

# Colorado Healthcare Affordability and Sustainability Enterprise (CHASE) Initiatives Workgroup

**Meeting #8**

**Wednesday, April 23, 2025**

**12:00 – 1:30 p.m.**

Facilitated by:

Government Performance Solutions, Inc. (GPS)



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# Virtual meeting guidelines

Here are some ideas to make virtual collaboration easy on us all:



This meeting is being recorded!



Please use your camera when speaking and use the blur or background as needed



Put your computer microphones (or phone) on mute



Use the chat feature to share ideas and ask questions



Click the Live Transcript icon at the bottom of your screen

To help all participants more quickly identify each other, please edit your name in your Zoom window to include your organization.

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# CHASE Workgroup Objective

Develop comprehensive recommendations for revisions to CHASE including the addition of a State Directed Payment (SDP) for CHASE Board consideration. Such that HCPF can develop and advance a broadly supported proposal to submit to the federal Centers for Medicare and Medicaid Services (CMS) for implementation to begin no later than July 1, 2025.



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# CHASE Program Objectives

As outlined in statute, the (4) CHASE program's goals are:

- Maximize reimbursement to hospitals for care for Medicaid members and uninsured patients subject to federal limits
- Increase the number of hospitals benefitting from the CHASE fee and minimize those hospitals that suffer losses.
- Support improvements in the quality of hospital care
- Support the expanded health care coverage for the Medicaid and CHP+ programs



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# Agenda

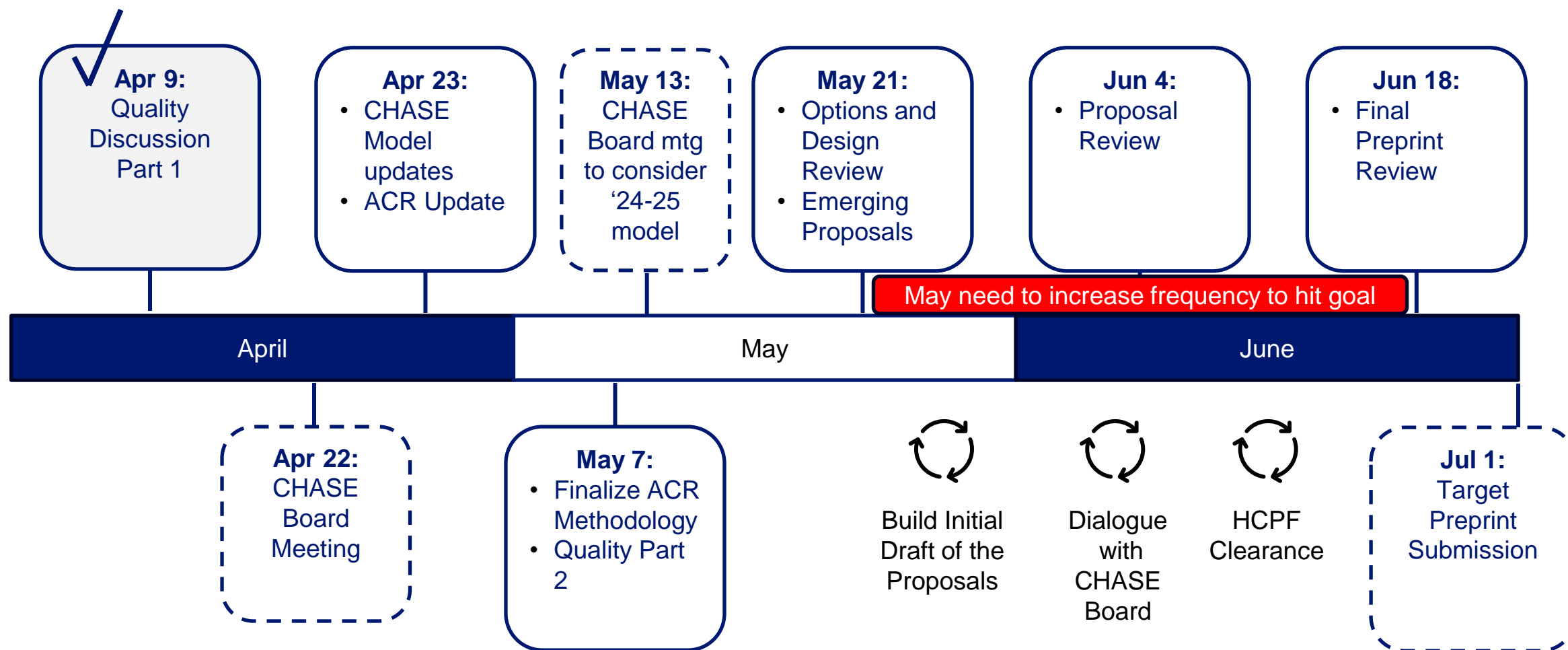
- Plan for this Meeting and Upcoming Meetings (25 minutes)
- CHASE Board Update (10 minutes)
- CHASE Model Update (20 minutes)
- ACR Update (15 minutes)
- Questions and Next Steps (5 minutes)



