Behavioral Health ARP Funds:
Policy Priorities for Building Safe and Healthy Communities

November 1, 2021

COLORADO
Governor Jared Polis

COLORADO

Overview of Priorities

1) **Community** investments
2) Further **integrating** physical and behavioral health care
3) Meeting the needs of **complex children and youth**
4) Investing in our safety net behavioral health **workforce**

1. Community Investments

Overview & Description:
1. Community investment grants

Evidence based programs save money, reduce recidivism, and improve people's lives by:

- Diverting people from being arrested (co-responder programs, STAR);
- Diverting people who are arrested into treatment programs;
- Transitioning people from jail to appropriate treatment and services;
- Ensuring people have access to treatment and services in their communities;
- Making opioid antagonists widely available;

Proposals:
1. Community investments grants

Item	Description
Grants to Local Communities	• Grant funds to local governments and community based organizations for innovative community based programs designed to reduce corrections costs, hospitalizations, and/or recidivism. These programs should be based on a county-level assessment that identifies gaps in services and needs ○ Examples include co-responder programs, Denver STAR program, mental health in-reach in jails, harm reduction activities, mobile treatment vans, etc. • Support for CDPHE for data collection, program support, community outreach and engagement, and technical assistance • This also integrates components of the Governor's community safety investment package such as early intervention strategies, behavioral health interoperability, school safety mental health resources, domestic violence resources, and overall ensuring people have access to treatment and services in their communities.

Budget Summary:
1. Community investment grants

Budget	
$175M* One-time, total (scalable)	Preference is to maximize reach of ARPA funds by looking for support from local governments and community based organizations in the form of matching funds, in-kind support and/or funding of ongoing costs. Goal: 50% match. ● potential funding alignment and partnerships ● could make this a temporary opportunity and/or could fund ongoing costs with opioid settlement funding or local government programmatic investments

**Amount subject to change.*

2. Care Integration & Payment Reform

Overview & Description:
2. Care integration and payment reform

Colorado was the recipient of a federal SIM grant between 2014-2019 which focused on the integration of physical and behavioral healthcare, in order to advance the health care triple aim--improving population health, reducing costs, and improving the patient experience.

Initiatives that included payment reform, practice transformation, population health, and health information technology, showed a 2:1 ROI for adults in health care practices that had integrated care available.

Further investing in integrated care will support providers and payers to transition to a system where integrated care is widely available and supported through payment models that better serve all patients, including children and families, with less complex outpatient behavioral health needs.

Proposals:
2. Care integration and payment reform

Item	Description
Practice Transformation Grants	Small grants program for 400+ health care providers (up to $200,000 each) to be used as seed funding to integrate physical and behavioral health care. These grants could support workforce development, infrastructure, HIT investment, community engagement, and/or business development.
Payer Transformation Grants	Grant program for health care payers (up to $2 million each) to be used to incentivize payers to transition their business models to alternative payment models that better sustain integrated practices. These grants could support infrastructure, HIT investment, business analysis and development, and/or workforce training.
Connecting Patients to Social Services	Invest in methods that assist care teams in identifying and connecting patients to resources that help meet patient needs; one example could be to build on the regional health connect program that was initiated through SIM
HIT Investments	Connect remaining providers to the health information exchanges and technology systems that support integrated care models.

Budget Summary:
2. Care integration and payment reform

Budget	
$45M* One-time, total	Preference is to maximize use of ARPA funds through matches from local governments and/or providers in the form of in-kind contributions and/or funding of ongoing costs.
$2.5M Ongoing, total	Potentially matching funding alignment and partnerships such as matching from hospital community benefit funding or health system investments

3. Complex Children and Youth

Overview & Description:
3. Youth with complex needs

We do not have adequate capacity to serve children and youth with complex needs, particularly those with co-occuring conditions for example intellectual and developmental disabilities (IDD) and Autism Spectrum Disorder (ASD).

In addition, hospitals and other treatment facilities sometimes refuse to serve children and youth with complex needs sometimes because they can fill their beds with “easier” cases and because there is insufficient step down capacity. As a result, children and youth are sent out-of-state for treatment, far away from their families and support network, with a lower quality of care - 40 children were sent out-of-state for residential behavioral healthcare over the past two years, almost all of them have a co-occurring autism spectrum disorder diagnoses.

Proposal:
3. Youth with complex needs

Item	Description
Youth Neuropsychiatric Facility	Build a new 14-bed residential facility to serve youth with co-occurring complex needs in order to address the unmet needs in our communities

Budget Summary:
3. Youth with complex needs

Budget	
$35M* One-time, total	Seek matches from local governments with ARPA funding. Goal 50%.
$3-6M Ongoing, total	Matching opportunities with Medicaid (federal payment), commercial payments, and child welfare or county payment

4. Workforce

Overview & Description:
4. Behavioral health safety net workforce

Workforce shortages have been greatly exacerbated by the pandemic. Behavioral workforce needs run across the spectrum from entry level workers to advanced practitioners.
We propose

- Expanding the CDPHE loan forgiveness program
- Working with the GA to develop additional capacity by (for example)
    - Working with local communities, K-12 and community colleges to expand the workforce pipeline
    - Work with communities interested in investing in affordable housing for workers
    - Support nonprofit providers working to build workforce capacity.

Proposals:
4. Behavioral health safety net workforce

Item	Description
Loan Forgiveness Enhanced pay Building workforce pipeline	Temporarily expand CDPHE loan forgiveness program by: ● increasing the amount for which each professional is eligible; ● increasing the number of providers served; ● Increasing payments for serving certain high needs populations (e.g. people experiencing homelessness or justice involved individuals); ● adding retention or longevity bonuses; ● increasing loans or payments for professionals enhancing their skills or going back to school.for a more advanced degree; and ● working with institutions of higher education to increase or build capacity to train professionals.

Budget Summary:
4. Behavioral health safety net workforce

Budget	
$20M* One-time, total	$10M Preference is to seek matching funds from local governments ARPA funding, private funds from Universities or academic institutions, and/or opioid settlement funds. Goal 50%.

**This amount is subject to change and is scalable. The stated match is a goal.*

Other Policy Considerations

Other Ideas

The previous list is of our highest priorities but **is not exhaustive.** The Administration would also support the following:

- Building new group homes (step-down, residential facilities for children and adults)
- Partnering with the Tribes to create a SUD treatment facility for the AI/AN community
- Investing in the safety net infrastructure, for example expand community pharmacy access, provider training, create a BH technical assistance center, and increase access to MAT and telehealth.
- Further building out the care continuum to better serve children, youth, and families by providing technical assistance to providers for billing issues, workforce development programs for IDD and behavioral health providers, and investing in physical changes to treatment facilities to provide a higher level of care.

Adult Bed Analysis

- Colorado has fewer state psychiatric beds on average than the 7 states which border it; at 11.0 / 100,000 (2021) in Colorado versus 14.26 / 100,000 in 2013 for bordering states (last updated info).
- 2015 Needs Analysis prepared by the WICHE recommended that by 2025 Colorado should have 1,125 inpatient state psychiatric beds (17.44 beds / 100,000 projected population) at the two Mental Health Institutes. This recommendation is for both forensic and civil populations.

	MH Assisted Care Residential	Civil Inpatient Beds	Forensic Inpatient Beds
Current Capacity	100	130	524
Capacity Need*	517	465	524

*Capacity need for residential is based on other state's ratio of residential to inpatient beds; inpatient is based on the midpoint between the bed count of the two bullets list above and based on Colorado's current population size.