

CCBHC Prospective Payment System Subcommittee

May 21, 2025

Agenda

- Meeting Expectations & Introductions
- Subcommittee Charge and Workplan
- PPS Model Options Discussion
 - PPS 1 or PPS 3
 - Review additional information from NH and national technical assistance
 - Review examples
 - Scope of Services - key questions
 - Allowable Costs - key questions

Purpose & Goals

PPS Subcommittee Purpose

To share input and offer recommendations to build the CCBHC prospective payment system through the planning grant year.

Planning Grant Goals

1. Establish realistic implementation plan understanding cost and timeline.

Determine if the CCBHC model the best way to improve the Behavioral Health Safety Net system in Colorado.

Planning Grant Roadmap

12-month Process	Planning for CCBHC Implementation (January 2025 – December 2025)											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Steering committee(s)	Develop committee(s)		Maintain committees, subcommittees, and partnerships (e.g., state, clinics, associations) with regular meeting cadences, notes, and deliverables to ensure stakeholder and community engagement in the CCBHC demo									
Populations & service areas	Solicit input from focus populations, identify potential CCBHCs & their service areas				Identify population health needs and secure insight from those communities, work with providers to select initial sites and regions they will serve as CCBHCs							
CCBHC training & education	Identify and provide TA needs for providers (e.g., CCBHC-PPS, billing, quality measures) as possible											
Infrastructure for data quality	Identify data collection infrastructure needs and begin processes for quality measurement				Onboard and maintain technology platforms for clinic and state efforts to ensure accurate measurement of quality measures and population health needs							
Assess clinic & community needs	Launch and complete community needs assessments and clinic readiness assessments				Assure clinics' community needs assessments and clinic readiness assessments are complete, accurate, and aligned for criteria and certification needs							
Scope of Services & Certification	Finalize Scope of Services and activities that will be included in certification & PPS rate				Formalize CCBHC criteria & Create certification process			Work with clinics to meet SAMHSA and state certification criteria, certify clinics, and plan for future certifications				
Establish CCBHC-PPS					Select CCBHC PPS	Establish a CCBHC-PPS system and work with clinics to help calculate a clinic-specific rate				Establish payment operations & review cost reports		
MS Approval for CCBHC											Prepare to apply for the Demonstration in 2026	

Introductions

Thank you for your time today!

Share your name and who you represent in the chat!

Subcommittee Focus Areas

- Prospective Payment System Recommendations
 - **Model 1 or Model 3** (single comprehensive rate or a carveout for crisis services)
 - **Scope of services** - which services are included in the PPS rate(s)?
 - **Specific allowable costs** - Identify opportunities related to investment under the PPS structure in the shorter-term

Committee Work Plan

Topic	May	June	July
PPS 1 or PPS 3	<ul style="list-style-type: none"> • Learnings from other states • Examples • Key questions 	<ul style="list-style-type: none"> • Review any new information • Recommendation finalization 	<ul style="list-style-type: none"> • Recommendation finalization
Scope of Services	<ul style="list-style-type: none"> • Introduction to key questions 	<ul style="list-style-type: none"> • Review supporting information on key questions 	<ul style="list-style-type: none"> • Recommendation finalization
Select Allowable Costs	<ul style="list-style-type: none"> • Introduction to key questions 	<ul style="list-style-type: none"> • Review supporting information on key questions 	<ul style="list-style-type: none"> • Recommendation finalization

PPS 1 vs PPS 3 Discussion Recap

- Desire to learn from other state experiences to inform recommendations
- Questions about intersection with crisis services through BHA and HCPF
- Initial discussion of pros and cons for PPS 3
 - Pros: mitigates financial risk associated with changes in utilization of crisis services from baseline to payment period
 - Cons: higher administrative burden for everyone

Comparing PPS 1 to PPS 3

Key Similarities	Key Difference
<ul style="list-style-type: none">• Same scope of services for CCBHCs• Same allowable costs for CCBHCs• Compliant with 25.5-4-403.2 (1)(b)(IX) “ASSURANCE THAT CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINIC CRISIS SERVICES ARE DELIVERED WITHIN THE PARAMETER OF COLORADO'S STATEWIDE CRISIS RESPONSE SYSTEM, THAT ANY CRISIS SERVICES DELIVERED BY THE CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINIC ARE ALIGNED WITH THE SERVICES PROVIDED THROUGH THE STATEWIDE CRISIS RESPONSE SYSTEM, AND THAT SERVICES DO NOT DUPLICATE OR IMPEDE SERVICES PROVIDED THROUGH THE STATEWIDE CRISIS RESPONSE SYSTEM”	<ul style="list-style-type: none">• Single comprehensive scope and rate vs. separate payment rate and scope of services for crisis services in support of mitigating potential financial risk

Key National Lessons Learned

- The key reason to have PPS3 is to mitigate changes in utilization for crisis services in the shorter term
- States can custom design a crisis services PPS to ensure it makes sense given the state's unique context.

