COLORADO
Department of Health Care Policy & Financing

Proposal: Remove the Live-In Caregiver Exemption from Electronic Visit Verification (EVV) Requirements

Policy Impact Summary - October 2026

What is being considered?

The Colorado Department of Health Care Policy and Financing (HCPF) is considering removing the exemption that currently allows live-in caregivers to provide certain Medicaid services without using Electronic Visit Verification (EVV).

EVV is a system used to electronically document who, when, and where certain Medicaid services are provided and to whom. It helps verify that services were delivered and supports appropriate billing and payment.

Currently, the Centers for Medicare and Medicaid Services (CMS) allows for the exemption of certain caregivers who live with the member they support from EVV requirements. However, there has been a shift from federal partners, such as CMS, who now recommend as a best practice to require EVV for live-in caregivers. Under this proposal, this exemption would be discontinued by HCPF and these caregivers would be required to use EVV to document covered services, similar to other caregivers providing EVV-required services.

The proposed change would affect live-in caregivers, the members they support, and provider agencies and Financial Management Services (FMS) contractors responsible for submitting claims for these services.

This is a proposal under consideration. Final policy decisions have not been made.

What would change?

If HCPF moves forward with this proposal:

- Live-in caregivers would be required to use EVV to document services that are subject to EVV requirements.
- Provider agencies and FMS vendors would need to ensure that visits are properly recorded and that claims meet applicable EVV requirements.
- Claims that do not meet EVV requirements would be denied, requiring providers to correct EVV records and resubmit, if the service was provided.
- HCPF would retain a process for reasonable modifications when required under the Americans with Disabilities Act (ADA), which would maintain EVV exemptions for those that qualify for ADA reasonable modifications.

The proposal would not eliminate live-in caregiving as a service arrangement. Instead, it would change how services provided by live-in caregivers are documented and verified.

HCPF is still evaluating the operational requirements, transition considerations, and potential impacts of this change.

Why is HCPF considering this change?

The federal government recently increased oversight over state's EVV programs. Earlier this year, the Office of Inspector General completed an audit of Colorado's Personal Care Services and the EVV program, recommending several procedural, systematic, and policy changes. CMS has also indicated that it is best practice to collect EVV for required services, regardless of the caregiver, and that states should strongly consider collecting EVV for all caregivers. Collecting EVV for live-in caregivers is part of a broader strategy to comply with federal recommendations, increase oversight of state expenditures, and ensure that services are delivered to members.

Community-Based Long-Term Care expenditures are projected to require approximately $245 million more State General Fund in FY 2026–27 than previously forecast.

HCPF is reviewing opportunities to strengthen program oversight, improve accountability, and reduce expenditures while maintaining access to essential Long-Term Services and Supports (LTSS).

Removing the live-in caregiver EVV exemption is one approach being considered.

Requiring EVV for live-in caregivers could help HCPF:

- Improve verification that billed services were delivered.
- Identify billing discrepancies and services that may overlap.

- Strengthen oversight of service utilization and Medicaid expenditures.
- Apply more consistent verification requirements across caregivers and providers.
- Reduce payments for services that cannot be verified.

This proposal is part of HCPF's broader LTSS sustainability efforts, which include reviewing high-growth services, examining benefit design, and considering additional utilization and program integrity measures.

Fiscal impact

From May 1, 2025 through April 30, 2026, Medicaid paid approximately $1.689 billion in claims associated with live-in caregivers.

HCPF estimates that requiring Electronic Visit Verification for live-in caregivers could result in approximately $10.8 million in State General Fund savings annually, based on preliminary assumptions.

The estimate assumes that approximately 2% of claims associated with live-in caregivers would not meet EVV documentation requirements and would remain unpaid.

This estimate is preliminary. Actual savings would depend on several factors, including caregiver compliance, the number of claims corrected and resubmitted, implementation costs, and changes in service utilization.

HCPF is continuing to evaluate these assumptions. Claims that are initially denied but later corrected and paid would not generate lasting savings.

What assumptions are behind the estimate?

