

Membership Surge Forecast

Colorado's Unemployment Rate Increase

February: 2.5%

March: 5.2%

April: 11.3%

May: 10.2%

- Doubled Feb to March and March to April
- Highest since state began tracking in 1976
- Prior record was 8.9% during Great Recession in Fall 2010
- Compares to 14.7% nationally - highest since U.S began tracking in 1948

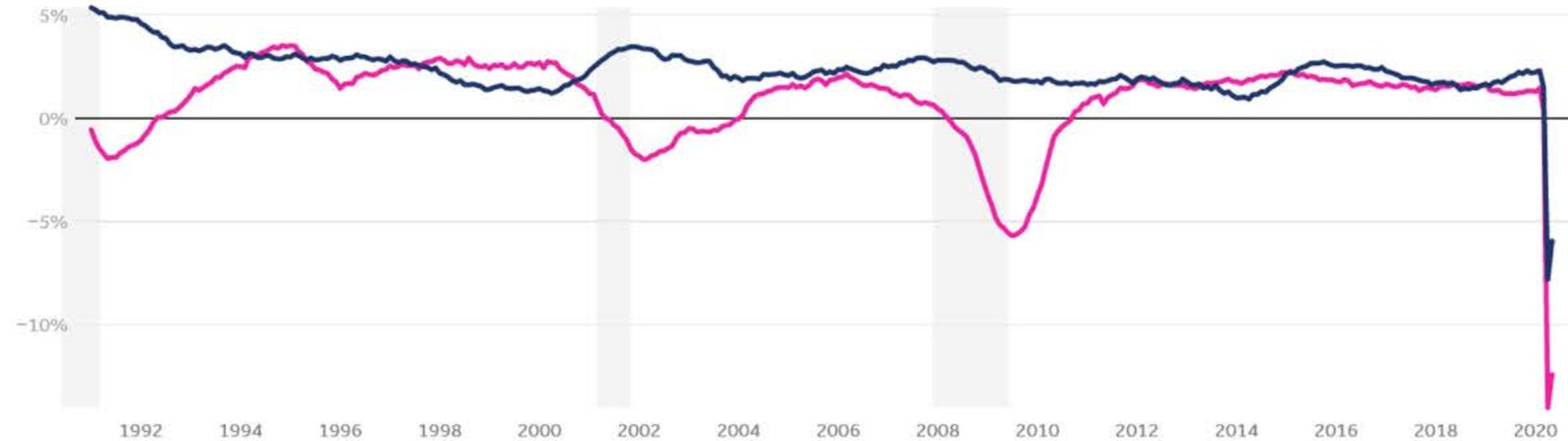
466,645 Coloradans filed initial unemployment claims since mid-March

Source: Colorado Department of Labor and Employment

Employment in healthcare settings decreased drastically from February through April, but rebounded slightly in May

Year-over-year change in healthcare and non-healthcare employment, January 1991 through May 2020

