Legislative Council Staff

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Memorandum

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March 12, 2021

TO: Joint Technology Committee Members

FROM: Joint Technology Committee Staff

SUBJECT: Joint Budget Committee Referral of HCPF R23 to the JTC for Review

Background

At the figure setting hearing for the Department of Health Care Policy and Financing (HCPF) on March 9, 2021, the Joint Budget Committee (JBC) referred the department's FY 2021-22 R23 budget request, Behavioral Health Eligibility and Claims System Consolidation, to the Joint Technology Committee (JTC) for review.

For reference, the request discusses the following systems:

- the *Business Intelligence and Data Management* (BIDM) system is a data reporting system that collects, consolidates, and organizes data from multiple sources and fully integrates with eligibility and claims data for reporting, analytics, and decision support;
- the *Colorado Benefits Management System* (CBMS) is the statewide eligibility system for Medicaid, the Supplemental Nutrition Assistance Program (SNAP), the Temporary Assistance for Needy Families (TANF) program, and 20 other needs-based human services benefits programs;
- the *Medicaid Management Information System* (MMIS) is the system used by the Colorado Medicaid program, Health First Colorado, to process and manage Medicaid claims; and
- the *Program Eligibility and Application Kit* (PEAK) website, which interfaces with CBMS, and allows Coloradans to apply for Health First Colorado online.

Request Summary

The HCPF R23 budget request is a one-time request for $7.5 million from the General Fund to create a shared eligibility, claims, and data reporting framework for the state's behavioral health care system by:

- integrating eligibility processing for the state's behavioral health care programs into CBMS and PEAK, which would allow Coloradans to have eligibility determined for all programs

simultaneously, instead of having eligibility determined on a case-by-case basis for each individual program;

- integrating claims processing for the state's behavioral health care programs with MMIS to allow providers to submit claims and encounter information through a standard format that would enable claim adjudication, payment, and data reporting; and

- updating the BIDM system to accept the new data from the state's behavioral health programs and develop reports.

According to HCPF, there are more than 75 different behavioral health care programs across 10 different agencies, all with different eligibility and billing systems. The department states that by creating the fully integrated systems, as outlined above, providers will be able to reduce the amount of time they spend in eligibility determination and billing, thereby reducing overhead costs.

JBC Discussion and Concerns

JBC staff made the recommendation to deny funding the request during the JBC HCPF figure setting meeting on March 9, 2021. The JBC approved JBC staff's recommendation, pending additional information from the JTC review and a potential department comeback.

JBC staff outlined the following concerns during their figure setting presentation:

- the project does not provide direct service benefits or increased behavioral health care capacity for clients, only administrative benefits;
- the project scope's lack of definition, including cost, timing, and the programs included; and
- the unquantified nature of the administrative savings that the department states will offset the resulting ongoing maintenance and operation costs.

The JBC asks the JTC to consider the following items in its review of this request:

- whether the JTC believes this is a project in which that the state should invest state resources;
- the department's plan to use an agile methodology for the implementation of this project and whether the project scope is appropriately defined;
- the role of the 23 temporary FTE included in the department's request to serve as project managers and design experts to lead the system change development and implementation;
- if denying this request would impact the work of the Behavioral Health Administration that would be created by House Bill 21-1097; and
- a review of the stakeholding work the department did with behavioral health care providers across the different behavioral health care programs in developing this proposal in order to understand their needs and address providers' skepticism about the proposed benefits of the project.

Considerations

The JTC previously recommended funding for a corresponding IT capital request of $2.4 million from the Department of Human Services (CDHS) Office of Behavioral Health for the purpose of aligning data collection and reporting infrastructure into streamlined and interoperable systems between CDHS and HCPF. During CDHS's discussion of this component of its IT capital request, the department noted that it was meant to be paired with this HCPF R23 operating budget request to make enhancements to the MMIS and data analytics.

Relevant Documents

Department request document. The department's original budget request can be found here:

https://drive.google.com/file/d/1UbLjvCFOXfwJ3awI5NlxlOnVclme_W6V/view

JBC briefing. Discussion of the request can be found beginning on page 64 of the JBC briefing document here:

https://leg.colorado.gov/sites/default/files/fy2021-22_hcpbrf1_0.pdf

JBC hearing. Responses the department provided to JBC questions can be found in questions 43 to 45, beginning on page 74 of the JBC hearing document here:

https://leg.colorado.gov/sites/default/files/fy2021-22_hcphrg1.pdf

JBC figure setting. Additional information about the request, including background on the JBC staff recommendation, can be found beginning on page 70 of the JBC figure setting document here:

https://leg.colorado.gov/sites/default/files/fy2021-22_hcpfig1.pdf