, also known as medical deserts, exist mostly in rural places and inner cities and lead to inequalities in health care. The federal government now designates nearly 80 percent of rural America as ‘medically underserved.’ About 20% of the U.S. population live in rural areas, but only 10% of doctors and other health care professionals operate in those regions, and that ratio is worsening each year.
The Department first needs more data and analysis on where there are care deserts and potential solutions in those areas. The Department will complete an environmental scan of Colorado’s current HCBS provider network via a GIS heatmap; create a tool for the Department to update and track progress on a statewide level; identify gaps by waiver, service, and provider type; find out which populations are the most impacted; and give recommendations for provider or service expansion and solutions in a final report.

One way to help prevent a care desert is to pay providers differently by region to account for differences in cost structure, which would encourage more people to work in direct care professions in areas that are currently underpaid. The Department will design rates by geographic region to account for the cost differential associated with different locations. Geographic modifiers are intended to improve the appropriateness of Medicaid rates to providers by accounting for the differences in prices for certain expenses, such as clinical and administrative staff salaries and benefits, rent, malpractice insurance, and other defined costs. The Department is dedicated to identifying ways for implementing these proposed geographic rates if found advantageous in the Sustainability Plan.

The workforce shortage is particularly concerning in rural areas. The Department will research ways to partner with hospitals and rural health clinics to identify opportunities to share resources and/or more efficiently and creatively offer services in rural areas. The goal of this initiative is to increase access to services by setting up partnerships across hospitals, clinics, and HCBS providers to share certain resources between them. This may include using a coordinated pool of workers, training, personal protective equipment, or other resources. The Department, in partnership with the Office of eHealth Innovation, will identify areas that would benefit from this approach and recommendations on how to pursue and implement it. The Department will then set up a pilot program by finding members and providers to test out the model. The Department will evaluate the pilot by analyzing whether the desired outcomes were achieved, interviewing participants, and providing final recommendations on next steps and sustainability.

Upon reviewing the outcomes of these sustainability efforts, the Department will identify and address any necessary administrative and operational measures to support program longevity.
2. Improve Crisis & Acute Services

Initiative 2.1. Behavioral Health Transition Support Grants to Prevent Institutionalization - Phase 2
Under this project, the Department would offer short-term grant funding for behavioral health crises and transition services to support higher acuity members moving from an institution, hospital, or corrections to the community, specifically focusing on increasing capacity for community-based care. The Department would create grants for local communities, including providers, non-governmental organizations, and counties, to implement programs that are specific to their behavioral health capacity needs and geographic area. Grantees could request funding for implementation projects that improve service delivery options for crisis and transition programs or create pathways that improve care transitions. The focus will be on complex populations, with a history of institutionalization, and support step-down services specifically to help move individuals from inpatient to community settings. This grant would prioritize transition services that serve those that are disabled due to a mental health diagnosis.

Lessons learned from prior Department work transitioning members from long term care institutions with the Colorado Choice Transitions Program would inform the design of the grant program. Extensive stakeholder engagement would also inform program design. Providers could request funding for program improvements, infection control, staff training, best practice implementation costs, regulatory compliance, and community integration.

Initiative 2.2. Expand Behavioral Health Mobile Crisis Teams - Phase 2
The Department will supercharge activities related to the mobile behavioral health crisis teams, which offer an alternative to police or Emergency Medical Services (EMS) transport for a person in a mental health or substance use disorder crisis. Currently in Colorado, there are differing practices, pilots, and approaches to behavioral health crisis calls. The Department is applying for separate funding through ARPA to develop and submit a waiver to CMS to authorize a universal mobile crisis benefit for Medicaid members. If approved, many of the current provisioners will need to come into compliance to build the new benefit and will need resources to do so.

The Department will provide funding in the form of grants to support this effort. Grantees could utilize funding to start a program or to come into compliance by using funds for required staff training, increasing their capacity for 24/7 response,
equipment purchases, and potential technology needs. Funds would also be available to create more culturally responsive mobile crisis services in Colorado.

Initiative 2.3. Institute for Mental Disease (IMD) Exclusion, Risk Mitigation Policy-Phase 2
As a complement to the crisis service grant programs, the Department would explore the detailed policy and licensing requirements of different provision types that are federally prescribed when serving persons experiencing behavioral health crises. Colorado currently has a network of different facilities that can be used to assist a person in crises including Acute Treatment Units (ATU), Crisis Stabilization Units (CSU), emergency rooms, and when needed, traditional hospitalization. Both emergency rooms and hospitals come at higher costs, may lack behavioral health expertise, and may experience capacity issues to serve persons with medical needs when supporting persons in crises.

By contrast, ATUs and CSUs are especially adapted to behavioral health crises. However, to ensure the State’s new model of care from crisis response to crisis service delivery is successful, there needs to be compliance work completed with ATUs and CSUs. Crisis units must operate in compliance with federal compliance Institutes for Mental Disease (IMD) regulation Medicaid funding. Currently these crisis units are unable to serve and/or receive reimbursement for members who make up 70% of all calls to the statewide Crisis Services hotline.

To mitigate this risk, the Department will research and identify solutions for addressing IMD risk in these facilities. This would include a review of recent CMS guidance related to IMD to determine what actions can or should be taken to mitigate risk, including changing reimbursement policy, seeking a waiver, and/or working with other State entities to review licensing requirement reforms. The Department will also evaluate current ATU/CSU providers to review their programming and campus structure to ensure they do not meet the federal definition of IMD. The Department will generate recommendations on how to mitigate IMD risk as the state promotes the use of ATUs and CSUs in lieu of hospitalization or institutionalization, including the costs and benefits of the State seeking an 1115 waiver.

3. Improve Access to HCBS For Underserved Populations
Initiative 3.1. Equity Study- Phase 3
Individuals receiving HCBS in Colorado are more likely to be white and English-speaking than the overall population and general Medicaid population. It is unclear what is driving the disparity or how to create more equity in HCBS. This project would aid in better understanding who receives HCBS in Colorado and what services they receive, where the gaps are, and target outreach to ensure HCBS services are provided to all Coloradans who are eligible.

