

Opportunities for Expanded Medicaid Coverage in Colorado 1115 SUD Waiver Amendment

Health Care Policy & Financing

Introductions



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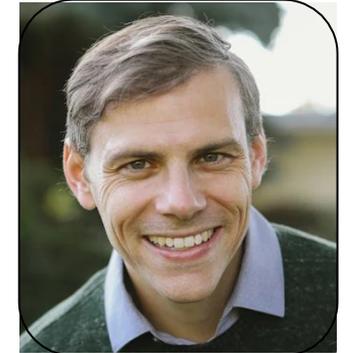
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Agenda

- ✓ Waiver Overview
- ✓ Amendment Components
 - Continuous Coverage
 - Criminal Justice Reentry Services
 - Serious Mental Illness and Serious Emotional Disturbance in an Institution for Mental Disease
- ✓ Next Steps
- ✓ Feedback

Section 1: Waiver Overview

What is a waiver?

- ✓ Federal rules set minimum standards related to Medicaid and CHP+ eligibility and required benefits
- ✓ **States can request to WAIVE some federal rules** to have more flexibility and offer coverage to more people and cover more services
- ✓ Five year agreement
 - Option for renewal
 - States can amend existing 1115 waivers to ask for additional services
- ✓ Waivers require additional reporting to CMS and an evaluation component to demonstrate the waivers effectiveness

1115 Expanding the Substance Use Disorder Continuum of Care Waiver

- ✓ In 2021, HCPF received Federal approval to cover Substance Use Disorder (SUD) services in Institutions for Mental Disease (IMDs) and other settings through an 1115 SUD Demonstration Waiver
- ✓ CMS Approval: January 1, 2021- December 31, 2025
- ✓ Goals of the 1115 Demonstration
 - Increase treatment options and usage
 - Reduce excess service utilization
 - Reduce overdose and death

Colorado's 1115 SUD Waiver Amendment (April 2024)

- ✓ Extending continuous Medicaid & CHP+ coverage for children to age three
- ✓ Extending 12 months of continuous Medicaid for adults leaving incarceration from a Department of Corrections facility
- ✓ Prerelease services for adults and youth transitioning from correctional facilities
- ✓ Reimbursement for acute inpatient and residential stays in institutions for mental disease (IMD) for individuals diagnosed with a serious mental illness (SMI) or serious emotional disturbance (SED)

Overview: HB23-1300 Continuous Eligibility Medical Coverage

- ✓ **April 2024 Waiver Amendment (authority to implement starting January 2026)**
 - Extending continuous coverage for children to age three
 - Extending 12 months of continuous for adults leaving incarceration from a Department of Corrections facility
 - Automatic Eligibility Renewal for individuals with \$0 income when electronic verifications return no information

- ✓ **January 2026 Feasibility Study (no authority to implement)**
 - Continuous coverage for all children for 24 months
 - Continuous coverage for children to age six
- ✓ **Continuous Coverage for adults for 12 and 24 months**
 - Under 33% FPL
 - Experiencing Homelessness
 - On Parole, Community Corrections, or released from a carceral setting
- ✓ **Continuously Coverage for all adults for 12 months**
- ✓ **Health-Related Social Needs - housing and food security**
 - Housing & Nutritional needs
 - Rental Assistance
- ✓ **Health-Related Social Needs - focused populations**
 - perinatal recipients
 - foster care youths, those transitioning out of foster care, and former foster care youth
 - people with substance use disorders
 - high-risk infants & children
 - needs of low-income individuals impacted by natural disasters



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Overview: SB 22-196: HCPF Studies a CJ Waiver

