

# Understanding Regional Organizations and Managed Care Plans

Children's Disability Advisory Committee  
Sept. 10, 2025

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# Disclaimers

- 1) This presentation is about Health First Colorado (Colorado's Medicaid program). The Child Health Plan *Plus* (CHP+) program is organized differently, meaning most of what we review today is not applicable to CHP+.
- 2) These slides have a lot of info, and the content can be pretty complex. Katie did her best to simplify things, but please let us know where more clarification is needed!

# Agenda

1. Key Terms
2. How Health First Colorado is Structured

# Key terms

# Accountable Care Collaborative Terms

**Accountable Care Collaborative:** Our Medicaid delivery system, or how we have structured and organized federal and state Medicaid requirements into a cohesive program for our members.

**Regional organization:** Also referred to as a Regional Accountable Entity or RAE. RAEs are responsible for promoting member health and well-being in their regions.

**Managed care plan:** Also referred to as Managed Care Organizations or MCOs. Managed care plans are a part of Health First Colorado coverage. They have specialized networks of physical health providers, and they work with the regional organizations.

# Industry Terminology - Managed Care

- This is a pretty broad term in the health insurance industry.
- Generally, it refers to a system of health care delivery that tries to manage the cost, quality and access to health care.  
Typical features include:
  - A provider "network"
  - A specific set of available services and limitations on services outside of the provider network
  - Some mechanism for authorizing services (Prior Authorization Requests)
  - Many programs include incentives for quality outcomes
- The Centers for Medicare and Medicaid Services (CMS) have regulations for Medicaid managed care that we must follow (42 CFR 438).

# Industry Terminology - Payment

- **Fee-for-service** refers to the process of paying providers for each individual service they provide to their patients.
- **Capitations** refer to a set amount of money that is received or paid out based on membership as opposed to services delivered (these are usually paid out in the form of a "per-member-per-month" or PMPM payment).
  - You may hear terms like "**risk-based payment**" or "**financial risk**" in relation to capitations (or insurance in general).
  - This means that entities receiving a capitation are accepting the risk that they may spend more money than they receive for their membership. The trade-off is that they may also spend less and then can keep the remaining (within certain regulations).

# Industry Terminology - Network

- **Network** is another health insurance term. It refers to the providers that have contracted with a specific health plan to provide services to those members. If your provider has contracted with your insurance, they're considered **in-network**.
- Many plans limit your ability to see providers that are considered **out-of-network** or they increase your cost-sharing responsibility for those services (less applicable to Colorado Medicaid).



