Built Together, Sustained Together

Colorado's LTSS System: What This Moment Requires

2026 Alliance Summit

Breckenridge, CO

We Built Something Worth Protecting

Decades, Not One Administration

Colorado's LTSS system was built over many years and many administrations. No single term of office produced it, and no single term of office can undo it.

Bipartisan by Construction

It reflects bipartisan legislative choices and executive leadership that carried across changes in party, priority, and personnel.

Built by Many Hands

Provider innovation, advocacy, family leadership, federal partnership, and community expertise all shaped what exists today. This room helped build it.

A National Leader

Colorado made deliberate choices to expand the opportunity to live in the community, and built a system regarded as a national leader in doing so.

We are making hard choices because this system is worth sustaining, not because we have stopped believing in it.

None of This Happened by Agreement

1

We disagreed.

Providers, advocates, families, agencies, and legislators wanted different things, often sharply different things.

2

We stayed at the table.

Disagreement did not become disengagement. People kept showing up.

3

We kept solving problems.

The system we have is the accumulated product of hard conversations that nobody walked away from.

That is the Colorado method. It is still available to us.

This Was an Unusually Hard Year

Why the process felt different

A Fiscal Compression Event

HR1

Federal changes that reshaped both the resources available and the requirements Colorado must meet.

TABOR

State constitutional constraints that limit how Colorado can respond to cost growth in any given year.

Together, not separately, a single compression event

Compression changed more than the math.

It changed not only what decisions had to be made, but how and when they had to be made. Decisions that would normally take a year of deliberation had to be made in a fraction of that time, and in forums that were not designed for LTSS policy design.

How We Work vs. How We Had to Work

The Colorado Model

- Deliberative, policy is evaluated before it is adopted.
- Collaborative, built with the people who deliver the service.
- Stakeholder-heavy, by design, not by accident.
- Work to reconcile policy intent with implementation reality.
- Room for HCPF to correct the record in real time.

This Year

- Greater speed, under unusual constraints.
- Savings tied to administrative actions had to be recognized through the legislative process.
- Policy choices were therefore debated in a legislative setting.
- That setting offered no reciprocal opportunity for HCPF to engage in real time.
- Design and decision happened at the same time.

The legislative process worked exactly as designed. It is simply not built for iterative LTSS policy design.

The Consequences Were Real

Incomplete information circulated

Partial descriptions of proposals moved faster than complete ones.

Misinformation gained traction

Once established, inaccurate accounts were difficult to dislodge.

Conversations became more polarized

Positions hardened before the details were fully understood.

Energy went to correcting the record

Capacity that should have gone to design went to clarification.

That was a consequence of the circumstances, not the way we would choose to conduct complex LTSS policy work.

The Path to Implementation Matters

Implementation is not the last step of policy. It is part of policy.

Four Authorities, Four Timelines

Legislature

Appropriates, directs, and sets statutory expectations, on a session calendar.

CMS

Approves federal authority and may revise its position during review.

MSB

Adopts rule through a defined public process with its own required timeline.

HCPF

Operationalizes all of the above through systems, case managers, and providers.

Each acting entirely within its legitimate authority.

Legitimate authority is not the same as coordinated authority.

Implement, Pull Back, Revise, Repeat

1. **Implement**
   Changes go live under the authority available at the time.
2. **Pull back**
   A revised position or timeline forces a reversal.
3. **Revise**
   Policy is reworked to fit the new constraint.
4. **Implement again**
   The field absorbs the same change a second time.

Who absorbs the churn

- Members, whose services changed more than once
- Families, who re-planned around each change
- Providers, who staffed and re-staffed to shifting rules
- Case managers, who carried every reversal to the front line
- HCPF operations, systems, and communications

Running concurrent decision and implementation pathways is extraordinarily difficult for a complex LTSS system.

We need policy processes that account for implementation reality, not just policy authority.

We Are Managing a Changing System

While Colorado navigates fiscal sustainability, the rules and expectations surrounding Medicaid are changing at the same time.

Evolving federal requirements

Increased federal scrutiny

Reassessed program integrity strategy

Modernized fraud, waste & abuse approaches

Moving quickly while staying thoughtful

"We are rebuilding our Program Integrity and Fraud, Waste, & Abuse strategies in near real time."

Sustainability is not only about reducing expenditures. It is also about strengthening the integrity of the system.

Sustainability Requires Shared Accountability

Sustainability cannot be something we ask of one part of the system.

The Question Has Changed

"What can HCPF cut?"

is the wrong question

"What does every participant in the LTSS ecosystem need to do to preserve a sustainable system?"

Every Part of the System Has a Role

HCPF / Government
Set sustainable policy, enforce rules, monitor performance, and communicate clearly.

Providers
Deliver appropriate services, meet documentation and quality expectations, and account for utilization and outcomes.

Case Management
Manage networks, utilization, incentives, and care coordination responsibly.

