1. Title page for the state's substance use disorder (SUD) demonstration or the SUD component of the broader demonstration

The state should complete this title page at the beginning of a demonstration and submit as the title page for all monitoring reports. The content of this table should stay consistent over time. Definitions for certain rows are below the table.

State	Colorado
Demonstration name	Expanding the Substance Use Disorder Continuum of Care
Approval period for section 1115 demonstration	12/31/2025
SUD demonstration start date[a]	01/01/2021
Implementation date of SUD demonstration, if different from SUD demonstration start date[b]	01/01/2021
SUD (or if broader demonstration, then SUD -related) demonstration goals and objectives	Under this demonstration, the State expects to achieve the following: Objective 1. Increase rates of identification, initiation, and engagement in treatment. Objective 2. Increase adherence to and retention in treatment. Objective 3. Reductions in overdose deaths, particularly those due to opioids. Objective 4. Reduce utilization of emergency department and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services. Objective 5. Fewer readmissions to the same or higher level of care where the readmission is preventable or medically inappropriate. Objective 6. Improved access to care for physical health conditions among beneficiaries.
SUD demonstration year and quarter	SUD DY1Q3 report
Reporting period	07/01/2021–09/30/2021

[a] **SUD demonstration start date:** For monitoring purposes, CMS defines the start date of the demonstration as the *effective date* listed in the state's STCs at time of SUD demonstration approval. For example, if the state's STCs at the time of SUD demonstration approval note that the SUD demonstration is effective January 1, 2020 – December 31, 2025, the state should consider January 1, 2020 to be the start date of the SUD demonstration. Note that the effective date is considered to be the first day the state may begin its SUD demonstration. In many cases, the effective date is distinct from the approval date of a demonstration; that is, in certain cases, CMS may approve a section 1115 demonstration with an effective date that is in the future. For example, CMS may approve an extension request on 12/15/2020, with an effective date of 1/1/2021 for the new demonstration period. In many cases, the effective date also differs from the date a state begins implementing its demonstration.

[b] **Implementation date of SUD demonstration:** The date the state began claiming federal financial participation for services provided to individuals in institutions for mental disease.

2. Executive summary

Colorado continues efforts to expand services for prevention and treatment of SUDs. The most significant activity occurring during Quarter 3 (Q3) of the first Demonstration Year (DY) was the passage of the Behavioral Health Recovery Act (SB 21-137) on June 28, 2021. The bill extends, modifies, and/or finances behavioral health programs throughout the State. Specific SUD activities include expansion of the Medication-Assisted Treatment (MAT) Expansion Pilot for three years, training and support of opioid use disorder (OUD) for health care providers, development of utilization management standardized processes for inpatient SUD treatment, and audits for denials for inpatient SUD treatment. Other elements of the legislation are discussed further in this report. Many of the activities engaged in during this period have been designed around implementation of legislative mandates such as developing and implementing new utilization review processes.

Colorado has also continued to develop its oversight and management of its substance use providers and services. A monthly dashboard has been created and continues to be refined to monitor metrics and processes such as utilization review. Improved data collection and analysis systems are being integrated into the State's Health IT system, and the roadmap to a fully integrated Health Information Exchange is still on track for 2025, which will in part assist in coordination in integrated care and treatment for substance use and co-occurring conditions, including behavioral and physical health conditions.

In summary, Colorado continues to receive legislative support for substance abuse prevention, recovery, and treatment efforts, and progress has been made toward the goals outlined in the 1115 SUD Implementation Plan. The State has been actively reviewing encounter data and measure specifications, running validations, and creating adjustment logic that will be used in programming the metrics. Upon approval of the Monitoring Protocol by CMS, the data programming will be finalized and metrics will be calculated and provided to CMS.

In the interim, the State dashboards and oversight efforts show progress has been made toward addressing the opioid epidemic via the initiatives in the implementation plan in the Demonstration Waiver.

Metric results for DY1Q1, DY1Q2, and DY1Q3 will be produced after receiving approval from CMS on the Monitoring Protocol.