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# Upcoming Meetings



# Work Group Members

1. Alison Sbrana, Consumer
2. Annie Lee, President & CEO, Colorado Access
3. Emily King, Senior Policy Advisor/Deputy Director of the Office of Saving People Money on Health Care, Governor's Office
4. Josh Block, Deputy Chief Financial Officer, HCPF
5. Dr. Kimberley Jackson, CHASE Board Vice President
6. Nancy Dolson, Special Financing Division Director, HCPF
7. Shauna Lorenz, Partner, Gjerset & Lorenz LLP
8. Tom Rennell, Senior Vice President Financial Policy and Data Analytics, CHA

# Recap: Workgroup Ground Rules (1 of 2)

1. *Workgroup Members and Participation* - members of the workgroup have been appointed by the CHASE Board chair in line with the Board's bylaws and serve at the pleasure of the Board.
  - While the meetings will be open to the public, and the workgroup may request information from subject matter experts, participation in the workgroup is limited to appointed workgroup members themselves with no alternates or proxies.
  - Workgroup members must commit to consistently attending meetings and actively engaging in the work.
  - Workgroup members are allowed actual and necessary traveling and subsistence expenses when in attendance at meetings away from their places of residence.
2. *Stick to the workgroup's objectives* - the workgroup will devote its efforts to the work set out in this charter and not creep into other subjects unless directed by the CHASE Board.
3. *Transparency within the group and commitment to working within the bounds of this process* - to foster trust, all parties need to be honest, direct, and forthcoming within the workgroup.

*Continued on next page*



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# Recap: Workgroup Ground Rules (2 of 2)

4. *Participate in good faith, assume best intent, and extend the benefit of the doubt* - the workgroup must work together in good faith and assume best intent. To do so, the workgroup should agree at the outset to align around the shared goal of developing a mutually beneficial proposal and commit to working in good faith.
5. *Coordinated communications* - workgroup member communication about this work outside of the workgroup should be aligned and coordinated using agreed-upon shared messaging and talking points. Following the CHASE Board's bylaws, individual workgroup members may not make a position statement that purports to be that of the workgroup or the CHASE Board unless the workgroup or Board has adopted such a position. However, no workgroup member is prohibited from stating his or her personal opinions, provided they are clearly identified as such.
6. **ADOPTED** *Pursue Consensus* - workgroup members will explore options, strive to understand different points of view, and seek compromise so that recommendations represent a broad consensus consistent with the work group's purpose.

These may be adjusted by the workgroup as situations arise



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# Workgroup Objectives and Key Questions (1 of 2)

**Objective:** Develop comprehensive recommendations for revisions to CHASE including the addition of a SDP for CHASE Board consideration. Such that HCPF can develop and advance a broadly supported proposal to submit to the federal Centers for Medicare and Medicaid Services (CMS) for implementation to begin no later than July 1, 2025.

