SMART Hearing

January 6, 2017

Susan E. Birch, MBA, BSN, RN Executive Director
Our Mission

Improving health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.
Presentation Agenda

- Department Overview
- Performance Plan
- Major Initiatives
- Budget Requests
- Legislative Agenda
- Regulatory Agenda & Required Statutory Updates
- Committee Questions
Department Overview
Coverage in Colorado

A record 93.3% of Coloradans are insured.

- Private Insurance: 59.2%
- Medicaid and CHP+: 21.3%
- Medicare: 12.9%
- Uninsured: 6.7%

2015 data
Department Administered Programs

- Health First Colorado, Colorado’s Medicaid Program
- Child Health Plan Plus (CHP+)
- Colorado Indigent Care Program
- Old Age Pension and Medical Programs

Department of Health Care Policy & Financing
Child Health Plan Plus (CHP+)

60,322 enrolled

2016 Federal Poverty Levels by Family Size

<table>
<thead>
<tr>
<th>Family of 1</th>
<th>Family of 4</th>
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<tbody>
<tr>
<td>$30,888</td>
<td>$63,180</td>
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</tbody>
</table>

*Some earning more may still qualify.

Annual Enrollment Fees:
$25-105

Co-Payments:
$0-50

Current CHP+ Funding Split: 88% Federal / 12% State
Who We Serve in Medicaid

FY 2015-16 Medicaid Case Load

- 42% Children & Adolescents under age 20
- 48% Adults ages 21-64
- 7% People with Disabilities in all age groups
- 3% 65 and older

75% of Medicaid adults work

- Drivers
- Child care workers
- Waiters & waitresses
- Cashiers

2016 Federal Poverty Levels by Family Size

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<th>Family of 1</th>
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<tr>
<td>133%</td>
<td>$15,804</td>
</tr>
<tr>
<td></td>
<td>$32,328</td>
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*Some earning more may still qualify.*
Medicaid & CHP+ Enrollment

Medicaid and CHP+ Enrollment as a Percentage of the Population

Percentage of total state population enrolled in Medicaid and CHP+: 24.8%

JBC Staff Briefing, December 5, 2016
Our Members

Caseload by Population

- Individuals with Disabilities: 6.6% (3.3%)
- Older Adults (65 or older): 13.9%
- Non-Expansion Adults: 42.2%
- Children and Adolescents: 2.7%
- Expansion Adults: 31.4%

Expenditures by Population

- Other: 26.7%
- Children and Adolescents: 18.1%
- Non-Expansion Adults: 11.6%
- Older Adults (65 or older): 14.6%
- Individuals with Disabilities: 27.3%

FY15-16 Data

COLORADO Department of Health Care Policy & Financing
Medicaid’s Funding Sources

- Federal Funds: 60%
- General Fund: 29%
- Hospital Provider Fee: 7%
- Cash Funds: 4%

FY15-16 Data
## Financing Sources for Different Medicaid Populations

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<tr>
<td><strong>Historically/Traditionally Eligible</strong></td>
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<tr>
<td>- Approximately 50% of costs General Funds</td>
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<tr>
<td>- 50% Federal Matching Funds</td>
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</tr>
<tr>
<td><strong>Newly Eligible/Expansion</strong></td>
<td><strong>Historically/Traditionally Eligible</strong></td>
</tr>
<tr>
<td>- 100% of costs Federal Funds, tapering down to 90% by 2020</td>
<td>- Approximately 50% of costs General Funds</td>
</tr>
<tr>
<td>- No General Funds - Hospital Provider Fee covers state share of funding.</td>
<td>- 50% Federal Matching Funds</td>
</tr>
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</table>
Who Gets Payments for Services

HCBS Waiver Providers
$842.4 Million
9.9%

Nursing Facility and Hospice Providers
$822.6 Million
9.6%

Managed Care Organizations
$529.8 Million
6.2%

Physicians, Clinicians, Specialists and Other Providers
$769.7 Million
9.0%

Durable Medical Equipment Providers
$149.4 Million
1.8%

Dental Providers
$324.4 Million
3.8%

FQHCs and RHCs
$189 Million
2.2%

Behavioral Health Organizations and Mental Health Facilities and Centers
$659 Million
7.7%

Specialty Facilities
$58.3 Million
0.7%

Regional Care Collaborative Organizations
$107.3 Million
1.3%

Pharmacies
$848.9 Million
9.9%

(-$409 Million in rebates)

Home Health Providers
$345.7 Million
4.0%

Laboratories and X-Ray Providers
$76.1 Million
0.9%

Transportation Providers
$41.8 Million
0.5%

FY15-16 data
ACA Expansion: Individuals Receiving Critical Services & Care

- **20,559** mammograms performed
- **12,423** cancer treated
- **6,038** seizures treated
- **103,734** behavioral health management medications received
- **30,218** diabetes treated
- **134,217** dental services received

Data from MMIS October 30, 2015 - September 30, 2016.
Governor’s Dashboard and Department Performance Plan
Governor’s Health Goals

- Support healthy weight of kids and adults
- Reduce substance use disorder
- Reduce impact on daily life of mental illness
- Increase immunization rate
- Improve health coverage
- Improve value in health care service delivery
Department Performance Plan
Long Range Goals

- Improve health for low-income and vulnerable Coloradans
- Enhance the quality of life and community experience of individuals and families
- Reduce the cost of health care in Colorado
Department Performance Plan
Strategic Policy Initiatives

1. **Delivery Systems Innovation**
   Medicaid members can easily access and navigate needed and appropriate services

2. **Tools of Transformation**
   The broader health care system is transformed by using levers in the Department’s control such as maximizing the use of value-based payment reform and emerging health technologies

