

# Comprehensive Safety Net Provider

## Prospective Payment System (PPS)

Provider Convening

2/16/24





- **Welcome**
- **Webinar Format**
  - **Question and Answer Function**
  - **Chat Function**
  - **Materials in the Chat**
  - **Slides and recording will be shared on HCPF website**

# Welcome and Housekeeping

# Purpose for Today's call

- Level set on who the PPS applies to
  - Share brief history on the model design
  - Share update on progress and implementation planning
- Timeline considerations

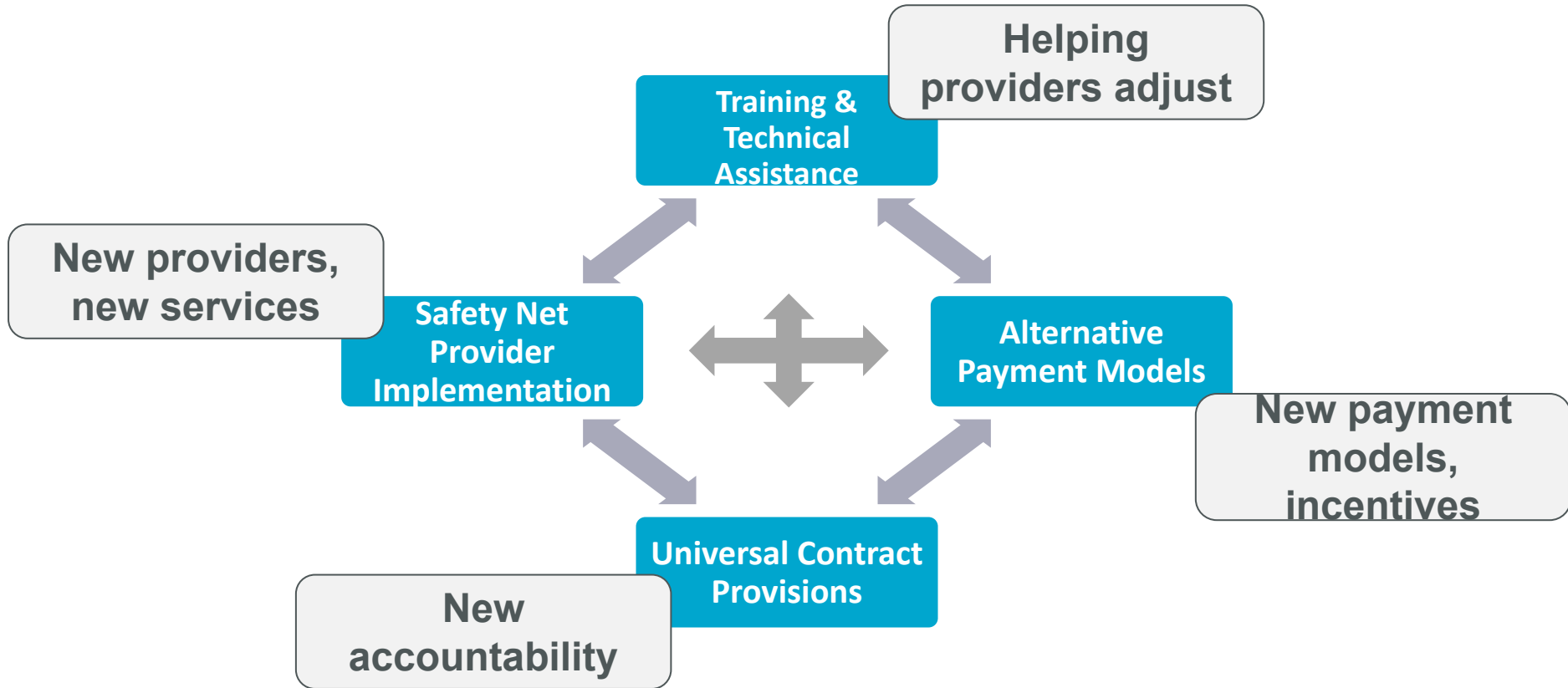
- Discussion-Provider questions and comments



# Level Setting on Safety Net Provider Expansion



# Safety Net Ecosystem



# Behavioral Health Safety Net Providers

- HCPF and the Behavioral Health Administration (BHA) are working together to expand the network of safety net providers.
- Provider organizations choose to be apart of the safety net
- Safety net providers are required to follow revised standards and rule outlined by BHA
  - **Rules can be viewed here:**  
<https://docs.google.com/document/d/1yHT6peHqQDCrqqLwM5SWlpRtieMNXMxy/edit?rtfpof=true&sd=true>
- Providers must apply for and be approved by the BHA as a safety net provider.