— Healthcare employment — All other employment



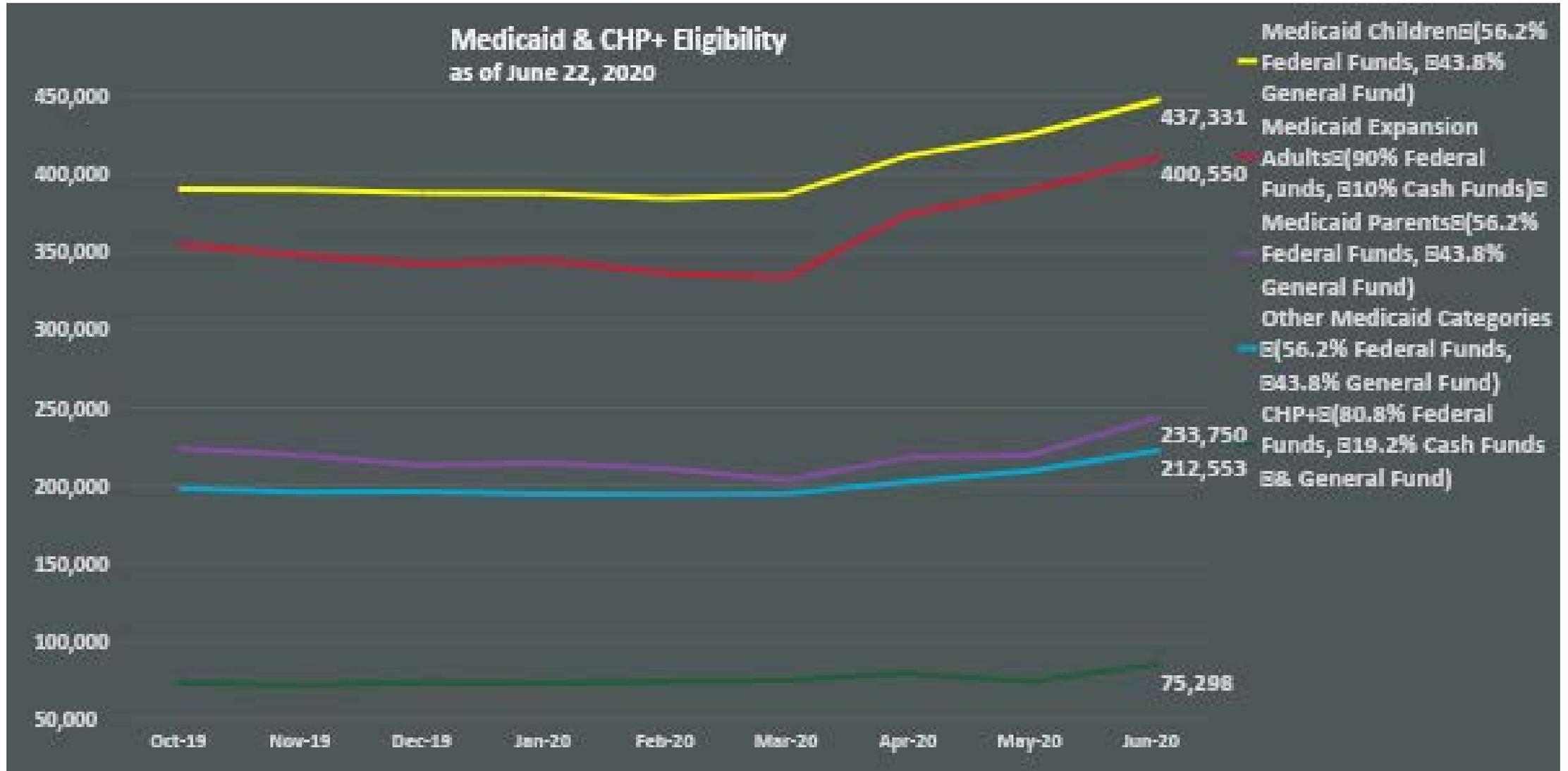
Grey regions represent periods of economic recession.

Source: Bureau of Labor Statistics • [Get the data](#) • [PNG](#)

