

Difficulty of Care Attestation - CDASS



On July 1, 2025, the Consumer Directed Attendant Support Services (CDASS) program was made available through Community First Choice (CFC, also called State Plan Medicaid). Prior to this date, CDASS was only available to members on certain Home and Community-Based Services waivers. With Colorado's implementation of CFC, select services were moved from 1915(c) Home and Community Based Services (HCBS) waivers to 1915(k) Community First Choice. All CDASS members are moving over to CFC during their yearly certification, resulting in all members being enrolled in CDASS through CFC by July 2026.

Under 1915(c) HCBS Waivers, select services qualified as Difficulty of Care (DOC) payments. Section 131 of the Internal Revenue Code (IRS) and Notice 2014-7 say that certain foster care payments or payments made to a qualified care provider under HCBS waivers qualify as DOC.

In February, the Department of Health Care Policy and Financing (HCPF) requested a Private Letter Ruling from the IRS asking for a decision on whether DOC payments are allowed under Colorado's CFC program. On December 12, 2025, HCPF received a favorable decision from the IRS on this request. This decision was backdated to July 1, 2025, meaning all attendants who qualified for DOC before that date may now claim this exemption for their care provided under CFC.

As the Financial Management Service (FMS), Palco has worked closely with HCPF to identify all attendants who were marked DOC exempt prior to their member's CFC transition and has automatically applied DOC exemptions to these CFC accounts.

Please choose which of the following applies:

- ☐ Difficulty of Care still applies to my exemption status. I have checked the Payroll Information Worksheet to verify that I am still exempt.
- ☐ There has been a change in my exemption status. I no longer qualify for Difficulty of Care exemption and would like my account to be updated to remove this exemption.

By signing below, I attest that I have read, understand, and agree to the information provided in this attestation.

Printed Employer Name

Printed Member Name

Printed Employee Name

Palco ID/Last 4 of SSN

Employee Signature

Date