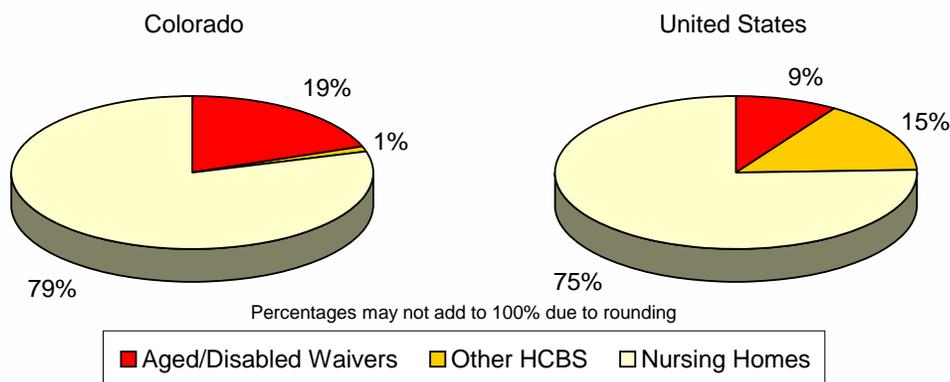


State Long-Term Care Reform in  
**COLORADO**

**Medicaid Long-Term Care Spending for Older People and Adults with Physical Disabilities in Colorado and the U.S., 2006**



Compared to the U.S. average, Colorado allocates a greater percentage (79 percent) of its Medicaid long-term care (LTC) spending for older people and adults with physical disabilities to nursing homes, even though most people prefer to remain in their own homes and communities. In FY 2006, Colorado spent 19 percent on waiver services and 1 percent on other home and community-based services (HCBS).

Type of Service	Medicaid Participants <sup>1</sup>			Expenditures (millions)		
	1999	2004	Change	2001	2006	Change
HCBS	11,481	15,425	+3,944	\$75	\$119	+\$44
Nursing Homes	18,918	16,474	-2,444	\$360	\$462	+\$102

Although Colorado has yet to achieve an overall balanced LTC system for older people and adults with physical disabilities, an increase in Medicaid HCBS participants and a decrease in nursing home participants indicate that progress has occurred in recent years. From FY 2001 to FY 2006, however, the increase in Medicaid spending on nursing homes was more than double the increase in spending on HCBS.

<sup>1</sup> This analysis separates Medicaid participation and spending data for older people and adults with physical disabilities from the population with mental retardation/development disabilities (MR/DD) and other LTC populations. Participants and expenditures for HCBS include all 1915(c) waivers for older people and adults with physical disabilities, and the personal care services option, if the state offers it. All participants and expenditures for nursing homes are included, regardless of the participants' type of disability or reason for admission. Excluded are participants and expenditures for intermediate care facilities for mental retardation (ICF/MR), HCBS waivers for other populations such as MR/DD, home health, and individuals receiving LTC services through managed care programs. Participant numbers include all persons receiving services during the year, not the average number on a given day; the number of nursing home participants is greater than the number of nursing home beds in each state. The average number of Medicaid nursing home residents on any given day for each state appears in the *Tables* tab at the end of the full report *A Balancing Act: State Long-Term Care Reform (#2008-10)*.

## Major Initiative

Colorado was one of the first states to receive federal approval for a Medicaid HCBS waiver program in the mid-1980s. Another early innovation was the establishment of a single-entry-point (SEP) system, phased in throughout the state from 1993 to 1995. Most recently, Colorado has introduced consumer direction to its HCBS programs.

**Consumer Direction.** In May 2002, the Colorado legislature created a consumer-directed care pilot program for older people, called Consumer Directed Care for the Elderly (CDCE). That same year, the state received a federal \$725,000 Community Personal Assistance Services and Supports (C-PASS) Systems Change grant to design and implement consumer-directed services, and to develop materials and training for the option. Since then, Colorado has steadily increased the number of HCBS waiver participants to whom the state offers a self-direction option.

**Single-Entry-Point (SEP).** In 2005, Colorado received an \$800,000 federal grant to further strengthen its SEP system, which covers client assessment, care planning, service arrangement, and client monitoring. The Department of Human Services and the Colorado Department of Health Care Policy and Financing (CHCPF) are working jointly to fund Aging and Disability Resource Centers in three areas, building on the work of the existing SEP system and Area Agencies on Aging.

### ***“Consumer Direction and Single-Entry-Point”***

*Colorado is implementing initiatives to offer self-directed care options to its HCBS waiver participants and to enhance its Single-Entry-Point.*

## Other Developments

**Planning.** In 2005, the legislature enacted SB 05-173 creating a 22-member Long-Term Care Advisory Committee to make recommendations to CHCPF to balance the state’s LTC system by increasing emphasis on home-based and assisted living care. In its final July 2006 report, the committee made 18 recommendations, which included: 1) expand alternative housing options such as assisted living, adult foster care, and other residential care settings; 2) provide financial incentives to nursing homes to develop alternative uses of beds to achieve a more home-like environment; 3) add a personal care option to the Medicaid State Plan; 4) reduce care manager caseloads from a statewide average of 80 persons to no more than 50 persons per manager; 5) speed up the financial eligibility process so that LTC consumers have quicker access to services; and 6) increase consumer awareness and use of services, such as home modifications and equipment, that will help consumers to make the transition from hospital to home.

CHCPF reported to the legislature in late 2006 that the state had added transition services to the HCBS waiver for older people and adults with disabilities who are moving from nursing homes to the community. CHCPF also noted that case management agencies had begun the transition to an automated system to manage client information for the HCBS waiver programs.