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BOARD MEETING MINUTES
December 9, 2025

Directors:
Darcy Arnold
Mary Turner
Mary West
Cathy Roberts
Mike Schottelkotte
James Jones
Lorraine Van Gemert
Dr. Lou Dwyer

Staff Present:
Kevin Sowder via Zoom
Holly Tea
Jennifer Pelligra
Tom Turner

Guests: Greg Lucero, Hannah Max, Lucy Knolls

I. Call to Order: Meeting called to order at 6:32 PM by President, Darcy Arnold. She declared a quorum to conduct business.

II. Absences: Laurie Van Gemert

III. Public Comment:

IV. Agenda

A. Final minutes from November 2025 meeting were provided prior to meeting for board review. Darcy Arnold asked for any questions, comments, or changes and none were noted. Thank you to Tom Turner for excellent report. Mary Turner motioned to approve the minutes, seconded by Cathy Roberts. All in favor, none opposed, motion carried.

B. Executive Director's Report submitted respectfully by Tom Turner:

We are all excited about Jennifer's return to the office, and we will do everything we can to support her in her continued recovery and the resumption of her duties.

The open enrollment meetings for our new health insurance plan went extremely well, and staff were very excited about the addition of the Cigna network. We are still in the process of getting employees to accept or deny coverage, so at this time we are still gathering numbers of how many will be enrolled. We had 37 employees on last year's plan and expect that number to go up given the improved coverage and all of the

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BOARD MEETING AGENDA

Tuesday, December 9, 2025
6:30 PM.
The Tom Turner Administrative Building,
936 N. Park Ave., Montrose

BOD: Darcy Arnold, Mary Turner, Mary West, Mike Schottelkotte, Dr. Lou Dwyer, Lorraine Van Gemmert, Jim Jones, Cathy Roberts.

I. Call to Order

II. Absences

III. Minutes

IV. Public Comment

V. Executive Director's Report

VI. Committee Reports
- A. Finance/Audit Committee
- B. PR/Fund-Raising Committee
- C. Governance Committee
- D. Affordable Housing Project Committee

VII. Old Business: CHFA loan/land purchase status

VIII. New Business

IX. Announcements

X. Adjournment

FINANCE/AUDIT COMMITTEE:
The Finance/Audit Committee will meet from 5:30 – 6:30 preceding the regular Board meeting.

uncertainty around continued Medicaid expansion eligibility and ACA subsidies.

Staff have been working on the cleanup at Bradford, and we expect that work to be completed by 12/5. From there we also have some flooring, wall patching and painting to do, so we should have it all wrapped up by 12/19. We have one person receiving services who needs housing and staff are going through the process of considering whether residence at this home would be an appropriate placement and what the staffing requirements would be.

On November 20 Margaret Davey attended an award ceremony with the Ouray County Community Fund that has supported our Early Intervention program.

As of 11/25 we have 12 open positions, all of which are in residential.

We have one new potential Host Home provider and one new Family Care Giver going through the background check process.

Currently, our Transition Services program is supporting seven students and their families. One of these students is scheduled to begin attending the Day Program two days a week starting in January. Chris Schmidt recently attended IEP meetings at both Montrose High School and Hotchkiss High School; the parents of both students will need assistance in obtaining guardianship for their children. We will be meeting with Christina Curtis, the Transition Program teacher at Delta High School, to discuss how COI Transition Services can support her students. She is currently working with 11 students. We are also waiting to hear back from two additional parents regarding transition services for their children. In addition, Chris has been building relationships with the Special Education teachers at Montrose High School to strengthen collaboration and support.

Governor Polis' proposed budget continues to work its way through the budgeting process. The HCPF budget briefing to the Joint Budget Committee is on 12/15, and the HCPF budget hearing with the JBC is on 1/5. As a member of the Alliance Government Relations Committee, Tom will be monitoring both of these meetings and continuing to provide input regarding the impact of the proposed funding cuts and programmatic changes.
There will be a holiday celebration at Park Place throughout program hours on Christmas Eve day and all Board members are encouraged to stop by!

C. Committee Reports

1. Finance/Audit Committee:
   The financial statements for October 2025 were reviewed, with emphasis on revenue and expenses. Discussion of nuances of expense lines including regular hours surplus verses overtime deficit. Overall, the organization is performing better than the budgeted deficit projection and cash balances are holding. Jim Jones motioned to approve the October 2025 financial reports as presented and this motion was seconded by Mike Schottelkotte. All in favor, none opposed.
   Kevin presented a revised budget for FY26 that was inclusive of the changes previously discussed. The FY26 Revised budget was approved by a motion from Mike Schottelkotte, seconded by Jim Jones. All in favor, none opposed. Motion passed.

Mike Schottelkotte did note his concern about the approval of such a large deficit. Darcy Arnold commented that while cash is currently holding out this is not a sustainable trajectory. The organization will continue multi-pronged efforts for sustainability

CD's maturity dates were presented with some that come due in January 2026. It was the consensus and direction of the board to Kevin that these investments should be purchased out as far as possible for best rate.

