

# Sustainable Financing

Health Care Policy & Financing  
Presentation to  
Opioid and Other Substance Use  
Disorders Study Committee  
June 29, 2023

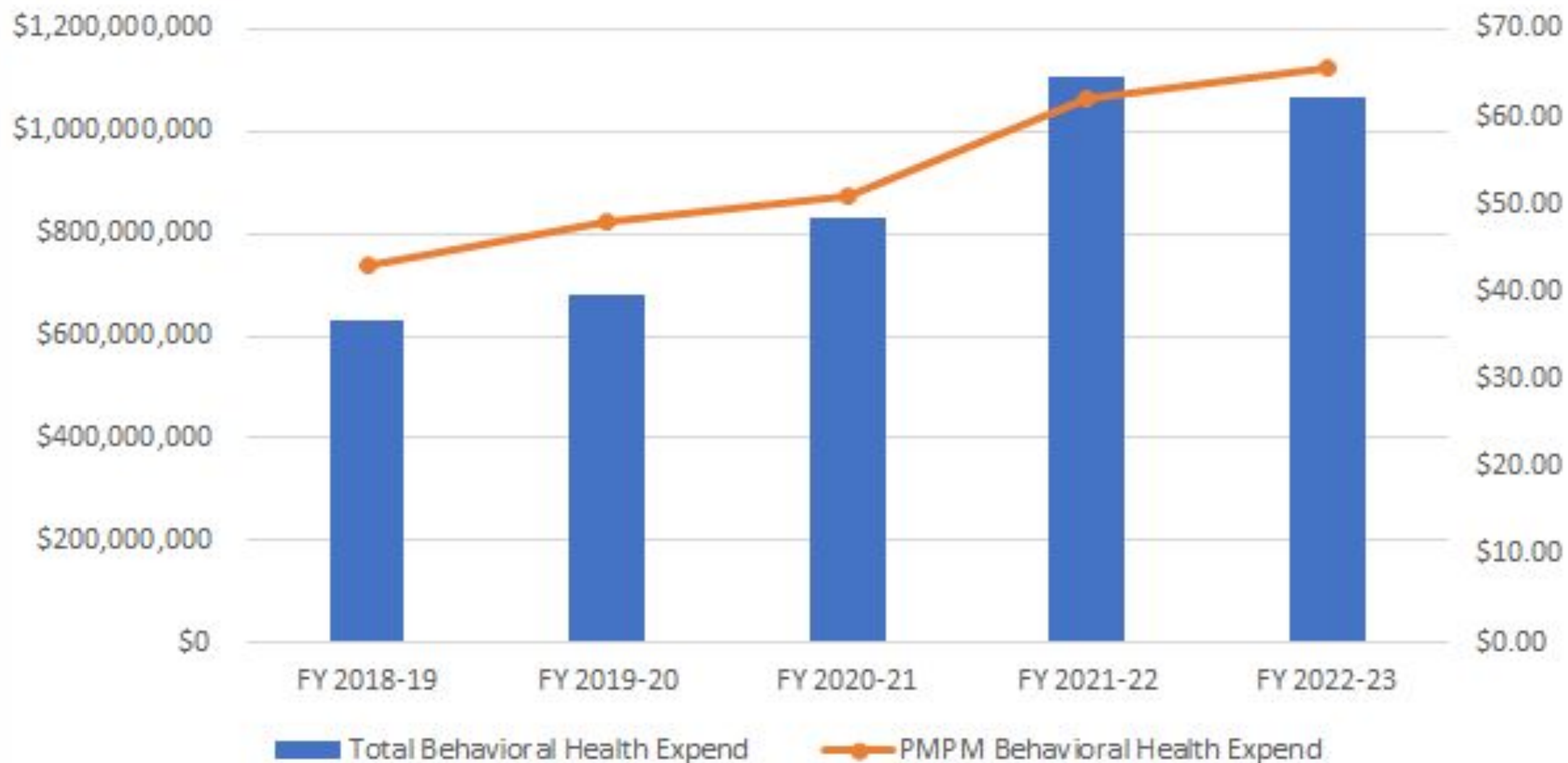
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Coverage & Deputy Medicaid Director



