



Medicaid Waiver Programs: Waivers for Children

Colorado currently administers ten Home- and Community-Based Services Medicaid (HCBS) Waivers. This issue brief discusses the four waivers available to children. [An issue brief entitled Medicaid Waiver Programs: Waivers for Adults](#) discusses the six waivers available to adults.

Background

Medicaid, a joint federal and state public health insurance program, provides health insurance coverage to low-income individuals who meet income and other eligibility requirements. Each state administers its own Medicaid program, and the federal Centers for Medicare and Medicaid Services (CMS) monitors state programs and sets quality, funding, benefit, and eligibility standards. Colorado's Medicaid program is administered by the Department of Health Care Policy and Financing (HCPF).

Although federal law provides certain eligibility criteria and outlines minimum benefits, states have flexibility in the design and implementation of their Medicaid programs. States may extend Medicaid eligibility to additional persons with incomes above the income eligibility requirement, or provide coverage to optional groups. In addition to expanding the categories of individuals served under Medicaid, states can

provide additional nonmandated benefits through the implementation of a waiver. A Medicaid waiver is a detailed agreement between CMS and a state that allows the state to expand Medicaid coverage by exempting the state from specific provisions of the federal Medicaid law.

Home and Community-Based Services Waivers for Children

HCBS waivers for children allow states to provide home- and community-based care to children who would otherwise be institutionalized. A waiver applicant, i.e., the child, must meet financial, medical, and program targeting criteria to access services under a waiver. Currently, an applicant's income must be less than \$2,829 per month and their countable resources less than \$2,000. Applicants must also be at risk of placement in a nursing facility, hospital, or an Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID).¹

Services offered through a waiver are provided by certified Medicaid providers or by a Medicaid contracted managed care organization. Individualized service plans are created for all clients, and the cost of the services cannot be more than the cost of placement in a nursing facility, hospital, or ICF/IID. Additionally, children receiving

¹ An ICF/IID is a residential institution primarily for the diagnosis, treatment, or rehabilitation of an intellectually disabled person.

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services under a waiver are eligible for all basic Medicaid covered services, except nursing facility and long-term hospital care.

Each waiver is summarized below.

Additionally, HCPF maintains a [waiver comparison chart](#) and an [application process flowchart](#).

Children's HCBS Waiver

This waiver provides benefits for disabled children from birth through age 17 who are at risk of institutionalization. In FY 2022-23, 2,228 children received services under this waiver. Case managers, family members, and primary care physicians determine the client's needs. An approved case management agency or a Community Centered Board (CCB)² provides case management

Children's Extensive Support Waiver

This waiver provides benefits for children from birth through age 17 with developmental disabilities or delays. Benefits provided include specialized medical equipment and supplies, community connection services, home modifications, and personal assistance. As of November 2023, 2,851 children are receiving services under this waiver. Clients, case managers, and family members determine the client's needs, and a CCB provides case management.

Children With Life-Limiting Illness Waiver

This waiver provides access to Medicaid services in the home for children from birth through age 18 with life-limiting illnesses.

Benefits provided include expressive therapies, palliative and supportive care, and respite care. The family is permitted to seek curative treatment while the child is receiving palliative or hospice care. In FY 2022-23, 226 children were served under this waiver. Family members determine the needs of the client, and a SEP provides case management.

Children's Habilitation Residential Program Waiver

This waiver provides residential services for children and youth between birth and 20 years old who have an intellectual or developmental disability and are at risk of out-of-home-placement. The waiver is designed to assist children and youth with acquiring, retaining, and improving self-help, socialization, and adaptive skills. As of November 2023, 270 children are receiving services under this waiver.

Future Changes

HCPF is currently in the process of submitting the state plan amendment (SPA) required by [Senate Bill 23-289](#). If approved by CMS, this will allow many HCBS waiver services to be provided under the general Medicaid program. Among other things, this will allow HCPF to receive more federal funds and serve more people.

² CCBs are private nonprofit organizations designated as the single entry point into Colorado's long-term service and support system for persons with developmental disabilities.