

WHAT PROVIDERS NEED TO KNOW ABOUT HB 18-1407

THE AGING CAREGIVER & DIRECT SUPPORT WORKFORCE BILL



ELLEN JENSBY, SENIOR DIRECTOR OF PUBLIC POLICY & OPERATIONS, ALLIANCE
EMMA HUDSON, DIRECTOR OF GOVERNMENT & COMMUNITY RELATIONS, ALLIANCE

AGENDA

- What is Alliance?
- Definitions
- Background
- Evolution
- Supporters
- Primary Elements of the Law
- Rate Increase Details
- New DD Resources Details
- New Caregiver Emergency Criteria Details
- Questions?





- Alliance Membership is comprised of:
 - 70 Program Approved Service Agencies (PASAs) and Community Centered Boards (CCBs)
- Alliance members:
 - Serve over 10,000 individuals with IDD
 - Employ over 3,800 direct support professionals and IDD case managers
 - Serve ~80% of people on the IDD Comprehensive Waiver

ALLIANCE IS A NONPROFIT, STATEWIDE ASSOCIATION OF COMMUNITY CENTERED BOARDS (CCBs) AND PROGRAM APPROVED SERVICE AGENCIES (PASAs) THAT IS DEDICATED TO STRENGTHENING SERVICES AND SUPPORTS FOR INDIVIDUALS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES (IDD).

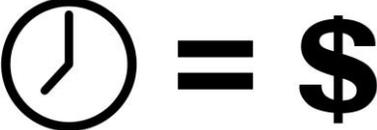
DEFINITIONS

- IDD
- HCBS
- DD “Comp” Waiver
- Resources/Enrollments
- SLS Waiver
- DSP
- HCPF



BACKGROUND: IDD FUNDING MECHANISMS

- How are IDD Medicaid services funded?

- Fee-for-Service model 

- How do agencies use funding?

- Overhead averages around 10% for most agencies (admin., billing, HR, finance, etc.)
 - Other operating costs (insurance, equipment, occupancy, telephone, staff development, etc.)
 - Personnel = largest single agency cost (wages, health/dental/life insurance, workers' comp., PTO, FICA, social security, bonuses, etc.)
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- Are there other ways to increase revenue outside of Medicaid reimbursement rates?

BACKGROUND: WHAT PROBLEM(S) ARE WE TRYING TO SOLVE?

A FINANCIAL PERFECT STORM:

- STAGNANT Medicaid reimbursement rates +
- RISING inflation +
- LOW unemployment +
- INCREASED regulatory burden +
- COSTLY changes to service delivery models



- REDUCED purchasing power for providers,
- LOW pay & HIGH turnover for DSPs,
- REDUCED continuity of support,
- LACK of system sustainability & efficiency, and
- **REDUCED access to services & choice of provider**

PEOPLE WITHOUT NECESSARY SERVICES

- A years-long (or sometimes decades-long) waiting list for comprehensive services
- Most recent numbers (prior to this legislation): about 3000 people on the waiting list and growing
- An aging caregiver population
- Limited advance planning for caregiver crises

BREAKING DOWN THE PROBLEM INTO BITE SIZE PIECES

DSP COMPENSATION

- Avg starting wage for community-based DSPs: \$10.91
- Starting wage for state-employed DSPs: \$14.25+PERA
- Rising minimum wage
- Low wages + strenuous work =
high turnover (avg 39%) & vacancy rates
- Reduced continuity
of support



AGING CAREGIVERS

- People with IDD are living longer
- As people with IDD age, so do their caregivers
- Currently, there's no advance support for people with IDD who may be reaching a caregiver crisis



EVOLUTION: HOW DID IT GET PASSED?

- Years of JBC education
- Learning from other states & stakeholders
- Data & evidence
- Thoughtful bill framing
- SIGNIFICANT grassroots and community involvement
- Negotiation with HCPF & other stakeholders
- Accountability
- Good timing: some \$ in the budget + several champions retiring
- HARD WORK!

SUPPORTERS

Advocacy Groups: • AdvocacyDenver • Association of Community Living • Colorado Cross Disability Coalition • Colorado Developmental Disabilities Council • Consulting on Quality • Disability Law Colorado • Families at the Forefront of Technology • FamilyVoices Colorado • JFK Partners • Lehman Disability Planning • The Arc of Arapahoe and Douglas • The Arc of Colorado • The Arc of Jefferson, Clear Creek & Gilpin Counties • The Arc of Larimer County • The Arc of Mesa County • The Arc of Pikes Peak Region • The Arc of Southwest Colorado • The Arc of the Central Mountains • The Arc of Weld County • The Arc of West Central Colorado • The Possibility Pool