The study will address the following:
- Internal data analysis: Identify disparities in HCBS by analyzing enrollment and utilization data by race, ethnicity, language, and geography; develop a snapshot report that identifies disparities across the system to be presented to stakeholders in the community
- External stakeholder feedback and recommendations: Based on disparities identified, contract with a vendor to gather feedback from stakeholders and write up recommendations
- Implementation planning: Once recommendations are gathered, an internal team would put together an implementation plan to begin creating more equity in HCBS.

Initiative 3.2. Buy-In Analysis- Phase 4
Many people with disabilities are interested in working. Health insurance coverage can have an important relationship to employment for people with disabilities. For example, persons with disabilities on Medicaid may be concerned that they will lose their Medicaid coverage if they enter or return to the workforce. Commercial or employer-based health insurance might not provide coverage for services and supports that enable people with disabilities to work and live independently such as personal assistance services. The purpose of the Medicaid Buy-In program is to allow persons with disabilities to purchase Medicaid coverage that helps enable them to work. The Department requests funding to research strategies to improve equity outcomes by analyzing the financial, population size, and demographic impacts of using less restrictive eligibility income and resource methodologies for individuals with disabilities. This project would also include targeted outreach to ensure individuals know about the buy-in program for members with disabilities who are working and how they are able to qualify and retain their assets. Once the analysis is complete, the Department will pursue any programmatic or administrative changes necessary to implement a new approach.
**Initiative 3.3. Disability Cultural Competency Training for Behavioral Health Providers-Phase 1**

Developing and requiring disability and cultural competency training would ensure better access to appropriate care for HCBS members. Under this project, the Department will develop a disability-specific, culturally competent curriculum that includes the different types of disabilities and incorporates people’s lived experiences to help providers understand diverse populations’ perspectives. The training would include information, examples and skill-building activities on how best to serve the disability community. The training curriculum would be multi-modal such that it can be provided via webinars, online self-paced modules and/or in-person. The Department will submit waiver amendment documentation in support of program changes upon completion of curriculum development should training be a condition of provider enrollment.

**Initiative 3.4. HCBS Training for Members & Families- Phase 3**

In addition to providing training for providers, the Department will develop and make available culturally competent trainings and resources for members and their families to assist with navigating the HCBS system. This would include providing education and support to family caregivers. The training project would provide information to members to help them educate them on all waivers, navigate through the different waivers, and explain members’ right to choose between service providers. The training would be member-focused, person-centered and in plain language for ease of use. These new trainings would be incorporated into the Department’s currently available training resources for ongoing management and oversight.

**Initiative 3.5. Translation of Case Management Material- Phase 3**

The Department does not currently have member-facing case management material translated into all necessary languages. The Department will translate public facing case management materials, such as waiver charts, waiver flow charts, specialized behavioral health programs and benefits, and other basic information about waivers and other long-term services and support programs, into multiple languages for members and caretakers to understand in their own language. This work would also take into consideration other accessibility needs such as hearing and vision impairments.

**Initiative 3.6. Expand the Behavioral Health Safety Net- Phase 1**

The Department has an opportunity with these funds to strengthen and expand the behavioral health safety net through provider training, workforce development,
enhanced standards, high-intensity outpatient services, and value-based pay for performance models supporting whole-person care.

Over the past two years, the Department, in partnership with the RAEs, have aligned on a definition for high intensity outpatient services through a collaborative stakeholder engagement process. The safety net expansion effort would build upon and implement this definition through the following four projects:

- Conduct a gap analysis for high intensity outpatient services: The Department needs to assess the extent to which its current delivery system provides adequate high intensity outpatient services and to identify any needed improvements.
- Develop training and technical assistance to build capacity with providers and health plans: Providers will need technical assistance and other support to improve their capacity to deliver high intensity outpatient services.
- Develop value-based payment framework for high intensity services and whole person care: Providers will also need alternative financing models that better support whole person care and reward improved outcomes. The Department will create a new value-based reimbursement model in order to support the implementation of high intensity outpatient services and to improve capacity of the service networks.
- Assess and review regulatory foundations for high intensity outpatient services: In order to build adequate networks for high intensity outpatient services and to financially support these networks, the Department, working with the Office of Behavioral Health, needs to review and align their credentialing and contracting policies with the safety net framework. The Department will assess and revise critical regulations concerning high intensity outpatient services.

Upon understanding the full scope of potential program changes, the Department will submit a State Plan Amendment to address any modifications to existing program administration.

Initiative 3.7. Wrap-Around Services, including Peer Supports, for Members with Complex Needs- Phase 1
The Department will fund and develop a sustainability strategy for wrap-around services, including housing support services and community-based peer support, for recipients of complex social service benefits such as housing vouchers and supportive
housing services. This will be focused on individuals with serious mental illness and a history of homelessness and repeat hospitalizations and will not include any funding for room and board.

Specifically, the Department will implement a pilot program to provide supportive services, including peer supports, behavioral health services, and supportive housing services, for 500 Medicaid members. Participating members will receive emergency housing vouchers from the Colorado Department of Local Affairs (DOLA), which has committed 500 vouchers to the pilot program. This initiative is modeled on the evidence-based social impact bond project in Denver and targets individuals who have serious mental illness and have a history of homelessness and emergency care. The Department has also been awarded a technical assistance program by the National Academy for State Health Policy about how to best integrate services across state agencies to expand housing options to their shared clients who are unhoused.

Over the pilot period, the Department would collaborate with DOLA and the Colorado Department of Human Services (CDHS) to build a sustainability model for these housing supports by identifying which services are billable as wraparound Medicaid benefits and which are fundable through CDHS. With the support of the NASHP technical assistance grant, the Department would conduct an analysis of funding mechanisms and payment models and develop recommendations on how to improve support models of care for individuals with extensive history of complex social and behavioral health needs.

For providers, this would create options for them to expand their business models, increasing their solvency and the populations they are able to serve. It would build provider capacity, including housing service providers, and sustainability in rural areas where traditional care models are becoming more difficult to provide due to changing economic and population needs. It also aligns with Colorado’s broader behavioral health safety net initiative in that it expands the network and financing of behavioral health specialty providers.