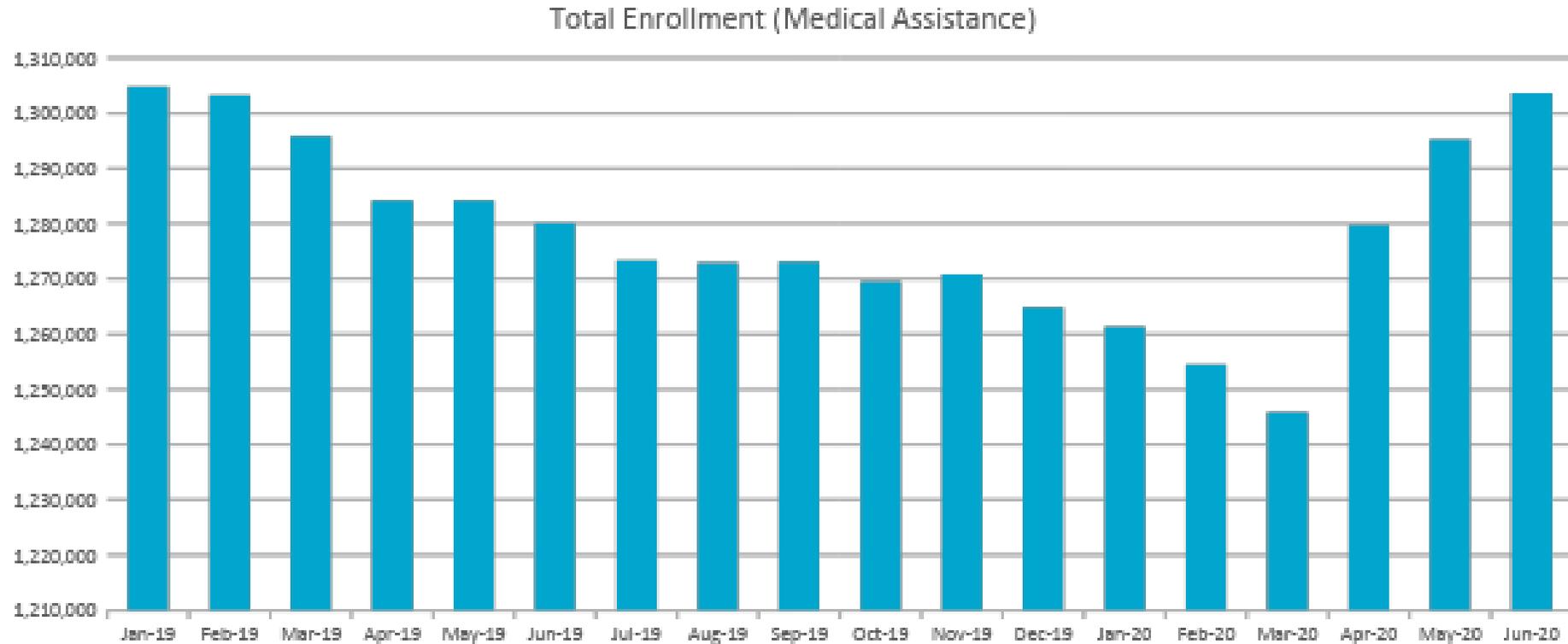
Peterson-KFF
Health System Tracker

Medicaid Category Enrollment

Count of Clients enrolled by aid code. Chart shows total enrollments by time periods and the changes in its composition over time.



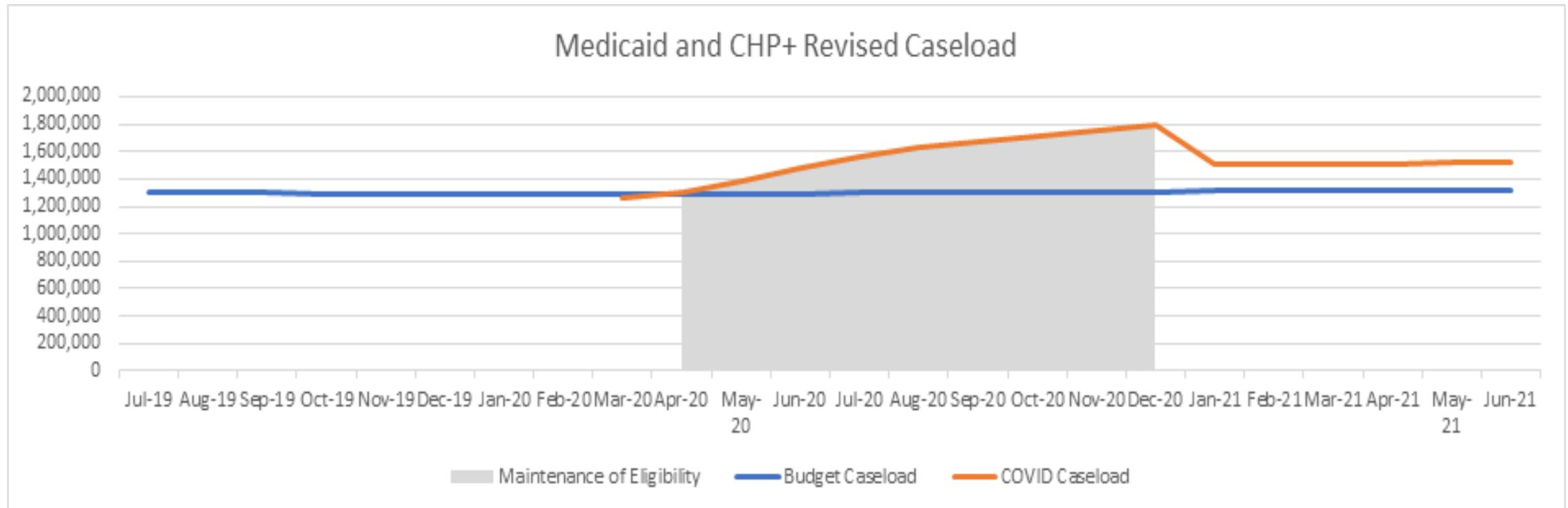
COVID-19 Impact on monthly enrollment



By looking at enrollment over the last 18 months, you can see the immediate effects of COVID-19 and continuous enrollment (Maintenance of Effort).