# Two types of Approved Behavioral Health Safety Net providers

## Comprehensive Safety Net Providers

- Providers with a Behavioral Health Entity (BHE) license from the BHA
- Offer **ALL** of the following services directly or through contracted agreement:
  - Emergency and crisis behavioral health services
  - Mental health and substance use outpatient services
  - Behavioral health high-intensity outpatient services
  - Care management
  - Outreach, education, and engagement services
  - Mental health and substance use recovery supports
  - Outpatient competency restoration
  - Screening, assessment, and diagnosis, including risk assessment,
  - crisis planning, and monitoring to key health indicators

## Essential Safety Net Providers

- Providers with a Behavioral Health Entity (BHE) license from the BHA or providers approved by the BHA to deliver care coordination *and* at least one of the following services:
  - Emergency or crisis behavioral health services
  - Behavioral health outpatient services
  - Behavioral health high-intensity outpatient services
  - Behavioral health residential services
  - Withdrawal management services
  - Behavioral health inpatient services
  - Integrated care services
  - Hospital alternatives
  - Additional services that the BHA determines are necessary in a region or throughout the state



# VBP for BH Safety Net Providers

**Payment Stability  
and Flexibility**

**System Quality and  
Accountability**

**Comprehensive Community Behavioral  
Health Provider**

Eligible for cost-based **Prospective Payment  
System (PPS)** from HCPF July 1, 2024.

**Essential Behavioral Health Safety  
Net Provider**

Eligible for **Essential Rate Model** from HCPF  
July 1, 2024.





# Today's Conversation is only about the PPS for Comprehensive Providers

Payment Stability  
and Flexibility

## Comprehensive Community Behavioral Health Provider

Eligible for cost-based Prospective Payment  
System (PPS) from HCPF July 1, 2024.

Have questions about behavioral health reform or other payment models?

- Please sign up to attend another safety net provider forum
- Or share questions and feedback with the Department

<https://hcpf.colorado.gov/safetynetproviders>

The screenshot shows the website for the Colorado Department of Health Care Policy & Financing (HCPF). The page title is "Safety Net Provider". The navigation menu includes "Home", "For Our Members", "For Our Providers", "For Our Stakeholders", and "About Us". The main content area has a breadcrumb trail: "Home > For Our Stakeholders > Behavioral Health Reform > Safety Net Provider". The heading "Safety Net Provider" is followed by a paragraph explaining that Colorado is reforming the behavioral health system to meet the needs of all Coloradans, with the passing of House Bill 22-1222 prompting the creation of a comprehensive behavioral health safety net system. A call to action box says: "Sign up for any one or all of the upcoming meetings: See the Forum Archives section on the page to get info about past meetings." Below this is a section for "Stakeholder Engagement" with a dropdown menu for "Archives". At the bottom, there is a section for "Provider Resources".

# What is a Prospective Payment Systems (PPS)?

- Payment model that pays providers a standard rate for any qualifying encounter with a patient, regardless of what or how many specific services were rendered
  - i.e. Fixed payment amount for encounters with priority populations
- Key benefits:
  - Provides steady payments for providers and allows for more flexibility in funding
  - Incentivizes quality over quantity of services, which enhances service delivery and access



# Additional Resources

- Behavioral Health Safety Net Provider Fact Sheet

<https://drive.google.com/file/d/1Nq0By8J-wUARCxogVIPg5mc8dKcYNUjl/view>

- Understanding Behavioral Health Administration  
Licensure pathways

<https://drive.google.com/file/d/1Fg0X87gQglbMmKwqr09PeuvmkBpT7LZ5/view>

# Development of the Prospective Payment System



# Model Development

## Phase 1

- Initiated in 2021, providers and Regional Accountable Entities (RAEs) were engaged to explore payment for Community Mental Health Center service array.
- The recommendation made by providers and RAEs ultimately led to the development of the PPS approach.
- Informed by the Federal Certified Community Behavioral Health Clinic (CCBHC) model  
<https://www.samhsa.gov/certified-community-behavioral-health-clinics>

## Phase 2

2022-2023, discussion continued with Community Mental Health Centers and RAES and expanded to broader provider organizations, advocacy organizations, county representatives and other stakeholders.

