



CHASE

Colorado Healthcare Affordability and
Sustainability Enterprise

Colorado Healthcare Affordability & Sustainability Enterprise (CHASE) Meeting Minutes

Via [Zoom](#) Webinar

Tuesday, December 14, 2021; 3:00 P.M.

1. Welcome and Call to Order

- Allison Neswood, Chair, 3:01 p.m.
- Chair Neswood introduced herself and asked others on the CHASE Board to introduce themselves.

2. Roll Call

- There were sufficient members for a quorum.

A. Members Present (via Zoom)

Matt Colussi, Dr. Kimberley Jackson, Scott Lindblom, George Lyford, Bob Morasko, Allison Neswood, Dr. Claire Reed, Jeremy Springston, Janie Wade, Ryan Westrom, Heather Lafferty and Barbara Carveth.

B. Member Excused

Bob Vasil

C. Department Staff Present

Nancy Dolson, Matt Haynes, Karola Cochran, Jesus Alvarado, Gina DeCrescentis, Riley De Valois, Kyle Iftodi, James Johnston, Mete Ozcorekci, Daniel Pace, America Rios, Joe Sekiya, Charles Withers, and Jeff Wittreich.

All CHASE Board members introduced themselves.

3. Approval of Minutes from November 16, 2021 - 3:06 pm

- **Chair Neswood** asked for comments or questions, then asked for a motion to approve. **Dr. Jackson** motioned and **Wade** seconded the motion. Minutes passed unanimously.

4. CHASE Annual Report DRAFT Review - 3:07 p.m.

- **Dolson** - Thanks everyone for the great dialog and feedback last meeting. We did take a look at the COVID-19 Federal stimulus funds are reported in there and collaborated with the Colorado Health

Association. We included the tracked changes and clean copies in your handouts and on the website. No changes until the top of page 11, where we talk about Enhanced Federal Medical Assistance Percentage (eFMAP). We revised the section COVID Federal Medical Assistance Percentage

- No other changes until the Cost Shift section. The first thing we updated was the average reimbursement increase for hospitals an average of \$227 million per year. We do have some additional changes in the summary of the Cost Shift section. We changed the dollar amounts to percentages, since not all stimulus dollars will necessarily be reflected in 2020 and there are some caveats in terms of quantifying that, between a 64.4% decrease and the 29% increase. Then on a per patient basis, we made a similar change to percentages versus dollar amounts.
- We moved some of the graphs and tables to the appendix and left the traditionally included ones in the cost shift section.
- Our blurb regarding the Coronavirus Aid, Relief, and Economic Security (CARES) Act includes the explanation about how the funds could be used, showing that the stimulus funds improved hospital financial positions, but that the scale of the improvement is uncertain, as provided funds could be used in any number of ways in either 2020 or 2021. Pausing here, as this text is the biggest change in the report.
- The other changes that were made include moving more tables and graphs back into the report, then some more changes in text.
- Thanks to House Bill 19-1001, we have some additional information from 2020 about increases in costs, that include salaries, physician remuneration, depreciations and medical drugs. We corrected the dollar values and listed them from dollar value and percentage increases from highest to lowest.
- Also, thanks to HB19-1001 information, when we look at payment types and overall expenditure and look at cost growth, and looking at 2019 compared to 2020, overall payment less cost increase by a maximum of 29%.
- In the Delivery System Reform Incentive Payment Program, otherwise known as the Hospital Transformation Program section, we added a link to the web page.
- We moved some tables and figures to the appendix. In the appendix, we have a change to Table 18, Percent Growth of Expense Categories. We used information from HB19-1001 to make changes to the table.
- **Carveth** - Thank you for incorporating the changes that we requested.
- **Chair Neswood** - Thank you Nancy for the work that you did, along with your team and the hospital association.

5. Hospital Quality Incentive Plan (HQIP) Changes for FY2022 and Measures for FY2023 - 3:24 p.m.

- **Haynes** - Thank you Madame Chair and CHASE Board - We have some recommendations for 2023 and some revisions for 2022. 2023 refers to the data that is reported in April 2023 for the previous performance year. Talking with the subcommittee throughout the summer, we haven't added any new measures. We do want to refine the existing ones based on lessons learned.
- We are working with Colorado Department of Public Health and Environment (CDPHE) with the primary focus to simplify and streamline the requirements in Antimicrobial Stewardship, Zero Suicide and Peripartum Racial and Ethnic Disparities.
- In the Antimicrobial Stewardship category, initially drafted in 2019, the proposed revisions are as follows: The CDC has made changes to their requirements, so we aren't requiring reporting in this area. We collaborated with CDPHE to remove that reporting requirement. All levels were cumulative, now they aren't. Each level is separate, and hospitals get incentives even though they aren't taking part in all groups.
- In the Zero Suicide category, it was a new measure in 2021. We are working with the Office of Suicide Prevention (OSP) to refine how are cleaning up the deliverables. We are aligning deliverables and workplans along with templates. We added monthly zero suicide collaboratives as required meetings.
- This was a cumulative measure also. For 2022, we reviewed the performance of hospitals in this new program and found a lot of low scores. We revised it so most hospitals meet all of the deliverables in level one, which is a readiness level. All other levels are no longer cumulative. Hospitals can get points for part of all of a level, as long as they have a high-fidelity program. Payments in this category are determined by points as well as performance. This allows for clarity and simplification.
- **Lafferty** - What do the points do for the provider?
- **Haynes** - This is a bucket of money under CHASE, participating hospitals can get points which translate to the amount of dollars that they receive in a supplemental payment. Your points times your adjusted discharges times the dollars per adjusted discharge point, give you a payment amount.
- **Dolson** gave a couple of examples from the table showing supplemental payments to hospitals with varying points and adjusted discharges.
- **Lafferty** - Do the payments incentivize action?

