

## May is Mental Health Awareness Month

This month presents an opportunity to underscore the importance of our comprehensive, collaborative work to develop an equitable, accountable and effective behavioral health system that improves the health and well-being of Coloradans. It also serves as an opportunity to recognize and celebrate the tremendous work in process to achieve this shared goal.

After years of foundational planning, community engagement, data and policy analysis, 2022 will go down in history as an unprecedented year for Colorado behavioral health investment and transformation. To Coloradans, this means meaningful improvements in behavioral health access to care, quality outcomes, health equity, prevention, treatment, recovery and more.

### Investments into Behavioral Health

The Polis-Primavera Administration and the legislature continue to invest in Medicaid's behavioral health [budget](#), with a funding increase of over \$400 million since 2018, and a behavioral health budget over \$1 billion for the 2022-23 fiscal year. We also celebrate the \$450 million in American Rescue Plan Act funding approved by the Polis-Primavera Administration and the legislature, generated from the [Behavioral Health Transformation Task Force Recommendations report](#) and designed to transform the behavioral health system to the betterment of all Coloradans.

### Proclamation

Governor Polis highlighted the importance of promoting mental wellbeing and developing an equitable, accountable, and effective behavioral healthcare system in a [statewide mental health equity efforts](#) proclamation signed this month.

### Improving CMHC Accountability, Cost Transparency, Rate Appropriateness, Quality Outcomes, and Clinical Resource Capacity

Some of the Mind Springs challenges identified by the community transcend other Community Mental Health Centers (CMHCs) and would not be identified through standard audit methodologies. Given that reality, we have provided below a set of

reforms for the safety net, including CMHCs, that will address many of the challenges specific to meeting community needs, CMHC accountability and CMHC transparency. These coordinated time-specific projects will address challenges across all CMHCs, including Mind Springs. They include: (a) changing our cost reporting structure; (b) universal contracts; (c) value based payments; (d) reducing admin burden; and (e) expanding the safety net. Each is explained below.

**(a) Modernized Cost Reports & Rate Establishment:**

CMHCs benefit from the “cost plus” payment model. The formula that the Colorado Departments of Health Care Policy & Financing (HCPF) and Human Services (CDHS) use to set rates comes from cost reports submitted by the CMHCs to HCPF. The Departments are working to not only improve accountability in this model, but also to extend it to smaller and medium sized providers who provide essential and specialized safety net, behavioral health services.

The new Cost Reporting Template is complete and was released to all the CMHCs. The new reporting requirements determine costs by program type. HCPF will also set a policy for what is “reasonable” under existing authority (e.g., salaries above a certain amount, or facility improvements that do not improve patient care) as a part of the cost reporting reform project. “Unreasonable” reimbursements - or costs above a reasonable amount - will be denied.

HCPF will provide technical assistance to the CMHCs on the new Cost Reporting Template, which the CMHCs will be required to submit to HCPF by November 2022. These new cost reports will be used to establish new CMHC for rates for Medicaid effective July 2023.

**(b) New Universal Contract:**

The universal contract is a new payer-provider contracting tool that will establish expectations across CMHC providers, including driving accountability for key deliverables such as treating the most complex patients, providing culturally responsive care, meeting community needs and responding to other essential stakeholder interests. The universal contract for safety net providers will be essential to ensuring that the new Behavioral Health Administration, HCPF and CDHS (as well as other state agencies) are holding providers accountable to the same standards and expectations while also providing more consistency to the CMHCs from a payer perspective. At this stage, work teams are creating a skeleton of the universal contract draft for state leadership to review.

### (c) Value-Based Payment:

Aligning value-based payments with the universal contract will reward shared interests which may include quality outcomes, community responsiveness, health equity, patient health outcomes, access and more. Through the BHA, the Departments will collaborate to establish consistency and clarity on state priorities memorialized in the form of value-based rewards. The Rates and Managed Care staff inside HCPF have been working on this evolution for more than a year. The target for the first value-based payments is July 1, 2023 with further evolution in 2024 and beyond.

### (d) Reducing Administrative Burden

This work group is in place to identify and alleviate administrative burdens and operational challenges that CMHCs and other behavioral health providers are facing and to improve operational quality and efficiency. Specifically, this work group has already articulated a list of process and documentation barriers that stifle the efficiency and effectiveness of safety net providers and is working on short and long term change recommendations to contract and policy for the Departments' consideration.

### (e) Expanding the Safety Net, Colorado State Senate Bill 19-222

The Departments are committed to the implementation of our Plan to Expand and Strengthen the Behavioral Health Safety Net, in alignment with [Colorado State Senate Bill 19-222](#), which includes expanding the behavioral health provider network. We are working to strategically expand the network with a focus on connecting small and medium sized behavioral health safety net providers with access to sustainable funds. We are also asking existing providers to expand high-intensity outpatient services, medication assisted treatment, youth residential and services for individuals with co-occurring and complex needs.

## The Behavioral Health Administration

The Behavioral Health Administration (BHA) [HB22-1278](#) is empowered to lead change, to publicly hold itself and its partners accountable, and to take advantage of every opportunity to ensure Coloradans feel a sense of improved quality of life when they intersect with our system. It is instrumental in achieving the vision to have a comprehensive, equitable, affordable, effective continuum of behavioral health services that meet the needs of all Coloradans in the right place, at the right time, to

achieve whole person health and wellbeing. Working with all partners to be a problem solver and ensure the needs of Coloradans’ are put first, the BHA will provide transparency and accountability for our behavioral health system.

