

**Version 1**



## COLORADO

Department of Health Care  
Policy & Financing

303 E. 17th Ave. Suite 1100  
Denver, CO 80203

# Community Connector: Rate Reduction

*September 2025*

Community Connector services are designed to help Members become more integrated into their communities by building skills, fostering relationships, and accessing natural supports through individualized, person-centered support. These services:

- Support Members in developing abilities and skills to participate in typical community activities and functions.
- Use the community as a learning environment to assist the Member in building relationships and natural supports.
- Are provided one-on-one in settings where children interact with community members without disabilities.

Community Connector Services are offered under:

- HCBS Children's Extensive Support (CES) Waiver
- HCBS Children's Habilitation Residential Program (CHRP) Waiver

## What's New

The Department of Health Care Policy and Financing (HCPF) is reducing the rates to \$41.56 per hour (outside of Denver) and \$42.70 per hour (in Denver) (a **15% rate reduction**) for Community Connector services. This brings the rate closer to similar services for adults and aligns with overall Medicaid rate standards. HCPF released a Memo regarding this change on August 22, 2025. Please see [Informational Memo \(IM\) 25-025](#).

## What's Changing?

- Current rate: \$12.22 per 15 minutes (\$48.88/hour) outside Denver; \$12.56 per 15 minutes (\$50.24/hour) in Denver.
- New rate: \$10.39 per 15 minutes (\$41.56/hour) outside Denver; \$10.67 per 15 minutes (\$42.70/hour) in Denver.
- Reduction: -\$1.83 per unit (-\$7.32/hour) outside Denver; -\$1.89 per unit (-\$7.56/hour) in Denver.

This change is designed to ensure rate equity, better align with training requirements compared to other services, and support Medicaid sustainability.



## Fiscal Impact

- Approximately **\$3 million General Fund savings** in FY 2025-26.
- Supports the Governor's directive under **Executive Order D 2025 014** to balance the budget in response to the revenue shortfall.

## Timeline and Implementation

- Effective **January 1, 2026**, pending the Centers for Medicare and Medicaid Services (CMS) approval.

## Why is This Happening?

- Colorado faces a significant budget shortfall due to federal tax changes (H.R. 1), reducing state revenues by over \$1.2 billion. The Governor has directed HCPF to implement targeted Medicaid reductions to sustain the program, reduce costs, and help close the deficit.

## Stakeholder Engagement Plan

- This rate change is reflected in the waiver amendment pending approval from CMS.
- Stakeholders may send feedback to [HCPF\\_LTSS.PublicComment@state.co.us](mailto:HCPF_LTSS.PublicComment@state.co.us) until **September 12, 2025**.
- Please visit the [HCBS Public Comment](#) webpage for more information.

**For more information contact**

[hcpf\\_hcbs\\_questions@state.co.us](mailto:hcpf_hcbs_questions@state.co.us)

