

HCPF Budget Conversation with County Partners

Kim Bimestefer, Executive Director

May 14, 2020

1

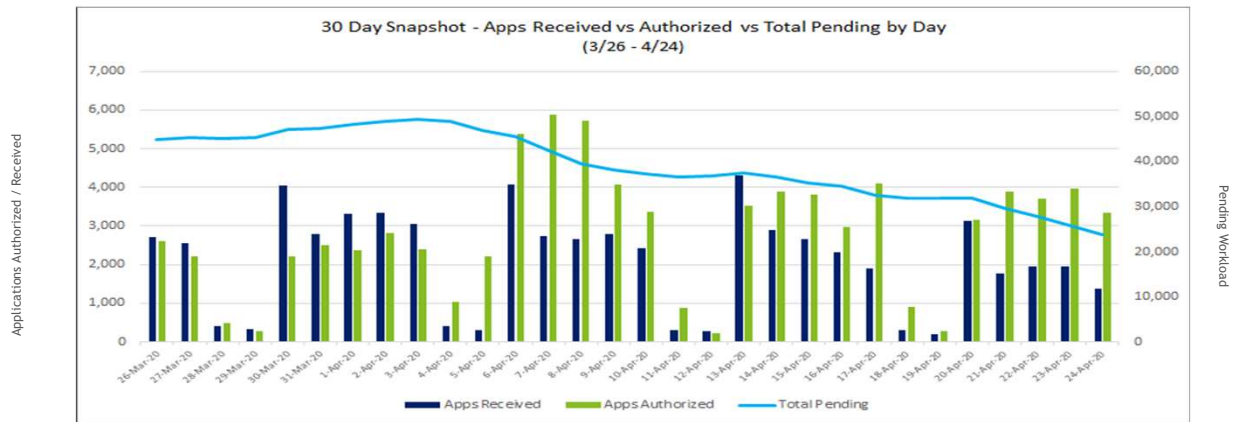
Agenda

- Eligibility and Membership Surge
- State Budget Discussion
- HCPF's Budget, Impact
- Other Department Updates
- Q&A, Discussion

2

Snapshot of Application Processing

Applications increasing; processing increasing more.

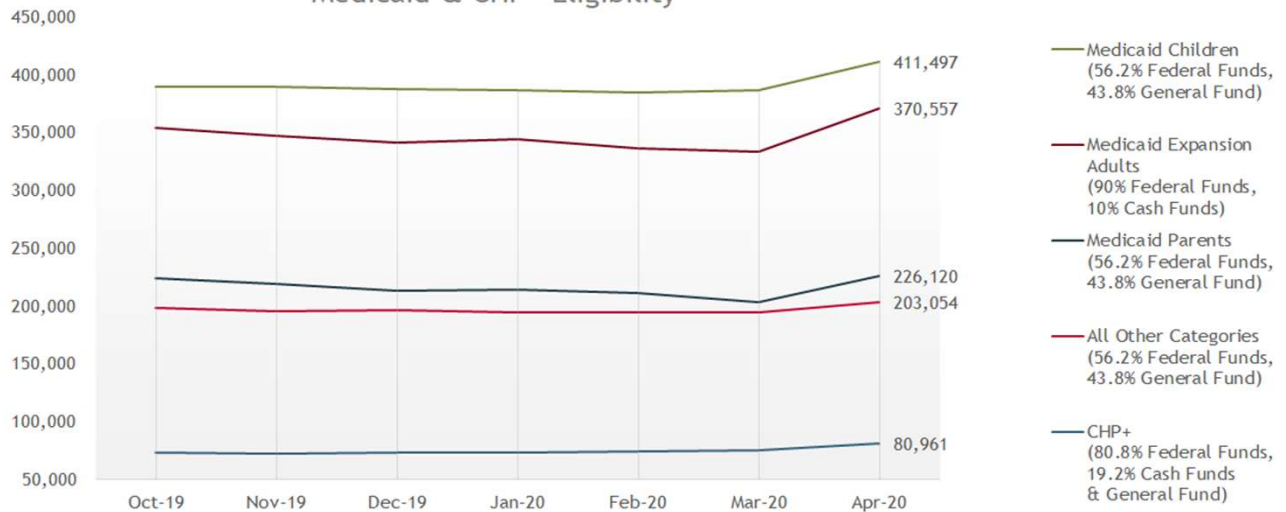


- Value Definitions**
- **Apps Received** - includes all applications received through PEAK and all applications started by an eligibility worker in CBMS
 - **Apps Authorized** - Means a determination of eligible or denied has been made on the application
 - **Total Pending** - all applications received that have not yet had a determination made
 - **NOTE:** This includes both HCPF and CDHS Applications.