Under the BHA, data will be streamlined across State agencies, payers, sectors, and providers to illustrate a comprehensive view of what is working and where gaps remain in the behavioral health system. The BHA will define what data and metrics are necessary to monitor the behavioral health system and ensure that it is high-quality and equitable. A core function of the BHA will be setting standards for behavioral health, clinical quality standards, and accountability metrics. Because many behavioral health programs, services, and supports will continue to be administered by other Colorado departments and agencies, the BHA will promulgate rules that outline the collaborative activities and tools that will be utilized to support these essential BHA functions. A phased approach that is grounded in a multi-stakeholder roadmap for measuring and improving quality in behavioral health care will ensure that Coloradans see improvements in the system.

## Other 2022 Behavioral Health Bills

Colorado’s 2022 legislative session memorializes new policies that prioritize behavioral health the needs of Coloradans, design a comprehensive, responsive and cohesive behavioral health system, strengthen the safety net component of the care delivery system, and transform our behavioral health system to the betterment of the health and well-being of Coloradans. Consider the below.

Bill	Impact to Communities
HB22-1243 <a href="#">School Security and School Behavioral Health Services Funding</a>	Funding for school-based and free therapy for all Colorado youth through iMatter increases access to screening, treatment, and crisis care. Reducing suicide risk and teaching healthy life skills (\$20M)
HB22-1268 <a href="#">Medicaid Mental Health Reimbursement Rates Report</a>	Price transparency for behavioral health rates helps us understand the costs of healthcare and make recommendations for more equitable payment models
HB22-1281 <a href="#">Behavioral Health-care Continuum Gap Grant Program</a>	Extraordinary investment for mental health and substance use prevention, treatment, and recovery services. Locally directed grants lead to better quality, more access, and a more connected system (\$90M)
HB22-1278 <a href="#">Behavioral Health Administration</a>	An agency that will take accountability for an improved behavioral health system. Strategic plans and local partnerships are developed (\$4.3M for first year)



Bill	Impact to Communities
HB22-1283 <a href="#">Youth And Family Behavioral Health Care</a>	Increasing access to services for youth who need comprehensive home and services and residential care (\$55M)
HB22-1302 <a href="#">Health-care Practice Transformation</a>	Integrated care grants for communities. Builds up the behavioral health workforce, more locations where children and adults can find care (\$35M)
HB22-1303 <a href="#">Increase Residential Behavioral Health Beds</a>	New residential care beds for adults with mental health and co-occurring needs. A new level of care for people who don't need to be in the hospital, but aren't healthy enough to be at home (\$130M)
SB22-106 <a href="#">Conflict of Interest in Public Behavioral Health</a>	Supports patient-centered programs by reducing conflicts of interest among intermediaries that administer public funds (MSOs, ASOs, and BHASOs)
SB22-147 <a href="#">Behavioral Health-care Services For Children</a>	Psychiatric consults for youth help other provider partners better assess and treat youth with behavioral health needs. Funding in schools means easier and more direct connection to care for kids (\$11M)
SB22-148 <a href="#">Colorado Land-based Tribe Behavioral Health Services Grant Program</a>	Funds culturally competent residential treatment programs for American Indians and Alaskan Native populations, which are more likely to support lasting recovery (\$5M)
SB22-156 <a href="#">Medicaid Prior Authorization &amp; Recovery of Payment</a>	Reduces administrative burden and costs for providers so they have more time to see patients
SB22-177 <a href="#">Investments In Care Coordination Infrastructure</a>	As we build all of these programs out, the BHA must ensure system navigators are available online and in person, and to train staff across the system so they can help connect patients to care (\$12M)
SB22-181 <a href="#">Behavioral Health-care Workforce</a>	Creates a workforce plan that can be connected to all of the grants and programs, plus funding to attract people to the state and to the workforce (\$72M)
SB22-196 <a href="#">Health Needs Of Persons In Criminal Justice System</a>	People with behavioral health disorders often end up incarcerated instead of in treatment. Supports early intervention, deflection, and redirection from the criminal justice system, getting people the help they need when they need it most (\$61M)
HB22-1052 <a href="#">Promoting Crisis Services to Students</a>	Make sure all youth in Colorado know who to call in a crisis (\$282K)
HB22-1214 <a href="#">Behavioral Health Crisis Response System</a>	Improves the state's Behavioral Health Crisis Response System, especially for individuals with substance use disorders, individuals with disabilities and youth
HB22-1256 <a href="#">Modifications to Civil Involuntary Commitment</a>	Creates new procedures for 72-hour emergency mental health holds, as well as short-term or long-term commitments. Outlines processes related to transport, oversight, care coordination, and access to legal representation (BHA: \$522K)
HB22-1378 <a href="#">Denver-metro Regional Navigation Campus Grant</a>	Creates the Regional Navigation Campus Grant Program to provide a grant to build or acquire, and facilitate, a regional navigation campus in the Denver metropolitan area to respond to and prevent homelessness (DOLA: \$50M; BHA: \$45K)
SB22-211 <a href="#">Repurpose The Ridge</a>	Convert the Ridge View Campus into a supportive residential community, run

<b>Bill</b>	<b>Impact to Communities</b>
<a href="#">View Campus</a>	by the Department of Local Affairs (DOLA), to provide transitional housing, behavioral health services, medical care, vocational training, and skill development (DOLA: \$45M; BHA: \$45K)
HB22-1326 <a href="#">Fentanyl Accountability and Prevention</a>	Creates programs for fentanyl use prevention, education, and treatment and updates fentanyl-related offenses (CDPHE: \$15.6M; DHS: \$14.5M; HCPF: \$360K; Judicial: \$1.3M; DPS: \$39M)