The Department will submit a waiver or state plan amendment, as required, for any changes in services that require new federal authority.

Initiative 3.8. Behavioral Health Capacity Grants- Phase 3
To finalize the suite of projects to expand the behavioral health safety net in Colorado, the Department will complete a final project focused on community identified service gaps that members experience when seeking behavioral health
services. The Department will award small grants that focus on the following needs: rural behavioral health, tribal behavioral health, integrating care and treatment options in communities, substance use services, and filling other locally identified gaps in the care continuum. There would be a technical assistance component for grantees provided through a learning collaborative.

Funds would be distributed to smaller sub-awardees using evidenced-based practices. Awards would be prioritized to agencies mitigating care deserts or better serving the Colorado American Indian/Alaskan Native (AI/AN) population. This grant program will prioritize providers and programs that are improving their ability to serve individuals with disabilities on an HCBS waiver, who also have co-occurring behavioral health (SUD and MH) needs with a focus on lower acuity services and smaller community-based providers compared to the previously mentioned initiatives. This includes services provided through Colorado’s 1915(b)3 waiver.


Initiative 4.1. Residential Innovation- Phase 2
Under this project, the Department will develop and pilot continuum models of care that incent the creation of financially viable small residential programs that are person-centered, with a focus on rural communities. This would be accomplished by completing an analysis and pilot program:

- Models of Care Analysis: The Department will conduct an analysis of funding mechanisms and feasibility on how to improve transitions of care for people transitioning from nursing facilities and other institutional settings and potential new models of care for investment and innovation.
- Pilot Program: The Department will develop a pilot of an intentional community planned specifically to build a residential neighborhood that combines natural/community supports, modified residential homes, and existing services across systems to support older adults to live as they would like to in a safe, supportive community environment. The planned community would be inclusive of people living there who are older and aging adults as well as other community members who choose to live there. Learnings from the pilot program will be used to scale the model to other communities and to provide best practice recommendations for further development of new, innovative models.
The Department recognizes the potential need for waiver amendments to support programmatic changes and will submit such requests once the scope of change is identified.

**Initiative 4.2. Promote Single Occupancy- Phase 4**
This project will focus on supporting assisted living facilities and group homes in creating more single occupancy rooms, which would help prevent spread of diseases and promote greater independence among residents. The Department will research current practice and what it would take for these providers to offer more single occupancy rooms. The Department would offer incentive payments with state-only funding for providers to convert more space to single occupancy rooms. Any changes in rate methodology would be supported by the appropriate rate setting structure and the submission of a waiver amendment.

**Initiative 4.3. Child/Youth Step-down Options Program and Provider Recruitment- Phase 1**
The Department will focus on those areas in which there are currently gaps in services and treatment programs for children and youth. These include members with Autism Spectrum Disorder, intellectual and developmental disabilities, severe emotional disturbance as well as those with dual behavioral health and physical or developmental diagnoses.

The Department would work with several providers to develop a viable step-down treatment program, to create models of care that are financially viable and person-centered, with a focus on those children and youth who are sent out of state for services. This project would also look at creation or expansion of a step-down service between hospitals and a short-term residential placement. As needed, the Department will submit identified program and service changes through a State Plan Amendment.

**Initiative 4.4. Alternative Care Facility Tiered Rates & Benefit- Phase 2**
The Department currently pays one per diem rate for all members served in an Alternative Care Facility (ACF), regardless of the level of setting. The Department will develop a tiered rate methodology for setting levels, with an emphasis on secured settings, for the ACF benefit. The funding would provide insight on how the Department could create multiple level settings for the ACF program that would limit placement into a skilled nursing facility.
The Department will also analyze other states that utilize a tiered rate for HCBS residential services and their member assessment processes for assignment to the appropriate tier. The Department will provide recommendations related to services incorporated at each level to limit nursing facility placement and analyze whether Colorado’s assessment tools would be sufficient to determine an appropriate tier. A new assessment tool will be developed, if appropriate.

**Initiative 4.5. Pilot CAPABLE- Phase 2**

The Department will pilot and evaluate the innovative Community Aging in Place - Advancing Better Living for Elders (CAPABLE) program to support HCBS members to remain at home. The Department will pilot the CAPABLE program in three to four locations across the State with the goal of enrolling 400 people. Though the program has been rigorously evaluated, the Department will implement a pilot with an evaluation to ensure it results in the same outcomes, including cost savings, when implemented with a diverse group of members, including individuals of younger ages and those living in rural communities. Depending on the success of the pilot, the Department will consider adding CAPABLE as an additional benefit available to our waiver participants, at which time we would pursue a waiver amendment.

**Initiative 4.6. Supported Employment Pilot Extension- Phase 1**

In recent years, the Department has received State funding to conduct a supported employment pilot program to incentivize outcomes where people achieve and maintain employment. Funding for this project is expiring on June 30, 2022. The Department will extend and expand the current pilot program to allow for increased participation, additional data collection, and to determine if expanding incentive-based payments for supported employment services within the waivers is cost effective and produces positive outcomes.

**Initiative 4.7. New Systems of Care- Phase 2**

The Department has an opportunity to identify and pilot innovative systems of care that recognize and leverage the needs and capabilities of various populations. Under this project, the Department would study successful initiatives implemented by other states and nations while also developing pilot programs that:

- Leverage creative solutions to provide low/no cost childcare to home and personal care workers, which helps address low wage concerns by expanding “total compensation”
- Pair older adults with college students who need affordable housing
Create college credits and increase the workforce by employing college students to provide respite, homemaker, and personal care services to our growing older adult population, as well as the general HCBS population.

The Department would create a grant program with state-only funding to support innovative models of care. The Department will conduct an environmental scan of evidence-based practices that could be used and to create an innovative model to address “total compensation” for direct support professionals.

Initiative 4.8. Respite Grant Program- Phase 4
Expanding respite services was one of the most frequently cited items by Colorado stakeholders for consideration in the ARPA spending plan. Respite services provide temporary relief for the members’ primary caregiver, which is necessary to support caregivers and helps prevent members going to institutional settings.

