



COLORADO

**Department of Health Care
Policy & Financing**

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

Letter Sent and Attested by All RAEs

July 31, 2019

RAE Leader, Title

RAE Name

Address

City, CO Zip

RE: Formal Notice

Dear RAE Leader:

In follow-up to our communications to you during the last two quarterly RAE meetings, this letter serves as the Department of Health Care Policy and Financing's (Department's) formal communication providing the Regional Accountable Entities (RAEs) with direction of the program's emerging focus for fiscal year 2019-2020 and 2020-2021. It is the Department's ultimate responsibility to ensure the RAE contract is in the public's best interest, which includes addressing the goals and priorities of the Department, Governor's office and General Assembly (Contract 2. E.).

ACC Evolution. The Accountable Care Collaborative (ACC) is designed with the understanding that delivery system change must be iterative to keep pace with an evolving health care system and to best meet the complex health needs of our members. While implementation of ACC Phase II was a significant innovation of the Medicaid delivery system, the Department continues to evolve the program in collaboration with RAEs, Federally Qualified Health Centers and other Primary Care Medical Providers, advocates, members and other stakeholders. In alignment with the Governor's healthcare affordability objectives, our parallel Medicaid cost control goal, and our focus on member health improvement, the Department is refining its ACC program. Specifically, the Department has developed a statewide approach to address the health care needs of high-cost, complex populations and prevent disease progression of conditions impacting the Medicaid population.

Targeted Populations. In alignment with this evolution and in accordance with the RAE Statement of Work requirements in Section 1 (specifically 1.1.2.6 and 1.1.2.7), the Department has begun shifting how it monitors and supports the RAEs in managing complex patients. Building off the quarterly RAE-Department meetings as well as the Cost Collaborative meetings, the Department has implemented the Clinical Risk Stratification Dashboard to provide RAEs with information on targeted populations to facilitate more effective interventions.

Our mission is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.
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Evolving Programs and Financing. Further, the Department will work with the RAEs to ensure the consistent application of evidence-based and proven programs that will improve health and better manage costs for targeted conditions and populations. We thank you in advance for your continued partnership in reviewing your existing programs, transparency in identifying opportunities for program improvement, and your collaboration in reallocating ACC resources to invest in more effective programs - in alignment with Sections 11, 15, and 16 of the Statement of Work.

RAE Performance Accountability. RAEs will be accountable for cost trend and quality outcome metrics for the identified targeted populations provided by the Department, for the overall health and expenditure for all enrolled members, and for ensuring members have access to medically necessary services. Moving forward, the Department will also partner with the RAEs to implement payment strategies that reward the RAEs for achieving total cost of care goals and clinical quality outcome metrics. We thank you in advance for your partnership in crafting these targets and metrics. The Department will continue to utilize the Key Performance Indicators (KPIs) and Performance Pool measures to incentivize progress on the affordability outcome measures and targets, as authorized under contract requirements 16.4.8.1.1.1 and 16.4.8.1.2.3.

Contract Amendments. The current statement of work contains many citations requiring collaboration between the Department and the RAEs when the need for changes are identified, particularly around modification to the KPIs, KPI performance goals, individual KPI payment amounts, and the Performance Pool.

We ask the RAEs to sign and return a copy of this letter to the Department attesting to very actively partnering with us during this fiscal year to evolve the program, address the items above, and maximize the success of this next chapter. Once programmatic changes are fully decided, the Department will work closely with the RAEs to determine which specific programmatic changes need formal contract amendments and which can be implemented through operational guidance documents.

Thank you again for your collaboration in enhancing the Medicaid program to deliver cost effective care while improving member health.

Sincerely,

Kim Bimestefer
Executive Director

cc: Laurel Karabatsos, Acting Medicaid Director
Stephanie Ziegler, Director, Office of Cost Control & Quality Improvement



The Contractor attests to actively partnering with the Department during fiscal year 2019-2020 to evolve the Accountable Care Collaborative in accordance with the contents of this letter dated July 31, 2019.

CONTRACTOR
RAE Name

RAE Authorized Signature

Print Name of RAE Authorized Signer

Date: _____

