



**Home Health Advisory Committee  
Colorado Department of Public Health & Environment**

HCAC Members: Sonya Neumann, Lorin Chevalier, Laura Riley, Deb Zeitlan

**Summary of August 2011 Meeting**

At its recent meeting the CDPHE convened the Home Health Advisory Committee to discuss issues related to home care licensure. Among the topics discussed were the rule making process, current license fees and needs, spending authority review, current survey process and proposed changes, review of other states' licensure regulations / fees, Colorado fee change proposals and next steps.

Below is a brief summary outlining the discussion to-date. In addition to this summary you will also note the attachments which will provide additional information into the dialogue that the Committee is currently engaged in and what issues they are considering.

**What Licensure Means**

The Committee began its meeting by discussing with the group "what licensure means" to the provider, to the consumer and to regulators. Ideas shared from the provider perspective included: best practice, accountability, quality assurance and communication. From the consumer perspective, the group hypothesized that while not represented at this meeting the consumer may view licensure as offering "affordability of service, complaint process, and provider choice" to name a few.

**Rule Making Process** [Flow chart included]

In reviewing the process of rule making the Department shared some of the politics involved within the process as outlined in the flow chart. From preparing the proposed rule, to asking the Board of Health for a rule request / hearing and the Attorney General's office for review the process takes approximately 4 months from start to finish. For example, the Board of Health (BOH) is a bipartisan board and maintains the ultimate authority to approve and to implement rules. Ms. Schroeder of the CDPHE staff is responsible for administrative aspects related to rule making including sending notices to stakeholders regarding what is being proposed. Throughout the process the public is welcome to testify at the scheduled public hearing as well as to submit written testimony with comments to the BOH. In addition to the multi-faceted process the Office of Legislative Legal Services must analyze and review the authority of the CDPHE to enact the rule, a process that can take up to 6 months.

### **Home Care License Fees** (Cash Funded Program)

The CDPHE presented a revenue vs. cost analysis of the licensure program. Notwithstanding revenues received by the state from the federal government for Medicare certified agency surveys (not included in this financial document) the state argues that it projects a deficit in revenue over expenses in the year 2013. The state has not clarified the percentage or amount of funding it receives for certified agency's to support the program, however, it presents this depiction of the revenue situation for consideration on its own merit. In sum, the state believes that the program initially slated to require \$1.2 million in funding to sustain the licensure program is presently operating at just over \$700k and with approximately 7FTE. In order to simply maintain the program and to process those licensure surveys pending for both Class A and B entities, it states a budget of \$850,000 is desirable.

Some of the things that have been happening since licensure began include:

- Expedited initial licensure surveys to address the breadth of work needed to be completed
- Survey process that takes on average 3-5 days to complete; with some deficiencies discovered the state has chosen not to cite these as a deficiency rather to note them as a "mention" requiring the agency to "shore up" its practices to meet the recommended standard.
- Complaint surveys are being reviewed with only some resulting in onsite review as warranted with others resulting in desk audits. Not all complaint surveys are resulting in a revisit either.
- Background checks for the owner, administrator or operator as part of the application process.
- Administrator training programs are being approved through the CDPHE.
- Informal Dispute Resolution (IDR) is one method for providers to resolve / disputing deficiencies. Not all IDRs, however, are being responded to immediately due to staffing resource issues.
- Consumer rights information has been printed in four languages and is posted online.

Some of the things that the CDPHE are not presently doing:

- Licensure / Certification surveys aren't being done concurrently due to lack of funding
- Delay of complaint review based on a severity review scale
- Enforcement of unlicensed providers
- Approving new educational providers
- IDRs – some are backlogged many months

In discussing the differences between initial surveys and renewal surveys, the state argued the position that they felt there was not a gross disparity in cost, notwithstanding they did not have any financial data on which to base this assessment.

The Committee spent quite a bit of time discussing the current survey process for licensure and what is possible based on current funding. The Department is discussing the possibilities of abbreviating the survey process. [A cross-walk document of current vs. proposed process is included.]

**State Fee Proposal** [Fee proposal included]

In consideration of the argument that the state requires additional revenue to fund the licensure program the state is proposing that it will need approximately \$850k in funding versus the \$1.2 million initially proposed.

CDPHE presented model scenarios for consideration in changing the fee structure and amounts charged to providers. Six options are presented including the original proposal upon which the original legislation was based, to flat fee structures, modified structure differentiating between urban vs. rural, new increased caps and increased fees (\$3000 cap vs. \$8000 cap), etc.

In order to fully assess the impact of the effect of any of these proposals on providers, more data will be required. In the initial discussions, providers at the table voiced a preference for a flat fee structure that might include a risk based assessment. In this scenario there might be a different flat fee for Class As than for Class Bs, revisit fees may be considered for follow up to agencies requiring a revisit, etc. More discussion and data review will be needed.

At the time of this meeting, there are:

Class A Agencies	236
Class B Agencies	329
Pending	73 (Most of which are Class B)

**Other State Models** [License fees in other cash funded states]

In reviewing the possible changes to Colorado's fees and model, the group reviewed research provided by CDPHE on how other cash funded states are structured and the fees they assess to providers.

**More Discussion**

The committee will continue to meet and HCAC will continue to play an active role on behalf of Class A and B providers. In addition the HCAC will host its next Statewide Forum conference call highlighting this issue with an invited speaker from the CDPHE to provide their perspective.