

## **Important Implementation Updates and Resources Regarding LTSS Sustainability Actions**

The State of Colorado is constitutionally required to maintain a balanced budget each fiscal year. In response to a significant and immediate statewide budget deficit, the Department of Health Care Policy & Financing has been directed to implement initiatives that produce savings in the current fiscal year.

Under the authority of the Governor's Executive Order, the Office of Community Living (OCL) is implementing a set of [\*\*Long-Term Services and Supports \(LTSS\) Sustainability Actions\*\*](#) to generate savings while positioning the program for long-term fiscal stability. Given the urgency of the fiscal situation, OCL has already begun advancing key initiatives and will continue to do so on an accelerated timeline. At the same time, OCL is pursuing necessary federal approvals and regulatory changes to secure ongoing authority for these actions and ensure the sustainability of LTSS programs into the future.

In this newsletter, **OCL is providing information about the implementation plans for the Spring Actions** through five recently released Operational Memos, as well as additional resources being made available for stakeholders.

### **Recently Issued Operational Memos**

**OM 26-001**

**Direct Care Services Calculator  
and Age-Appropriate Task  
Standards**

*(Supersedes OM 25-076)*

**OM 26-002**

**Individual Residential Services  
and Supports (IRSS) Rate  
Alignment Guidance**

**OM 26-003**

**Implementation of Soft Caps on  
Personal Care, Homemaker, and  
Health Maintenance Activities  
(HMA)**

**OM 26-004**

**Implementation of Caregiver  
Limits on Homemaking Services  
Provided by Legally Responsible  
Persons**

**OM 26-005**

**Updates to Community Connector Rate, Policy, and Limits in the  
Children's Extensive Supports (CES) & Children's Habilitative  
Residential Program (CHRP) Waivers**

**Coming Soon:**

*Information about the implementation plans for the 56 hour caregiver limit.*

[Visit The 2026 Memo Series Webpage](#)

## **Additional Resources**

**For Members & Families:**

[Community Connector Service Guide](#)

The Community Connector Service Guide (January 2026) explains how Community Connector services can help children and youth with significant needs take part in everyday community activities. The guide

describes what activities are allowed, and how services are approved and certain limitations.

**[Health Maintenance Activities \(HMA\) Member Documentation Checklist](#)**

The Health Maintenance Activities (HMA) Member Documentation Checklist helps members and families understand what paperwork is needed to prepare for annual assessments. The checklist is designed to help members gather and share the right information with their Case Manager so services can be reviewed accurately.

**[Legally Responsible Person \(LRP\) Caregiver/Attendant Options Guide](#)**

The Legally Responsible Person (LRP) Caregiver/Attendant Options Guide (January 2026) explains when parents, spouses, or other legally responsible persons may be paid to provide care for a family member enrolled in Community First Choice or Home Health services. The guide also answers common questions to help families understand their options and responsibilities when an LRP is involved in providing care.

**For Case Managers:**

- Find the following new or revised resources on the [\*\*LTSS Case Management Forms and Tools webpage\*\*](#):
- **CFC Direct Care Services Calculator (DCSC)** for [adults](#) and [children](#)
- Included in the DCSC are the Age Appropriate Task Standards
- [\*\*Age Appropriate Guidelines\*\*](#)
- [\*\*CFC Health Maintenance Activities \(HMA\) Guide\*\*](#) for Case Managers
- [\*\*Community Connector Service Guide\*\*](#)
- **HCBS State Review and Exceptions Requests**
- All programs and/or benefits that utilize an Exceptions Request process are now located on [one convenient page!](#)
- [\*\*Long-Term Care Notice of Action \(NOA\) – Medicaid Sustainability Service Plan Revision\*\*](#)

## **Office Hours and Training**

### **Case Manager Office Hours**

These optional Office Hours will allow Case Managers to ask the Department questions about the requirements and process for implementing the following actions:

- Medicaid Sustainability Actions:
- Soft Caps on Certain Services
- Cap on Weekly Caregiving Hours
- Cap on Weekly Homemaker Hours for Legally Responsible Persons
- Service Unit Limits and Age Restrictions for Community Connector
- IRSS rate alignment
- Use of Age Appropriate Guidelines during Level of Care assessment
- Use of a revised Direct Care Service Calculator
- Task Standards
- Health Maintenance Activity (HMA) documentation requirements to ensure effective authorization of services

Attendance is optional, registration is required

**Wednesday, January 21 from 11 a.m. to 12 p.m.**

**Wednesday, January 28 from 11 a.m. to 12 p.m.**

**Wednesday, February 4 from 11 a.m. to 12 p.m.**

Office Hour registration information has been provided to each CMA directly. Please contact your agency leadership to register.

### **Provider Training**

#### **This week!**

HCPF will host two informational one-hour webinars to share updates on the Medicaid Sustainability Initiatives and their impact on providers. These sessions will be held on Wednesday, January 21, 2026 @ 11 am, and Thursday, January 22, 2026, at 2:30 pm.

All Home and Community Based Services (HCBS) and Community First Choice (CFC) Medicaid providers are encouraged to attend one of the scheduled webinars.

#### **Topics Covered:**

- Individual Residential Services and Supports (IRSS) Rate Alignment
- HCBS (CFC) Soft Caps
- Utilization of Task Standards and Age Appropriate Guidelines
- Health Maintenance Activities (HMA) Documentation Requirements
- Weekly Caregiver Hours Cap
- Weekly LRP Homemaker Cap

- Community Connector Age and Unit Limits

HCPF staff and subject matter experts will be available during each session to answer questions.

**Wednesday, January 21 from 11 a.m. to 12 p.m.**

**Thursday, January 22, from 2:30 to 3:30 p.m.**

[\*\*Register via Zoom\*\*](#)

### **Public Comments**

[\*\*Submit Comments\*\*](#)

Reasonable accommodations will be provided upon request for persons with disabilities. Auxiliary aids and services for individuals with disabilities and language

services for individuals whose first language is not English may be provided upon request.

Please contact HCPF's 504/ADA Coordinator at [hcpf504ada@state.co.us](mailto:hcpf504ada@state.co.us) at least one week prior to the scheduled meeting to make arrangements.

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