## Key Questions:

- How does the recommendation(s) align with the goals of the CHASE Program as outlined in statute?
  - Maximize reimbursement to hospitals for care for Medicaid members and uninsured patients subject to federal limits
  - Increase the number of hospitals benefitting from the CHASE fee and minimize those hospitals that suffer losses
  - Support improvements in the quality of hospital care
  - Support the expanded health care coverage for the Medicaid and CHP+ programs



# Workgroup Objectives and Key Questions (2 of 2)

## Key Questions (continued):

- Is legislation and/or changes to state regulations necessary to implement the recommendations?
- How do the recommendations align with federal requirements?
  - Are there any emerging or enacted changes to federal requirements that may affect these recommendations?
- What are the impacts on the CHASE program?
  - How do the net gains (losses) for hospitals compare to the CHASE status quo?
  - Is there any increased risk to expansion populations' health care coverage due to insufficient fees?
- What are the available funding source(s)?
- What are the different types of SDP and which best meet the workgroup's objective?
- Which services and provider types should be included in the SDP?

# Progress Update

The workgroup has met (7) times and reached consensus on several dimensions:

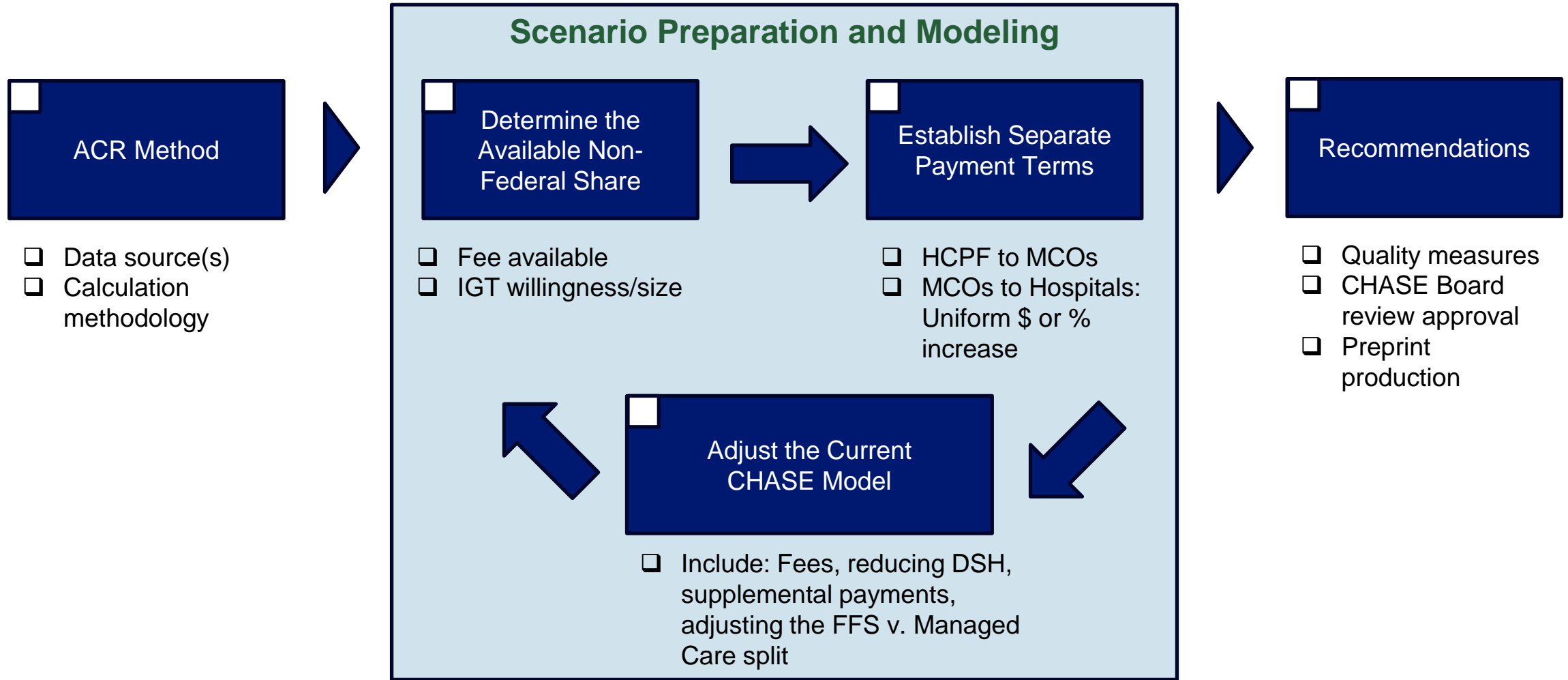
Dimension	Emerging Consensus
Overall Methodology	<ul style="list-style-type: none"><li>• Revise existing UPL supplemental payments to simplify payment calcs and tie to utilization</li><li>• Simplify to the degree possible, but this is a secondary goal</li></ul>
Services	Include both inpatient and outpatient services
Hospital Types	Include general, acute care and Critical Access Hospitals, and psychiatric hospitals
Funding Sources	<ul style="list-style-type: none"><li>• Assume that an IGT is a permissible funding source; will not trigger TABOR</li><li>• Replace some federal DSH funds with additional safety net hospital reimbursement</li></ul>
Funding Priorities	<ul style="list-style-type: none"><li>• Preserve funding to Critical Access Hospitals</li><li>• Support hospitals with high volume of Medicaid care (i.e., safety net)</li></ul>
Quality Principles	Aligned on 10 quality principles aligned with Colorado's Managed Care Quality strategy to guide measure selection