The Department will create a grant program for increased access to respite for caregivers/families of members. The Department will identify the landscape of respite availability across Colorado and create a report identifying the gaps in respite care availability. Based on this report, the Department will develop a framework for a state-only grant program. Grant recipients could include parents, grandparents, or child caregivers of aging parents or family, and could be expanded to include other members of a household that are not usually afforded respite but could also benefit from respite.

Initiative 4.9. Respite Rate Enhancement- Phase 1
The Department will provide a temporary targeted rate increase to incentivize additional respite providers to serve HCBS members and children, with a focus on home-based services. The rate increase would also apply to respite services provided under the DHS’ crisis services program. In addition, the Department will identify innovative ways that can be taken to incentivize respite provision by meeting with providers and other Colorado respite programs to gather information about barriers for enrollment and service provision.

Initiative 4.10. Home Modification Budget Enhancements- Phase 1
One way to help members continue to live in their homes is by funding specific modifications, adaptations, and improvements to their existing home setting. The Department will provide additional funding above the current service limitations for home modifications. The Department will identify funding and pursue a waiver amendment once the complete scope of program changes is identified.
Initiative 4.11. Hospital Community Investment Requirements - Phase 4
Under this project, the Department would research and develop recommendations for how to leverage hospital community investment requirements to support transformative efforts within their communities. The Department would develop minimum guidelines for community benefit spending and reporting values to hold hospitals accountable to meet community needs as determined by the community itself and align with statewide health priorities. These guidelines should allow for more consistent reporting and determination of what is a community health need as well as better evaluate the impact of community benefit programs.

Initiative 4.12. Community First Choice - Phase 1
Community First Choice (CFC) was established by the Affordable Care Act in 2010 and allows the Department to offer attendant care services on a state-wide basis to eligible members, instead of only those who meet criteria for a 1915(c) waiver. The Department would use funding to cover the administrative costs associated with the development and implementation of CFC, including system costs, stakeholder engagement, FTE, and a new Wellness and Education Benefit. The goal is to implement CFC by January 1, 2025. Once implemented, the state would qualify for a 6% ongoing federal enhanced match on certain HCBS services.

To develop and implement CFC, the Department would need the following:

- System changes: System changes would be required to add the existing HCBS benefits into the State Plan which necessitates changes to the provider subsystem, financial subsystem, prior authorization subsystem, the prior authorization system, provider subsystem, and care and case management product. This work would include ongoing testing and maintenance to ensure the changes made were accurate and operating correctly.
- Stakeholder Engagement: The Department would need contractor funding to conduct stakeholder engagement related to CFC design and implementation. This contractor would manage all internal and external stakeholder participation surrounding CFC.

5. Strengthen Case Management Redesign
Initiative 5.1. Case Management Capacity Building- Phase 1
The Department will support case management redesign efforts in the community by developing a framework to support the change management requirements to ensure successful transition from the current system to implementation of a redesign that mitigates the negative impact on members. The Department will work with Case Management Agencies (CMAs), local area organizations, and stakeholders to plan and prepare for Case Management Redesign (CMRD). It will provide support to CMAs to implement CMRD policy changes, transition, legal and corporate structures, change management, strategic and organizational planning, capacity and ensuring member access to a CMA, including developing an infrastructure for a learning collaborative so that CMAs have access to individual resources relevant to their change management needs.

Initiative 5.2. Improve and Expedite Long-Term Care Eligibility Processes- Phase 3
Under this project, the Department will work with stakeholders to identify solutions to barriers to long term care eligibility, both from a physical eligibility and financial eligibility perspective. Any changes will result in the need for system enhancements as well as training to counties, Medical Assistance sites, and case managers on eligibility requirements for waiver programs and other long-term care programs. The Department will research and determine appropriate solutions for expedited eligibility processes and manage projects.

Initiative 5.3. Case Management Rates- Phase 1
The Department transitioned to a new rate structure for case management agencies in FY 2020-21. The Department will evaluate and identify best practice approaches for rate methodology in case management to ensure they are appropriate for the activities expected of CMAs and then develop a proposed rate structure for these activities and services, including identifying options for tiered rates for supporting members with complex care needs. The Department will also work in coordination with the Department to facilitate stakeholder engagement on methodology.

Initiative 5.4. Case Management Best Practices- Phase 1
Person-centered case management and care coordination requires adapting outreach strategies and support services to the needs of the population and of individuals, which may be different depending on the disability. The Department will research national best practices and develop and pilot these practices through models of care coordination that meet the unique needs of a variety of member profiles such as complex care coordination for those with dual or poly diagnoses. The Department will develop a training plan, including developing appropriate materials, for case
management and Regional Accountable Entity (RAE) staff on their various roles and responsibilities, collaborative roles between the systems, and effective care collaboration across the continuum of care, especially for members with complex needs.

**Initiative 5.5. Case Management Agency Training Program- Phase 1**
The Department will develop and implement comprehensive training for case management agencies to improve quality and consistency statewide. The Department will develop a robust training program for CMAs, RAEs and MCOs for all waiver programs and services, as well as behavioral health services, State Plan benefits, benefits counseling and CFC. All of the training will be incorporated into a Learning Management System allowing the Department to assign and monitor training completion. The Department will also update all existing training materials for content updates and upload them to LMS software to establish competency-based performance requirements of case managers. Any changes to program participation requirements will be supported by the submission of a waiver amendment once training documentation is completed.