# How Health First Colorado is Structured

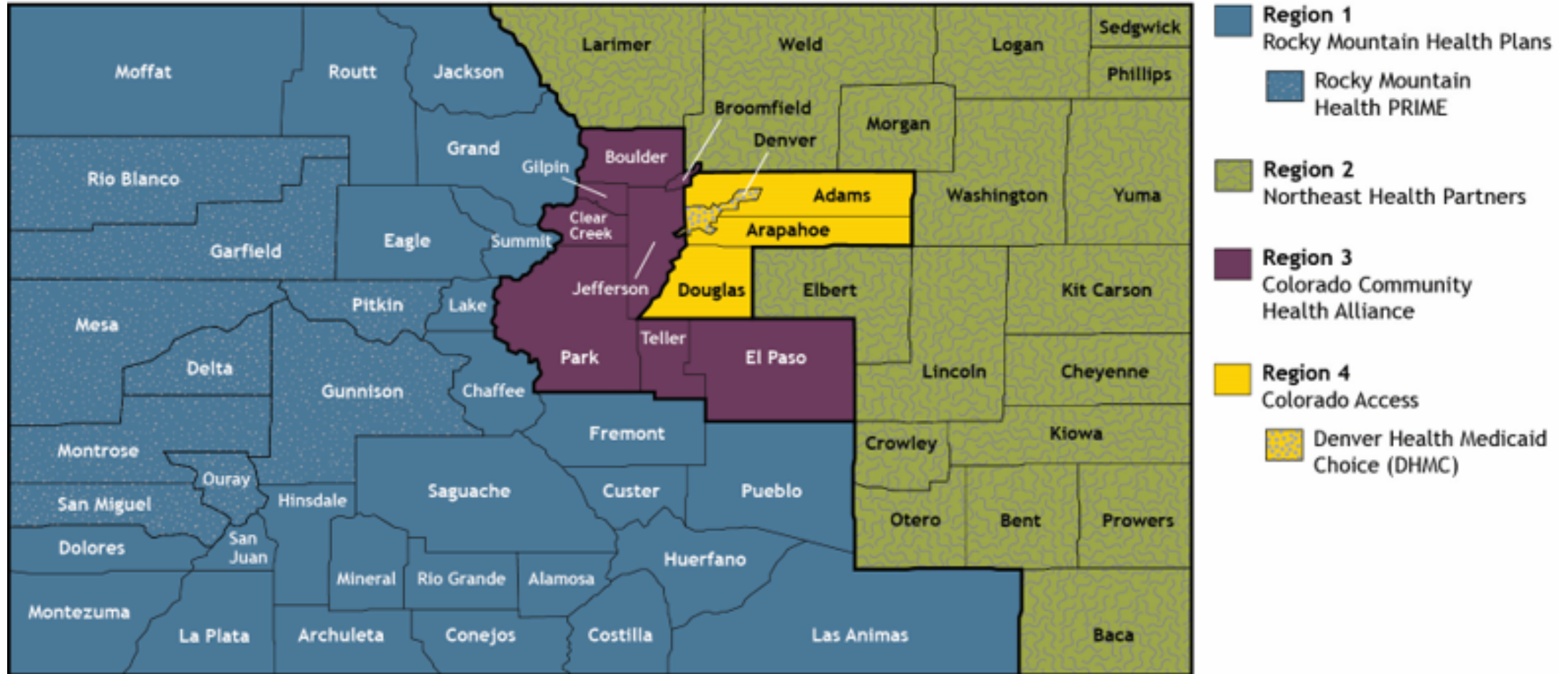
# Regional Organizations (RAEs)

- Build a network of care providers by:
  - Contracting with primary care providers (PCPs).
  - Contracting with behavioral health providers and administer the capitated behavioral health benefit.
- Provide care coordination, care programs, and case management
  - Some RAEs do this themselves, while others contract this out.
- Assist with practice transformation (e.g., support primary care provider offices integrating behavioral health services into their clinics).
- Respond to local community needs to best support Health First Colorado members.

# Managed Care Plans (MCOs)

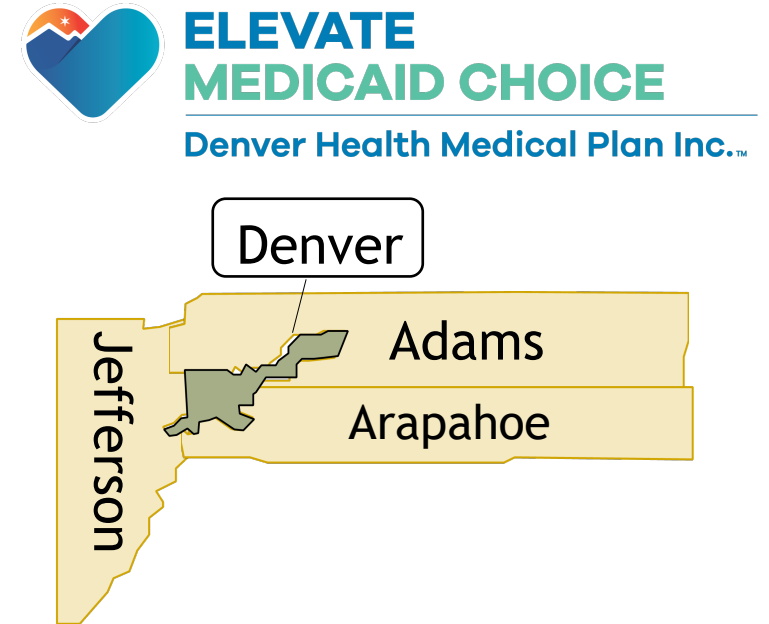
- Two physical health managed care plans, referred to as Managed Care Organizations (MCOs), administer physical health care benefits in certain areas of the state.
- Members in certain counties may be passively enrolled if they are eligible.
- Both plans provide the same physical health services that you have access to even if you are only assigned to a regional organization.
- Members may opt out of these plans.