Medicaid Category Enrollment

Enrollments and composition over time.

Medicaid & CHP+ Eligibility



Continuous Enrollment Impact

	New Members	Disenrolled Members	Locked-in (disenrolled)	Locked-in (lower category)	Net Change in enrollment	Total enrollment (MA)	COVID-19 Testing Only
January	34,080	38,530	0	0	0	1,259,195	
February	24,882	34,424	0	0	-9,596	1,249,599	
March	29,264	42,650	0	0	-13,331	1,236,268	
April	32,580	7,053	47,033	497	25,527	1,261,795	139
May			55,516				23

New Member: Members who started receiving MA benefits in that month, and who were not eligible the previous month

Disenrolled: Members who terminated *as of the end of previous month* (Members are locked in the first of the month after their benefits would have ended)

Locked-in (disenrolled): Members who would have been disenrolled at the end of the previous month, but were locked-in their MA benefit due to Maintenance of Effort (MOE)

Locked-in (lower category): Members who would have switched to a lower MA benefit, but were locked in due to Maintenance of Effort (MOE)

Net Change: Net change in Total Enrollment compared to previous month

Total Enrollment (MA): Total unique members eligible and receiving Medical Assistance benefits

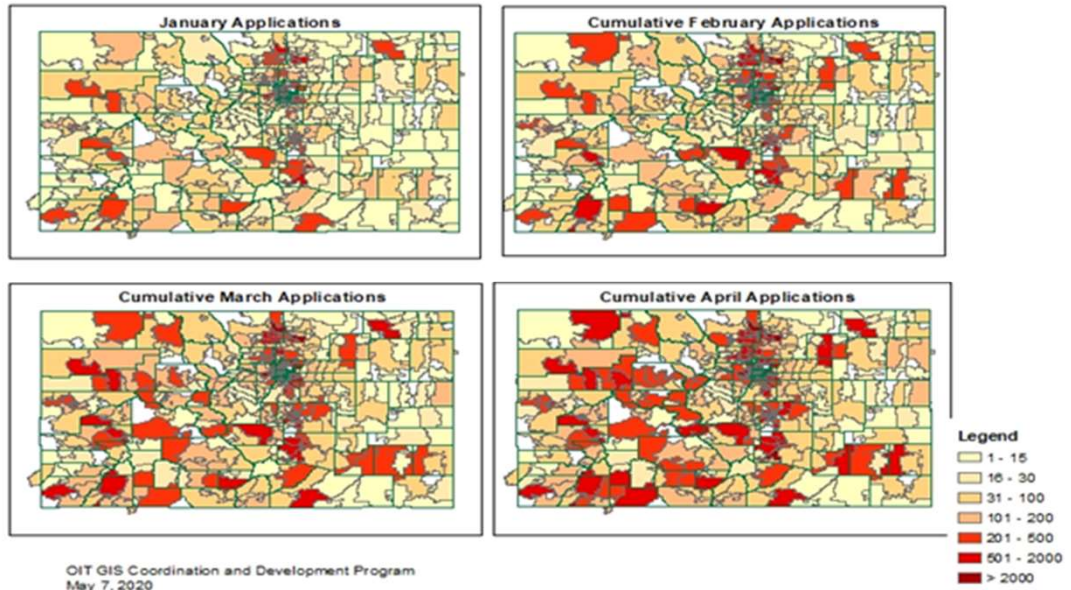
COVID-19 Testing Only: Members eligible for COVID-19 testing benefit only. NOTE: As of 5/6/2020. April includes March numbers



