

FY 2024 - 2025 CUSOM Interagency Agreement LRFI

Colorado School of Medicine Interagency Agreement

October 1, 2025

Submitted to: Joint Budget Committee of the Colorado General Assembly



COLORADO
Department of Health Care
Policy & Financing

Contents

Contents	2
Executive Summary	3
Introduction	4
Background	4
Interagency Agreement	5
FY 2024-25 Priority Area Work Completed	7
Program and Project Highlights	10
State Benefit of Program Continuity and Next Steps	10
Appendices	11
Appendix A - Supplemental Payment Methodology and Structure	11
Appendix B - FY 2024-25 Carryforward and Obligated Investments	12
Appendix C - FY 2024-25 Priority Areas	13



Executive Summary

During State Fiscal Year (FY) 2024-25, University of Colorado School of Medicine (CUSOM) and Department of Health Care Policy and Financing (HCPF) entered their eighth year of partnership through an Interagency Agreement to increase the support of Health First Colorado members across the state via supplemental payment funding.

The Supplemental Funding Program focuses on improving access to care for Health First Colorado members, not only through enhancing provider payments, but through creative initiatives focused on population health. The program, with \$109,869,098.00 total funds in FY 2024-25, supports 102 unique investments ranging from scholarship support for healthcare workforce development, increased behavioral health programming, enhanced wraparound services, and promoted transitions of care improvements.

The Supplemental Funding Program also supports the health care workforce through full-time equivalent (FTE) support for high-need and specialized clinical providers caring for Health First Colorado members.

Key Supplemental Funding Program Successes in FY 2024-25:

81 Actively Funded Projects

The Supplemental Funding Program actively funded 81 projects across multiple specialties and medical disciplines at CUSOM. Funds were utilized to support workforce development, behavioral health expansion, team-based health care, and expansion of unique program coverage. Some of the “unique programs” include providing justice involved individuals Substance Use Disorder care via telehealth prior to release as they transition back into the community upon release, expanding transitions of care support to southern Colorado and increasing access to Functional Neurologic Disorders care at the University of Colorado Functional Seizures Clinic, which is one of only five centers in the United States.

Telehealth Growth

Telehealth has shown consistent utilization. In FY 2024-25, telemedicine grew by 9% from FY 2023-24 with 24,012 unique members seen for 56,664 visits and 1,001 eConsults for Health First Colorado members.

Behavioral Health

A total of 23,322 unique Health First Colorado members received behavioral health services in FY 2024-25, an increase of 10% from the previous year. In FY 2024-25, behavioral telehealth

services were 26% of the total telemedicine visits showing the continued need for telemedicine modalities to address the behavioral health crisis in Colorado.

Specialty Care Access

There were 335,406 specialty care visits for Health First Colorado members at CUSOM in FY 2024-25, representing a 2% growth over the previous year. CUSOM increased statewide access to specialty care through exploration of pediatric to adult transitions of care activities in neurology; the continued study of how referral pathways can be tracked to improve Member experience, reduce barriers to entry, and provider satisfaction for more effective referrals to specialty care; completion of a data analysis that provided a methodology for determining and verifying specialty providers within the Department's data and/or claims system; and the selection of endocrinology and pain medicine as a new specialty care area of focus for increasing access for Health First Colorado members moving forward.

Community Engagement

In FY 2024-25, the Supplemental Funding team made 99 connections with community partners through meetings, presentations, and collaboration. The Fall 2024 and Spring 2025 Community Engagement Forums brought together the project teams funded through the Supplemental Funding Program for presentations and shared learnings about ongoing engagement strategies and how to utilize resources available throughout the community.

Introduction

This report is presented to the Joint Budget Committee (JBC) of the Colorado General Assembly in response to Legislative Request for Information 7. Legislative Request for Information 7 requests information about this program's various public benefits. The report below outlines work and accomplishments in FY 2024-25 that were completed in partnership between CUSOM and HCPF.

Background

HCPF submitted an initial State Plan Amendment (SPA) 16-0006 on September 30, 2016, to the Centers for Medicare & Medicaid Services (CMS) for a supplemental payment for physician and professional services delivered by providers employed by a public medical school. CMS approved the SPA on July 13, 2017, allowing CUSOM and HCPF to enter a partnership to improve access to primary and specialty care for Health First Colorado members. To establish expectations and partnership, CUSOM

and HCPF jointly developed an Interagency Agreement (IA) to guide efforts to improve quality and health outcomes for Health First Colorado members. Priority areas of focus were determined by engaging with the CUSOM community including patients, providers, and community organizations.