- ✓ Required HCPF to determine whether the state should seek a CMS waiver to provide a set of benefits immediately prior to release from incarceration
 - Review of carceral setting care costs “immediately prior to release”
 - Report submitted to the legislature in October 2023 and includes findings, fiscal analysis, recommendations, and budget neutrality assessment.
 - Looking at the CMS minimum coverage + care coordination and screening
- ✓ Report includes recommendations and financing analysis: what is the best way to pay for this expansion?
 - 1115 waiver for CJ would allow CO to draw federal match for covered services in jails and prisons, should supplement not supplant
 - Designated State Health Programs potential for even more matching funds for existing programs that aren’t otherwise able to be covered by Medicaid but expand coverage and access, improve quality, reduce disparities, and improve efficiency
 - Potential to offset total program costs by through other state-only funded programs
- ✓ Conclusion and next steps
 - HCPF requires additional legislative authority to pursue a waiver.
 - The SB22-196 Report and Alternative Plan are located on the hcpf.colorado.gov/legislator-resource-center webpage in the “reports” section.
 - Opioid and Other Substance Use Disorders Study Committee has proposed legislation to grant the needed authority (referred to as the “treatment” bill, bill B, or bill 2).



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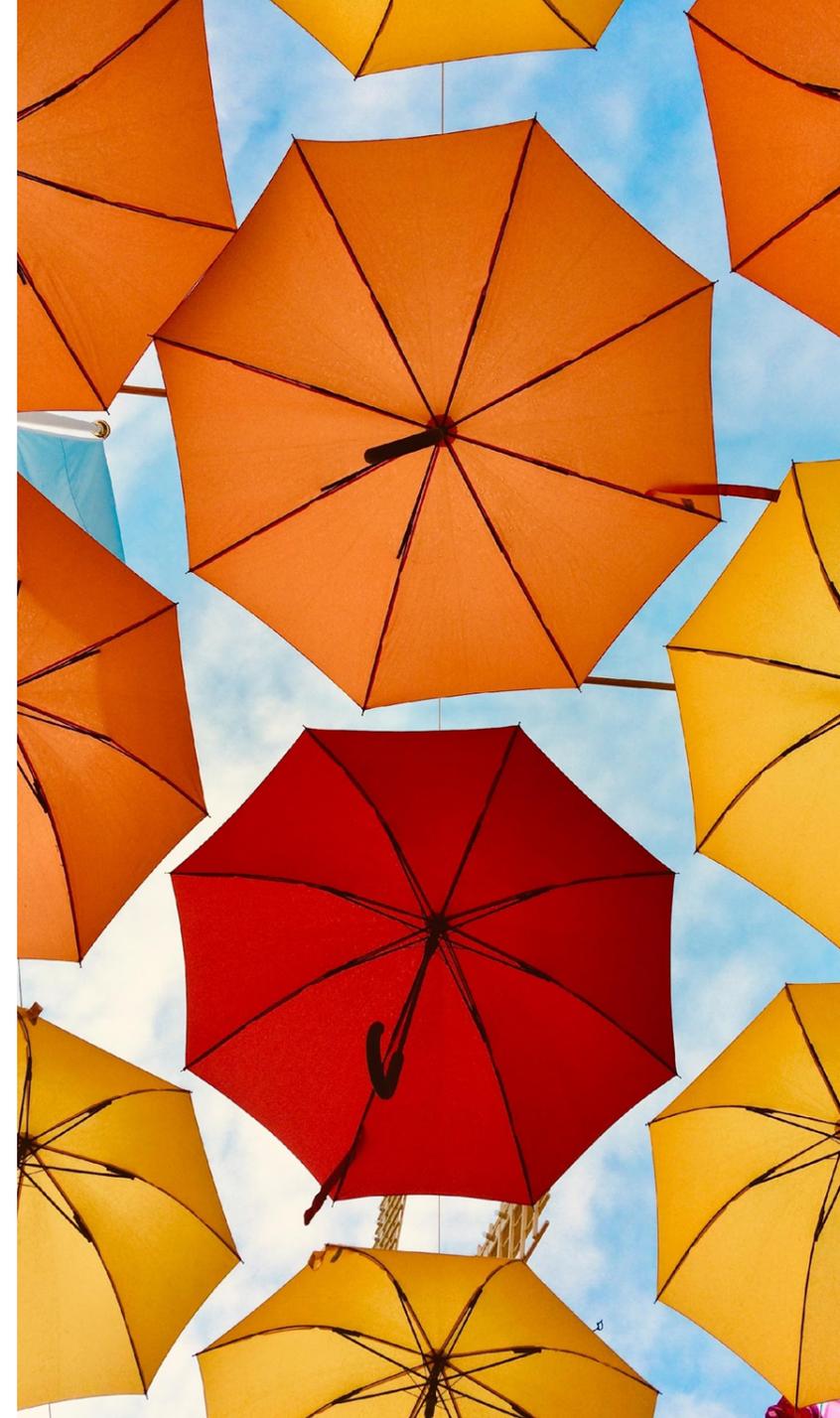
Section 2: Continuous Coverage