5

Cumulative Monthly CBMS Applications by Zip Code Submitted Jan-Apr 2020

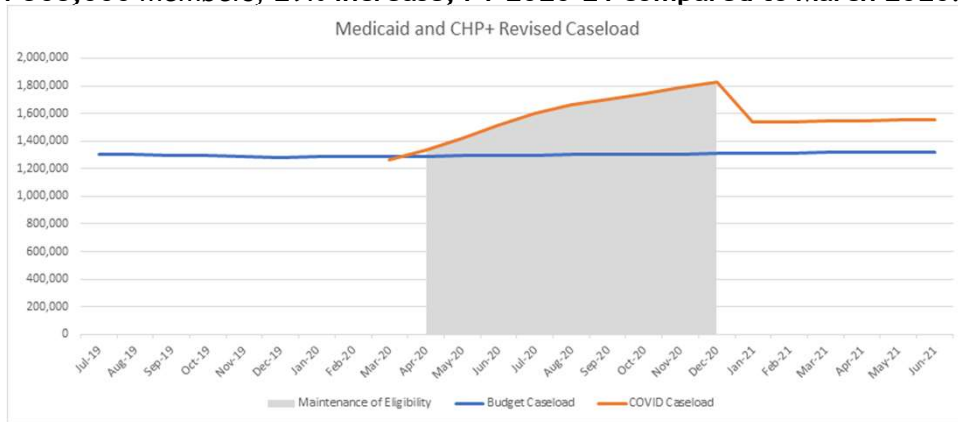
The five zip codes with the largest number of apps through April are in Denver, Arapahoe, El Paso, Adams and Weld Counties, in that order.



6

Updated Medicaid, CHP+ Membership Surge Forecast

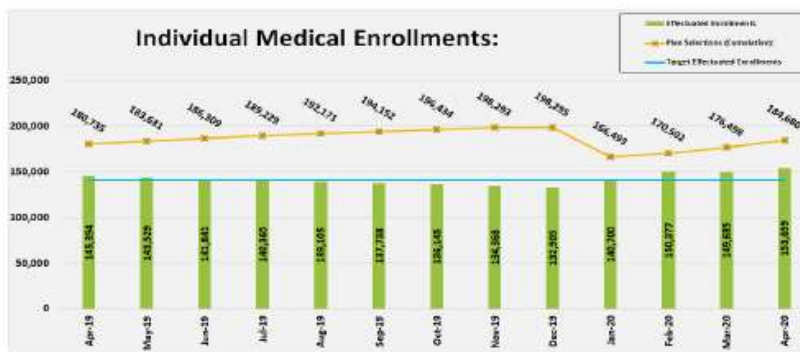
- Membership surge of about **563,000** Coloradans between April 1 and December 31, reflecting a 44% increase to the 1.3M members covered in Medicaid and CHP+ as of March 2020. (OSPB adjusted assumed Emergency period)
- The maintenance of effort ends with the public emergency period (now presumed 12/31/2020). We project an **estimated disenrollment of 332,000** members who do not meet eligibility criteria 12/31/2020.
- **Net surge of 368,000** members, **29% increase, FY 2020-21** compared to March 2020.



14,000+ Coloradans enrolled through C4H Special Enrollment period

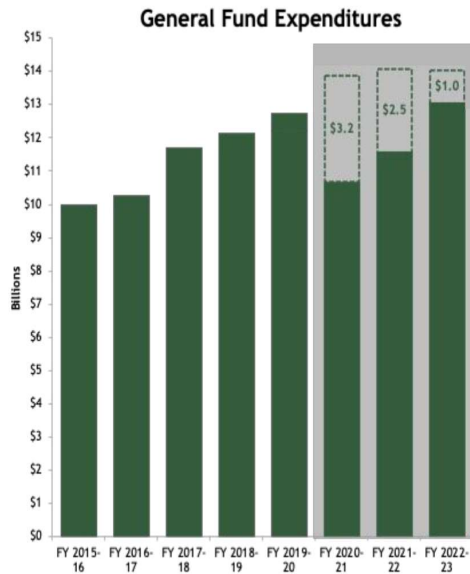


Marketplace Dashboard: April 2020



Target Effectuations for Fiscal Year 2019 & 2020 is 141,000. Target based on approved fiscal year budget.

Why the \$180M+ FY2019-2020 HCPF Reversion?