2. PR/Fund-Raising Committee:
   Hannah Max from ThinkSharp! reported on the pending approval to apply for round two of the Caring for Colorado grant, these funds will be requested for our transition program.
   El Pomar and Virgina Hill have both been submitted and are pending in addition to several smaller grants including Montrose Community Foundation. She has submitted the annual CDOT grant.
   Darcy asked that we consider the parking lot at Park to be chip sealed or paved. She asked Hannah to consider process and possible partners. Hannah has some coming meetings with specific funders and she can explore if there would be appetite for capital projects such as this in partnership. COI will need to have an estimate for dirt work and re-visit conversations with the City.
3. Governance Committee: The updating of the Agency By-laws has been an on-going project. Darcy, Tom, and Jennifer will meet and finalize a draft to tentatively be sent to the Board fourteen days prior to the February meeting.
4. Affordable Housing Project Committee: The simultaneous closing for CHAFA Land Banking and property purchase is scheduled for 12/16/25. Jennifer and Kevin will attend.
   Kevin updated the team that we have had discussions with two potential development partners. One of the developers sent an MOU but wanted a quick decision with rough terms to meet the LITEC submission deadline and it was decided that this was too quick a turn around so we will not be submitting for a project in this round, proper review and negotiation is priority. The next round of 9% LITEC Credits will be the same time in 2026 and the plan is to be prepared for that round. The LOI will be due next year. Darcy asked if there had been any communication with Lincoln Avenues and Kevin stated there had not.

Darcy noted the following for the minutes:

Shelly Dackonish from Dufford Waldeck law firm has done a fabulous job representing us.

The Improvement Survey Plat that was purchased was the best survey Darcy has ever seen in her life. Bullfrog Surveying did an excellent job. He [Jeremy Harness, PLS] did a really, really good job. The survey was thorough, clear, detailed down to the electrical box, and Jeremy answered our call and delivered promptly. He was responsive and professional. She highly recommends anyone needing a survey should use this man's services. Jennifer concurred.

VII. Old Business:

CHFA loan/land purchase status- See Affordable Housing Committee update.

Update on the Bradford facility: Darcy met with David Keinholz and did a complete walk through the building. It was determined that "infestation" was an incorrect characterization of the situation. Darcy also met with Tom, Michele Rice, and the Agency Program Directors to discuss next steps for the property.
It was determined that the Agency should maintain the property to avoid having to turn down requests for providers and as an option for people looking for residential services. Damon Pace and Marvin Hoover should be commended on their team work, rallying of volunteers and committing to having the facility spruced up by the first of the year.

Staffing and Operations: It was reported that six of the sixteen Day Services staff accepted the offer to work 40-hour weeks. What this looks like in practice is 32 hours at a day program site and eight hours at an assigned residential facility. All new Day Services hires will be hired as 40-hour employees. This strategy has short term and long-term benefits that were discussed and that will evolve with the organization's changing service models. The immediate relief should be a reduction in overtime costs.

VIII. New Business:

Facility Improvements: Jennifer reported that bathrooms at Cascade and Glencoe need updates to improve accessibility. She noted the balance of $17,000 in available grant funds for facility improvements. She shared that Damon has secured two quotes thus far ranging from $24, 658 - $37, 000. He is obtaining a third quote. Once Damon has secured the third quote Jennifer will send them to the Board for review with a summary and any preference Damon reports.

IX. Announcements:

We have a lot for which to be thankful.

Lucy Noll shared some perspective on the transition process.

X. Adjournment: Motion to adjourn put forth by Mike Schottelkotte , the meeting was adjourned at 7:44 P.M.

Respectfully submitted,
Jennifer Pelligra

"Final Pinch Hitting" Executive Director's Report
December 9, 2025

- We are all excited about Jennifer's return to the office, and we will do everything we can to support her in her continued recovery and the resumption of her duties.
- The open enrollment meetings for our new health insurance plan went extremely well, and staff were very excited about the addition of the Cigna network. We are still in the process of getting employees to accept or deny coverage, so at this time we are still gathering numbers of how many will be enrolled. We had 37 employees on last year's plan and expect that number to go up given the improved coverage and all of the uncertainty around continued Medicaid expansion eligibility and ACA subsidies.
- Staff have been working on the cleanup at Bradford, and we expect that work to be completed by 12/5. From there we also have some flooring, wall patching and painting to do, so we should have it all wrapped up by 12/19.We have one person receiving services who needs housing and staff are going through the process of considering whether residence at this home would be an appropriate placement and what the staffing requirements would be.
- On November 20 Margaret Davey attended an award ceremony with the Ouray County Community Fund that has supported our Early Intervention program.
- As of 11/25 we have 12 open positions, all of which are in residential.
- We have one potential Host Home provider and one new Family Care Giver going through the background check process.
- Currently, our Transition Services program is supporting seven students and their families. One of these students is scheduled to begin attending the Day Program two days a week starting in January. Chris Schmidt recently attended IEP meetings at both Montrose High School and Hotchkiss High School; the parents of both students will need assistance in obtaining guardianship for their children. We will be meeting with Christina Curtis, the Transition Program teacher at Delta High School, to discuss how COI Transition Services can support her students. She is currently working with 11 students. We are also waiting to hear back from two additional parents regarding transition services for their children. In addition, Chris has been building relationships with the Special Education teachers at Montrose High School to strengthen collaboration and support.
- Governor Polis' proposed budget continues to work its way through the budgeting process. The HCPF budget briefing to the Joint Budget Committee is on 12/15, and the HCPF budget hearing with the JBC is on 1/5. As a member of the Alliance Government Relations Committee, Tom will be monitoring both of these meetings and continuing to provide input regarding the impact of the proposed funding cuts and programmatic changes.
- There will be a holiday celebration at Park Place throughout program hours on Christmas Eve day and all Board members are encouraged to stop by!

Respectfully submitted,

Tom Turner

Rural Health Transformation Program: Project Summary

Colorado Department of Health Care Policy and Financing (HCPF)

Subrecipients: Colorado Rural Health Center (CRHC), Office of eHealth Innovation (OeHI), and Colorado Department of Public Health and Environment (CDPHE). Per Colorado's competition policy, contractors will be identified at a later date.