Vision

- Through Colorado House Bill 23-1300 and the waiver amendment, Colorado aims to improve the health and well-being of Coloradans through consistent access to health care coverage during critical periods in life regardless of income changes

Proposal

- ✓ **Continuous coverage** for children through age 3
- ✓ Twelve-month **continuous coverage** for adults leaving incarceration from Department of Corrections



Goals: Continuous coverage for children to age three

This request seeks to:

- ✓ Ensure continuous Medicaid and CHP+ coverage for young children
- ✓ Promote longer-term access to and continuity of physical health care, behavioral health care, dental care and preventive services
- ✓ Combat racial inequalities
- ✓ Improve physical and behavioral health outcomes and well-being for low-income young children

Goals: Continuous coverage for adults leaving incarceration

This request seeks to:

- ✓ Ensure 12 months of continuous Medicaid coverage for adults leaving incarceration
- ✓ Promote longer-term access to and continuity of physical and behavioral health care and care coordination
- ✓ Combat racial inequalities
- ✓ Improve short and long-term physical and behavioral health outcomes and reduce recidivism for adults leaving the criminal justice system

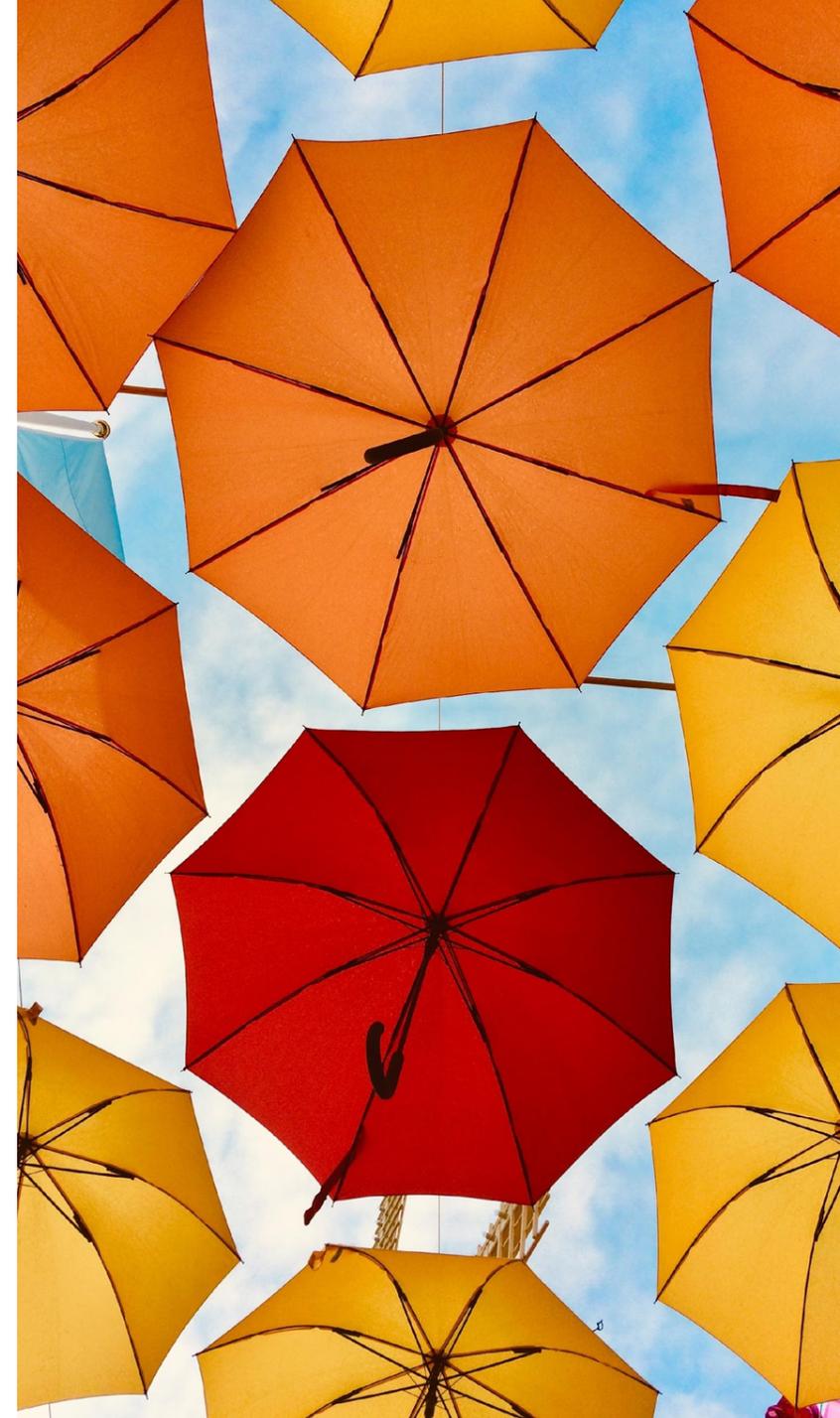
Section 3: Criminal Justice Reentry Services

Vision

- Colorado aims to improve health outcomes for individuals and greater health equity for justice involved individuals transitioning back into the community
- Currently prohibited by Inmate Exclusion Policy, need to waive this policy

Proposal

- ✓ Reentry services for individuals transitioning from the Department of Corrections (DOC) and Division of Youth Services (DYS) facilities



Goals: Criminal Justice Reentry Services

This request seeks to:

- ✓ Improve health outcomes for individuals with complex or unmet health needs
- ✓ Create greater health equity within the healthcare continuum
- ✓ Reduce the disparities for criminal justice-involved individuals by improving access to quality health care, allowing for successful transitions back to the community

Coverage: Reentry Services

In April 2023, CMS provided State Medicaid Letter [#23-003](#) provided a roadmap to waive this exclusion with the following specifications:

- ✓ Coverage up to 90 days pre-release and must include
 - Case management,
 - MAT services and accompanying counseling, and
 - 30-day supply of all medication
- ✓ Eligible Facilities: jails, state prisons, and youth detention facilities. States may take a phased approach to adding facilities.