3. Narrative information on implementation, by milestone and reporting topic

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
1. Assessment of need and qualification for SUD services			
1.1 Metric trends			
1.1.1. The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to assessment of need and qualification for SUD services	X		
1.2 Implementation update			
1.2.1. Compared to the demonstration design and operational details, the state expects to make the following changes to: *1.2.1.i.* The target population(s) of the demonstration	X		
1.2.1.ii. The clinical criteria (e.g., SUD diagnoses) that qualify a beneficiary for the demonstration	X		
1.2.2 The state expects to make other program changes that may affect metrics related to assessment of need and qualification for SUD services	X		
2. Access to Critical Levels of Care for OUD and other SUDs (Milestone 1)			
2.1 Metric trends			
2.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 1	X		
2.2 Implementation update			

2.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 2.2.1.i. Planned activities to improve access to SUD treatment services across the continuum of care for Medicaid beneficiaries (e.g. outpatient services, intensive outpatient services, medication-assisted treatment, services in intensive residential and inpatient settings, medically supervised withdrawal management)			During DY1Q3, contract amendments were implemented for the Regional Accountable Entities (RAEs). The State is currently working on drafting next year's contracts, which will be effective January 1, 2022. The State began receiving claims for the new SUD services. No issues related to receiving these claims have been identified.
2.2.1.ii. SUD benefit coverage under the Medicaid state plan or the Expenditure Authority, particularly for residential treatment, medically supervised withdrawal management, and medication-assisted treatment services provided to individual IMDs	X		
2.2.2 The state expects to make other program changes that may affect metrics related to Milestone 1	X		
3. Use of Evidence-based, SUD-specific Patient Placement Criteria (Milestone 2)			
3.1 Metric trends			
3.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 2	X		
3.2. Implementation update			
3.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 3.2.1.i. Planned activities to improve providers' use of evidence-based, SUD-specific placement criteria			During DY1Q3, the provider forums transitioned to a workgroup of providers, RAEs, and Office of Behavioral Health (OBH) staff focused on implementing the legislative requirements outlined in Senate Bill (SB) 21-137 (summarized in 11.1.1 below). The workgroup met four times as of the end of DY1Q3.

			As per legislative requirements, key State-required data points will be reported by April 2022. The Department is working with the RAEs to build systems to obtain data and processes relating to reporting the data points. Initial self-reported results on State-required from DY1Q1 (January 1, 2021–March 31, 2021) can be found in the October 1, 2021 SUD Utilization Management Quarterly Report. The RAEs continue to offer trainings on American Society of Addiction Medicine (ASAM) criteria, predominantly through recorded trainings on RAE websites with additional individual training as needed. The Department began publishing SUD monthly provider updates on their website.
3.2.1.ii. Implementation of a utilization management approach to ensure (a) beneficiaries have access to SUD services at the appropriate level of care, (b) interventions are appropriate for the diagnosis and level of care, or (c) use of independent process for reviewing placement in residential treatment settings			One required element of SB 21-137 is to standardize utilization management policies. Another requires that denial letters provide specific justification for each denial of continued authorization for all six dimensions in the most recent edition of The ASAM Criteria for Addictive, Substance-related, and Co-occurring Conditions. Part of implementing the bill has been agreement between payers and providers on the initial authorization timeframes by ASAM level, which will be incorporated into RAE contracts effective January 1, 2022. The State is currently negotiating its contract with Health Services Advisory Group to be executed July 21, 2022; the first report is anticipated December 2022. The contractor will review audit denials to ensure appropriate application of ASAM criteria.

			The behavioral health dashboard for State-required metrics is in place. The Department is working on building into the dashboard the capability to monitor claims. This function should be completed by the end of Calendar Year 2021.
3.2.2 The state expects to make other program changes that may affect metrics related to Milestone 2	X		
4. Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities (Milestone 3)			
4.1 Metric trends			
4.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 3 *Note: There are no CMS-provided metrics related to Milestone 3. If the state did not identify any metrics for reporting this milestone, the state should indicate it has no update to report.*	X		
4.2 Implementation update			
4.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 4.2.1.i. Implementation of residential treatment provider qualifications that meet the ASAM Criteria or other nationally recognized, SUD-specific program standards	X		
4.2.1.ii. Review process for residential treatment providers' compliance with qualifications.	X		
4.2.1.iii. Availability of medication-assisted treatment at residential treatment facilities, either on-site or through facilitated access to services off site			Sixteen residential SUD Treatment facilities offering access to MAT renewed their license within Q3; 52 applications are in process.

4.2.2 The state expects to make other program changes that may affect metrics related to Milestone 3	X		
5. Sufficient Provider Capacity at Critical Levels of Care including for Medication Assisted Treatment for OUD (Milestone 4)			
5.1 Metric trends			
5.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 4	X		
5.2 Implementation update			
5.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: Planned activities to assess the availability of providers enrolled in Medicaid and accepting new patients in across the continuum of SUD care			During Q3, the Behavioral Health Capacity Registry (described in 11.2.2) began requiring daily updates on schedule (July 1, 2021).
5.2.2 The state expects to make other program changes that may affect metrics related to Milestone 4	X		
6. Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD (Milestone 5)			
6.1 Metric trends			
6.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 5	X		
6.2 Implementation update			
6.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 6.2.1.i. Implementation of opioid prescribing guidelines and other interventions related to prevention of OUD			During DY1Q3, the number of OpiSafe accounts totaled 4,165. OpiSafe administers an opioid risk mitigation module that helps prescribers avoid misuse and abuse of opioids and benzodiazepines.