Community Centered Boards: • Blue Peaks Developmental Services, Inc. • Colorado Bluesky Enterprises, Inc. • Community Connections, Inc. • Community Options, Inc. • Developmental Disabilities Resource Center • Developmental Pathways • Eastern Colorado Services for the Developmentally Disabled • Envision • Foothills Gateway, Inc. • Horizons Specialized Services • Imagine! • Inspiration Field • Mountain Valley Developmental Services, Inc. • North Metro Community Services • Rocky Mountain Human Services • Southeastern Developmental Services, Inc. • Southern Colorado Developmental Disabilities • Starpoint • STRiVE

Provider Agencies: • A Better Life Experience, Inc. (ABLE) • A Real Difference • Ability Access • Ability Specialists • Activity Options • All Friends, Inc. • Alliance of Therapy Specialists • Altra Services • Ariel Clinical Services • Ascendigo Autism Services • Behavior Services of the Rockies • Belk Model, LLC • Bethesda Lutheran Communities • Boone Guest Home • Bridging Family • C.A.R.E. Inc • CHILL LLC • CommonWorks • Community Advantage • Community Link • Community Living Alternatives • Community Support Services • Continuum of Colorado • Cottonwood Community Alternatives • DESTINY • Devereux • Dirt Coffee • DRM Home Care • Dungarvin Colorado, Inc. • Dynamic Dimensions, Inc. • Easter Seals Colorado • Evergreen Service Providers • FRIENDS of Broomfield • Garden, Inc. • Gray Speak Therapy • Janet Pasterkamp • Jewish Family Service • Jordan Residential and Vocational Services • Karuna Care Services • Laradon • Metro Support Services • Mesa Developmental Services • Mosaic • Oliver Behavioral Consultants • Overture • Parker Personal Care Homes, Inc. • Quality Life Services • Sample Supports • Schaefer Enterprises • Shared Touch, Inc. • Six Points Evaluation and Training, Inc. • Support, Inc. • Thrive Community Options • Triuspa LLC Other supports: • Boulder County • Pueblo County Department of Social Services • Gem Pharmacy

+ almost 3,000 individuals signatures signed our petition in SUPPORT of the bill

PRIMARY ELEMENTS OF HBI 8-1407

1. A 6.5% rate increase on most IDD services
 2. 300 NEW (non-emergency) DD-comp waiver enrollments available
 3. A path to help caregivers experiencing a crisis
- COST (half state general fund, half federal funds):
 - \$12.2 million in 2018-2019
 - \$67.4 million in future years

UNDERSTANDING THE RATE INCREASE: SERVICES

Which rates will receive a 6.5% rate increase?

THE FOLLOWING SERVICES ON THE DD, SLS, & CES WAIVERS ONLY

- Group Residential Services & Supports
 - Group Homes
- Individual Residential Services & Supports
 - Host Homes, Family Caregivers, Personal Care Alternatives, Private Apartments
- Specialized Habilitation
- Respite
- Homemaker & Homemaker Enhanced
- Personal Care
- Prevocational Services
- Behavioral Line Staff
- Community Connector
- Supported Employment – job development & job coaching
- Mentorship
- Supported Community Connections

Which rates were *excluded* and WHY?

- Case Management
- Early Intervention
- Transportation
- Vision
- Dental
- Other Behavioral Services
- And more...

What about other services???

Included in the FY18-19 state budget (NOT part of this bill):

- ALL SERVICES will receive a 1% across-the-board rate increase
- That means SOME services will receive a 7.5% increase TOTAL
- Effective date of 1% rate increase is 7.1.2018
- Funds from the 1% increase can be used *as needed* by agencies

UNDERSTANDING THE RATE INCREASE: WHEN

When does the 6.5% rate increase go into effect?

- March 1, 2019
- Agencies must demonstrate that ALL funds received from the 6.5% increase were spent on increasing DSP compensation.
 - Cannot be used to take the place of funding already used on DSP compensation.
- Agencies must demonstrate that they increased DSP compensation above the compensation levels in place on June 30th, 2018.
- Agencies may give increases to their DSPs prior to March 1, 2019 in anticipation of the rate increase. However, compensation increases given *prior to 6/30/18* will NOT count toward the increases required by the bill.
- Serve Plan Authorization Limits (SPALs) will receive a corresponding increase.

UNDERSTANDING THE RATE INCREASE: WHO

How are agencies allowed to spend the additional funds?

- Exclusively on increasing DSP compensation!
- DSP: “A **worker** who assists or **supervises** a worker to assist a person with an IDD to lead a fulfilling life in the community through a diverse range of services, including helping the person get ready in the morning, take medication, go to or find work, and participate in social activities. DSP includes all workers categorized as **program** direct support professionals and excludes workers categorized as **administrative**, as defined in standards established by the Financial Accounting Standards Board.”
 - IMPORTANT: DSP does *not* include case managers, admin staff, or executive staff such as IT, HR, CEO, CFO, COO, etc.
- Compensation Definition: “Any form of monetary payment, including bonuses, employer-paid health and other insurance programs, paid time off, payroll taxes, and all other fixed and variable benefits conferred on or received by a DSP.”