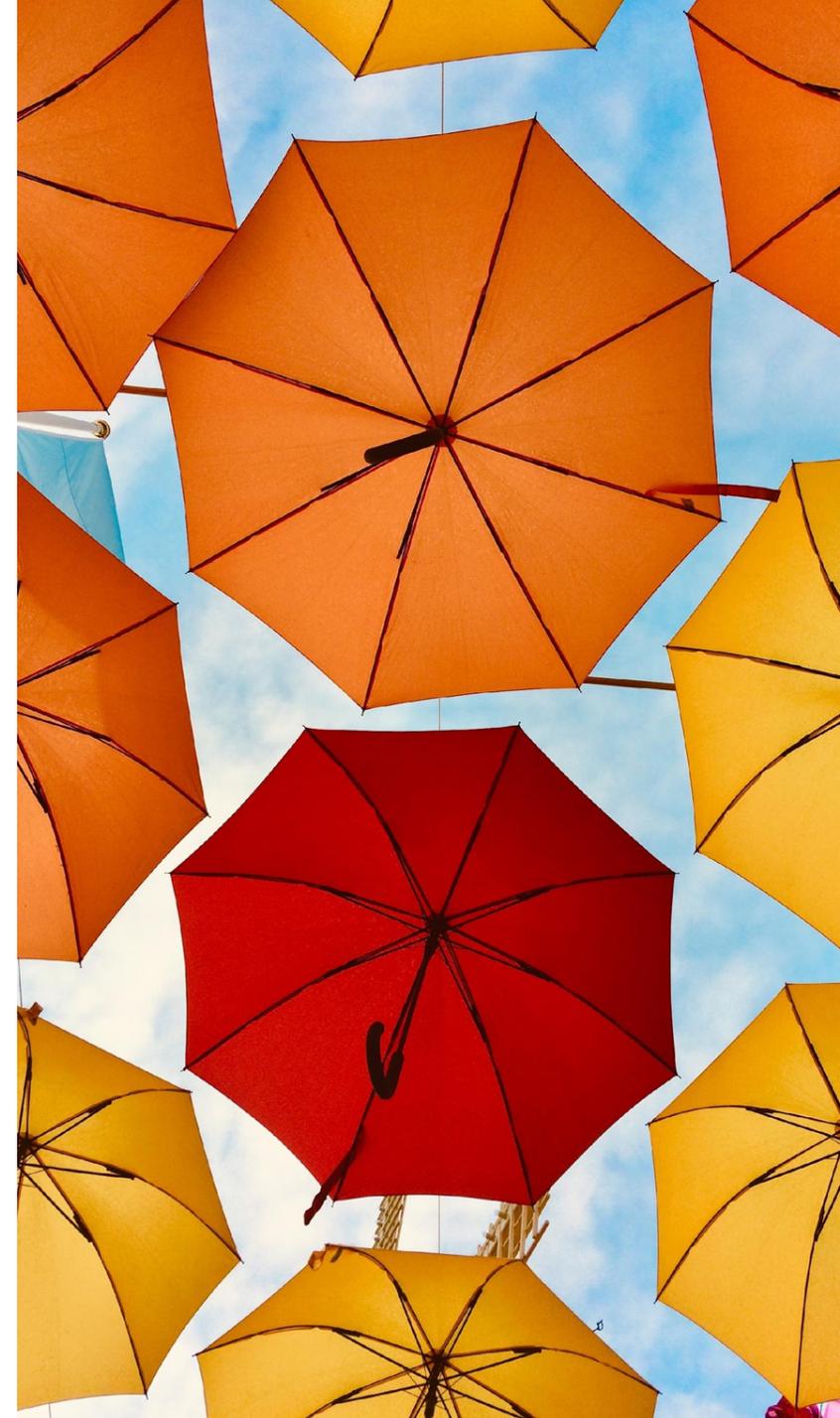
Section 4: Serious Mental Illness and Serious Emotional Disturbance (SMI & SED) in an Institution for Mental Disease (IMD)

Vision

- Colorado aims to stabilize access and availability of treatment and speciality care for Coloradans experiencing chronic and complex mental health needs.
- Currently prohibited by “IMD” Exclusion

Proposal

- ✓ Expand reimbursement for acute inpatient and residential stays in IMDs for individuals diagnosed with a SMI or SED to cover up to 15 days regardless of total days