			The Lift the Label campaign works to fight the stigma of opioid addiction by featuring the stories of real Coloradoans who have struggled with addiction. Fourteen new stories by Coloradans were added in response to focus group research on better methods to reach the Black/African American, Latinx, and LGBTQIA+ communities. In September 2021, the Recovery Cards Project funded by Lift the Label launched a new set of Recovery Cards created by new artists from diverse backgrounds including those who are in recovery themselves and loved ones of those in recovery. Cards are available digitally as well. The Harm Reduction Work Group formed two subcommittees to present ideas to the State's Behavioral Health Transformation Taskforce. Subcommittee One focused on advocacy for onsite drug checking at syringe access programs; Subcommittee Two focused on increasing startup funding for syringe access programs.
6.2.1.ii. Expansion of coverage for and access to naloxone			The OBH continues to provide the majority of the funding for naloxone distribution through a statewide bulk purchase fund operated by the Colorado Department of Public Health & Environment (CDPHE). This funding provides free naloxone to syringe service programs, law enforcement, local public health agencies, school districts, first responders, and harm reduction agencies. Every month the amount of naloxone doses distributed and eligible entities signing up continues to increase. State Opioid Response Grant (SOR) funds an effort to provide all at-risk people discharged from the hospital leave with naloxone.

6.2.2 The state expects to make other program changes that may affect metrics related to Milestone 5	X		
7. Improved Care Coordination and Transitions between Levels of Care (Milestone 6)			
7.1 Metric trends			
7.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 6	X		
7.2 Implementation update			
7.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: Implementation of policies supporting beneficiaries' transitio from residential and inpatient facilities to community-based services and supports			During Q3, the State approved the RAEs' updated care coordination policy drafts. OBH has also continued to partner with the Colorado Hospital Association to support effective transitions for people coming to the hospital with an OUD into community-based services. This particular work was updated to put focus on pregnant and parenting women, many of whom are Medicaid recipients.
7.2.2 The state expects to make other program changes that may affect metrics related to Milestone 6	X		
8. SUD health information technology (health IT)			
8.1 Metric trends			
8.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to its health IT metrics	X		
8.2 Implementation update			

8.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 8.2.1.i. How health IT is being used to slow down the rate of growth of individuals identified with SUD	X		
How health IT is being used to treat effectively individuals identified with SUD	X		
8.2.1.ii. How health IT is being used to effectively monitor "recovery" supports and services for individuals identified with SUD	X		
8.2.1.iii. Other aspects of the state's plan to develop the health IT infrastructure/capabilities at the state, delivery system, health plan/MCO, and individual provider levels	X		The Behavioral Health Capacity Registry, which began implementation April 1, 2021, went live on July 1, 2021. The Registry is an online tool that tracks statewide availability for mental health and SUD treatment beds and whether licensed Opioid Treatment Programs are accepting new clients. Programs are required to update the Registry daily.
8.2.1.iv. Other aspects of the state's health IT implementation milestones	X		
8.2.1.v. The timeline for achieving health IT implementation milestones			At this time, the State's goal is to have Health IT fully implemented within three years.
8.2.1.vi. Planned activities to increase use and functionality of the state's prescription drug monitoring program			The Prescription Drug Monitoring Program (PDMP) is overseen by the Colorado Department of Regulatory Agencies (DORA). Due to the nature of the information contained in the PDMP, access to information is closely regulated, although annual reports are presented to the Department by the PDMP taskforce. In 2021, House Bill 21-1276 required the State to enable the RxCheck data sharing hub for integrating the PDMP into

			the electronic medical records of practitioners and health systems within the State by December 1, 2021. This bill allowed medical examiners and coroners to query the PDMP for individuals who are the subject of a death investigation. Also, within the PDMP statute, this bill required practitioners to query the PDMP before prescribing any opioid or benzodiazepine, subject to certain exceptions. In 2021, DORA began work on building out the requirements for the next PDMP request for proposal (RFP) as the current vendor's contract is nearing expiration. In tandem with this effort, the Division of Professions and Occupations led a market research effort to collect feedback from various private and government stakeholders, through individual and large stakeholder meetings, which solicited feedback to ensure the PDMP RFP Requirements work was holistic and comprehensive. The State anticipates the PDMP RFP to be released Fall 2021. Department of Health Care Policy & Financing (HCPF) has been working with DORA on obtaining information about the numbers of pharmacies and providers enrolled. HCPF will provide this information in the annual report for all four quarters of DY1.
8.2.2 The state expects to make other program changes that may affect metrics related to health IT	X		
9. Other SUD-related metrics			
9.1 Metric trends			
9.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to other SUD-related metrics	X		