- **Haynes** - This is an over and above program. Every year we have 83 hospitals participating in a pot of money that is approximately \$100 million dollars. It's a cultural thing. Even if you do something over and above, you get some payment for that. We are actually able to drive these meaningful programs.
- **Colussi** - Are we are required to pay all of the funds out each year?
- **Dolson** - Yes, the money is all paid out per statute.
- **Haynes** - In the Peripartum Racial and Ethnic Disparities, we are encouraging more participation, by allowing hospitals to get points for this measure in some elements as opposed to all elements.
- We are looking for approval of the revisions to the 2023 to relieve administrative burden and encourage participation for both measure years of 2022 and 2023. So, we are requesting this for data that will be reported in May 2022 for the previous reporting period.
- It has to do with reporting and not with what the hospitals are doing. It will allow for more clarity better streamlined reporting and more participation in the measures. We are asking that these revisions for both reporting years.
- **Chair Neswood** - To clarify, we want to apply these to all three measures in 2022 and 2023. Any other questions?
- **Westrom** - I know there were a lot of concerns around these changes and working with the subcommittee. Thanks for all of the collaboration. Job well done.
- **Haynes** - I think the kudos goes to the collaboration of the subcommittee. It's been a great collaboration working with them.

6. CHASE Model for Fiscal Year 2021-22 - 3:49 p.m.

- **Dolson** - Recognize the hospitals and my staff, and the data review and collaboration with CHA. I don't remember having the model ready in December. Thanks to Jeff and his team.
- These are the proposed Federal Fiscal Year (FFY) 2021-22 CHASE Fees and Payments. In the 2021-22 Fees and Payments Overview, she reviewed what the cash and federal funds combine to equal total funds in the model. \$1.14 Billion in fees comes from hospitals, with the net patient revenue at 5.67%, which is limited by statute, and approximately \$3.5 Billion in federal funds nets \$4.68 Billion in total funds. We will be paying out as much as we can this year which is \$1.6 Billion in hospital supplemental payments, including \$104 Million in quality and incentive payments. For 2021-22, there will be \$456.46 million in net new reimbursement to our hospital providers.
- The 2021-22 fees and payments overview table shows the cash fund, the

federal fund and the total fund, where funds come from and where they are paid. CHASE helps to fund and expand many different programs under the Medicaid Expansion program. **Dolson** explained the different categories on the overview table. The Cash Fund column shows the fees collected from hospitals. The Federal Fund column shows matching federal dollars for each category. The total fund column shows the total benefit of collected fees and federal matching dollars to contribute to the various provider programs.

- **Dolson** - The next section is Medicaid Expansion. \$421.7 million in collected fees combined with federal matching funds yields nearly \$3 billion in total funds contributed to Medicaid Expansion.
- **Dolson** continued with reviewing administrative expenses, which are \$101.99 million, or 2.18% of the overall funds. The largest part of the administrative costs are Information Technology costs. \$1.14 billion in fees generates \$3.54 billion in federal funds, a 211% return rate back to the state.
- The increased federal matching funds to support the Hospital Transformation Program (HTP) has saved the hospitals \$419 million in fees. This has increased reimbursement from CHASE by 50% each year.
- **Dolson** reviewed the methodology regarding Inpatient and outpatient fees, and supplemental payments. She then explained the Upper Payment Limit (UPL). There are six different UPLs. The supplemental payments were:
 - Inpatient supplemental payments of \$596.21 million,
 - Outpatient supplemental payments of \$636.49 million
 - Essential Access payments of \$19.5 million
 - Rural Support payments of \$12 million
 - Hospital Quality Incentive Program (HQIP) Supplemental Payment \$104.09 million
 - Disproportionate Share Hospital (DSH) Supplemental payment of \$226.61 million
- Next steps are, if the CHASE Board agrees to the Model, is the Medical Services Board approval, then continue pursuit of the Center for Medicare and Medicaid Services approval, notify hospitals and host a webinar, then reconcile the approved figures with the interim figures by September.
- **Dolson** continued with a review of the hospital group and individual hospitals fees and payments tables and reiterated the upper payment limits per category. She also mentioned the handout “FFY2021-22 CHASE Overview” that is an in-depth explanation of the fees.

- **Chair Neswood** - Any questions or comments? Thank you, Nancy, for the detailed presentation.
- **Lafferty** - Would like to know more about the fees, acronyms and financial reports.
- **Dolson** - Lafferty, we'll be in touch.
- **Chair Neswood** - Any public comments?

7. Public Comment - no public comment

8. Board Action - Chair Neswood - 4:10pm

- CHASE Annual Report Approval - **Dr. Reed** moved, **Dr. Jackson** seconded, passed at 4:11pm
- HQIP Changes for FY 2022 Approval - **Wade** moved, **Dr. Jackson** seconded, passed at 4:12pm
- HQIP Measures for FY 2023 Approval - **Dr. Jackson** moved, **Wade** seconded, passed at 4:12pm
- CHASE Model for FY 2021-22 Approval - **Westrom** moved, **Wade** seconded, passed at 4:13pm

9. Adjourn - Chair Neswood

- **Dr. Jackson** moved and **Chair Neswood** seconded.
- Meeting adjourned at 4:14pm

10. Next meeting: February 22, 2022 at 3:00p.m.