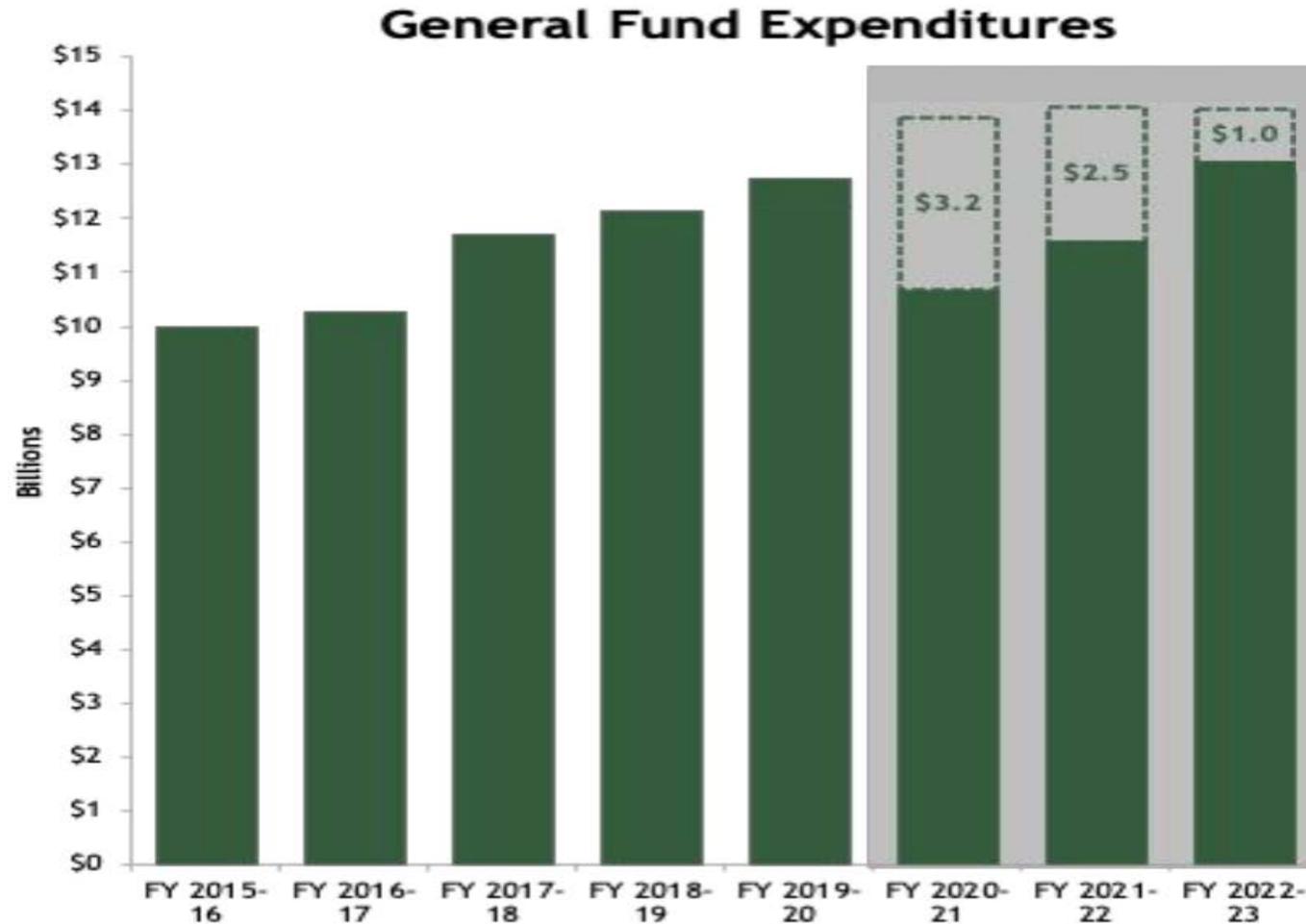
Medicaid, CHP+ Membership Surge Forecast