Rural Health Transformation Program (RHTP)

Colorado is dedicated to ensuring our rural residents have ready access to the same high quality, multimodal, affordable health care as their urban counterparts. The **Colorado Rural Health Transformation Program (RHTP)** is the lynchpin by which we can ensure that vision becomes reality. By strengthening private-public partnerships, increasing access, modernizing delivery, and focusing on chronic disease prevention we can advance the future of health care in our uniquely rural and frontier communities. Working closely with rural hospitals, rural clinics, and local community organizations, RHTP can **help these communities take charge of their own health**: preventing chronic disease, improving access to vital services, and supporting rural providers.

Use of Funds
RHTP will support and strengthen Colorado's **community-driven initiatives**, keeping care local and administering the program at a low 2.98%. RHTP funding will:

- **Provide rural hospitals and clinics** with resources to help communities get and stay healthy to reduce chronic disease.
- **Invest in telehealth, mobile health tools and monitoring, equipment and shared data systems** to connect and improve outcomes for patients.
- **Recruit and keep local providers** including but not limited to physicians, nurses, paramedics, local education partnerships, and behavioral health professionals, through streamlined credentialing processes, cross-training, and assessing and supporting workforce needs.
- **Bring together physical, behavioral, public health, schools, and local businesses** to partner to improve outcomes and affordability for rural Coloradans.
- **Strengthen access to care**, ensuring that rural Coloradans have essential services including primary care, wellness, emergency, behavioral health, and maternity care services in rural communities.
- **Transform innovative care models** to meet rural community needs while providing sustainability, affordability and lasting infrastructure.

Expected Impact
With the investment of RHTP, **2031** looks bright in both Colorado's rural plains and mountain communities. Colorado's RHTP will leave a lasting legacy: a sustainable, efficient, and robust rural health system worthy of the people it serves.

COLORADO
Department of Health Care Policy & Financing

303 E. 17th Ave. Suite 1100
Denver, CO 80203

Long-Term Services and Supports Sustainability Actions: Frequently Asked Questions

January 2026

The Department of Health Care Policy and Financing (HCPF) is implementing several Sustainability Actions to help keep Colorado's Medicaid long-term services and supports (LTSS) system stable and affordable in the future. These changes are part of the state's broader effort to manage rising costs while continuing to provide essential services to members. This FAQ provides answers to questions submitted by stakeholders through the Stakeholder Comment Form. We appreciate the public's engagement and submission of questions. HCPF will continue to monitor questions submitted through the form and update this FAQ. For more information about the LTSS Sustainability Actions, please visit the Medicaid Sustainability and Colorado's LTSS System webpage.

General Questions

Why were these reductions being proposed?

- There are several reasons why these actions are being proposed, including:
    - State Budget: Colorado must balance its budget each year and the amount of revenue the state may retain is limited by TABOR. That caps revenue growth to 3–4%. Medicaid costs, particularly Long-Term Services and Supports (LTSS), have grown faster than the revenue the state is allowed to keep (on average 8.8% growth in Medicaid).
    - Federal Budget: H.R.1 resulted in an unexpected $1 billion state budget shortfall immediately after the FY 2025-26 budget went into effect, forcing the state to identify immediate cost savings. The impact of H.R.1 is not just this year, as many other parts of the bill will not become effective for several years.
    - Share of Budget: Long-Term Services and Supports (LTSS) are a key cost driver within Medicaid. People who need LTSS make up 5.8% of people who use Medicaid, and the cost for these very important services that help people live in the community of their choice total 45% of all Medicaid funding.
    - Rising Costs: Overall, LTSS costs rose by 44% between FY 2020-21 and FY 2023-24. This happened because rates increased, more people used services, and more people enrolled.

Are these actions being proposed because of suspected fraud?

- No, HCPF has not put forward these changes because of suspected fraud. The specific LTSS Sustainability Actions proposed were identified for the following reasons, including:
    - To prioritize areas where the demand for a particular waiver and/or service is growing more quickly than available funding;
    - To address areas where clarity is needed to ensure services are being authorized in ways that match the Department's rules or payment policies;
    - To reduce rates so payments are consistent with similar services and aligned with our overall payment methodology; and
    - To stop programs that are new or are about to start.

How long will the stakeholder comment form be open for?

- HCPF intends to keep the stakeholder comment form open until the Sustainability Actions are implemented.

Will there be a public meeting for those affected to attend, and when will that occur?

- HCPF offered three public listening sessions in November and December 2025 to hear feedback from stakeholders. More information is available on the Medicaid Sustainability and Colorado's LTSS System webpage.

Is there a more concrete timeline for when these changes would occur, other than the current guidance of Spring 2026?

- Information about the timelines for these initiatives can be found on the Medicaid Sustainability webpage. As more detailed implementation timelines are determined, these will be announced publicly through the OCL Digest Newsletter. We encourage all interested people to sign up to receive newsletter emails .

If federal funding someday returns to previous levels, will these changes be reversed?

- Though the immediate need to make changes is in part driven by federal funding changes, the state Medicaid budget has experienced significant growth over the last several years. Spending for Long-Term Services and Supports (LTSS) has been growing much faster than what the state is allowed to spend under TABOR. This is happening because provider rates have gone up, people are using more services, and more people are enrolling. The state needs to address these issues to keep LTSS programs strong for the future. Because of this, the changes would likely not be reversed even if federal funding goes back to previous levels.

What will the funds that are taken from all these essential services and programs be used towards?