# ACC Region Map



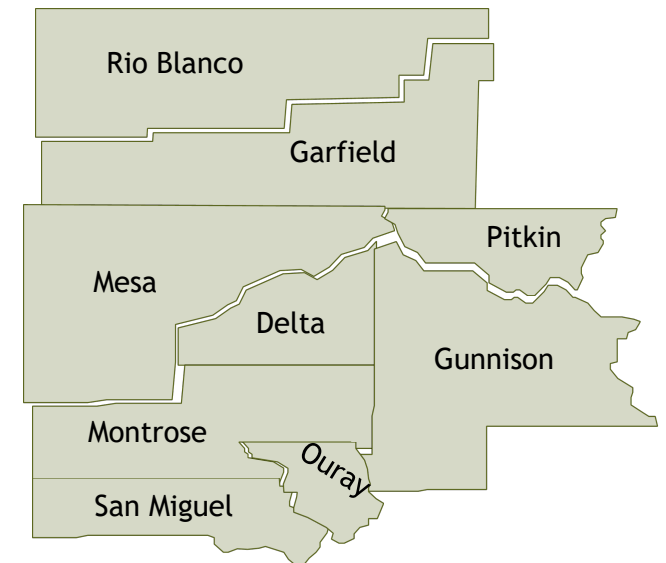
# Elevate (Denver Health) Medicaid Choice

- In Denver County, adults and children are passively enrolled in this plan until the enrollment cap is reached.
- Adult and child members in Adams, Arapahoe and Jefferson Counties may opt-in to this plan.
- Members get care at the Denver Health main campus and at any of Denver Health's 10 Family Health Centers in metro Denver, as well as various Denver Health School-Based Health Centers.
- Members have access to some expanded benefits, like eyewear.
- All members enrolled with Elevate work with Colorado Access (regional organization) for their behavioral health services regardless of their county.



# Rocky Mountain Health Plans PRIME

- In these counties, children with disabilities and adults are passively enrolled in this plan until the enrollment cap is reached.
- Members enrolled in this plan work with Rocky Mountain Health Plans for both their physical and behavioral health.



# Key Differences

Regional Organizations	Managed Care Plans
Members are automatically assigned to a regional organization based on the location of their primary care provider or their home address.	Members may be automatically enrolled a managed care plan based on their home address. Members in some counties may opt-into Elevate.
Members cannot opt out of their regional organization assignment.	<p>Members can opt out of a managed care plan within 90 days from the date they were enrolled (or annually within a certain timeframe of their birthday).</p> <p>Members that opt out of a managed care plan are assigned to a RAE.</p>

# How Health First Colorado Services are Paid For



## Physical Health Care

- If you are assigned to a RAE only, your provider bills HCPF fee-for-service for your physical health care.
- RAEs also receive a per-member-per-month payment to support the care coordination and provider support work they do. They distribute a portion of this money to primary care providers.
- If you are enrolled in a managed care plan, your provider bills Elevate or PRIME for your physical health care.



## Behavioral Health Care

- Behavioral health providers bill your RAE for your behavioral health care.



# Why do we have both regional organizations and managed care plans?

- Both managed care plans are the result of state legislation:
  - Denver Health: 25.5-5-402 (7.5) directs HCPF to offer Denver Health a contract to manage physical health services.
  - PRIME: 25.5-5-415 (2) allows for payment reform and innovation pilots.

# Changes Due to ACC Phase III

On July 1 we changed the:

1. Number of RAE regions.
2. Methodology used to assign members to a provider and RAE/MCO.

To ensure members were appropriately assigned to the new regions, we ran everyone through the updated methodology.

**Note:** this methodology is based on primary care visits.

Some members were newly enrolled into Elevate or PRIME because they didn't have primary care utilization.

This was especially disruptive for members on HCBS waivers who typically have established relationships with specialty providers.