9.2 Implementation update			
9.2.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to other SUD-related metrics	X		

4. Narrative information on other reporting topics

Prompts	State has no update to report (Place an X)	State response
10. Budget neutrality		
10.1 Current status and analysis		
10.1.1 If the SUD component is part of a broader demonstration, the state should provide an analysis of the SUD-related budget neutrality and an analysis of budget neutrality as a whole. Describe the current status of budget neutrality and an analysis of the budget neutrality to date.		The budget neutrality calculation template has been submitted for the first two quarters. The budget neutrality workbook will be submitted with the monitoring report.
10.2 Implementation update		
10.2.1 The state expects to make other program changes that may affect budget neutrality	X	
11. SUD-related demonstration operations and policy		
11.1 Considerations		
11.1.1 The state should highlight significant SUD (or if broader demonstration, then SUD-related) demonstration operations or policy considerations that could positively or negatively affect beneficiary enrollment, access to services, timely provision of services, budget neutrality, or any other provision that has potential for beneficiary impacts. Also note any activity that		The Behavioral Health Recovery Act (SB 21-137) extends, modifies, and/or finances behavioral health programs throughout the state. SUD-related activities and programs funded in SB 21-137 include the following:

may accelerate or create delays or impediments in achieving the SUD demonstration's approved goals or objectives, if not already reported elsewhere in this document. See report template instructions for more detail.		• Behavioral health and SUD treatment for children and their families through OBH, including the maternal and child health pilot program • Expansion of the MAT Expansion Pilot for three years • Public awareness campaigns related to safe medication practices • Training and support on OUD for health care providers • Bulk purchasing of naloxone • Development of utilization management standardized processes for inpatient SUD treatment • Audits for denials for inpatient SUD treatment • Development of statewide care coordination infrastructure • Training health care professionals in substance use screening, brief intervention, and referral to treatment (SBIRT)
11.2 Implementation update		
11.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 11.2.1.i. How the delivery system operates under the demonstration (e.g. through the managed care system or fee for service)	X	
11.2.1.ii. Delivery models affecting demonstration participants (e.g. Accountable Care Organizations, Patient Centered Medical Homes)	X	
1.2.1.iii. Partners involved in service delivery	X	
11.2.2 The state experienced challenges in partnering with entities contracted to help implement the demonstration (e.g., health plans, credentialing vendors, private sector providers) and/or noted any performance issues with contracted entities		A potential challenge is the new policy announced August 17, 2021 requiring three State agencies with 24 hours a day, seven days a week facilities to require COVID-19 vaccinations for staff members, including direct care staff, support staff, temporary staff, contractors, and anyone who may interact with the public. Staff in the Colorado Department of Corrections (CDOC) and CDPHE had until October 31, 2021, to become fully vaccinated. Staff in the Colorado Department of Human Services

		(CDHS) are to be fully vaccinated by November 14, 2021. As of the vaccine mandate date, 58.7% of all CDOC staff and 77% of CDHS staff were fully vaccinated. A positive effect on the demonstration may occur with the funding provided by SB 21-137 for behavioral health providers and entities, including the following: • A contractor for certification and training on industry best practices for recovery residences • SUD treatment and recovery providers • Community mental health centers • An Ombudsman to solve behavioral health access and coverage concerns or complaints from consumers and providers
11.2.3 The state is working on other initiatives related to SUD or OUD	X	
11.2.4 The initiatives described above are related to the SUD or OUD demonstration (The state should note similarities and differences from the SUD demonstration)	X	
12. SUD demonstration evaluation update		
12.1 Narrative information		
12.1.1 Provide updates on SUD evaluation work and timeline. The appropriate content will depend on when this report is due to CMS and the timing for the demonstration. There are specific requirements per Code of Federal Regulations (CFR) for annual reports. See report template instructions for more details.		Evaluation Design progress includes creating driver diagrams; formulating research questions and hypotheses; developing the analytic methods that will be used; and assessing methodological limitations. The draft Evaluation Design was submitted to CMS on October 1, 2021.
12.1.2 Provide status updates on deliverables related to the demonstration evaluation and indicate whether the expected timelines are being met and/or if there are any real or anticipated	X	