- The State of Colorado is required to have a balanced budget each year. The rising Medicaid costs impact the state's ability to maintain that balance and ensure that all state programs, such as K-12 education and public safety, are funded. Reducing

Medicaid costs is necessary to produce a balanced budget without significant cuts to all other state programs.

- Despite the proposed reductions and changes, the Medicaid budget continues to grow. The Department's FY 2026-2027 budget includes an increase of $2.3 billion in total funds to support the state's Medicaid programs. For LTSS programs, the budget will increase by $217.2M even with the proposed reductions to continue providing LTSS to individuals with disabilities across the state.

Will any of the proposed reductions impact adult day services?

- None of the current proposals will directly impact adult day programs.

Has an analysis been conducted to demonstrate that these reductions will sustain programs?

- HCPF reviewed data such as program costs, enrollment and usage to identify these reductions. The proposed Sustainability Actions will address spending that falls outside what would be expected under the Department's policies and regulations, while still allowing people to access the key services they need. HCPF is making these reductions to make sure all people that need LTSS to live in the community, and who need Medicaid to survive, will be able to receive services, even though for some the services will be less than what they currently receive.
- In some cases, HCPF is proposing to reduce rates because rate analyses showed that while difficult, providers will be able to manage with lower rates.

Will the required base wages for direct care workers remain in effect after the rate reductions take effect, and will annual reporting still be required?

- Yes, the base wage requirements, including the annual reporting requirements, will continue to remain in place. Though some rate reductions are included in the proposals, the increased base wage rates over the last several years, totaling over $600M, offset the impact for those who are required to report and meet the requirement.

When will the final decision on these changes be made?

- The LTSS Sustainability Actions are directives to the Department through the Governor's Executive Order. The Department is moving forward now with all of the Actions outlined because the state has a significant budget deficit. It is the Governor's responsibility to make adjustments to ensure an ongoing balanced budget. Should the legislature decide not to pursue the actions put forward by the Governor, they would need to identify alternative actions to realize savings to keep the budget balanced. This could include different or even deeper cuts to LTSS programs.
- HCPF continues to move the actions forward to garner savings to the state as quickly as possible.
- The feedback gathered from people will continue to inform the roll out and implementation plans for these Actions as well as communications.

Can the state create an Advisory Council of Medicaid consumers to co-design any proposed policy changes, ensuring the lived experience of disabled residents drives reform?

- Lived experience is essential to the development of policy, and the Department will consider additional strategies to gather and incorporate it.
- HCPF has met with advocates, members, and families over the last year to listen, discuss, and identify areas where changes could be made to make LTSS programs more sustainable for the long-term. Those discussions were integral to the development of the proposals announced on October 31, 2025. As we continue to look at areas where additional changes or reductions are needed, we will leverage existing stakeholder groups and partnerships to gather insights, feedback, and ideas. If stakeholders are not already participating in existing opportunities, we encourage you to review the OCL Stakeholder Engagement calendar to register.

How can stakeholders continue to be engaged in the process of reviewing and providing comments and feedback on these and future actions?

- HCPF will continue to keep the Governor's Budget Announcement Stakeholder Comment form open, and we encourage stakeholders to submit comments through it, as we review it regularly. Additional information about opportunities to provide comment and feedback to the Department will be announced as they become available through the OCL Digest Newsletter and on the Medicaid Sustainability and Colorado's LTSS System webpage.

Individual Residential Services and Supports (IRSS) Rate Changes

Why is the IRSS rate for family homes under the Developmental Disabilities Waiver being reduced to the Host Home amount?

- There are two rates. One rate is for people who live in the home of the person who is taking care of the member. Sometimes this is family, and sometimes it is not. That is known as a host home, with a specific host home rate. The second rate is for a member who lives in their own home or the home of a provider and caregivers come in and out to provide care. That is known as a staffed home rate. Because of the administrative costs of running a staffed home, it is more expensive so the rate is higher. Workers are not "at home" and must be paid hourly. HCPF does not pay based on whether or not the caregiver is related to the member, but based on the kind of service. There has been confusion and HCPF gave incorrect guidance causing agencies of some members in a host home situation who had family members as their providers to bill at the higher staffed home rate. HCPF needs to correct this. Not all agencies with members living with family members are billing at the higher rate.

In aligning the Host Home and Family Caregiver rates, will HCPF also reduce rates, or will the rates remain as they are today?

- In August, HCPF announced the roll back of the 1.6% provider rate increase that was effective July 1, 2025. This rate reduction applied to all Medicaid providers who had experienced the increase. An additional across the board rate decrease of .75% has been proposed for all providers. There are no additional reductions in rates and no

elimination of services for IRSS. The action aims to align billing practices and ensure providers are using the correct existing Host Home rate. In Colorado, there is no such thing as a family caregiver rate. There are two options under IRSS: Host home and Staffed Home. Members can use either family caregivers or non-family caregivers or a mix for either service.

Are there any proposed changes to how Host Homes will be monitored (for example, more inspections and oversight)? Will the staffed home model have the exact compliance requirements as Host Homes?

- There are no new changes to how Host Homes will be monitored. The existing expectations for oversight, documentation, and provider involvement are the same.
- The Department clarified that Provider Agencies (PASAs) are responsible for compliance across all IRSS settings, which include Staffed Homes and Host Homes. These responsibilities will include making sure there is enough staff for Staffed Homes, ensuring the Case Manager has the correct IRSS setting on the Prior Authorization Request (PAR), and rules are followed. The PASA must notify the Case Manager within five business days if the setting changes to request an updated authorization and maintain records that show the provider meets all the requirements.

Can a family member be a staffer in a staffed home as long as they don't live there?