Members & Families
Have clear information, meaningful choices, and appropriate expectations.

Advocates & Stakeholders
Engage the difficult tradeoffs honestly, including when sustainability requires change.

Legislature & Policymakers
Understand both the fiscal and the operational consequences of policy choices.

Shared stewardship, not a cost-cutting exercise.

What Should Accountability Look Like?

Questions we believe the next generation of LTSS has to answer together:

- Are services being delivered as authorized?
- Are utilization patterns consistent with need?
- Are documentation and billing practices sufficient to support public payment?
- Are quality expectations aligned with reimbursement?
- Do current payment structures create unintended incentives?
- Do we have enough data to identify unusual utilization or outliers?
- Are accountability expectations consistent across programs and providers?
- Where are we relying on trust where we actually need stronger controls?

These questions connect accountability to quality, not just to cost.

The LTSS Marketplace Is Changing

Direct-to-consumer advertising is one visible element of that change.

How should Medicaid respond when market participants communicate directly with consumers about services?

Where is the line between member education and marketing that influences utilization or coverage expectations?

What responsibilities exist when commercial and public-program incentives do not fully align?

Do our oversight and accountability tools reflect the marketplace as it actually is today?

Information is increasingly a driver of utilization, expectations, and policy.

A question Colorado needs to examine, not an accusation against the provider community.

What Actually Drives LTSS Spending?

Access & Design

Eligibility • Benefit design • Service limits • Care setting

Utilization & Delivery

Utilization • Service intensity • Care coordination • Medical necessity • Provider network

Payment & Incentives

Provider rates • Payment methodology • Incentives • Administrative efficiency

Accountability & Integrity

Provider accountability • Program integrity • Fraud, waste & abuse • Quality • Market behavior • Consumer information

Fiscal sustainability is multidimensional. No single lever gets us there.

Stabilize. Redesign. Rebuild.

1

Stabilize

NOW

Address the immediate fiscal and federal requirements in front of us.

2

Redesign

NEXT

Address structural issues, incentives, accountability, and program design.

3

THEN

Rebuild

Create a sustainable next-generation LTSS system.

Stabilization is necessary. It is not the end state.

Update on Actions Underway

56-Hour Caregiver Cap

- Phase 1 took effect July 1, 2026 at 84 hours per week, stepping down to 70 hours in January 2027, and 56 hours in July 2027.
- Exception and emergency processes are in effect; about 85% of completed determinations have been approved, at roughly a 25-day turnaround.

DD PETI

- Impacts roughly 40% of DD waiver Members; Medicaid Buy-In enrollees are exempt, as well as members who are working.
- New comprehensive guidance website is published and being updated regularly, as needed with tools and resources for Case Managers and providers.

Individual Supported Employment

- Shifts Individual Supported Employment to an outcome-based payment model aligned with Colorado's Employment First commitment.
- Applies to the HCBS-DD and SLS waivers and the State SLS Program.
- Full website

Actions in Development

Youth Transitions in the DD Waiver

Changes to automatic youth enrollment, with transition resources for Members, families, and case managers.

Effective 1/1/2027

PDN 60-Day Acute Benefit

Establishes a time-limited acute Private Duty Nursing benefit tied to short-term clinical need.

Available beginning 1/1/2027

LTHH Service Durations

Adjusts service durations per billable unit for Long-Term Home Health services.

Effective 1/1/2027

Group Rates for CFC and LTHH

Creates group rates for certain Community First Choice and Long-Term Home Health services.

Effective 1/1/2027

Standardized Residential Rate Tool

A standard tool for Residential Habilitation negotiated rates, for greater consistency and transparency.

Effective 7/1/2027

Colorado Single Assessment

A single statewide assessment paired with the Person-Centered Support Plan, replacing legacy tools.

2027-2028

Details and timeline updates will continue to be shared through the OCL Digest Newsletter

Find the Inspiration in the Hard

Not because Colorado failed, but because the system matured. The choices still available to us are harder than the choices we used to have.

There are real tradeoffs. Some things that people value will have to change. Some things that have been defended for years may not be sustainable in their current form.

The fact that the choices are difficult does not mean the work is hopeless. It means the work matters.

Colorado's LTSS system exists because generations of people refused to treat hard problems as someone else's.

Our Ask of You

1. **Stay at the table**
   Even when the answer is not the one you wanted.

2. **Bring us the hard truths**
   Tell us where implementation reality differs from policy intent.

3. **Help us distinguish essential from accustomed**
   Not everything we built can be preserved exactly as it exists.

4. **Hold every part of the system accountable**
   Including HCPF, providers, plans, legislators, advocates, and ourselves.

5. **Help build what comes next**
   Especially the next generation of CFC and the broader LTSS architecture.

The same collective ingenuity that built Colorado's LTSS system is the thing that can help us build what comes next.

The goal is not simply to get through a difficult fiscal year. It is to emerge with an LTSS system Colorado can still be proud of ten years from now.

Questions