PPS 1 vs. PPS 3 Example

Baseline Stats

Total Costs: \$1,000,000

Crisis costs: \$250,000

All other: \$750,000

Total encounters:

Crisis encounters: 1000

All other Encounters: 4000

*assume non duplicative and rate = costs

Baseline PPS Rates

PPS 1

- \$200.00 per encounter

PPS 3

- \$250.00 for crisis encounter
- \$187.50 per non crisis encounter

PPS 1 vs. PPS 3 Example

Case 1: Relatively Higher Crisis Services Utilization than in Baseline

Example: 10% growth in crisis services utilization. No change to other services. Costs are the same per unit of service as in baseline.

PPS 1: Provider is compensated at average rate from baseline of \$200 per encounter.

Total revenue = $(\$200 \times 5100 \text{ encounters}) = \$1,020,000$

Total costs = $(\$250 \times 1100 \text{ crisis encounters} + \$187.50 \times 4000 \text{ non crisis encounters}) = \$1,025,000$

Net provider impact in shorter term = loss of \$5,000 (same as difference in rates * difference in crisis encounters $\$50 \times 100 \text{ crisis encounters}$)

PPS 3: Provider is compensated \$187.50 per non crisis encounter and \$250 per crisis encounter.

Total revenue = $(\$187.50 \times 4000 \text{ non crisis encounters} + \$250 \times 1100 \text{ crisis encounters}) = \$1,025,000$

Total costs = $(\$187.50 \times 4000 \text{ non crisis encounters} + \$250 \times 1100 \text{ crisis encounters}) = \$1,025,000$

Net provider impact = \$0

Considerations

- The same example could play out the other direction with the provider receiving a windfall under PP1 when there are fewer crisis services provided than assumed in baseline.
- Rates are calculated annual and will catch up with more recent utilization experience. Unless crisis service utilization is on a consistently upward or downward trajectory over time relative to other services, gains and losses are likely to be partially offset over time.
- Costs per unit of service will be changing at the same time and could either offset changes in utilization or make them worse. We generally expect decreasing costs per unit.

Key Questions

- Do we have reason to believe that a CCBHC would face consistently increasing or consistently decreasing utilization rates of crisis services relative to other services?
- If so, do we have reason to believe that these increases or decreases wouldn't be offset by changes in unit cost (e.g., serving more people drives down average cost per unit because fixed costs are only incurred once)?
- If still an issue, is the administrative burden of creating and operationalizing separate PPS rates worth the financial risk mitigation?

CSNP v CCBHC

Scope of Service

CSNP

- Emergency and crisis behavioral health services
- Mental health and substance use outpatient services
- Behavioral health high-intensity outpatient services
- Care management
- Outreach, education, and engagement services
- Mental health and substance use recovery supports
- Outpatient competency restoration
- Screening, assessment, and diagnosis, including risk assessment, crisis planning, and monitoring to key health indicators

CCBHC

- Crisis Services (potentially different requirements)
- Outpatient Mental Health and Substance Use Services
- Psychiatric Rehabilitation Services
- Targeted Care Management
- Person- and Family- Centered Treatment Planning
- Community-Based Mental Health Care for Veterans
- Peer Family Support and Counselor Services
- Outpatient Primary Care Screening and Monitoring
- Screening Diagnosis, and Risk Assessment

Potential Colorado Requirements:

- All current CSNP requirements plus:
- Opioid Treatment Program (OTP) Requirement
- Additional allowable Evidence Based Treatments (EBTs)

Scope of Services Introduction

Key questions for future exploration:

- Which allowable evidence-based treatments are not currently covered that should be included in a CCBHC PPS?
- What changes to crisis services requirements are needed and how does this impact the scope of services covered by the PPS rate for CCBHCs?

Allowable Costs

- Are there any projected costs that should be included (consistent with A&A guidelines - multiyear depreciation of capital) that will not create a financial cliff for the state when the enhanced federal funding is no longer available.
- This is a critical concern in the face of likely significant federal budgetary pressure shifted to states.

Next Steps

Exit Survey: See chat for the link to today's exit survey.

Next meeting: June 18th at 2:00pm

Future topics:

- Finalize PPS 1 or PPS 3 recommendation
- Scope of Services Recommendations
- Allowable Costs

Contact Info

HCPF Behavioral Health Benefits Inbox:

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**Learn More about CCBHCs on the HCPF CCBHC
webpage:**

hcpf.colorado.gov/ccbhc

Newsletter Sign-up

Visit the Behavioral Health Benefits page for resources, information, calendar of upcoming events, and to sign up for the monthly behavioral health newsletter:

<https://hcpf.colorado.gov/behavioral-health>

Thank you!