- Yes, a family member is allowed to be hired under the staffed home model if they do not live with the member.

Movement-Based Therapy Rate Reduction

HCPF carefully reconsidered this change based on new information provided by providers, stakeholders, and professional organizations. This feedback highlighted the significant education, training, and credentialing required to become a qualified Movement Therapy professional—particularly for Music Therapists.

With this fuller understanding, we recognize that the original methodology used to support the proposed rate reduction did not accurately reflect the professional expertise or clinical value of Movement Therapy services. We are grateful to our partners for the time, care, and expertise they shared, which helped strengthen our understanding of these therapies and their place in the continuum of care.

As a result, and as reflected in **Supplemental/Budget Amendment-07**, HCPF is requesting the withdrawal of the proposed rate reduction for Movement Therapy, including Music Therapy. At this time, we do not believe a rate reduction is justified or appropriate given the professional standards and service needs associated with these therapies.

We appreciate the collaboration and engagement that made this outcome possible and remain committed to ensuring policies accurately reflect the value of services provided to our members.

Community Connector Rate Reduction

Please elaborate on what you mean by aligning the Community Connector rate with the Supported Community connections rate. Whose rate will go down and/or up?

- Community Connector and Supported Community Connections are very similar services with the same requirements of providers. HCPF uses Community Connector in the children's waivers (CES and CHRP) and Supported Community Connections in the adult DD waivers. There are no similar services in other waivers.

  The Community Connector rate will decrease as follows:

	Current rate:	New Rate
Denver	$10.51	$7.83
Non Denver	$10.23	$7.71

- A unit is 15 minutes (multiply it times four to get the hourly rate). The hourly rate will be $30.84 in most of the state and $31.32 in Denver. The Community Connector rate is going down to match the Supported Community Connections rate.
- Community Connector costs have increased dramatically in the past five years. The benefit's rapid expansion has made it one of the most expensive benefits in the children's waiver system. Cutting the rates and lowering the allowable annual units helps ensure that Medicaid can continue to fund this important service.

Community Connector Service Unit Limits

Why are you reducing services for families of children with severe disabilities who struggle to take their children out into the community?

- Community Connector is a vital service for children with significant disabilities. This service helps teach a child with disabilities how to interact with people outside of their families and providers, an important step to prepare them for adult life. The changes are needed to make sure Colorado's long-term services and supports system stays strong and stable for everyone who relies on it both now and in the future.
- This benefit is intended for school-age children who have an assessed need for additional support to access and engage in the community, beyond parental duties typical for the child's age. When an exceptional or extraordinary need exists, necessitating services beyond these age and unit limitations, a request for additional service units may be submitted by the member's waiver case manager to the Department for case-by-case consideration. Additional information can be found here.
- Many children with disabilities may need someone to be with them in the community for tasks such as mobility assistance, medical care, feeding, etc. These tasks can and should be met by a personal care, LTHH, or HMA provider, not through Community Connector. The Community Connector benefit teaches the member how to appropriately interact in the community, in an age-appropriate setting.

- Community Connector costs have grown by over 500% in five years. The benefit's rapid expansion has made it one of the most expensive per-member benefits in the children's waiver system. Updating rates and lowering the allowable annual units helps ensure that Medicaid can continue to fund this important service while preserving access to other essential programs for individuals with disabilities in alignment with Medicaid's sustainability framework.

Why does the state pay family caregivers for the community connector service? Couldn't we go back to how the program was run before the pandemic?

- The state made changes to the benefit to allow parent caregivers to ensure access to the benefit during the public health emergency (PHE). The federal government issued guidance allowing the family caregiving option to continue. There was significant community and family support to continue this allowance post-PHE. Right now, HCPF is not planning to remove this option at this time.

Soft Cap on Certain HCBS Services

Will the soft caps placed on Personal Care, Homemaker, and HMA apply to HCBS or CFC? If HCBS- will they apply to individuals on CFC only?

- The soft caps on services will apply to all of the services listed above in both CFC and HCBS.

Will members/families be able to request exceptions when the members' medical provider documents the need for above-standard hours?

- Yes, members can request an exception through their case manager for units above the soft caps in rare cases when there is documented support for the request. The Department is establishing an exceptions process for those requests for services above the caps.

Cap on Weekly Caregiving Hours

Regarding the 56 hour per week limits per caregiver staff per member, what billing categories are included in this limit - Personal Care, Homemaker, and HMA only? CNA? Community Connector? Supported Community Connector?

- The 56-hour weekly limit applies to the following services: Long-Term Home Health - CNA and RN, Personal Care, Homemaker, and Health Maintenance Activities. All of these services combined cannot exceed 56 hours in a week.
- In addition to the 56-hour weekly limit, caregivers providing services cannot be paid for more than 16 hours of total care per day. This 16 hours per day cap includes all of the above services with the addition of Private Duty Nursing.
- Community Connector, Supported Community Connections, Extraordinary Cleaning, Respite, and other state-plan or HCBS services not listed above are not included in these limits.

Can you confirm whether a single caregiver may work up to 56 hours per child, or if the caregiver is capped at 56 hours total per week across all children?

- A caregiver may work up to 56 hours a week, per member.
- Additionally, each caregiver may work up to 16 hours per day total for any number of members cared for.
- A caregiver may work more than 56 hours per week if they provide care to multiple members so long as they do not exceed 56 hours per week per client or 16 hours per day total.

How will families identify additional caregivers to fill in the remaining hours if they are only able to provide 56 hours per week to their child?