barriers in achieving the goals and timeframes agreed to in the STCs		
12.1.3 List anticipated evaluation-related deliverables related to this demonstration and their due dates		• Monitoring Protocol: submitted August 4, 2021 • Revised Monitoring Protocol: due 60 days after receipt of CMS comments • Draft Evaluation Design: due November 13, 2021 (submitted October 1, 2021) • Revised evaluation design: due 60 days after receipt of CMS comments • DYIQ4/Annual Report: due March 31, 2022 • Mid-Point Assessment: due September 1, 2023 • Draft interim evaluation report: due June 30, 2024 • Final interim evaluation report: due 60 days after receipt of CMS comments • Draft summative evaluation report: due 18 months after the end of the approval period (June 30, 2027) • Final summative evaluation report: due 60 days after receipt of CMS comments
13. Other demonstration reporting		
13.1 General reporting requirements		
13.1.1 The state reports changes in its implementation of the demonstration that might necessitate a change to approved STCs, implementation plan, or monitoring protocol	X	
13.1.2 The state anticipates the need to make future changes to the STCs, implementation plan, or monitoring protocol, based on expected or upcoming implementation changes		According to the most recent Mathematica update (Version 4.0), additional HCPCs codes were added for telehealth visits. The State, however, does not use these G-codes to capture telehealth. Telehealth is instead captured with Place Of Service 02.

		The State continues to set up processes to validate and calculate metrics. Data from 2018 to current have been combined and validations run. Adjustment logic was applied to create master datasets, (claims and enrollment) that will be used in programming the metrics.
13.1.3 Compared to the demonstration design and operational details, the state expects to make the following changes to: 13.1.3.i. The schedule for completing and submitting monitoring reports	X	
13.1.3.ii. The content or completeness of submitted reports and/or future reports	X	
13.1.4 The state identified real or anticipated issues submitting timely post-approval demonstration deliverables, including a plan for remediation		There were no issues submitting deliverables during the current quarter. Deliverables included DY1Q1 monitoring report, DY1Q2 monitoring report, draft Monitoring Protocol, and the draft Evaluation Design.
13.2 Post-award public forum		
13.2.2 If applicable within the timing of the demonstration, provide a summary of the annual post-award public forum held pursuant to 42 CFR § 431.420(c) indicating any resulting action items or issues. A summary of the post-award public forum must be included here for the period during which the forum was held and in the annual report.	X	
14. Notable state achievements and/or innovations		
14.1 Narrative information		
14.1.1 Provide any relevant summary of achievements and/or innovations in demonstration enrollment, benefits, operations, and policies pursuant to the hypotheses of the SUD (or if broader demonstration, then SUD related) demonstration or that served to provide better care for individuals, better health for populations, and/or reduce per capita cost. Achievements should		The RAEs are working to streamline the authorization form process by standardizing the form. Currently each RAE has their own form, which is administratively burdensome.

focus on significant impacts to beneficiary outcomes. Whenever possible, the summary should describe the achievement or innovation in quantifiable terms, e.g., number of impacted beneficiaries.		

*The state should remove all example text from the table prior to submission.

Note: Licensee and states must prominently display the following notice on any display of Measure rates:

Measures IET-AD, FUA-AD, FUM-AD, and AAP [Metrics #15, 17(1), 17(2), and 32] are Healthcare Effectiveness Data and Information Set (HEDIS®) measures that are owned and copyrighted by the National Committee for Quality Assurance (NCQA). HEDIS measures and specifications are not clinical guidelines, do not establish a standard of medical care and have not been tested for all potential applications. The measures and specifications are provided "as is" without warranty of any kind. NCQA makes no representations, warranties or endorsements about the quality of any product, test or protocol identified as numerator compliant or otherwise identified as meeting the requirements of a HEDIS measure or specification. NCQA makes no representations, warranties, or endorsement about the quality of any organization or clinician who uses or reports performance measures and NCQA has no liability to anyone who relies on HEDIS measures or specifications or data reflective of performance under such measures and specifications.

The measure specification methodology used by CMS is different from NCQA's methodology. NCQA has not validated the adjusted measure specifications but has granted CMS permission to adjust. A calculated measure result (a "rate") from a HEDIS measure that has not been certified via NCQA's Measure Certification Program, and is based on adjusted HEDIS specifications, may not be called a "HEDIS rate" until it is audited and designated reportable by an NCQA-Certified HEDIS Compliance Auditor. Until such time, such measure rates shall be designated or referred to as "Adjusted, Uncertified, Unaudited HEDIS rates."