

HCPF Presentation to the Joint Budget Committee

September 20, 2023
2:30-3:30

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Level Set: Provider Rates Landscape

- **Pandemic Federal Funding is drying up, impacting provider financials generally.**
- **Wage Pressure & Inflation:** Over the last 3 yrs, frontline worker wages have increased dramatically. Inflation nationally has been significant. Both are exacerbating provider financial pressures. Providers serving mostly/all Medicaid are impacted even moreso (i.e.: LTC/LTSS, special populations)
- **Profit Pressures:** Some Providers have been acquired by Private Equity
- **All providers are experiencing financial pressure. Related Foundational Info:**
 - 1% Medicaid ATB increase = \$28M GF

Medicaid Provider Rate Review Advisory Committee (MPRRAC)

- MPRRAC enacted in June of 2015 to assist HCPF and the JBC in the review of Medicaid provider rate reimbursements
- MPRRAC meets quarterly, reviews most rates every 3 years (used to be every 5 years)
- MPRRAC reviews HCPF analysis, takes public comment, makes rate adjustment recommendations, reviews the annual report
- These recommendations in the annual report then go to the JBC for consideration



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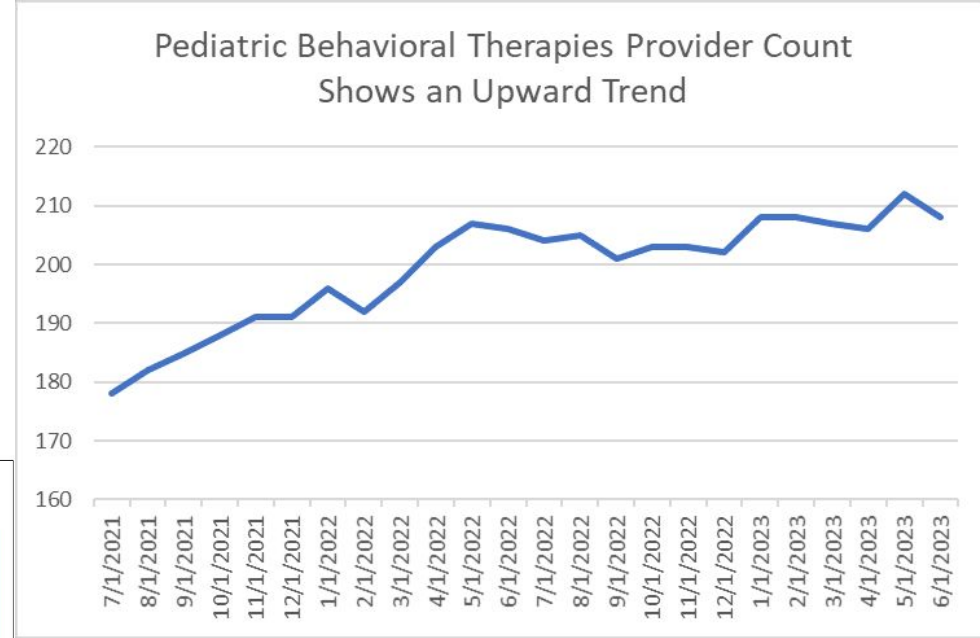
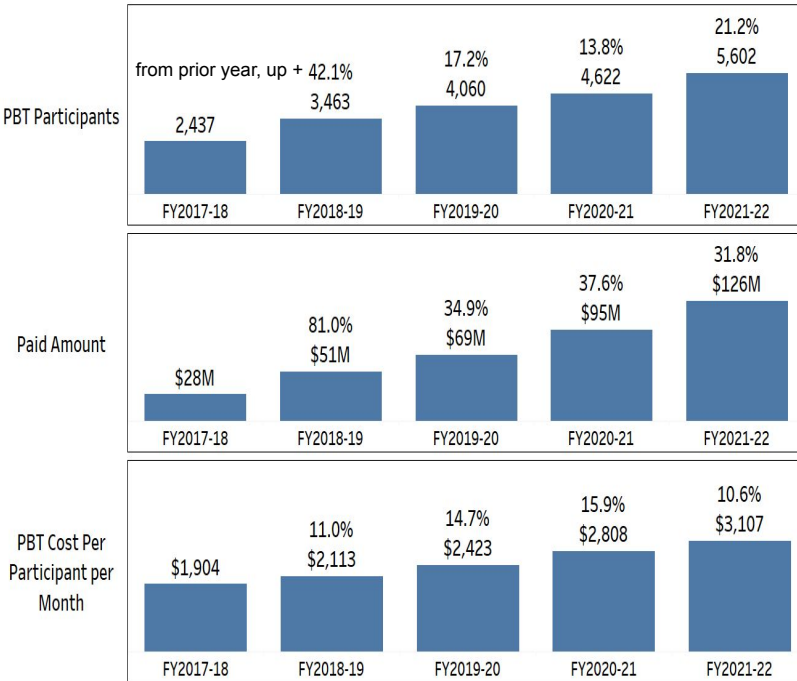
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Aug 9 Email from HCPF to JBC: Multiple Converging Issues