- **Cost Increase:** Emergency payments, Maintenance of Effort for CHP+, New members
- **Rev. Increase:** 6.2 pts FMAP Stimulus
- **Claim/Expense Savings:** Utilization Decrease (need help with projections)
 - Reduction in utilization due to
 - "Stay/Safer at Home" Orders
 - Cont'd Patient/Consumer fear of COVID19 infection/spread

To Date HCPF Reversion to General Fund
\$180+ Million

18

9

Tough JBC Decisions in Process HCPF key considerations

- ✓ **Incorporated utilization declines** before budget cuts
- ✓ **Protect our most vulnerable** – coverage and benefits
- ✓ **Budget to Consensus Membership Surge/Average Projection**
- ✓ **Tier Budget Cuts** – as needed
- ✓ Recognize **Stimulus** dollar recipients
- ✓ Recognize every \$1 of Medicaid GF reduction **generates a loss of roughly \$2 in Federal Funds** to the state.
- ✓ **Transparent, collaborative approach** – together with our partners
- ✓ Get more **stimulus \$\$** from the Fed

10

Budget Timing

- Difficult budget decisions in process!
- On May 6, JBC Analyst reviewed possible HCPF budget cuts. JBC approved approximately \$201M TF, \$102M GF HCPF reductions. JBC tabled items totaling over \$270M TF to still be addressed.
- OSPB/Administration presented "comebacks" to JBC on Monday, May 11
- Updated revenue forecast May 12 - GF revenue forecast revised from the March forecast to \$3.4 billion through June 30, 2021, \$4.7 billion over through June 30, 2022
- General Assembly expected to reconvene and start on the Long Bill in the House the week of May 25
- Budget must be passed and signed into law by June 30
- As they become available, HCPF will post our projections, fact sheets and overviews on [Colorado.gov/hcpf/legislator-resource-center](https://colorado.gov/hcpf/legislator-resource-center)

County Administration funding

- Few HCPF programs have been spared cuts - so maintaining funding at current level in any program or line-item is a win
- At this time, County Administration not on list of cuts and stays static for FY 2020-21
- Provider rate increases for county administration were undone by JBC

Eligibility Staffing Proposal

- This proposal (a CDHS comeback) allows the State to hire 50+ term-limited FTE to assist with processing
- HCPF will encourage the use of the ACA Back Office model, where resources could be quickly assigned to counties that request assistance
- Will not use Maximus model, which assigned a caseload

Eligibility Staffing Proposal, cont.

- Limits GF impact from HCPF (~ \$650k GF). Because FTE are state staff, no county share required
- Allows for quick hiring and training through partnership with Staff Development Center (SDC)
- No current item to increase in county administration

Other Impacts and Delays

- PACE provider rate cuts instead of enrollment freeze
- SUD benefit implementation delayed
- Child Health Plan *Plus* (CHP+) was on the JBC staff list for "Deep Cut options". JBC rejected.
- SB-195, High Fidelity Wraparound Services - on JBC staff list for Deeper Cuts but NOT impacted at this time

Federal funding, explained

- Due to the federal coronavirus legislation Maintenance of Effort provisions, **HCPF cannot reduce eligibility or mandatory benefits during the emergency period** to qualify for increased Federal Medical Assistance Percentage (FMAP)
- Federal government provided 6.2 pt increase in FMAP - FMAP is federal funding for member benefit/provider payment purposes (no administrative funding included in FMAP - either HCPF, state, county, etc.)
- There has been no increase in Federal Financial Participation (FFP) - this is administrative funding

Member Impacts

- Increase in member co-pays to the federal maximum
- Reduction in dental benefit to \$1000 from \$1500 (comeback)

NEMT Administration

- The Non-Emergent Medical Transport (NEMT) program has not been impacted by budget cuts
- The Dept is currently in negotiations for a vendor to provide statewide services
- The contract has not yet been awarded, and no transition date has been set, so **counties should continue to administer NEMT and should not reallocate NEMT staff to other duties**
- The Department will provide monthly updates to keep you informed of the most recent developments in the NEMT vendor contract procurement

County Considerations

- We'd like to hear from you
- What considerations should we take into account? What feedback do you have?
- What other ways can we support you?