6. **Invest in Tools & Technology**

**Initiative 6.1. Home Health/PDN Acuity Tool- Phase 1**

*Home Health*
Unlike the pediatric Long-Term Home Health (LTHH) benefit, the adult LTHH benefit does not have an associated valid and reliable acuity tool to help determine the appropriate level of care and time spent with each member. An adult LTHH acuity tool will help streamline the adult portion of the home health benefit and ultimately provide long-term savings to the State by providing an additional basis with which to determine appropriate service needs for members. The Department received funding to implement a LTHH acuity tool in FY 2019-20 through R-9, “Long Term Home Health/Private Duty Nursing Acuity Tool.” The Department used this funding to conduct an environmental scan in FY 2020-21 of other state approaches but was unable to identify an appropriate tool, concluding that the Department must build one from the ground up. There was not adequate funding to build and implement a tool with the funding from that request.
The Department will create, pilot, and validate an LTHH acuity tool for the adult population that is specifically tailored to Colorado home health policies. The Department will conduct both a policy and systems crosswalk of the proposed variables required for the LTHH acuity tool with the long-term services and supports (LTSS) assessment tool that determines nursing facility and/or hospital level of care for members seeking LTSS services. This will help determine opportunities for alignment of the tools to ensure that as members’ needs change they do not have barriers to accessing other State Plan or waiver benefits, nor is there duplication of services. The long-term vision is to integrate this tool as a module or option connected with the HCBS assessment tool.

Members will benefit from an acuity tool with validated reliability that will accurately forecast the medically necessary amount of home health services that also considers their holistic HCBS needs to make sure they access the right service and the right time. Providers will benefit from an acuity tool that will assist them when assessing a member’s needs and facilitate decision making as to the medically necessary amount of services that a member requires. The Department will identify how other states ensure oversight and mitigate any conflict of interest for who assesses and approves the amount, scope and duration of services to comply with all federal rules.

**Private Duty Nursing (PDN)**
The Private Duty Nursing Benefit currently utilizes a pilot acuity tool that was created in 2004 to help determine the appropriate medically necessary level of care and associated nursing hours for members. This tool could better assess and determine medically necessary services between pediatric and adult members. Development of separate adult and pediatric PDN acuity tools will help streamline the PDN benefit and ultimately provide long-term savings to the State by providing a more accurate basis with which to determine appropriate medically necessary service needs for members. The Department received funding to implement a PDN acuity tool in FY 2019-20 through R-9, “Long Term Home Health/Private Duty Nursing Acuity Tool.” The Department hired a contractor in FY 2020-21 to review several tools identified during an environmental scan with this funding. None of the identified LTHH or PDN tools can be used “as is”, the Department’s only option is to create its own tool by incorporating features of these identified tools.

The Department will create, pilot, and validate both a pediatric PDN acuity tool and an adult PDN acuity tool that are specifically tailored to Colorado PDN and LTHH.
policies. Members will benefit from acuity tools with validated reliability that will accurately forecast the medically necessary amount of PDN services. Providers will benefit from an acuity tool that will assist them when assessing a member’s needs and facilitate decision making as to the medically necessary amount of services that a member requires.

Once the acuity tool is developed, the Department will integrate the developed tool as a module within the Care and Case Management System. The utilization management vendor will either access the CCM tool directly or through a workflow that will allow them to perform the necessary medical necessity prior authorization determinations for PDN and LTHH benefits.

**Initiative 6.2. Specialty Search in Provider Specialty Tool- Phase 3**

HCBS providers struggle to identify which specialty they qualify for and which one to select when using the MMIS online enrollment module. As a result, providers either spend a lot of time researching provider specialties on the Department’s website or select specialties in the MMIS for which they are not qualified or do not wish to enroll for. The result is a lot of wasteful back and forth between providers and the MMIS vendor, and often, providers and the Department.

The Department will develop an optional “specialty finder” tool that will, through a series of questions, help providers identify which specialty or specialties they would like to enroll in, as well as the HCBS population they would like to serve. The tool will also provide guidance on other enrollment requirements that may be necessary to enroll and point to non-HCBS provider types they may be eligible for. Once an algorithm is developed, it will be integrated into the Department’s website. This tool will allow providers to quickly understand which specialties they are eligible for, understand the steps necessary to enroll, and cut down on questions to MMIS staff and staff across the Department and the Department of Public Health and Environment.

**Initiative 6.3. Member-Facing Provider Finder Tool Improvement- Phase 2**

The Department administers a “Find A Doctor” provider search tool on the Department’s website that identifies health care providers based on certain search criteria selected by the user. The Department is currently working to add additional functionality to the tool, including the ability to search by practitioner location, practitioner associations, and provider specialties.

Under this project, the Department will add the critical criteria of “Cultural Competency” to the search tool. Cultural competence in health care is broadly
defined as the ability of providers and organizations to understand and integrate these factors into the delivery and structure of the health care system. The goal of culturally competent health care services is to provide the highest quality of care to every patient, regardless of race, ethnicity, cultural background, English proficiency or literacy. Through this project, the Department will add cultural competence search criteria to the tool. This could include criteria such as: woman or minority owned/operated, cultural and ethnic subgroups, etc.

Initiative 6.4. HCBS Provider Electronic Health Record System Upgrades - Phase 1
Many HCBS providers either do not have an electronic means to communicate, analyze or share information, or have systems that are either outdated and too expensive to upgrade. The Department will use funding to invest in upgrading, implementing, and enhancing electronic health record systems for HCBS providers through a grant program administered by the Office of eHealth Innovation. This will allow them to better coordinate care, access real-time information through health information exchanges and other interoperable systems, and to purchase any necessary tools or equipment for virtual services.

Initiative 6.5. Member Tech Literacy - Phase 4
Like HCBS providers, many HCBS-enrolled members could benefit from greater access to electronic systems. Under this project, the Department will develop an application and a program for members that would provide a one-year digital literacy training, with the hope of improving access benefits virtually and more broadly.

Initiative 6.6. HCBS Provider Digital Transformation - Phase 1
The purpose of this project is to provide funding to home and community-based providers to digitally transform their care delivery. Funding will include investments in upgrading or implementing electronic health record systems to be able to better coordinate care, access real-time information through health information exchanges, and the purchase of tools necessary for the delivery of virtual services. This project will leverage lessons and processes from the Department’s Electronic Health Record incentive program and the Office of eHealth Innovation’s telemedicine projects, with a focus on inclusive and equitable approaches and solutions. These funds will be provided through a competitive grant program that is aligned with other developing efforts, such as HB 21-1289, “Funding for Broadband Deployment.”