- Several requests for Pediatric Behavioral Therapy (PBT) provider rate increases - Received 2% ATB (FY22-23) and 3% ATB (FY23-24)
- 7/24 MPRRAC recommended increasing PBT rates to 100% of benchmark & opening some codes not currently covered. MPRRAC will review draft report and all recommendations on Sept 29
- FY23-24 [R-10 Budget Request](#) allowed autism spectrum disorder (ASD) as a covered diagnosis under the behavioral health capitation.
 - Based on provider feedback, neuropsychological testing will remain under FFS benefit. PBT remains under FFS
- 2 Neuropsychological codes were corrected and reprocessed
- Clarified next steps: inc rates, improving outreach, reducing provider enrollment barriers, providing add'l transportation services, allowing telehealth, improving care coordination
- ASD not a CHP+ benefit currently, exacerbated with end of PHE.



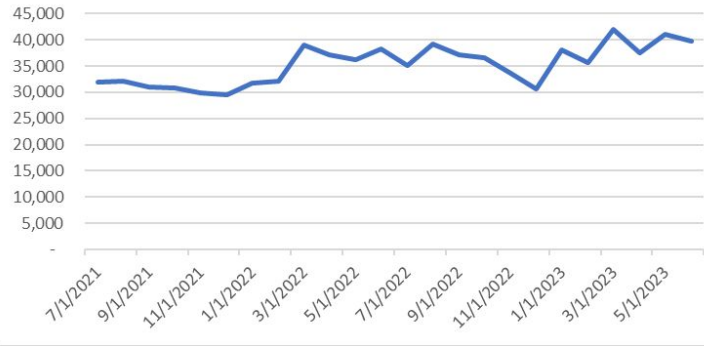
Level Set: Pediatric Behavioral Therapy (PBT)



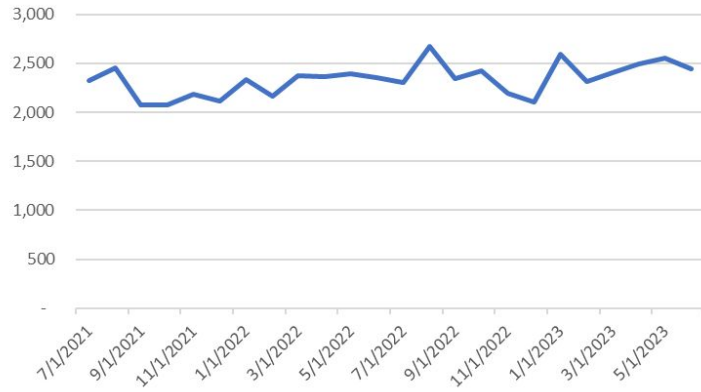
Significant increases in PBT: # of children served doubled; amt spent increased fourfold; dollars per child up +75%
PBT Providers Increased: # of rendering providers has grown dramatically over the years. This year, we've seen a reduction of ~30 rendering providers (individuals) as of June 2023, and 9 billing providers (organizations).