UNDERSTANDING THE RATE INCREASE: ACCOUNTABILITY

- **PASAs must:**
 - Track & report how they used the funds
 - Tracking tool will be developed by HCFP in collaboration with PASAs;
 - Submit report by December 31, 2019 for the 2018-19 fiscal year demonstrating compensation increases;
 - Submit reports by December 31, 2020 and 2021 for each respective fiscal year on how they maintained DSP increases;
 - Maintain all books, accounting records, etc. for 3 years after the reporting deadline for each respective fiscal year; and
 - Make the information available to HCPF at all reasonable times.
- **If a PASA fails to use the \$ for increasing DSP compensation:**
 - HCPF will “claw-back” or recoup the amount used inappropriately.
 - Before recoupment happens, PASAs have the opportunity to:
 - Challenge the HCPF determination
 - Provide additional information demonstrating compliance
 - Submit a plan of correction to HCPF

WHAT WE DON'T **YET** KNOW...

Remaining Implementation Questions:

- How will the tracking and reporting work exactly?
 - What tool or methodology will HCPF use to ensure the funds were spent appropriately?
 - Will HCPF analyze spending from an aggregate agency level or on a per-DSP level?
- How will agencies be allowed to allocate the new funds across different types of DSPs?
- Can agencies hire new DSPs with these funds?
- When and how should agencies start billing at the increased rate?

When will we know more?

- HCPF will be providing further clarity in the coming months. Here is the timeline they've provided:
 - New HCPF staff are currently being sought with a targeted start date of early August;
 - The Department will have preliminary internal discussions in August and early September;
 - Relevant stakeholders will be asked to engage on this issue in late September to early November;
 - Final guidance and auditing criteria will be shared soon thereafter.

UNDERSTANDING ADDITIONAL WAIVER RESOURCES

- **Law includes funding for 300 NEW, non-emergency DD-comp resources OFF THE TOP of the waiting list**
 - Amount is *related* to expected number of individuals with aging caregivers.
 - These 300 resources, however, are NOT reserved for aging caregivers.
 - HCPF is expecting 300 new people enrolled by June 30, 2019.
- **These resources are IN ADDITION to the 168 resources HCPF released recently using previously existing funds**

WHAT ABOUT THE CAREGIVERS IN CRISIS?!

- The bill directs HCPF to promulgate rules (and make necessary changes to the DD-comp waiver) in order to add “caregiver status” as one of the emergency criteria to qualify for a DD-Comp resource. Factors HCPF must consider during this rulemaking process:
 - Age of the caregiver
 - Loss of a caregiver
 - Incapacitation of a caregiver
 - Life-threatening or serious persistent illness of a caregiver
 - A threat to life or safety that the caregiver places on a person with an IDD
- The fiscal estimate predicts 150 additional emergency resources each year to account for caregiver crises.
- Caregivers will have to make case managers aware of any situation that may qualify their loved one for an emergency resource.
- Rule-making process: your participation will matter! (Process likely to start in the next 6 months) – rules must be promulgated by June 1, 2019.

NEXT STEPS

- **This is just the beginning...**
 - We still have about 2500 people on the DD-comp waiting list and counting.
 - We have a long way to go before we will have a stable and sustainable service system.
- **How can provider agencies, case management agencies, and community stakeholders continue this momentum?**
 - Implement the elements of this law with fidelity & demonstrate that additional funds can improve lives;
 - Continue to think about long-term solutions that are possible in bite-size pieces;
 - Continue collaborative, grassroots efforts across diverse stakeholder groups;
 - Continue educating legislators;
 - Think creatively about how to tackle large financial costs of serving people with IDD; and
 - PARTICIPATE IN THE UPCOMING NCI STAFF STABILITY SURVEY (another, lesser-known component of HBI8-1407)

SHAMELESS PLUG

- Alliance members enjoy access to full staff support throughout this process
- Get information first
- Opportunity to weigh in on implementation questions
- Assistance from other member agencies with reporting & tracking
- Participate in future planning and legislation for the IDD system
- And much, much more...



For more information on membership, contact Kylie Kampbell at kkampbell@alliancecolorado.org or (303) 832-1618 ext. 12

QUESTIONS (AND HOPEFULLY A FEW ANSWERS)



WE ARE **EAGER** TO HELP YOU MAKE THIS INVESTMENT A **SUCCESS!**

Ellen Jensby

Senior Director of Public Policy & Operations

303.832.1618 Ext: 13

ejensby@alliancecolorado.org



Emma Hudson

Director of Government & Community Relations

303.832.1618 Ext: 14

ehudson@alliancecolorado.org



*Thank
you!*