Initiative 6.7. Innovative Tech Integration - Phase 3
Technology changes rapidly, including in the healthcare field. The Department will explore innovative technology that would improve diagnoses, services access, health
outcomes, and program delivery for medical, behavioral, and HCBS services provided to HCBS members. The Department will research potential innovative models for diagnoses, access, outcomes, and delivery, as well as evaluate whether those technologies would work in Colorado practices. Recommendations, including implementation steps, for pursuing these forms of technology will be developed.

**Initiative 6.8. Care & Case Management System Investments- Phase 1**
The Department will fund investments in system changes, software, and hardware to support the new care and case management system. These initiatives would support data sharing in ways that support person-centered, timely provision of care, improving the member experience. The Department is reviewing investments in system changes, software, and hardware to support the new care and case management system. These initiatives will support data sharing in ways that support person-centered, timely provision of care, improving the member experience.

**Device Costs**
The Department will provide one-time funding for CMAs to purchase laptops or other mobile devices compatible with the new case management IT solution, the Care and Case Management (CCM) system. These devices will be used to support agencies in utilizing the new CCM system to perform case management functions during their regular business operations. Case managers will have the IT technology necessary to leverage the capabilities of the new CCM tool, including accessing the log notes offline, perform assessments in the home, or upload assessments with the latest technology. Members will be able to be assessed quickly in their homes and provide signatures in real time.

**System Costs**
Funding will also be used to implement policy change requirements and enhancements that were not captured with the implementation of the CCM system. For example, the CCM system does not include remote signature capability of support plans by all stakeholders; this has been identified as an opportunity for future enhancements. Another potential enhancement is to allow providers to upload incident reports directly to the member record for the case manager to review and identify whether a critical incident occurred. This is highly encouraged by CMS to ensure incidents are tracked, mitigated, and trended prior to becoming a critical incident. Further, the Department will create bidirectional data feeds between providers and the CCM, building on existing statewide data sharing strategies in development or in place regarding EHRs.
The Department intends to create a regional advisory board to support improvements to provider IT sophistication and interoperability, to include the development of data dictionaries of key elements needed by providers.

**Initiative 6.9. Updates to SalesForce Database- Phase 1**
Under this technology project, the Department will implement a system to centralize complaints, issues, grievances, clinical documentation and quality care complaints. This will include updates to the Salesforce system to allow for clinical review tracking, time tracking for staff as well as tracking for creative solutions and complex solution calls allowing for tracking of diagnosis, services and length of time it takes to locate a solution for the cases. Once the design of the program is complete, the Department will submit a State Plan Amendment requesting the scope of program changes.

**Initiative 6.10. Member Data Sharing- Phase 3**
Because of the CMS Interoperability Rule, which is a part of the 21st Century Cures Act, the Department received funding through its FY 2021-22 R-9 “Patient Access and Interoperability Rule Compliance” decision item to develop an agreed upon, consensus-based approach regarding compliance with the Interoperability Rule. Compliance is based on the creation of an open framework that will allow data to be stored, shared, and pulled into consumer-chosen, consumer-facing applications, vetted through a federally mandated review process.

The Department will use funding to integrate key data points from the CCM tool into a data set that meets federal technical requirements. This data could include member assessments, case management log notes, and critical incidents. The data will be available for members to access through consumer-facing applications or other Electronic Health Record (EHR) applications, leveraging recommendations from the Testing and Experience and Functional Tools (TEFT) Grant, in consultation with the Governor’s Office of eHealth Innovation. The implemented solution would be a way for members to access data collected by and maintained in the CCM tool, as well as information about qualified providers as maintained in the BIDM, and could include functionality like secure, in-app texting/reminders that could occur between Health First Colorado members and their care team or teams. The Department will design a Long-Term Services and Supports-focused application or other point of access. Any solution will include functionality that is compliant with the Americans with Disabilities (ADA) Act.
Members will be able to access their CCM-related data through the application of their choice, using a device of their choosing. Members will have a seamless experience with their CCM-related health data, irrespective of payer or provider or originating IT source, and be able to access that information using technology of their choosing. This solution builds on existing work done statewide to provide access to health care data.

**Initiative 6.11. Centers of Excellence in Pain Management- Phase 2**

Many HCBS members deal with chronic pain and are unsure how to navigate the system to providers that are best equipped to help them manage their pain and thrive. The Department will pilot a program in which a contractor team consisting of a nurse practitioner and a licensed clinical social worker will assess the needs of chronic pain patients for mental health or substance use disorder treatment. The team will coordinate appropriate referrals to mental health, SUD, or Centers of Excellence for Chronic Pain providers, primarily via telemedicine using best practices for appropriate pain management. This team will also coordinate with RAES to offer training and support to further expand the program and meet the needs of all members seeking treatment for chronic pain.

**Initiative 6.12. Systems Infrastructure for Social Determinants of Health- Phase 1**

The Department, in partnership with the Office of eHealth Innovation, will expand the infrastructure for a Social Health Information Exchange (SHIE) which provides case management agencies, RAES, care coordinators, and health care providers with real-time connections to resources like food, energy assistance, wellness programs, and more. This will be part of a broader social health information exchange ecosystem being developed by the Office of eHealth Innovation. In addition, the Department will distribute funding in the form of state-only community grants to help connect small non-clinical agencies that specialize in and serve the HCBS population to the health information exchange and access the functionality. The Department will build upon lessons learned from the recent build of the prescriber tool that connects providers to information that helps inform real-time decisions needed to best help members.

**Initiative 6.13. Connect Case Management Agencies to CORHIO- Phase 2**

The Department will connect the Case Management Agencies (CMAs) to the Colorado Regional Health Information Exchange Organization (CORHIO) to obtain hospital admission data in real-time. While Admission, Discharge, and Transfer (ADT) data from hospitals is transmitted from the BIDM to the CCM system, there is a significant
lag, which prevents it from being actionable. This project will purchase a license for one user at each CMA to access ADT information via CORHIO.

Case managers will benefit from knowing when members have been hospitalized, alerting them to possible changes in functional needs and services and supports, as well as possible critical incidents. Case managers will be able to better coordinate care and participate in discharge planning with access to this information.