Two working groups met for multiple months to discuss:

1. Payment model specifics
2. Quality measures

Interviews and small focus groups also occurred as well as two large provider convenings open to the public



# Learning Period

- In 2023, HCPF used a learning phase to simulate the PPS and explore a few final model decisions.
- This was done without shifting actual provider payment.
- The learning period was designed to support implementation, Department final design, provider readiness and successful launch.

Read Report on the process and final model

<https://hcpf.colorado.gov/sites/hcpf/files/HMA%20BH%20APM%20Report%20Final%20%282%29.pdf>



# End of Phase 2 Decisions

## Payment Model

- **PPS encounter rate based on a daily rate**
- **A single PPS rate with carveouts for select services (likely high acuity services)**

## Quality Metrics

Quality measures for the value based payment aligned with the PPS. Use of national standards and metrics including:

- Adult Major Depressive Disorder (MDD): Suicide Risk Assessment (CCBHC measure)
- Child and Adolescent Major Depressive Disorder (MDD): Suicide Risk Assessment (CCBHC measure)
- Depression Remission at Twelve Months (CCBHC measure)
- Time to Services (I-SERV; CCBHC measure)
- Follow-Up After Hospitalization for Mental illness: Ages 6+ (NQF 0576)
- Follow-Up After Emergency Department Visit for Mental illness: Ages 6+ (NQF 3489)



# Update on the Development and Implementation of the PPS





# Payment Model Development

- Cost reports have been submitted by providers to develop PPS rates
- Optumas analyzing cost reports and building fee schedules and supporting PPS build
- HMA assisting with RAE VBP
  - Design of alternative payment model methodologies
  - Identify quality measures
  - Implementing VBP for Safety Net Providers

# Building the Prospective

- Base PPS rate - Costs divided by encounters
- Trending - Adjust the rates to reflect future
- Trend Factors
  - Utilization trends
  - Cost trends
- Final PPS will be set as a State Directed Payment



# Value-Based Payments (VBP)

- Payment model that rewards healthcare providers with incentive payments for the quality of care they give to patients
  - i.e. enhanced rates for certain services
- Key benefits
  - Support improved member health outcomes by aligning payment incentives with quality metrics
  - Moves away from traditional fee-for-service and introduce encounter-based payment methodology



# Value based payments:

- Move us from paying for volume to paying for value
- Support improving access, member outcomes (quality), closing health disparities (equity), control costs
- Support providers in their transition away from fee for service through innovations and tools, to help them achieve shared goals and earn value based payments while stabilizing their revenue
- Manage total cost of care through a longer term vision, keeping people healthy while addressing chronic health concerns and social determinants of health
- Help pay for a more coordinated, team based care delivery model (case management, coaching, care coordination)



# HCPF

Contracts with RAEs



- State pays incentives to the RAEs for meeting quality outcomes (KPIs, BHIP Measures)
- Based on national metrics, essential for benchmarking
- HCPF requires RAEs to pay safety net providers based on BHA status

# RAEs

Pay providers



- RAEs pay Safety Net Providers based on statewide approved model, developed with BHA/HCPF
- RAEs provide technology, tools, technical assistance, and data with providers to measure regional success

# Providers

Serves patients



- Creates plans and policies to meet incentive goals and shared payments with the RAEs
- Sets budgets based on sustainable and flexible cost models or enhanced rate schedules



# Implementation Timeline for Value Based Payments

Providers can be approved by BHA to become a comprehensive and/or essential safety net providers (applications are currently being accepted)

January 2024

March 2024

Once approved by the BHA, Providers can enroll in Medicaid as a comprehensive and/or essential safety net providers

HCPF publishes the PPS rates for comprehensive safety net providers and the enhanced fee-schedule for essential safety net providers\*

April 2024

July 2024

RAEs will start making VBPs to safety net

\*New comprehensive providers will receive a “statewide PPS” rate until their cost reporting can be completed

# What Success Looks Like

- Aligned funding strategies that support innovative and evidence-based programs, support new models of care. Should drawdown max federal funding.
- Accessible trainings and supports for to build the workforce and support provider network.
- Clear processes and reduced administrative burden for providers across multiple payers.
- Investments in programs that can be sustained through Medicaid and other insurance plans.