The preliminary estimate assumes that about 2% of services provided by a live-in caregiver will not have an associated EVV record. For services that currently require EVV, the average denial rate is 3% due to missing EVV records. The percentage used for this policy is slightly lower than the current rate, as it is assumed that live-in caregivers will keep better EVV records than non live-in caregivers.

Several factors could affect the amount of savings ultimately achieved:

- **Differences across services:** EVV compliance and billing patterns may differ across service delivery models, including Consumer-Directed Attendant Support Services (CDASS).

- **Changes to Homemaker services:** Proposed limits on Homemaker services provided by live-in, family, and legally responsible caregivers could reduce the amount of spending affected by this proposal.
- **Community First Choice (CFC) implementation:** Changes in CFC enrollment, service utilization, or benefit design could affect future live-in caregiver expenditures.
- **Implementation timing:** Savings would depend on when the new EVV requirements take effect and how quickly caregivers and providers comply.
- **Provider billing corrections:** Some initially denied claims may be corrected and resubmitted for payment. HCPF will also incur costs to implement and maintain the change, such as contract and system updates.

Who could be affected?

The proposal could affect members receiving services from live-in caregivers, caregivers providing those services, and agencies/FMS contractors responsible for EVV documentation and Medicaid billing.

Based on claims data from May 2025 through April 2026, approximately 32,843 members and 590 providers were associated with live-in caregiver services and claims.

What could change for current members?

If HCPF moves forward with this proposal, members could continue receiving covered services from live-in caregivers, subject to applicable program requirements. However, those caregivers would need to document EVV-required services through an EVV Solution.

For members and families, potential changes could include:

- **New documentation requirements:** Live-in caregivers would need to record and verify services using an approved EVV solution.
- **Changes to caregiver routines:** Caregivers who have not previously used EVV would need to incorporate EVV into their daily activities.
- **Potential billing disruptions:** Providers could experience claim denials or delays if visits are not documented correctly.
- **Additional training or support needs:** Some caregivers and members may need assistance understanding or using EVV technology.

Removing the exemption would not change the amount of authorized care a member is eligible to receive.

Known risks and concerns

- **Impact on members and families:** New documentation requirements could create additional responsibilities for live-in caregivers and potentially affect the delivery of services if caregivers experience difficulties complying.
- **Provider participation:** Some providers that primarily serve members with live-in caregivers may face operational challenges or choose not to continue providing these services.
- **Manual EVV entries:** Greater reliance on manually entered visit information could reduce the effectiveness of EVV as a verification and program integrity tool.
- **Claims processing and payment:** Incorrect or incomplete EVV records could result in denied claims, delayed payments, and additional administrative work for providers.
- **Technology and training needs:** Caregivers and providers may require training, technical assistance, and time to adjust to new requirements.

Implementation requirements

Federal allowability: Yes
State Plan Amendment: Not Needed
Waiver amendment: Not Needed
Rulemaking: Needed
System changes: Needed

Where stakeholder input is essential

HCPF must make policy changes to help ensure Colorado's LTSS system can be sustained within available resources and federal requirements.

Stakeholder feedback will help HCPF understand the potential impacts of removing the live-in caregiver EVV exemption, identify unintended consequences, and consider ways to reduce disruptions for members, caregivers, and providers.

HCPF is seeking input and solutions on:

- **Understanding how live-in care is delivered:** How do live-in caregivers currently document services that may be provided intermittently throughout the day? What challenges could arise when using EVV to record these services, and what approaches could support accurate verification without disrupting care?
- **Understanding member and caregiver impacts:** How could EVV requirements affect members who receive services from live-in caregivers? What challenges might caregivers face in documenting services provided throughout the day?
- **Supporting access to care:** Could new EVV requirements affect caregiver or provider participation? What steps could help prevent disruptions in services?
- **Identifying technology and training needs:** What tools, training, technical assistance, or accommodations would help live-in caregivers and providers comply with EVV requirements?
- **Supporting successful implementation:** What timelines, communications, transition processes, or other supports would help members, caregivers, and providers prepare for the proposed change?
- **Considering alternative approaches:** Are there other ways to strengthen verification and oversight of live-in caregiver services while reducing administrative burden and maintaining access to care?