**Initiative 6.14. Data Sharing with the State Unit on Aging - Phase 4**

The Department suspects that many LTSS older adult members are receiving services through their local community, including the Area Agencies on Aging. These individuals may not be accessing the care that they need and are eligible for through Medicaid. Understanding who these individuals are and what services they are relying on from community-based organizations will help the Department to better target services. Additionally, if the Department can improve access to Medicaid services for these individuals, it would free up resources for older adults who are not eligible for Medicaid LTSS.

In this project, the Department will work with the Office of Aging and Adult Services within CDHS to conduct a system mapping of program and IT systems to determine a mechanism to share data and information across offices. The goal will be to implement a technology solution to access the Area Agencies on Aging data to identify and better track Medicaid LTSS members who are receiving services. Current efforts are underway through Colorado’s Health IT Roadmap led by the Office of eHealth Innovation to accelerate the sharing of information and establish infrastructure, governance, and policy that enable the broader health IT ecosystem and State agencies to support care delivery and quality measurement.

**Initiative 6.15. Interface with Trails - Phase 2**

The Department will implement system changes to connect Trails, the State’s child welfare system, with the MMIS to allow counties to improve quality and reduce duplicate cases. This will improve the eligibility determination process for LTSS utilizers. The interface will allow county staff to determine if a child who is going to be entered in Trails already has an open case in another system. This may be accomplished by building a warehouse, an interface, or allowing Trails and the MMIS to communicate in real time.
**Initiative 6.16. Eligibility Systems Improvements- Phase 1**
The Department will improve eligibility systems to hasten application processing, improve determination accuracy, and provide real-time provider eligibility status insights. To do this, the Department will streamline eligibility processing for HCBS members. This will include system enhancements, policy requirements, modifications and training to address barriers to long-term care eligibility. Part of the project would be to create a bidirectional interface between CBMS and the CCM.

These changes will further automate the exchange of information between case managers and county technicians and eliminate the need to maintain a third system acting as a go-between for the entities, increasing operational efficiency and improving the member experience. Changes to the contracts or processes as a result of these system improvements may also require waiver and/or State Plan Amendment amendments.

7. **Expand Emergency Preparedness**

**Initiative 7.1. Emergency Response Plans- Phase 4**
One initiative to support future emergency preparedness is developing provider emergency preparedness and response plans. These will be resources that outline how providers will assist members with preparedness, and in the event of an emergency, how they will provide direct support. The Department will research national standards for emergency preparedness for various provider types. Based on that research, the Department will develop tools and resources for providers in developing emergency preparedness and response plans. These resources will be made readily available for current and new providers.

**Initiative 7.2. Member Emergency Preparedness- Phase 4**
In addition to providing resources for providers, the Department will assist members with disabilities and those with mental health needs who live independently in the community to be prepared for potential emergencies by providing resources, supplies, or education. The Department will develop and execute a strategic plan to prepare members with disabilities, including behavioral health, for emergencies. The plan will address educational efforts, individual emergency plan development, and the distribution of resources and supplies, such as generators.

8. **Enhance Quality Outcomes**
Initiative 8.1. Provider Score Cards- Phase 4
To support quality performance, the Department will establish metrics and develop public-facing provider scorecards. Scorecards can be used to identify providers that may need more intense oversight and to help consumers and their families make choices about their care. Providers with continuously low scores could face additional corrective action.

The Department will create provider and CMA scorecards and will add the scorecards to the provider search tool. Applicable performance measures will also be included in the scorecard. The Department will develop metrics and a weighting algorithm incorporating provider input. Providers should understand metrics and underlying data sources and believe that scores accurately and meaningfully represent care quality. Provider input and buy-in can help the Department develop a better methodology, promote higher quality data collection, and encourage providers to improve performance based on findings. The Department will continue to update these scorecards moving forward.

Initiative 8.2. Provider Oversight- Phase 3
The Department operates ten waivers to provide Home and Community-Based Services (HCBS) to our members. To do this, the Department contracts with the Colorado Department of Public Health and Environment (CDPHE) to certify providers, demonstrating they meet state and federal requirements regarding the safety and well-being of consumers. The certification process involves an initial survey when the provider enrolls in Medicaid and unannounced re-certification surveys periodically thereafter, in most cases every three years. Through onsite visits conducted every three years, surveyors capture comprehensive information on: policies and procedures; consumer experience and satisfaction with services; staff perspectives on care quality; alignment between care plans and service delivery; and, in the case of residential settings, facility safety and cleanliness.

The Department has identified challenges with the certification processes, including lack of standardization across provider types and an increasingly complex process and workload. In addition, The Department does not have the tools necessary to analyze information on certification outcomes and hold providers to higher standards of quality of care.

The Department will finalize and implement work started in 2016 to address these challenges and to streamline the CDPHE oversight and application process. Specifically, the following work will be accomplished:
- Confirm prior decision points made on where the process could be simplified, or unnecessary steps could be eliminated entirely with the goal of reducing the time it takes a provider to become enrolled.
- Implement a 3-tier system for all waiver services based on risk for fraud and abuse
- Facilitate and support break-out cross-Department groups in making necessary changes
- Provide support to streamline and align the certification processes across survey types
- Make recommendations to improve data collection and sharing, so data is actionable
- Create an action plan and timeline to implement recommendations from 2016 such as:
  - Allow deeming based on accreditation,
  - Streamline and align current survey certification processes,
  - Emphasize Quality Management Programs,
  - Enhance remediation strategies, and
  - Create a comprehensive picture of provider quality
- Create recommendations to more fully integrate the surveying and provider enrollment processes across CDPHE, HCPF, and its vendors, such as:
  - An electronic workflow that would allow a warm handoff from CDPHE to HCPF for enrollment to bill for services once survey work is completed
  - Creation of an identification/tracking method for the shared tracking of providers across the two agencies

**Initiative 8.3. Pay-for-Performance for HCBS Waivers- Phase 3**

The Department currently pays for most services under a fee-for-service methodology, which rewards for volume of services rather than the quality of the care provided. The Department will shift to pay-for-performance programs within a few program areas. By supporting these pay-for-performance programs, the ARPA funds will serve as a catalyst to expand and sustain new performance-based models of care. First, the Department will develop a pay-for-performance rate methodology for the HCBS Residential programs. The Department will work with states that use pay for performance to identify key performance indicators to accomplish policy directives such as ensuring proper placement and care planning. Recommendations will be developed on performance benchmarks, bonus pay amounts, and per diems. It is likely that a waiver will be needed to support these changes.
Initiative 8.4. Pay-for-Performance for PACE- Phase 2
The Department will identify key performance measures to incorporate into a pay-for-performance methodology within the PACE capitation payments. The percentage for each performance measure will be identified and the monitoring processes and reporting requirements will be outlined. The appeals process and contractual language will also be developed. It is likely that a waiver will be needed to support these changes.

