

# *CHASE Board Meeting*

August 25, 2020

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Department of Health Care Policy & Financing



**CHASE**

Colorado Healthcare Affordability and  
Sustainability Enterprise

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# Hospital Transformation Program

# HTP

- Rural hospital leader listening session July 23
- Joint letter on August 5 from CRHC, CHA, EPHC, WHA and community partners
  - Request to delay HTP until six months after public health emergency ends
- HCPF recommendation: delay until February 2021
  - Firm date for hospitals to plan toward
- Last night CRHC et al agreed to HCPF's proposal if we can revisit if COVID-19 trajectory becomes unmanageable

# Themes Heard July Rural Meeting

- Hospitals agree HTP is valuable and support its goals
- Hospital resources stretched during COVID pandemic
  - In addition to care delivery, hospitals supporting/leading local public health, schools and other community partner efforts
- HTP workload requirements
  - Hospitals and community partners unable to devote needed effort to prepare and submit HTP application and work on HTP implementation now
  - Rural hospitals need support for HTP work and reporting
  - Implementation needs to be thoughtful, with right ramp-up to ensure success

# Department Thoughts

- FY 2021-22 estimated \$5B budget shortfall
  - Hospital services represent ~30% of Medicaid costs, largest budget allocation
- Alternative to HTP and systemic-change measures
  - Medicaid program or eligibility cuts
  - Further across the board provider rate cuts

# Department Thoughts

- Governor's & Lt. Gov's Wildly Important Goals to HCPF
- Health care coverage, services and access support
- Manage health care costs: control Medicaid spend and reduce costs for employers
- Households and employers struggling
- Unemployment rate, uninsured rate and SNAP all increasing + housing crisis. *Coloradans can't afford to purchase healthcare.*
- Hospitals must lead on affordability

# HTP

- Medicaid Fiscal Accountability Regulation (MFAR)
  - Increased CMS scrutiny on supplemental payments, resulting in a drive toward value
  - Final rule expected to be published September 2020
    - Will prevent new Congress in January 2021 from rescinding rule through majority vote

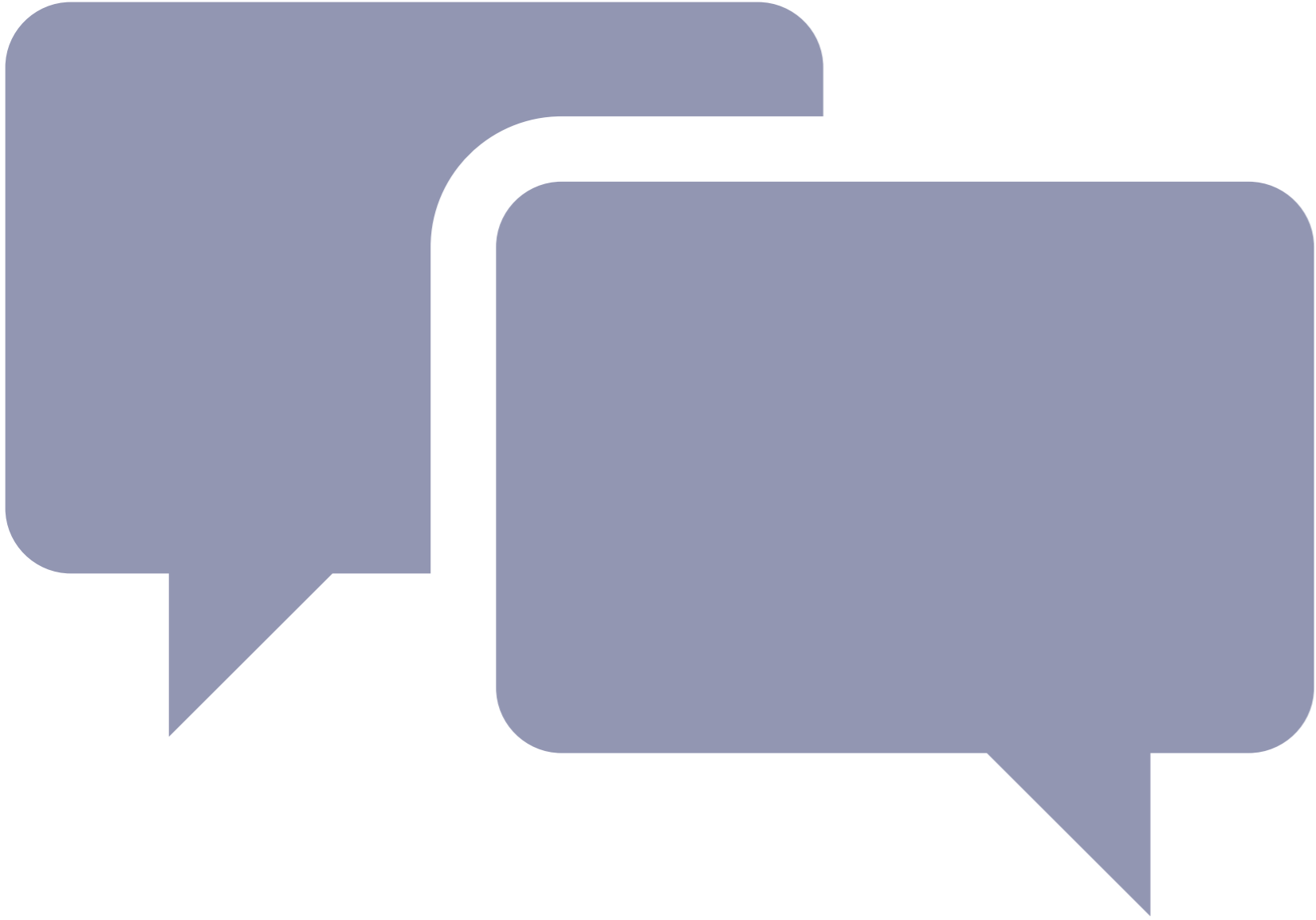
# HTP Actions to Date

- Delayed from October 2019 to April 2020 to current October 2020
- Measure reductions from 15 for all hospitals to now scaled by size
  - Large hospitals 10 measures
  - Medium 8 measures
  - Small hospitals 6 measures; CAH risk reduced 40%
- Reporting requirements
  - Milestones from quarterly to twice yearly
  - Data reporting to once yearly



# HTP Actions to Date

- HCPF and consultant commit to provide technical assistance
- Medicaid claims data source for several measures
  - All cause readmissions
  - Emergency department follow up visit
  - High frequency chronic condition readmissions
  - Hospital index
  - Severity adjusted length of stay
  - Pediatric well visits



# Board Discussion

# *Thank You*

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