

JOINT BUDGET COMMITTEE BILL

SUMMARY OF H.B. 17-1343:

CONCERNING IMPLEMENTATION OF CONFLICT-FREE CASE MANAGEMENT FOR PERSONS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES WHO ARE ELIGIBLE FOR HOME- AND COMMUNITY-BASED SERVICES UNDER THE MEDICAID PROGRAM.

Prime Sponsors: Representative Young and Senator Moreno

Bill Summary

The bill implements changes to the system of services for individuals with intellectual and developmental disabilities provided through one of the three intellectual and developmental disability waivers to ensure there is not a conflict of interest in the provision of case management services. The bill requires Community-Centered Boards to implement business changes to ensure the same entity is not providing case management services and direct services to the same individual by June 30, 2020. The bill requires that by June 30, 2022 all individuals receiving services through one of the three Medicaid waivers for intellectual and developmental disabilities is not receiving case management and direct services from the same entity.

Specifically, this bill makes the following changes:

Section 1 makes changes to existing definitions to include, where appropriate, case management agencies, and adds definitions for:

- Case management agency;
- Conflict-free case management; and
- Eligible for home- and community-based services.

Section 2 makes technical changes to the duties of the Executive Director to include oversight of case management agencies.

Sections 3 and 5 allow the Department of Health Care Policy and Financing to purchase case management services from the case management agencies and requires case management agencies to abide by the purchasing rules of the Department.

Section 4 prioritizes the funds in the Intellectual and Developmental Disability Services Cash Fund for the system changes required for conflict-free case management, and repeals the fund on July 1, 2022.

Section 6 includes language which clarifies how a Community-Centered Board will be allowed to provide case management services that are conflict-free.

Section 7 creates Section 25.5-10-209.5, which outlines:

- What a case management agency is and how a case management agency will be certified and decertified.
- The duties of a case management agency, which include:
 - Determining the needs of an individual eligible for home- and community-based services; and
 - Providing case management services and periodic reviews.

- The State Medical Services Board (State Board) is required to promulgate rules to ensure:
 - Each individual has access to case management services;
 - Individuals are not required to have multiple case managers; and
 - An established process for selection of a case management agency.
- Requires the State Board begins promulgating rules for case management agencies upon the section's effective date.

Section 8 outlines which entity will perform eligibility determination. Individuals will continue to apply for eligibility determination to determine whether they are eligible for any type of services and supports through their designated Community-Centered Board.

- For individuals eligible for state-only services, Community-Centered Boards will continue to develop the service plan.
- For individuals determined eligible for home- and community-based Medicaid services, case management agencies will develop the service (note: a Community-Centered Board can also be a case management agency).
- The Community-Centered Board must refer an individual eligible for home- and community-based Medicaid services to a third party entity for selection of a case management agency.

Section 9 outlines how the current system of services must change to ensure conflict-free case management and defines what a rural Community-Centered Board is. Specifically, within this section there is the outline of the timeline for system changes and how the State can seek a rural exemption for interested rural Community-Centered Boards.

- Timeline of system changes:
 - July 1, 2017 – Department of Health Care Policy and Financing must determine business options for Community-Centered Boards;
 - January 1, 2018 – Department must publish guidance on the components of the business continuity plan;
 - July 1, 2018 – Community-Centered Boards must submit their business continuity plan to the Department;
 - June 30, 2019 – Department must complete an analysis of the continuity plans, unreimbursed transition costs, and community impacts;
 - June 30, 2020 – Community-Centered Boards must complete the business operation changes;
 - June 30, 2021 – At least 25.0 percent of individuals must be served through a conflict-free system; and
 - June 30, 2022 – All individuals must be served through a conflict-free system.
- Rural exemption requirements and timeline:
 - July 1, 2017 – A rural Community-Centered Board must notify the Department in writing they would like the Department to seek a federal rural exemption;
 - The Department must evaluate capacity, and where appropriate, seek a federal exemption
 - The Community-Centered Board upon notification of a federal decision must submit a business continuity plan and make any necessary business operation changes by June 30, 2022;
 - If, by July 1, 2019, the Department has not received federal notification of requests, the State Board must promulgate rules for the provision of services and supports; and
 - The State Board is required to promulgate rules to ensure there is choice and access to services for individuals served by rural Community-Centered Boards.

Fiscal Impact

This bill will cost \$222,794 total funds and 1.0 FTE in FY 2017-18. Of the total cost, \$111,398 is cash funds from the Intellectual and Developmental Disabilities Services Cash Fund and \$111,396 is federal funds.