Initiative 8.5. Pay-for-Performance for Home Health- Phase 3
The Department will develop a pay-for-performance methodology for Long Term Home Health services. The changes will embrace the guidance in the proposed federal rule that accelerates the shift from paying for home health services based on volume, to a system that incentivizes value and quality. The proposed changes address challenges facing Americans with Medicare who receive health care at home. The proposed rule also outlines nationwide expansion of the Home Health Value-Based Purchasing (HHVBP) Model to incentivize quality of care improvements without denying or limiting coverage or provision of Medicare benefits for all Medicare consumers, and updates to payment rates and policies. The Department will look to this new proposed rule to design and develop methodologies and models to select the best value-based payment options for the Colorado Medicaid program. It is likely a state plan amendment will be needed to support these changes.

Initiative 8.6. PACE Licensure- Phase 1
Within the PACE program, the Department will develop quality standards by establishing a PACE licensure type to ensure appropriate oversight and compliance. The Department will establish a PACE audit structure including fee cost, resource needs, timeline, survey elements, corrective action plan templates, reporting requirements, valid sample size, appeal process, performance measures, and interview questions. The Department will also develop a system to record and capture incident reviews, complaints, survey results, and reports. This will require the Department to submit amendments to the State Plan and Program Agreements with each PACE Organization.

Initiative 8.7 eConsult to Improve Quality- Phase 4
The Department is implementing an eConsult system in FY2021-22 to increase the capacity and capability of primary care providers, to reduce unnecessary specialist visits, and to connect appropriate specialist referrals to higher performing specialist providers. The Department will research whether it is feasible to expand the eConsult
program to include a broader array of specialists, such as providers that have expertise and good outcomes working with individuals with disabilities. The Department will adjust the overall eConsult design in accordance with federal feedback.

**Initiative 8.8. CMS Quality Metrics- Phase 2**
The Department will routinely stratify CMS quality metrics by disability and SMI status. To accomplish this, the Department will invest in data repositories that enable more robust insights into gaps in care as well as the providers and services with positive outcomes, supports, and programs for individuals receiving HCBS. The Department will share this data with the RAEs and CMAs to help them connect members with the highest-performing providers. This information may also be leveraged by the above-described e-consult system. The Department will use the funding for systems investments to create clear data linkages necessary for dashboards to be operational.

**Initiative 8.9. Waiver Quality Expansion- Phase 4**
To better understand where there are quality gaps in the HCBS waiver programs, the Department will expand waiver quality surveys and metrics. This would provide insights into member experience, member satisfaction, and whether members received care that they reported needing. The Department will utilize the data to recommend changes to waiver programs.

The Department will research and recommend the most appropriate member surveys to determine member experience, health outcomes, satisfaction, and quality outcome analysis measures. The Department will design and/or procure the surveys and implement member outreach, engagement, and survey completion. Waiver amendments may be required if modifications to performance measures are made as part of this initiative.

**Initiative 8.10. Department of Corrections Partnership- Phase 3**
The Department has engaged with the Colorado Department of Corrections to address behavioral health services engagement as individuals are released from prison. This project will expand post-release supports to members who are transitioning or may have already transitioned back into the community. The Department will address the following action items:

- Identification of best practices of engaging justice-involved members;
- Review and improve eligibility processes for waiver services;
- Identify most prevalent needs from these members and work with stakeholders to implement best practices;
- Collaborate with justice systems at each level (released from incarceration, parole and probation) to implement best practices;
- Work with state and local government and community-based organizations to identify solutions, develop meaningful metrics and build lasting support systems for individuals involved with the justice system;
- Partner with the Regional Accountability Entities to create member-reported information about the need for justice-specific care coordination. Provide training materials and education to RAEs;
- Identify data system opportunities to monitor member enrollments in multiple systems and develop strategies to ensure data system connections are in place to improve coordination activities.

**Initiative 8.11. Quality Measures & Benefits Training- Phase 2**

To ensure the best use of services potentially available to the HCBS population, the Department will develop training on quality performance measures with a focus on Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit metrics. The team will use an analysis of EPSDT exceptions to illuminate current gaps in the HCBS program. The analysis will be used to create training materials that will include specific learning objectives on how and when to use EPSDT exceptions and how and when to use HCBS services. To the extent this analysis exposes policy gaps, this information would be used to inform policy and program adjustments. These trainings will also be used to assist the state to meet the federal requirement of an intersection of EPSDT and waiver services as outlined in the CMS Part V Manual.

To complete this project, the Department will provide a standard, adult learning training on EPSDT benefit and performance metrics. The final product will be posted on Department websites and updated regularly as a sustainability mechanism. The training is expected to be 4-6 separate training modules.

**IV. Timeline and Next Steps**

The Department is eager to begin implementation of each of these unique and critical initiatives. Over the next three months, we will be developing and implementing systems and processes for tracking and reporting on each project’s progress. The project teams will also further refine their initiative’s timelines, deliverables, and
outcomes. As we move forward with these initiatives, we will collect process, output, outcome, and member, family, and provider experience data to inform the initiative’s progress towards success. Additionally, project teams will collect information about best practices and lessons learned. We appreciate CMS’ ongoing collaboration and partnership and look forward to continuing to provide updates through our quarterly reports.