- **Member surge of 500k+ Coloradans** btw April 1 and end of FY2020-21, over 1.3M members covered in Medicaid and CHP+ as of March 2020.
- **Est disenrollment of ~ 300k members** who do not meet eligibility criteria after Maintenance of Enrollment (MOE)
- **Net membership surge of an est 300k+** covered members



2020 Legislative Session Summary & Policy Implementation Updates

Budget Impact of COVID-19



*Estimate assumes steep drop in revenue, then gradual build back.

*Estimate is very rough, and **does not** represent a forecast update.

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Legislative Session Summary: Key HCPF Budget Actions

Reductions in the Long Bill include:

- Reducing HCPF Admin Personal Services funding by 5%
- Increasing certain member copays to the maximum allowed under federal law
- Delaying the implementation of the Inpatient/Residential Substance Use Disorder benefit
- Reducing funding for Healthy Communities by 75%
- Reducing community provider rates by 1%
- Reducing supplemental payments to Denver Health and University Hospital
- Reducing PACE rates by 2.37%
- Reducing Screening, Brief Intervention, and Referral to Treatment training grants
- Reducing State support for the All-Payer Claims Database
- Reducing funding for the Commission on Family Medicine

Other Budget Actions

Reductions in other bills include:

- Reducing the annual cap on the adult dental benefit from \$1500 to \$1000 (HB 20-1361)
- Making implementation of wraparound services for children and youth as required by SB 19-195 contingent on available appropriations. No funding is appropriated for FY 2020-21 (HB 20-1384)
- Limiting the annual rate increase for skilled nursing facilities to 2%, instead of 3% (HB 20-1362)
- Using the increased federal Medicaid financing (HB 20-1385) and Healthcare Affordability and Sustainability cash funds to create General Fund relief (HB 20-1386)

Additional Bills Passed

- **HB20-1426** includes mission critical renewal of HCPF's overexpenditure and transfer authority
- **SB20-212**: Makes permanent HCPF emergency telemedicine policy changes
- **SB20-033**: Extends the Medicaid Buy-in Program for Working Adults with Disabilities to eligible members 65+ starting in 2022
- **HB20-1236**: Creates a new "easy enrollment" program adding the option to be evaluated for eligibility for health coverage to tax filings
- **HB20-1232**: Codifies HCPF policies on coverage of routine costs for clinical trials
- **HB20-1237**: Codifies HCPF policy assigning a child in an out-of-home placement to the same managed care entity that covers the county with jurisdiction over the placement action

Next Steps on Telemedicine

The New Normal

- *2020-2021 budget cuts were painful. 2021-2022 cuts will be worse.*
- *COVID-19 has shown us that providers and Coloradans can behave differently.*
- *This is an opportunity to change, thoughtfully.*
- *This is an opportunity for increased collaboration and accountability.*