Level Set: PBT in Colorado

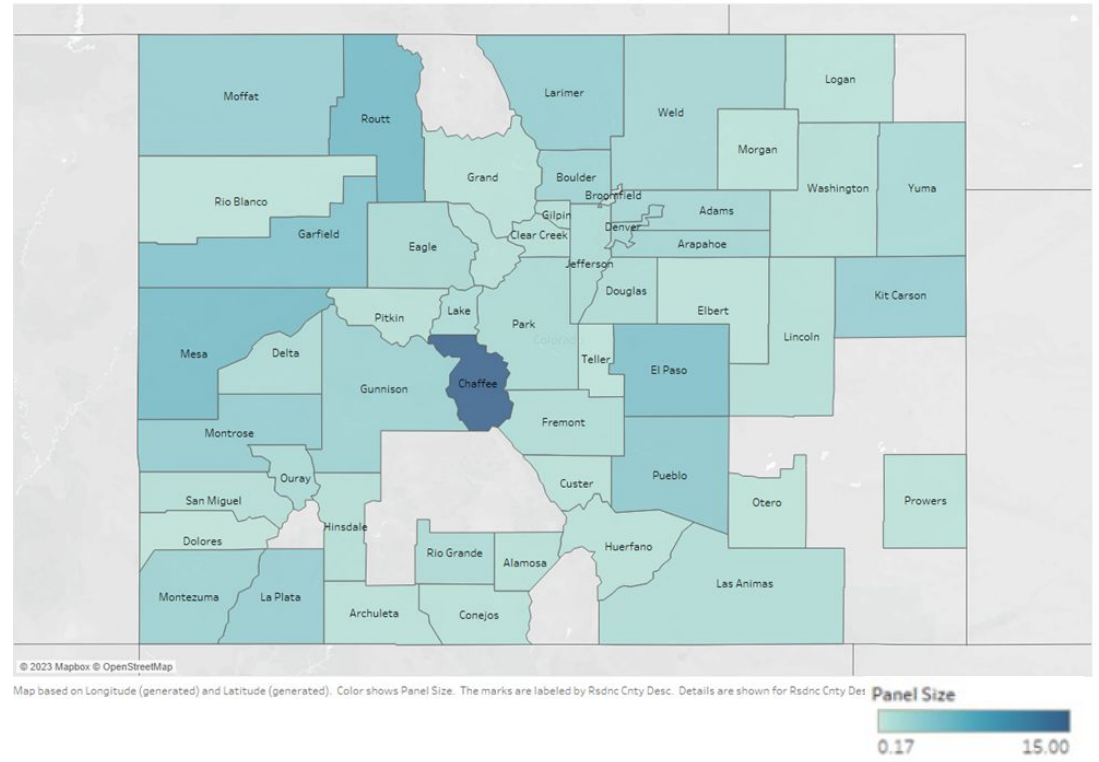
Pediatric Behavioral Therapies Visits Show an Upward Trend



PBT PARs All Codes



Utilizer to Provider Ratio



Potential Paths Forward

- Complete: Reversed the reductions for two assessment codes (96136 and 96137), 3% rate increase applied instead
- Confirmed for 2024 Legislative Agenda: Addition of ASD services as a covered benefit under CHP+
- In Process: Internal Benefit Review
 - Information from rate review process, analysis of claims, other states, clinical best practices, and stakeholder engagement, including workgroups, Recommendations expected Spring 2024.
- MPRRAC Recommendations
 - Rate increase to 100% of benchmark
 - Opening of certain codes not currently covered



Information Provided to JBC Staff

Cost Estimates to Increase Current Codes and Open New Codes

Item	Total Funds	General Fund
Increasing Current Pediatric Behavioral Therapy Codes	\$34,281,532	\$17,140,766
<i>Increasing Current Assessment Codes - Reversing Rate Reductions on 7/1/23; COMPLETING NOW</i>	<i>\$554,632</i>	<i>\$277,316</i>
Opening New Codes - Preliminary Estimate	\$56,603,476	\$28,301,738
Total Estimated Costs	\$91,439,640	\$45,719,820



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2024 Bill: Coverage of ASD Services in CHP+

- CHP+ currently does not cover ASD
- Children with ASD receiving services under Medicaid will lose access to coverage as they move to CHP+ as part of the end of the PHE
- Coverage under CHP+ will require a statutory change

Cost Estimate to Add Autism Spectrum Disorder Treatment to CHP+		
Item	Total Funds	General Fund
Add ASD Treatment to CHP+	\$12,587,524	\$2,784,887



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Questions



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