# Agenda

- ★ BH Rates and Coverage
- ★ Grants, Expansions, and ARPA
- ★ Gaps and Upcoming Federal Opportunities for Expansion
- ★ Maximizing Federal Funds

## Behavioral Health Expenditure: Total and PMPM



# Total Amounts Paid to RAEs for Capitated BH Benefit, FY19-20 and FY20-21

FY2019-2020, Amt. Paid		FY2020-2021, Amt. Paid	
RAE 1	\$ 93,317,494.31	RAE 1	\$ 117,205,332.62
RAE 2	\$ 37,827,359.94	RAE 2	\$ 50,943,490.56
RAE 3	\$ 130,451,414.26	RAE 3	\$ 163,336,611.07
RAE 4	\$ 71,249,540.09	RAE 4	\$ 84,611,677.48
RAE 5*	\$ 104,447,495.69	RAE 5*	\$ 98,399,497.80
RAE 6	\$ 94,859,629.32	RAE 6	\$ 120,433,446.75
RAE 7	\$ 79,318,781.56	RAE 7	\$ 103,274,336.42
DH BH	\$ 23,260,531.68	DH BH	\$ 59,690,956.44
<b>Total</b>	<b>\$ 634,732,246.85</b>	<b>Total</b>	<b>\$ 797,895,349.14</b>

\*RAE 5 goes down between FY20 and FY21, that is due to the first half of FY20 where DH was still part of RAE 5.

# BH Rates Report Data for SUD

- We review/update rates annually for BH, RAEs have flexibility on contracting, use these rates as guidance
- Shows we are increasing rates every year for Independent Providers (including SUD)
  - Rate for Independent Providers increased by 6.9% year over year between SFY 2020 and SFY 2021
- Medicaid covers more services than most commercial providers, but still working on increasing rates
- Find published data the [BH Rates Report](#)

# Expanding coverage: Crisis Response In CO



## Mobile Crisis Response services are updated to meet new federal standards July 1, 2023

- Includes services for SUD, mental health or both
- Services available 24/7, include two-person teams, better training, better billing for state resources
- Goal is to reduce hospitalizations and arrests



## Secure Transportation to BH Care Now Covered

- Safe, trauma-informed transport for people going from community to treatment (detox, hospital) or between care settings
- Reduced need for police transport, ambulance
- New benefit will take time to build up provider network

# \$138M in ARPA Funds dedicated to BH

## Grants for Providers

Behavioral Health Transition Support, Expanding Behavioral Health Mobile Crisis Teams, Expanding Intensive Outpatient Services, Peer Supports for Members with Complex Needs, American Indian/Alaskan Native Capacity, Child/Youth Step-down Options Program and Provider Recruitment

## Policy Planning and Review

Institute for Mental Disease (IMD) Exclusion Policy, Tiered Payments, Case/ Care Management Best Practices, Developing Value-Based Payments for Providers, Rural Hospital Sustainability, Criminal Justice partnerships and Coverage

## Programs for Members

Statewide Supportive Housing Expansion (SWSHE), Member Emergency Preparedness, Centers for Excellence in Pain Management

## Trainings

Providers serving Individuals with Disabilities, BH need, and/or IDD, Case Management Agencies

## System Improvements

Provider Digital Transformation and Electronic Health Record Upgrades, Social Health Information Exchange