COLORADO

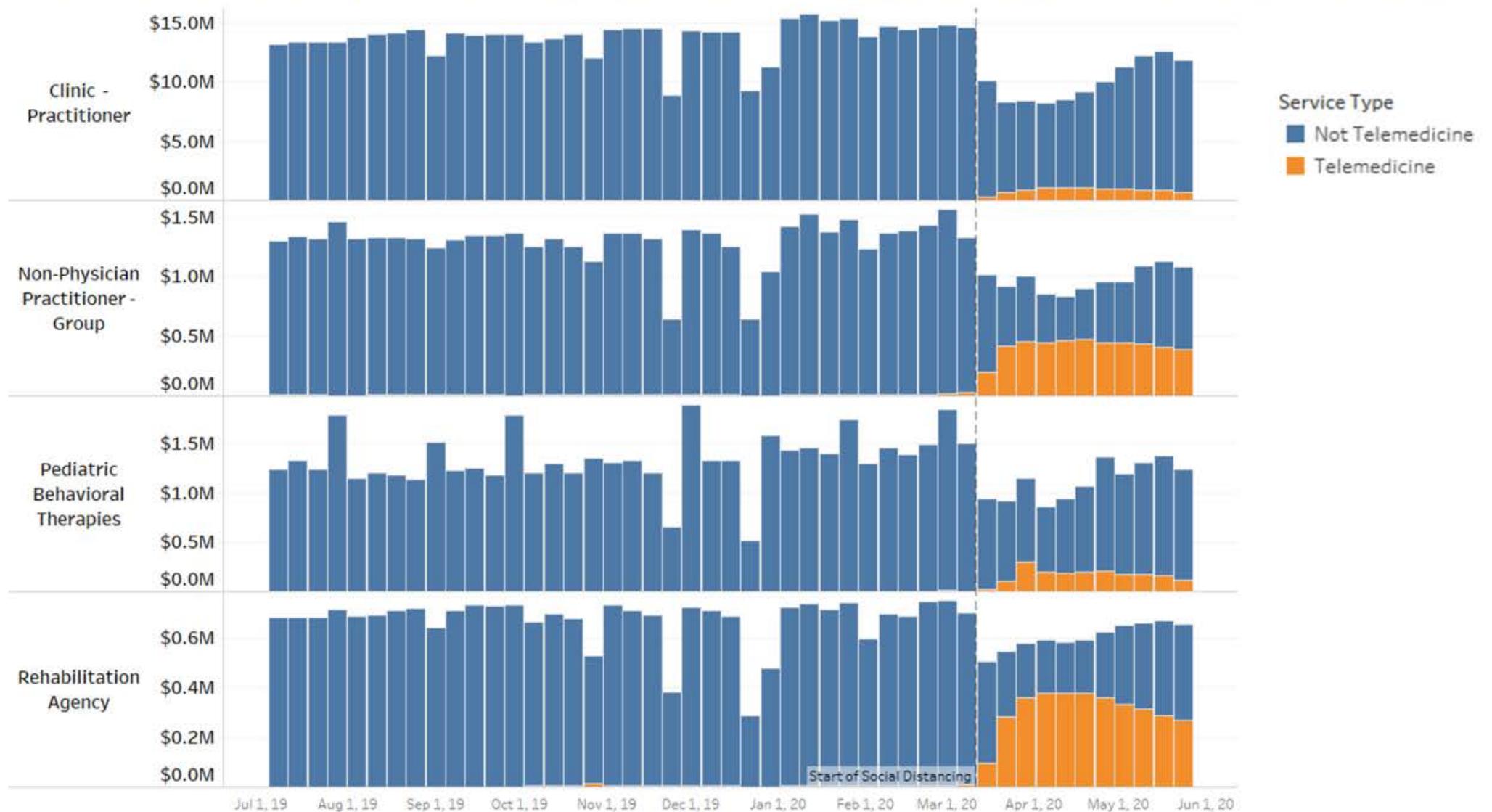
Department of Health Care
Policy & Financing

“Driving a New Normal in Healthcare”