- If the member is using IHSS or traditional agency care, the agency is responsible to help them find additional caregivers. If the agency is unable to recruit additional staff, members/families may consider using CDASS. Under CDASS members/Authorized Representatives are responsible for recruiting all staff, however more of their allocated resources are available for caregiver wages often making recruitment of caregivers more successful.
- If a member needs more than 56 hours per week of services, we advise families to work with their agencies/employers to recruit additional caregivers. Direct Care Careers is a free national job platform designed to connect direct care workers with employment opportunities, state resources, and training programs where available. The job-matching tool pairs qualified workers with employers, including agencies and self-directing individuals, based on location, skills, and needs. In addition, for members self-directing, Information & Assistance through Consumer Direct of Colorado is another free resource that can help support members and their authorized representatives with employment needs, training, recruitment, etc.

Has the state conducted an impact analysis of how the 56 hour cap would affect people with complex medical needs or rural residents with fewer caregiver options?

- While every individual's situation is different, we reviewed available data and engaged with stakeholders to understand the potential impacts. It is the provider agency's responsibility to work with the member to identify alternative caregivers to meet the member's needs. Additionally, case managers will work directly with the provider and member to determine how to best address their circumstances.

What exceptions would be made for a child that is 100% disabled and requires 24/7 care to ensure all hours of the week are covered?

- There is no exception for children or adults requiring 24/7 care. In rare emergency cases the cap can be exceeded temporarily, but there is no way to request an exception ahead of time to go over this limit.
- Members needing care beyond 56 hours per week may receive paid care, up to their authorized amounts, provided by multiple caregivers.

Developmental Disabilities Waiver Waitlist Impacts

What is the anticipated wait time to be added to the DD waiver once your changes are implemented?

- On average, individuals currently wait seven years on the HCBS-DD waiver waiting list before receiving an enrollment authorization. The calculation is based on two points in time:
    1. The individual's DD waiting list placement date, which is the date they were first determined to have a developmental disability—or their 14th birthday if the determination occurred earlier; and
    2. The date they are offered an enrollment authorization.
- HCPF does not have an estimate for the wait time once the changes are implemented because there are a number of factors that will influence the number of people on the waitlist and the time that each individual may have to wait for a DD waiver slot.
    - Without any policy change, HCPF's long-term projections had already anticipated that continued demographic pressure and historic auto-enrollment patterns would push average wait times higher over the coming years.
    - Though the waitlist will grow with these new changes, other programs will continue to provide access to supports while individuals wait for DD waiver enrollment. Data shows that 90% of individuals on the ASAA waitlist are actively using other Medicaid services, and 79% are currently enrolled in another HCBS waiver program that does not have a waiting list. We expect that individuals will continue to find services in other waivers that serve their needs and that the waitlist will narrow to include only those who most need the unique set of DD waiver services.
- Our intent is not to lengthen the wait for people in crisis or with intensive 24-hour needs, but to align DD enrollment with those needs and to rely on the broader disability ecosystem to support people safely in the meantime.

Have we used data to predict a future waitlist for adults needing waivers and services?

- Yes, we anticipate continued annual growth of approximately 4%. HCPF's Finance office completes and publishes this information in the annual Strategic Plans for Ensuring Timely Access to Services for Individuals with Intellectual and Developmental Disabilities, as reported to the Colorado General Assembly each November and required by 25.5-10-207.5(3)(a), C.R.S. (2015). You can find these reports at: Waiting Lists and Enrollment for previous years.

Youth Transitions and Auto-Enrollment

Have we considered that students lose a multitude of services when they exit public education and age out of the child role in many family units? Is this the best time to reduce or create a service gap for those in need?

- We agree that youth exiting public education often lose services that were provided in school and have changes in their support needs in their transition to adult living. This transition can be difficult as families adjust and young people move into adult systems like LTSS and HCBS waivers. While this transition is not new or unexpected, our focus is the same: making sure that youth and their families have the guidance and support they need for the transition from youth to adulthood.
- Individuals on the DD waitlist continue to have access to a broad array of Long-Term Services and Supports (LTSS) services including access to the following waiver and services. Used together, these services often meet the needs of individuals and families who are waiting on the DD waitlist but allow them to remain safely in the community. The proposed reductions are aimed at ensuring the long-term sustainability of services in the immediate future and for many years to come.

What assurance can we have that our child will transition into an adult waiver, such as SLS?

- There are several adult Home and Community-Based Services (HCBS) waivers that members may qualify for without having to wait. The Developmental Disabilities (DD) waiver is the only HCBS waiver in Colorado with a waiting list. The Supported Living Services (SLS) waiver does **not** have a waiting list, and eligible members may enroll at age 18 without waiting.
- Additional information about Colorado's adult HCBS waivers can be found at this link: https://hcpf.colorado.gov/hcbs-waivers
- Members can be enrolled in a different HCBS waiver while on the HCBS-DD waiting list.

How will you address youth with aging caregivers who cannot support them at home?

- Emergency Enrollment Requests will remain in effect. One of the qualifying criteria for an emergency enrollment request is the death of a primary caregiver or their inability to continue caring for the individual. This includes situations in which a caregiver is age 65 or older and continuing to provide care presents an immediate risk to the health and welfare of either the member or the caregiver.
- To qualify for emergency enrollment, members must:
    - Meet all DD Waiver eligibility criteria; and
    - Demonstrate that no other support options are available and that the DD Waiver is being pursued as a last resort; and
    - Meet one or more of the established emergency criteria.
- Individuals on the DD waitlist have access to a broad array of Long-Term Services and Supports (LTSS) services including access to the following waiver and services:
    - Community First Choice (CFC) which includes core services like personal care, homemaker, and health maintenance activities and can be used alongside enrollment on an HCBS waiver. Many of these services are offered through participant directed options like In-Home Support Services (IHSS) and Consumer Directed Attendant Support Services (CDASS). We anticipate those who choose this option to only grow, as this benefit was just made available on 7/1/25.