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# Upcoming Workgroup Deliberations



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# Open Questions/Assignments

Items not yet handled from recent meetings (pasted here for convenience):

- Alison Sbrana: Can we get some info on how many psych hospitals, how many rehab and LTC hospitals etc., we are talking about who are being currently excluded and may benefit? Or some more info on pros/cons of including them?
- Alison Sbrana: Commercial payers don't pay as much for behavioral health and Medicaid/Medicare payers pay more? Do we need to factor this in?



**Any other current events or  
environmental updates?**



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# CHASE Board Update (10 minutes)



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# CHASE Board Update

- CHASE Board apprised of current progress, timeline, and critical questions during April 22 meeting
- Feedback and questions from the CHASE Board
- Guidance offered by the CHASE Board

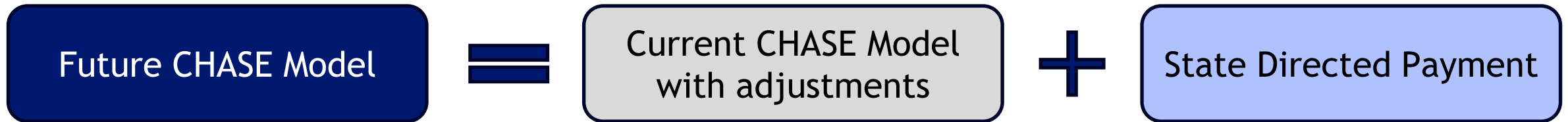
# CHASE Model Update (20 minutes)



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# Important Considerations



- Because we know there is limited fee available, continue to pursue discussions of which public hospitals are willing and able to engage in IGTs, and for what amounts
- Describe how the payment arrangement advances goals of the state's Quality Strategy Plan (Reminder: CMS requires that SDPs promote quality of care and access to care for Medicaid members)
- Begin to look at adjustments to the existing CHASE methodology—fees, reducing DSH, supplemental payments, adjusting the FFS v. Managed Care split
- Define scenarios to feed into the model so the group understands which hospitals may benefit and how much (e.g., rural hospitals, etc.)

# Implications and Discussion

Placeholder: Additional information to be added after the CHASE Board discussion on 4/22



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# ACR Update (15 minutes)



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# ACR Update

Meetings on 4/10, 4/16, and 4/24

## Path to Identifying ACR Method:

- The ACR subgroup has been meeting to sort through the different Commercial and Medicaid reference points
  - RAND hospital pricing, CIVHC reference pricing, HCPF breakeven tool
- The subgroup continues to explore the methodologies to arrive at an Average Commercial Rate using the Hospital Cost Reports
  - Balancing the fulfillment of additional federal dollars with an approach that produces appropriate and reasonable results
- Targeting May 7 to align on ACR methodology and present to this group



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# Questions?



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# Next Steps and Actions

- GPS to share meeting notes with decisions and actions.
- Subgroups will continue their work and tap support as needed:
  - Quality measure subgroup—meeting on 4/24 and proposal on 5/7
  - ACR methodology subgroup—next meeting 4/24
- HCPF will post the next workgroup meeting on its [website](#).
- HCPF will post an agenda ahead of the second workgroup meeting.







## Government Performance Solutions, Inc.

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