

**Fact Sheet- HB10-1146**  
**Rep. Hullinghorst/Sen. Tochtrop**  
**House Health and Human Services**  
**March 1, 2010**

- Purpose: To streamline and focus the *state-funded* Home Care Allowance (HCA) program to serve seniors and disabled populations who are not receiving assistance under the *Medicaid-funded* Home and Community Based Services (HCBS) waiver programs. The proposed legislation addresses "overlap and redundancy" of services in the HCA and HCBS programs raised in the January 2009 legislative audit; expands HCA benefits to SSI eligible populations who meet the program's functional needs criteria; and maximizes taxpayer dollars for in-home care.
  
- Benefits:
  - Audit: This proposal was prompted by a January 2009 legislative audit that showed "overlap and redundancy" in services among HCA and HCBS programs. In 2006, the SB05-173 Community Long Term Care Advisory Committee recommended that eligibility for the HCA program be examined to ensure that the policy goal of reducing redundancy in the array of long-term care services available to Medicaid and non-Medicaid consumers was met.
  
  - Expand Benefits to SSI Recipients: The legislation enables the Colorado Department of Human Services to expand in-home services to additional disabled people who are eligible for Supplemental Security Income (SSI) benefits. This allows individuals who are disabled, blind, or aged (65 and older) and who are not receiving HCBS, to receive assistance through HCA if they meet the functional needs assessment criteria. The Department plans to focus on SSI eligible individuals on the Developmental Disabilities (DD) Program wait lists, specifically those individuals on the Supportive Living Services and Family Support Services Program wait lists. It is estimated that approximately 1,500 Developmentally Disabled SSI eligible individuals on the wait lists could be eligible for HCA program.
  
  - Maintenance of Effort: HCA expenditures made to SSI eligible recipients count toward the State's Maintenance of Effort (MOE) requirement with the Social Security Administration. Increasing the number of HCA recipients that are receiving SSI benefits increases the expenditures that are countable toward the MOE requirement. This will help the State avoid losing Federal Medicaid match.
  
- What the bill does: Modifies eligibility for state-funded Home Care Allowance to serve persons with a disability and those who are elderly who are *not* receiving services under HCBS Medicaid waivers and who need assistance with personal care or in-home care such as cooking, bathing, dressing, housecleaning etc. Individuals

- currently receiving HCA and are not eligible for HCBS will continue to receive services, including Aid to Needy-Disabled and Old Age Pension recipients.
- Striking the language from the cash assistance statutes (OAP and AND) clarifies that the Home Care Allowance program is viewed as part of the continuum of long-term care services for persons who are disabled or elderly based on an assessment of their functional and financial needs.
  - There were a total of 3,724 unduplicated cases that received HCA in FY 2008-09. 1,369 individuals received both federal HCBS and state HCA. These HCBS clients will continue to receive services from Medicaid HCBS instead of HCA. This makes HCA funds available to serve additional people who are elderly, disabled or blind with little income, such as those on the DD wait list, who are eligible for SSI (Supplemental Security Income) but are not eligible for HCBS.
    - Both state Home Care Allowance and federal Home and Community Based Services offer long-term home and community based alternatives to nursing home care. HCA provides direct cash payments to clients (averaging about \$290 per month) to hire a provider to help them with in-home services so they can remain in their homes. Recipients are functionally impaired, frail, elderly or disabled but able to live in their own homes with minimum care.
    - HCBS provides payments through Medicaid certified providers, such as a nurse, or home care aide. Recipients of HCBS tend to be more frail and are more functionally disabled, with such disabilities as Alzheimer's disease or spinal cord injuries.
    - All current HCBS recipients will continue to receive personal care and in-home services through the HCBS program. The Department of Human Services will redirect funds to HCPF to enable that agency to expand services to cover personal care for those clients no longer on HCA.
  - **Fiscal Impact:** The fiscal effect will require no additional general fund. It will utilize funds more effectively to draw down federal Medicaid funds for HCBS, and allow more of the HCA expenditures to contribute toward the MOE requirement. The Department is required to manage the HCA program within the appropriation.

HCA funding source: 95% state; 5% counties. In 2009-10, \$10.3 million in state general funds and \$544,000 in county funds were spent on HCA program services. It provides cash payments directly to the recipient to hire a minimal help in the home for shopping, meal prep, light house cleaning and personal care services.

HCBS funding source: state and federal Medicaid funds. It is paid to certified providers, not the recipient. Provides non-skilled personal care, homemaker services, electronic monitoring, home modification, etc.

SSI funding source: general tax revenues (not Social Security taxes). SSI is a federal income supplement program to help people who are aged, blind and disabled with little or no income. It provides cash assistance for basic needs (rent, clothing, food, etc).