

# STATE OF COLORADO

## DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

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Bill Owens  
Governor

Stephen C. Tool  
Executive Director

September 6, 2006

The Honorable Bernie Buescher, Chairman  
Joint Budget Committee  
200 East 14<sup>th</sup> Avenue, Third Floor  
Denver, CO 80203

Dear Representative Buescher:

Enclosed please find a legislative report to the Joint Budget Committee, the House Health and Human Services Committee and the Senate Health and Human Services Committee on Health Care Policy and Financing's Consumer Directed Care for the Elderly Program.

Section 26-4-1303(6), C.R.S. (2005) requires the Department to report "the number of elderly persons participating in the consumer-directed care program; the cost effectiveness of the consumer-directed care program; feedback from consumers and the State Department concerning the progress and success of the consumer-directed care program; and any changes to the health status or health outcomes of the program participants" by October 1, 2006.

Questions regarding the Consumer Directed Care for the Elderly Program can be addressed to Aggie Berens, Systems Change Section Supervisor, at [aggie.berens@state.co.us](mailto:aggie.berens@state.co.us). Her telephone number is (303) 866-3358.

Sincerely,

Stephen C. Tool  
Executive Director

AB:SCT/bb

Enclosure(s)

**"The mission of the Department of Health Care Policy & Financing is to purchase cost effective health care for qualified, low-income Coloradans"**  
<http://www.chcpf.state.co.us>

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**COLORADO DEPARTMENT OF HEALTH CARE  
POLICY AND FINANCING**

**REPORT TO GENERAL ASSEMBLY**

**CONSUMER DIRECTED CARE FOR THE ELDERLY  
(CDCE) LEGISLATIVE REPORT**

**OCTOBER 1, 2006**

# **Consumer Directed Care for the Elderly Program (CDCE) Legislative Report**

## **Executive Summary**

House Bill 02-1039 was enacted by the General Assembly with the following provision:

**§26-4-1303 (6)** The State Department shall provide a report to the Joint Budget Committee of the General Assembly, the Health, Environment, Welfare, and Institutions Committee of the House of Representatives, and the Health, Environment, Children, and Families Committee of the Senate by October 1, 2006. The report shall include but is not limited to, the number of elderly persons participating in the consumer-directed care program; the cost effectiveness of the consumer-directed care program; feedback from consumers and the State Department concerning the progress and success of the consumer-directed care program; and any changes to the health status or health outcomes of the program participants.

## **Purpose**

This report describes the Department of Health Care Policy and Financing's (the Department) update on the Consumer Directed Care for the Elderly (CDCE) waiver as requested.

## **Introduction**

CDCE is a Home and Community Based Services waiver program that provides individuals 55 years of age and older the opportunity to direct their personal support services or designate an authorized representative to direct the care on their behalf. Clients and/or authorized representatives will be able direct attendants allowing for greater flexibility and control in the management of homemaker and personal care benefits. The waiver also includes services that are delivered through agency providers such as adult day, personal care, homemaker, non-medical transportation, respite, electronic monitoring, home modifications, and alternative care facility residency.

The program design includes a comprehensive training component, personnel and financial management services, and case management support to ensure that clients successfully transition from agency directed to consumer directed services. The Department can serve 1,328 clients in this pilot program that was approved by Centers for Medicare and Medicaid Services (CMS) through October 2007. CMS approved implementation of the waiver statewide over a three year period. The Department decided a gradual implementation would be the best approach to efficiently work through consumer directed operational and procedural issues with a limited number of SEP agencies before implementing the waiver statewide. As a pilot program, CDCE is currently offered to clients who reside in Adams, Arapahoe, Denver, Douglas, Elbert, Mesa, San Juan, La Plata, and Archuleta counties that are served by the Longterm Care Options, Mesa County Department of Human Services, and San Juan Basin Health Department Single Entry Point (SEP) agencies.

Individuals 55 and older who meet nursing facility level of care may enroll in the waiver. The Department contracts with SEP agencies to provide case management services that include

intake, screening, assessment, eligibility determination and ongoing case management. The SEP case manager determines a monthly allocation for clients who are interested in directing or having an authorized representative direct their personal support services. The allocation is based on prior utilization of personal care and homemaker services or the current client's current care plan.

Each client and/or authorized representative is required to complete Personal Support Management training which is offered in individualized, group, or self paced formats to meet the diverse needs of the population. Training includes methods for recruiting and hiring personal care workers, managing personal support attendants, effective communication, problem solving techniques and budget management. The Department contracts with Accent Intermediary, LLC (Accent) to deliver training, provide financial management services and serve as the employer of record. Under the direction of the client and/or authorized representative Accent manages accounts and payroll, taxes, unemployment insurance, and worker's compensation in accordance with all laws. The Department has established quality assurance mechanisms to ensure the safety and well being of clients while allowing greater flexibility and control in managing their personal support services through coordination between SEP case managers, clients, Accent and the Department.

### **Program Status**

The Department developed the CDCE waiver with input from the Consumer Directed Care for the Elderly Advisory Committee and submitted the waiver application to CMS in November 2003 and received approval October 1, 2004. The delay in implementation was a result of working through complex issues in order to modify the Medicaid Management Information System (MMIS) to support a consumer directed program. The Department began working on the changes upon approval of the waiver and modifications to MMIS and the Colorado Benefits Management System were completed by September 2005 creating an infrastructure that could support the CDCE program. Training of all case management staff was completed by December 2005 and CDCE was ready for implementation in January 2006.

Currently, six clients are enrolled in the program. One client has completed Personal Support Management training and has designated an authorized representative to direct her personal support services and five clients are in the process of completing Personal Support Management training.

### **Analysis**

The Department cannot report on cost effectiveness, health status, and outcomes at this time due to the limited number of clients enrolled in the program.

### **Conclusions**

## **Conclusions**

The Department identified a continued need for development of outreach materials to assist SEP case managers as well as other community and advocacy agencies in bringing awareness to the CDCE program and other consumer directed options that are currently available. The Department has developed brochures and training materials utilizing the \$1M federal flexible funds that Governor Owens dedicated to support consumer directed initiatives and continues to work on developing additional resources. The Department also hosted five regional consumer direction conferences in Pueblo, Ft. Collins, Grand Junction, Durango, and Denver in June 2006 to promote consumer direction awareness. The conferences that were funded through federal grant monies provided a comprehensive overview of consumer directed options including the CDCE program, resource materials, and sessions facilitated by consumers who are directing their services in the Consumer Directed Attendant Support program. The conferences were well attended by SEP case managers, clients, family members, advocacy, and community agency staff and as a result the Department has noted an increase in client interest in consumer directed options including the CDCE program. The Department projects an increase in CDCE enrollment during the next year.