- Supported Living Services (SLS): Services include Day Habilitation, Supported Employment, Prevocational Services, Peer Mentorship, Life Skills Training, Remote Supports, home and/or vehicle modifications and more.
- Elderly, Blind, and Disabled (EBD): Services include Adult Day Services, Peer Mentorship, Respite, Alternative Care Facilities, home and/or vehicle modifications and more.
- State-funded supports such as the Family Support Services Program (FSSP) and State Supported Living Services (State-SLS).
- Regional Accountable Entity (RAE) Care Coordination for medical and behavioral health.
- Case Management for LTSS navigation and monitoring.

Changes to Cost-of-Care Contributions in Residential Settings

How will this change be operationalized, for instance, will it be up to the agency to collect this from the members?

- As it is currently with existing PETI requirements, the Member will continue reporting their monthly gross income to their Case Manager, as they currently do. During service planning, the Case Manager and Member will complete the Post Eligibility Treatment of Income (PETI) worksheet to decide what contributions to the provider apply, what deductions can be taken, and the final daily payment amount (per-diem). The case manager then completes the PETI form in the approval system, the Member or legally authorized representative signs it, and the Prior Authorization Request (PAR) is created. The Member or representative must submit the payment to the provider, as they do with the room-and-board payment. The cost of services is added to the room and board amount for one total amount that the Member must pay to the provider.

Will different people pay different amounts for the same service?

- Yes. Member contributions are determined by a formula, so while each member may pay a different amount, each Member is subject to the same PETI formula. A Members' contribution will vary based on individual circumstances, including reported monthly gross income, any deductions the Member may qualify for, and their support level. These factors result in personalized calculations, so contribution amounts will vary by Member.

What other residential waivers currently require cost-of-care contributions (PETI)?

- The other residential waivers that currently require a PETI are the Elderly, Blind, and Disabled (EBD) waiver, Community Mental Health Supports (CMHS) waiver, and the Brain Injury (BI) waiver. These waivers all have residential options other than nursing facilities such as assisted living facilities and for BI supported living residential programs.

How will you handle changing wages each month?

- The PETI worksheet will only be revised during the support plan year whenever there is a significant change in their payment obligation. A significant change is defined as

fifty dollars or more. If the change is less than fifty dollars, the existing PETI worksheet will remain in place until the Member's continued stay review.

How will members pay for extra needs, like a phone, TV, dental, or vision care? Will agencies be required to provide these things, since they collect the majority of a member's money?

- Members will continue to keep a portion of their income through their Personal Needs Allowance (PNA). The PNA is updated annually, based on Cost of Living Increases (COLA). As of January 1, 2026 the minimum PNA is $184 and the maximum PNA is $435.46. After paying the required Room and Board amount, the remaining PNA can be used by the Member to purchase personal items such as eyeglasses, cell phones, clothing, and other personal needs. Additionally, dental or vision expenses that are not otherwise covered by insurance may qualify as an allowable deduction in the PETI worksheet when appropriate documentation is provided. Per regulations, Room and board covers food and meals, basic furniture such as a bed, dresser, and nightstand, linens, utilities, and basic toiletries, including toilet paper, soap, tissues, shampoo, toothpaste, and toothbrush.

What about members that live independently with a housing choice voucher and SNAP, does this apply, and if so, where do the funds go?

- Housing vouchers and SNAP would qualify as deductions and can be reviewed with the Case Manager while completing the PETI worksheet.

Does PETI include Supplemental Security Income (SSDI) from Disabled Adult Child (DAC) on the retired parents or SSDI from previous work? How does this encourage members to work if they don't get to keep the money?

- The PETI includes all income the Member receives including DAC benefits. However, if the Member is working, they can apply for the Working Adults with Disabilities (WAwD) buy-in option, which will exempt them from the PETI.

If a Member is already paying their SSI/SSDI income to housing, what other money is the Member expected to pay?

- Currently, the Member is not required to use their income beyond paying for room and board. Under the new policy, Members will pay for their boarding costs, plus a share of the cost for their services. If they do not have much income (SSI) beyond the housing/room and board costs, they will likely pay a small portion for the cost of their services. A personal needs amount (PNA) will always be protected to ensure Members have money left for other needs.

What about members who live in their own home, how will housing costs be taken into account?

- Members who pay their own mortgage or rent will be able to deduct those housing payments from their PETI calculation. This deduction will protect those funds so that members can continue meeting their housing expenses and maintaining their independent living arrangements.

How will this impact the income that the person receives as a result of working?

- Members who are working and enrolled in the Medicaid Buy-In Program for Working Adults with Disabilities (WAwD) will be exempt from the PETI. The Buy-In Program was specifically designed to support employment and allow participants to contribute to their health care costs without penalizing their earned income, and that principle remains unchanged under the proposed policy. Members who are working but have not applied for WAwD previously due to income being below HCBS financial limitations, may apply for WAwD and then would be exempt from PETI.

What if the member is living with a family member and they are the caregiver? How does that work?

- This would work in this same way as in all other scenarios. The member would be responsible for paying the provider agency the portion of their income that is determined through the PETI calculation to contribute to their Cost of Care.

Standardized Rate-Setting Tool for Residential Habilitation Negotiated Rates

Will there be a limit on Level 7 funding?