# Spotlight: Practice Transformation, Integrated Behavioral Health Grants

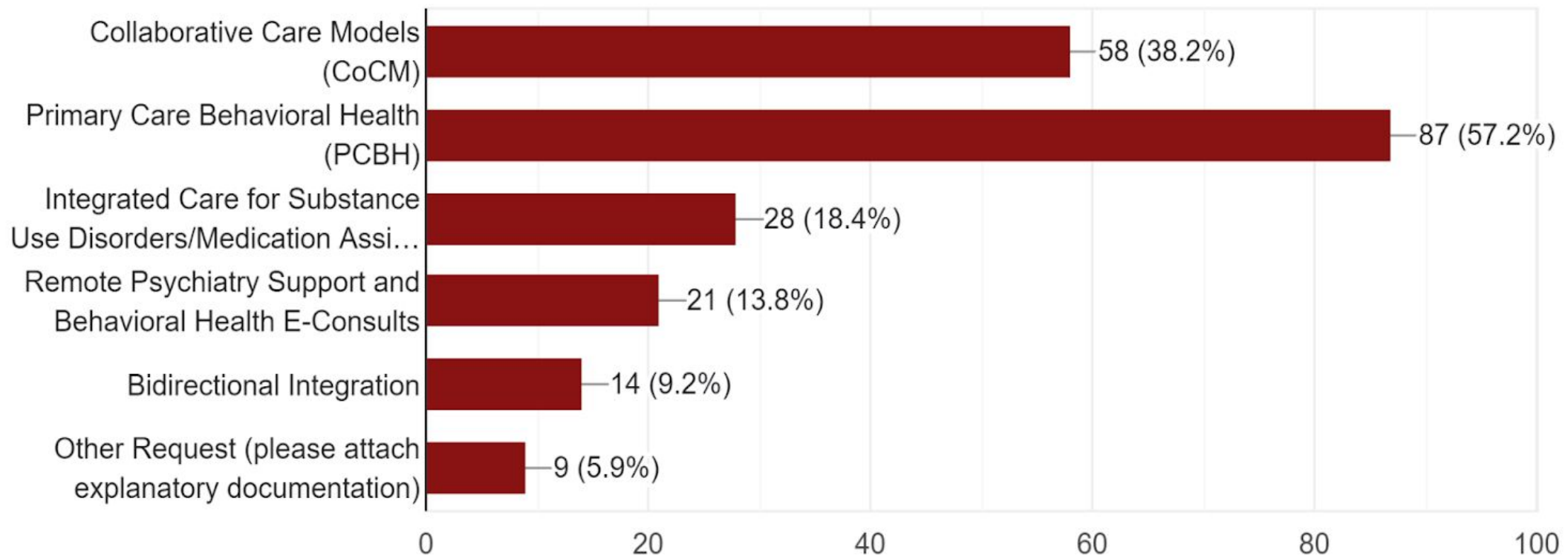
- Program created from BHTTF, [HB 22-1302](#)
- 151 grant applications, 257 sites, likely 150 to be awarded
- Impact reaching 37 Colorado Counties
  - 11 Urban
  - 26 Rural and Frontier
- 28 applied sites are implementing SUD/MAT
- 7 sites applied for specific new implementations of SUD/MAT Services
- 40% include new implementations for BH services
- 58% are expanding services



# Integrated Care Grants, Evidence Based-Models in Applications

21. Please identify which evidence based model your provider group looks to implement or enhance with these grant funds:

152 responses



# SUD & Permanent Supportive Housing

- Colorado has 3,000 Permanent Supportive Housing (PSH) units
  - 98% are Medicaid members
  - 75% have a BH diagnosis
- Through ARPA, HCPF funding pilot for PSH
  - Already serving 500 people
- Need sustainable funding solution for pre- & tenancy support



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Policy & Financing

# New Federal Guidance: 1115 Waivers

- “WAIVER” is a way HCPF receives approval from federal oversight to reimburse for services that may be difficult to cover due to cost, population, or federal policy limits
- Expanding coverage and supports for vulnerable populations
  - Cover All Coloradans effective Jan. 1, 2025
  - 1115 waiver examination - Housing Insecure, Corrections
- What kind of services are we looking at?
  - “Health Related Social Needs” aka Social Determinants of Health
  - Continuous Coverage for children, those leaving incarceration
  - Permanent Supportive Housing
  - Pre-release service for incarcerated populations (Medication Assistance Treatment, care coordination, and pharmacy services)

# Medicaid is Key to Drawing Federal Funds, Sustainable Programs

## Federal Limitations

- Supplementing Medicaid payments
- Sending Medicaid member to unlicensed or unenrolled providers
- Charging Medicaid members for covered services

## Ideal Sustainability

- Medicaid get 50-90% match for all approved services
- Pilot and new programs should have a Medicaid path
- Duplicate programs make system more complicated, reduce total funds for care

## Flexible, State-Only Programs

- Medicaid has gaps in coverage and access,
- Providers usually think this is easier, maybe right, but only in the short term
- Need to guard against duplicative billing and hold payer accountable

# How did we get here?

Years of short-term band-aid approaches.  
We created a siloed, patchwork system.

## Progress is in Process

We have come so far in developing  
coordinated, state-wide solutions.  
Let's keep going!