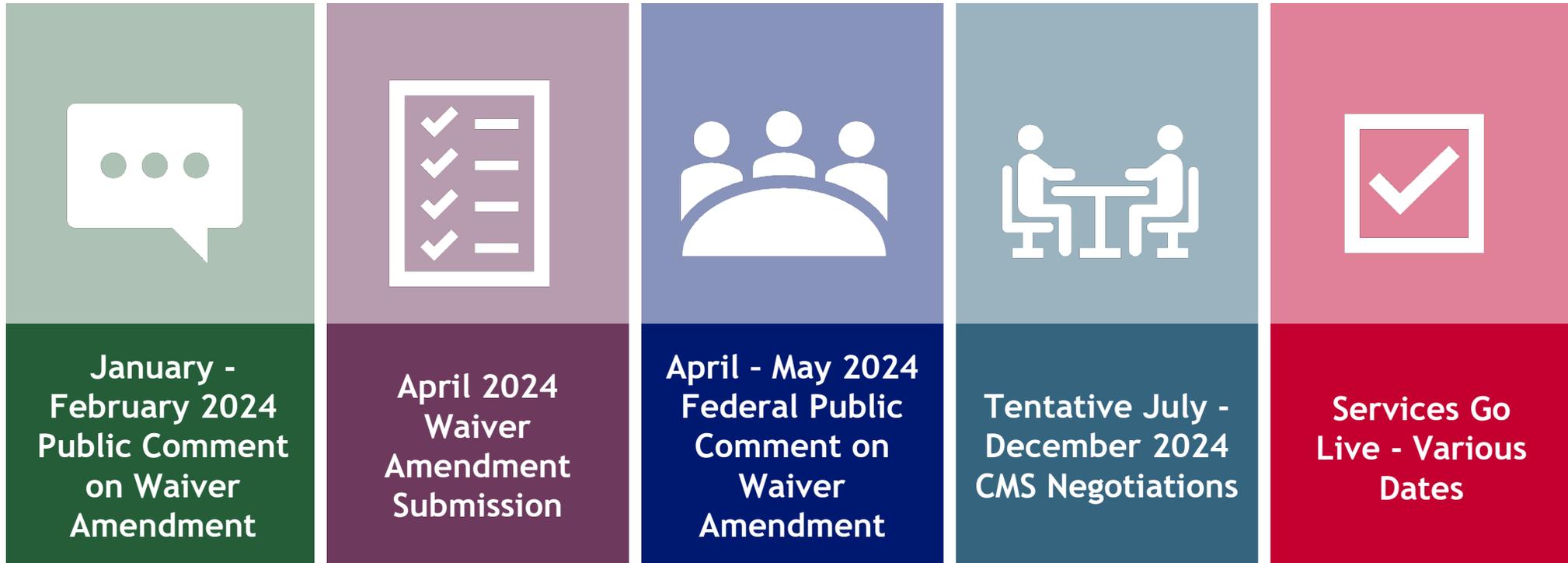
Goals: Serious Mental Illness and Serious Emotional Disturbance in an IMD

This request seeks to:

- ✓ Stabilize access and availability of treatment for individuals with SMI and SED
- ✓ Allow for reimbursement for up to 15 days a calendar month for all members stays, despite total length of a care episode
- ✓ Reduce utilization and lengths of stay in emergency departments
- ✓ Reduce preventable readmissions to acute care hospitals and residential settings

Section 5: Next Steps & Timeline

1115 Waiver Amendment Timeline



Next Steps

- ✓ **Stakeholder Formal Feedback Process**
 - Public and Tribal Comment Period (Jan-Feb 2024)
- ✓ **Amendment proposal submitted April 2024**
- ✓ **HB 23-1300**
 - Feasibility Study due January 2026

Feasibility Study

- ✓ HB 23-1300 includes an additional feasibility study component to be completed by January 1, 2026.
- ✓ The Department will assess how to improve the Health-Related Social Needs (HRSN) of Health First Colorado and CHP+ members.
- ✓ This study seeks to understand HRSN of priority populations, including housing and nutrition, and includes but is not limited to the needs of:
 - Perinatal recipients,
 - Foster care youths, those transitioning out of foster care, and former foster care youth,
 - People with substance use disorders,
 - High-risk infants & children, and
 - Needs of low-income individuals impacted by natural disasters.



Open Forum for Comments & Questions

Contact:

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