- At this time, the proposal does not include a limit on the negotiated Support Level 7 rates for Residential Habilitation Services and Supports.

Can you elaborate on what that means for current negotiated rates, or is this for new Level 7 members?

- This budget request will allow the Department to update the tool and methodology currently used by providers, CMAs, and the Department to determine the appropriate negotiated rate for individuals receiving residential services on the DD and CHRP waivers. The updated, refined tool will be standardized and objective, and will apply to new requests and annual reviews of existing negotiated rates under the DD and CHRP waivers, to ensure equitable analysis for setting the negotiated rates across members.

Adjust Service Durations per Billable Unit for Long-Term Home Health (LTHH) Services

What does it mean for the CNA billing unit to be changed to a 15-minute unit and the therapy billing unit to be changed to a 30-minute unit?

- Currently, LTHH CNA and therapy services - Physical Therapy (PT), Occupational Therapy (OT), and Speech Therapy (ST) - are reimbursed using flat per-visit rates that do not reflect the actual time providers spend with members. This means that short visits and long visits are paid at the same rate. For example:
    - CNA services are paid $42.11 per visit, with an additional $12.58 only when the visit exceeds one hour.

- Therapy services receive a single payment per visit of $145.31 for PT, $146.31 for OT, and $157.97 for ST, covering any visit up to two and a half hours. HCPF proposes to update this system to pay for CNA services in 15-minute units and therapy services in 30-minute units. This means providers would be paid based on the actual time they spend with the member. Because these services are often shorter times than two and a half hours, , billing in smaller units would better match how services are actually delivered and make payments fairer. For example:
    - If a member needs a two-hour CNA care plan, the provider would bill for eight 15-minute units.
    - If a member needs one hour of Physical Therapy, the provider would bill for two 30-minute units.

Create Group Rates for Certain Community First Choice (CFC) and Long-Term Home Health (LTHH) Services

For the group rate changes, could you provide practical examples of what this will look like for family caregivers with more than 1 member in the home (e.g., 2 child members, 1 child and 1 adult member, 2 adult members) and for group settings with 2 or more members?

- Group rates are an option for households with two or more members receiving the same service at the same time, even if they are on different waivers. Group rates are slightly lower than individual rates and are appropriate when one caregiver can manage the needs of both individuals. For example, if a household has two members who need IHSS homemaker services, one attendant could be paid to provide services to both members at the same time. The IHSS agency would bill the group IHSS homemaker rate for both members.

Establish Private Duty Nursing (PDN) Per Diem Rate

Can you explain how these rates will work? Dividing the per diem rate by 24 hours shows that it is below minimum wage.

- HCPF reviewed statewide information on how PDN services were used and paid for over the past year, using only broad data, not information about individual members or providers. The Department compared what it typically spends under the hourly payment system with what it would spend under a daily payment model. A per diem amount was selected that keeps overall spending about the same as before, making the change budget-neutral.
- It’s important to remember that the per diem rate is not meant to represent an hourly wage. It is a daily payment to the provider for meeting a member’s medically necessary needs under the PDN benefit. Providers are still responsible for paying their staff in compliance with all labor laws, including minimum wage.
- This approach protects fairness, maintains members' access to medically necessary care, simplifies providers' billing, and creates a more consistent and predictable

payment structure. The Department will continue monitoring the per diem model to ensure it supports high-quality services for members with complex medical needs.

Colorado Single Assessment (CSA)

When will the CSA tool be implemented, and have you tested the scoring so that all case management is consistent in scoring?

- **FY 2026-27 (Projected):** The Department will prepare for a phased, statewide soft launch of the CSA and Person Centered Support Plan (PCSP) in fall 2026. The Department's current strategy emphasizes operational readiness, system stability, strategic change management, and sustained stakeholder partnership. The Department has been engaging with stakeholders in the development of the CSA over multiple years and this group has committed to ongoing partnership. The phased approach positions Colorado to meet its long-term goals of equity, consistency, and quality in LTSS assessment and planning through a measured implementation. Further communication with additional details will be forthcoming prior to training and implementation.
- The CSA scoring (Response Options) that capture Members' answers to the questions in the assessment, will be tested before CSA implementation in the CCM system. Additionally, CMA case managers will receive comprehensive training in advance of the CSA implementation, including how to "score" the assessment items using the Response Options guide and the training manuals.

Alternative Sustainability Options

Thank you for providing the following alternative options and suggestions. The Department is actively reviewing all options for future consideration.

- Could assistive technology or AI-based scheduling systems help improve efficiency in Medicaid's budgeting without cutting hours?
- Can we invest in training programs and telehealth supports that make each caregiver hour more productive rather than fewer?
- What role could universities, startups, and community organizations play in creating new models of care delivery that maintain independence and lower costs?
- Why is there no sliding-scale parental fee for children on waivers? Could families with higher incomes contribute?
- What alternative sources of state revenue could be expanded (e.g., limited gambling apps, lottery earmarks, or entertainment taxes) to sustain Medicaid long-term services instead of cutting essential care?

- Could Colorado establish a “Care Fund” supported by voluntary participation in state-run mobile gaming or digital raffles, with proceeds dedicated to caregiver wages and home-based support?
- How can public–private partnerships or social impact bonds be leveraged to support community-based care, reducing the burden on Medicaid?
- Could the state re-evaluate inefficiencies or administrative redundancies in Medicaid before reducing direct care hours?
- Instead of limiting hours, how could Colorado incentivize caregiver retention through wage supplements, overtime incentives, or student loan forgiveness?
- Could the state pilot a “Preferred Provider” program allowing caregivers who complete training or stay with clients long-term to work unlimited hours?