Additional Federal \$s Needed for States



COLORADO
Governor Jared Polis

FOR IMMEDIATE RELEASE

Tuesday, May 12, 2020
Shelby Wieman | shelby.wieman@state.co.us
Jarrett Freedman | Jarrett.Freedman@state.co.us
Bella Combest | Bella.Combest@state.co.us

Western States Pact Urges \$1 trillion in Federal Support for States and Cities Responding to COVID-19 Pandemic

Gov. Polis, Democratic legislative leaders join call for support

DENVER - In a letter to Congressional leadership, governors and legislative leaders from five western states requested \$1 trillion in direct and flexible relief to states and local governments in the wake of the COVID-19 pandemic in order to preserve core government services like public health, public safety and public education, and help people get back to work.

"There is no time to waste and we can overcome the widespread economic pain caused by the COVID-19 pandemic, together. I urge Congress to quickly take up and pass a new stimulus package to provide relief to Colorado's communities hit hard by the COVID-19 pandemic. A robust, flexible federal response to this pandemic is critical to our state's recovery and our and country as a whole," said Gov. Polis.

"Without additional flexible aid from the federal government, our state will be forced to make the deepest budget cuts we have ever seen. Congress must help our communities, both big and small, avoid the devastating impacts of these cuts," said Speaker Becker, D-Boulder. "These cuts would hurt vulnerable populations and further impact our already underfunded schools and institutions of higher education, which still haven't recovered from the last recession. We are going to prioritize education and critical public health and safety programs as we work to ease how painful this budget may be, but without federal support there's only so much we can do."

"States all over the country have been devastated by coronavirus with thousands of lives lost and millions suffering from unemployment. But these are just the immediate impacts. The longer, more insidious effects of the pandemic will ripple out for years to come, as state infrastructure crumbles from lack of funding," said Senate President Leroy Garcia, D-Pueblo. "We need the Federal Government to step up and provide immediate relief to state and local governments or millions more will suffer as essential services are eroded. Coloradans are deeply resilient people, and I know that with the right help we can get through this together."

Residential Settings Strike Force Update

Strategy	Key Actions (next 2-3 weeks)
Testing for Disease Presence	<ul style="list-style-type: none"> ➤ Deploy strategic testing to decrease asymptomatic spread ➤ Require Symptom Monitoring where cohorting or no COVID+ ➤ Deploy Rapid Response Team for positive or presumed cases
Personal Protective Equipment	<ul style="list-style-type: none"> ➤ Identify and document PPE shortages ➤ Move distribution of PPE for these settings to the state
Cohorting & Facility Isolation	<ul style="list-style-type: none"> ➤ Issue aggressive guidance on cohorting ➤ Develop metrics for effective monitoring ➤ Create COVID+ only facilities
Enforcement & Education	<ul style="list-style-type: none"> ➤ Document, distribute, and monitor use of best practices for infection control ➤ Increase enforcement ➤ Develop infection control/TA within Rapid Response Team
Staffing Implementation Plan	<ul style="list-style-type: none"> ➤ Develop and implement IT solution to connect providers with staff ➤ Issue cross-agency guidance on staffing flexibility

21

[Colorado.gov/hcpf/covid](https://www.colorado.gov/hcpf/covid) and on
<https://www.colorado.gov/hcpf/covid-19-provider-information>
 for members, providers & case managers, county & eligibility partners

[Coronavirus Disease 2019 \(COVID-19\) in Colorado: State & National Resources](#)

COVID-19

Please check this page frequently for updates on COVID-19. This is a new and changing situation. We have organized the information by audience below to help you find what you need quickly. We will update our information as the situation changes and we learn more.

For Health First Colorado
(Colorado's Medicaid Program)
and Child Health Plan *Plus*
(CHP+) Members

For Providers and Case
Managers

For County and Eligibility
Partners

- General Resources
- Billing Information
- Operational, Policy & Info Memos
- Provider & Case Manager Resource

22

More Information



www.cdc.gov/coronavirus/2019-ncov/



www.cms.gov/About-CMS/Agency-Information/Emergency/EPRO/Current-Emergencies/Current-Emergencies-page



covid19.colorado.gov



Local Public Health Agencies

www.colorado.gov/cdphe/find-your-local-public-health-agency



www.colorado.gov/hcpf/COVID



**Thank You for your
partnership and all you do!**