



**COLORADO**

Department of Health Care  
Policy & Financing

# Behavioral Health Services

*Accountable Care Collaborative Phase II July 20, 2018*

On July 1, 2018, new Regional Accountable Entities (RAEs) began serving as the single entity responsible for coordinating both physical and behavioral health (defined as mental health and substance use disorder) for Health First Colorado (Colorado's Medicaid Program) members and administering the capitated behavioral health benefit. These are the duties previously contracted by Regional Care Collaborative Organizations (RCCOs) and Behavioral Health Organizations (BHOs).

## Behavioral Health Contracting

The RAEs are responsible for developing and managing a network of primary care physical health providers and behavioral health providers to ensure access to appropriate care for Health First Colorado members. Moving forward, all behavioral health providers who want to receive reimbursement for providing services covered by the capitated behavioral health benefit must contract directly with the RAE(s). For more information, see the [Contracting Guidance for Behavioral Health Providers fact sheet](#).

## Short-term Behavioral Health Services

Starting July 1, 2018, the Department increased access to short-term behavioral health services within the primary care setting. Health First Colorado members will be able to receive short-term behavioral health services provided by a licensed behavioral health clinician working as part of a member's Primary Care Medical Provider (PCMP). For more information, see the [Short-term Behavioral Health Services fact sheet](#).

## Behavioral Health Incentive Program

For more information on the behavioral health incentive program, see the [Performance Measurement fact sheet](#).

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## Frequently Asked Questions

### **How will behavioral health services be administered under ACC Phase II?**

The RAEs will perform the duties previously performed by the Behavioral Health Organizations. The Department produced an overview webinar on ACC Phase II, including information on behavioral health services in ACC Phase II. You can access the recording as well as other helpful resources at [CO.gov/HCPF/ACCPhase2](https://www.colorado.gov/hcpf/accphase2).

### **Why did the Department retain the behavioral health capitation as opposed to moving to fee-for-service?**

Very early on in the process of designing Phase II of the ACC, the Department decided to retain the capitated benefit for behavioral health care in an effort to maintain the full continuum of community-based, alternative services that are only available under capitation and a waiver with the federal Centers for Medicare & Medicaid Services (CMS). For additional information on the Department's decision to retain the behavioral health capitation, see our [program decision](#).

### **What are the credentialing requirements and process for behavioral health providers?**

Federal regulations require credentialing, so state Medicaid programs can ensure inclusion of quality network providers. The new RAEs will be responsible for administering both the physical and behavioral health benefit, therefore, there is an incentive for the RAE to ensure a robust, quality network to meet the needs of their members.

### **What requirements do the RAEs have in terms of behavioral health provider contracting?**

The Department has several requirements around network development in the RAE contracts. The Department must follow federal requirements on network adequacy standards, which includes making sure to contract with a variety of providers to meet the needs of all members. The contracts require RAEs to contract with both community mental health centers as well as private behavioral health practitioners. The Department has been made aware by the RAEs that they are contracting with other providers who may not have been part of the network before. That being said, the ACC has requirements that providers are also credentialed by RAEs. For more information please see our provider contract webinar and fact sheets on [CO.gov/HCPF/ACCPhase2](https://www.colorado.gov/hcpf/accphase2).



**What requirements do RAEs have related to behavioral health networks?**

Each RAE is responsible for its own network and they have to demonstrate network adequacy to the Department. The RAE contracts require adequate access to behavioral health services included in the Capitated Behavioral Health Benefit, which includes meeting the network adequacy standards. Each RAE can still place their own limitations on networks. The Department has also engaged an external quality review vendor who will help determine and monitor networks to make sure they meet the proper adequacy standards. Additionally, the new managed care regulations require the RAE to notify the Department if a provider is leaving the network and if that will make it hard for members to receive certain services.

There are also opportunities for single-case agreements for established relationships and specialty providers outside of network that the RAE can arrange. We encourage counties to reach out directly to the RAEs if you believe their network is missing key providers.

**What will be the behavioral health appeals process be under ACC Phase II?**

The RAEs will handle appeals for all services denied under the Capitated Behavioral Health Benefit. Fee-for-service medical service denials are handled by the Department. The RAEs follow specific federal regulations in managing appeals.

**Are the RAEs required to pay Community Mental Health Centers (CMHCs) using the RVU/Base Unit Cost methodology when they contract with CMHCs on a fee-for-service basis?**

No. The RAEs are free to negotiate rates with the CMHCs above, at, or below the rates produced by the Relative Value Unit (RVU)/Base Unit Cost methodology.

**What parameters has the Department established for reimbursement to CMHCs?**

None. CMHCs and RAEs are free to negotiate a mutually agreeable payment methodology and rates. The Department has never, and does not intend to start dictating reimbursement methodology or level of reimbursement for CMHCs by the RAEs.

**Is the state required to pay CMHCs at a reasonable cost under Colorado statute?**

No. Colorado statute requires the Department to develop a cost-based fee schedule. Colorado statute does not guarantee that CMHCs will be paid the fee schedule under managed care.



**How does the state expect to maintain an adequate behavioral health provider network if it does not require the RAEs to pay CMHCs at least at cost?**

Each RAE is responsible for its own network and they have to demonstrate network adequacy to the Department. The RAE contracts require adequate access to behavioral health services included in the Capitated Behavioral Health Benefit, which includes meeting the network adequacy standards. Each RAE can still place their own limitations on networks. Given CMHCs have historically provided a large share of behavioral health services in the state, it is unlikely any RAE could satisfy their contractual obligations if they fail to contract with a CMHC. A CMHC is not likely to contract with a RAE if the rates offered do not meet their business needs. Additionally, many of the programs operated by the CMHCs have been critical in managing the risk of the Health First Colorado population; as the entities bearing the financial risk in the program, the RAEs have a strong financial incentive to leverage the CMHCs' expertise.

**Has the Department established any parameters for how RAEs must pay CMHCs outside of their region?**

No. Each RAE is responsible for its own network and they have to demonstrate network adequacy to the Department. Additionally, CMHCs and RAEs are free to negotiate a mutually agreeable payment methodology and rates.

## For more information

[CO.gov/HCPF/ACCPPhase2](https://www.colorado.gov/HCPF/ACCPPhase2)