3. **Partnerships to Improve Population Health**
   The health of low-income and vulnerable Coloradans improves through a balance of health and social programs made possible by partnerships

4. **Operational Excellence**
   The Department is a model for compliant, efficient and effective business practices that are person- and family-centered
Major Initiatives
Accountable Care Collaborative
Our Delivery System: Accountable Care Collaborative

Care Coordination (RCCOs)

Data & Analytics (SDAC)
Managing Care Appropriately

- Inpatient Admissions: Down 6.9%
- Prenatal Care Rate: Up 23.6%
- High Cost Imaging Count: Down 15%
- Emergency Room Visits: Down 6%

FY11-16 data
Accountable Care Collaborative
Phase II Key Concepts

- Single regional administrative entity for physical health care and behavioral health services
- Strengthen coordination of services by advancing health neighborhood
- Population health management approach
- Payment for integrated care and value
- Greater accountability and transparency

To improve health and life outcomes for Members

To use state resources wisely
Medicaid Waivers for Home and Community Based Services (HCBS)

- Brain Injury Waiver
- Children with Autism Waiver
- Children with Life Limiting Illness Waiver
- Children’s Habilitation Residential Program Waiver
- Children’s Home and Community-Based Services Waiver
- Community Mental Health Support Waiver
- Elderly, Blind, and Disabled Waiver
- Spinal Cord Injury Waiver
- Children’s Extensive Support Waiver
- Persons with Developmental Disabilities Waiver
- Supported Living Services Waiver

Certain federal rules for the Medicaid State Plan can be waived so we can provide additional services so members can live in the community.
**Community Living Implementation Plan**

- **Colorado’s Community Living Plan**
- **Community Living Advisory Group Rec’s**

**Community Living Implementation Plan (CLIP)**

- **Streamline Access to LTSS**
  - e.g. No Wrong Door

- **Restructure Case Management**
  - e.g. Conflict-Free Case Management

- **Develop New Assessment Tool and Support Plan**
  - e.g. New functional assessment tool

- **Strengthen Choice for Self-Directed Services**
  - e.g. Consumer directed services expansion

- **Enhance Community Supports**
  - e.g. Colorado Choice Transitions

- **Redesign HCBS Benefits**
  - e.g. Community First Choice

**Monitoring and Evaluation | Quality Improvement**
**Workforce Training and Development | Statutes and Regulation Changes**

**COLORADO**
Department of Health Care Policy & Financing
Cost Control and Value-Based Payment
National Drive to Value-Based Purchasing and Integrate Care

Payments for Volume

- MACRA - Medicare primary care payment reform

Payments for Value

- State Innovation Model - large investment in integrated care nationally
- CPCi/CPC+/TCPi - multipayer primary and specialty care reforms

MACRA - Medicare primary care payment reform

Department of Health Care Policy & Financing
On the Road to Better Health

How the Department of Health Care Policy and Financing is Driving Improved Health Care Delivery and Payment Systems in Colorado

1. **The Department’s Stewardship is Twofold.**
   It is accountable to Colorado taxpayers to achieve the best value for their tax dollars. And it is accountable to Coloradans covered by Medicaid — its members — to ensure that they receive quality health care.

2. **Why?** Because one of four Coloradans is covered by Medicaid, HCPF has the ability to move the market.

3. **Who?** HCPF partners with key stakeholders.

4. **How?** HCPF works with stakeholders to build a value-based system.

5. **Destination?** System Transformation.

**Quadruple Aim**
- Lowered Costs
- Improved Quality
- Improved Health
- Provider Satisfaction

**Payment Reform Models**
1 2 3 4  Desired Outcome
Reducing Fraud, Waste and Abuse

$113.6 M Total Recoveries
FY15-16 data

- $76.7 M Legal Division Recoveries
- $23.5 M Nursing Facility, Accounting, Client Fraud, DIDD Recoveries
- $13.4 M Audits & Compliance Recoveries
Budget Requests

FOCUS ON SOUND STEWARDSHIP

- R6 Delivery System and Payment Reform
- R7 Oversight of State Resources
- R8 Medicaid Management Information System (MMIS) Operations
- R9 Long Term Care Utilization Management
- R10 Regional Center Task Force Recommendations Implementation
- R11 Vendor Transitions
- R12 Local Public Health Agency Partnerships
- R13 Quality of Care and Program Improvement
Legislative Agenda

- Implement Conflict-free Case Management
- Improve Program Integrity Efforts
- Reduce Opioid Overdoses by Gaining Access to the PDMP
- Contingency Planning for Changes to the CHIP Funding
- Align Statute with Federal Home Health Rule
Regulatory Agenda

• Began Regulatory Review Process in 2013

• 1,253 of 1,400 sections have been reviewed

• 328 rule selections scheduled for review in 2017
Statutorily Required Updates

• HB 13-1196: Reducing waste through the Accountable Care Collaborative
Legislator Resource Center: Staying Engaged

New Legislator Videos

Follow us on Social Media

Legislator Resource Center

The Department submits multiple reports and responds to legislative requests for information. This resource center includes links to reports, fact sheets, and overviews of the budget process.

Caseload and Budget Background

- HCPF Budget Request Overview FY2017-18
- Medicaid Budget Overview Presentation (coming soon)
- Accountable Care Collaborative Fact Sheet
- Accountable Care Collaborative Independent Evaluation Overview
- Health First Colorado Fact Sheet
- JBC presentations
  - Main Hearing Documents - December 14, 2016
  - Medicaid Caseload Reports
  - County by County Fact Sheets

Legislative Requests for Information - Fiscal Year 2016-2017

- Fraud Detection - November 1, 2016
Thank You