Opportunity to Work Together

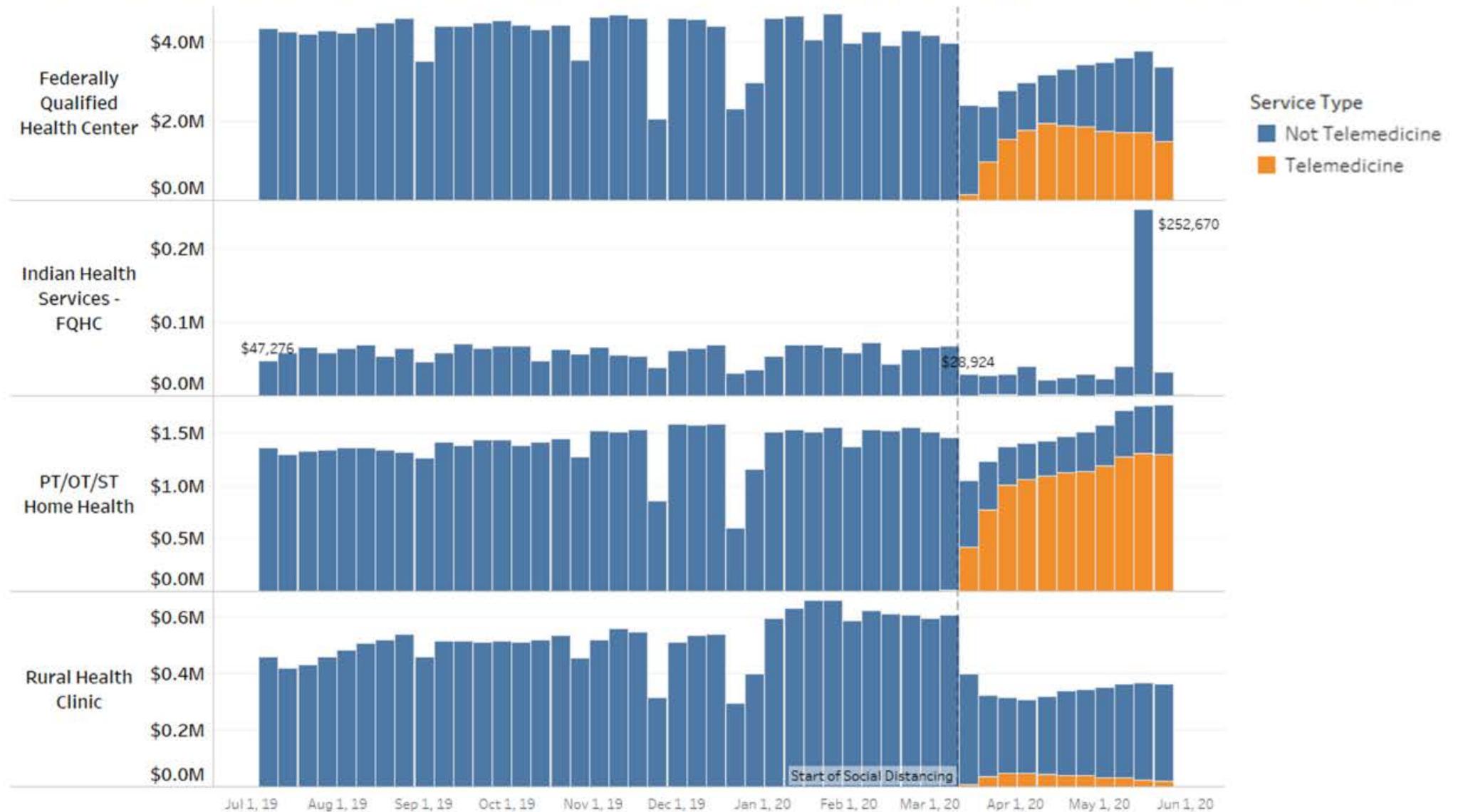
- Drive Telemedicine; study its efficiencies and appropriateness
- Increase use of eConsults; create best practices
- Implement prescriber tool components as they become available
- Reduce use of low-value and unnecessary care
- Reduce/repurpose free-standing EDs; discontinue any remaining ED marketing
- Frame Alternate Payment Models (APM) to drive value, alignment
- Health Equities - disparities in care, gaps in care

IBNR-Adjusted Paid Amounts by Provider Type (includes all outpatient, professional, & dental)



Note: Bars are the weekly paid amount with IBNR adjustment. IBNR adjustment is less accurate the more recent the week. These are estimates only. Changes in provider billing patterns would make the estimates less accurate. Data shows service dates through 5/30/20.

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Telemedicine Stakeholder Engagement Overview

Betsy Holt

Goals

- 1 Information sharing
- 2 Compliance
- 3 Equitable input
- 4 Trust & community

1

Information sharing

- Department approach for studying policy development
- Opportunities for providing feedback and input
- High-level training and support for telemedicine use and reimbursement

2

Compliance

- Emphasis on need for compliance with standards and sub-regulatory guidance
- Specific training for specific benefits and services

3

Equitable input

- Ensure that a broad range of voices are heard in the policy development and research process
- Ensure that all questions and comments are thoughtfully considered
- Ensure that results of that consideration are shared

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Trust & community

- Leverage the opportunity to demonstrate transparency, build community, and create trusting relationships with providers, members and advocates.

High-Level Plan

- General information sharing /level-setting webinar, scheduled after July MSB
- Leverage opportunities to work with other outreach efforts
- Specific Department training with opportunities to offer feedback
- Specific audience (provider type or regional) engagements with key questions for feedback
- Stakeholder resource web-page with input form

High-Level Plan

- Data collection and analysis:
 - Utilization data deep dive
 - External reports
 - Department budget analysis
 - Member survey
 - RAE survey

Thank You!