Since 2017, the program has continued to evolve to meet the needs of the state. This has occurred through meetings with community partners, providers at CUSOM and staff at HCPF to understand barriers to accessing care, discuss solutions, and prioritize efforts that will create the largest impact on Health First Colorado members. This evolution can be clearly seen in the efforts around telehealth and specialty care.

- a. Telehealth – While this program began prior to the COVID-19 pandemic when telehealth modalities were rarely used, the administrative teams at CUSOM and HCPF quickly pivoted in response to the pandemic to support providers and clinics to deploy telehealth capabilities providing direct patient care services. Now, this work has expanded to include online provider education, eConsults and eVisits.
- b. Specialty Care – Over the years, prioritized focus has been dedicated to support specialties having chronic challenges with patient access. Provider champions provide subject matter expertise to CUSOM and HCPF that informs both parties about the work being done in these areas. Efforts in urology, dermatology, rheumatology, and neurology have continued including pediatric to adult transitions of care, building standalone clinics, enhancing eConsults for rural communities and establishing an advanced practice provider residency program to expand workforce. FY 2024-25 saw additional efforts in endocrinology and pain medicine which will continue into FY 2025-26.

Interagency Agreement

The FY 2024-25 IA governs the working relationship between CUSOM and HCPF and outlines categories and amounts for funding which align with the priorities and deliverables of the agreement. Table 1 below shows the allocation and expenditure of funds as stipulated in the IA. Carryforward funds are outlined in Appendix B.

Table 1 – Allocation of Program Funds – FY 2024-25

IA Section	FY25 IA Allocations	Total FY25 Expenditures
Section 5.1 Expand Health First Colorado Member Volume	\$54,769,745.35	\$54,769,741.14
Section 5.2 Expand Access and Enhance Care Using Evidence-Based Health Care Delivery Models	\$34,993,307.79	\$27,051,366.27
Section 5.3 Expand Targeted Rural Patient Access	\$7,910,575.05	\$7,905,853.98
Section 5.4 Expand Telemedicine & eConsults	\$2,746,727.45	\$1,030,649.82
Section 5.5 Improving Transition of Care and Patient Follow-up	\$1,702,971.01	\$1,558,892.20
Section 5.6 Support for Federally Qualified Health Centers (FQHCs)	\$2,933,504.95	\$3,079,375.96
Section 5.7 Health Care Policy and Research	\$503,200.46	\$433,244.49
Section 5.8 Support for Rural Track and Student Medical Training Programs	\$1,012,993.00	\$1,000,000.00
Section 5.9 Collaborative Initiatives and Specialty Care Investment	\$549,345.49	\$3,046,576.04
Section 5.10 Administration and QUEST	\$2,746,727.45	\$1,805,980.71
Total	\$109,869,098.00	\$101,681,680.61

FY 2024-25 Priority Area Work Completed

A portion of the federally matched funds are tied to deliverables under five areas of priority selected in collaboration between HCPF and CUSOM. This performance-based portion equates to 10% of the federally matched funding, with each of the priority areas equally accounting for 2%.

The total performance-based portion for FY 2024-25 was \$11,206,648. A summary of the work completed and/or specific deliverables completed in each of the five priority areas for FY 2024-25 is outlined below and in Appendix C. In FY 2024-25, CUSOM met all the required deliverables earning all the performance-based portion of the funding in the following priority areas.

Evaluation:

The Quality Evaluation Support Team (QUEST) produced four (4) individual QUEST Highlight Reports of their analysis and findings from the evaluations they completed for the following Supplemental Funding Program projects: Extra Care Initiative at the Barbara Davis Center's Pediatric Clinic; Colorado Youth Suicide Prevention Program; Functional Neurological Disorder (FND) Center of Excellence; and the Advanced Practice Provider Neurology Fellowship Program. These evaluations assist these programs in understanding the impact of their work and provide recommendations on how to improve processes.

CUSOM, HCPF and QUEST continue to assist all Supplemental Funding Program projects to standardize measure definitions for bi-annual reporting. This will allow for consistency across all funded projects to showcase the impact of the Supplemental Funding.

Specialty Care Access:

CUSOM and HCPF undertook several different analyses to deepen our collective understanding of which activities are having a meaningful impact on increasing access to specialty care for Health First Colorado members. These work activities included: undertaking a Transitions of Care Data Analysis with the Farley Health Policy Center, ongoing referral pathways work in regard to pain medicine and management, initial exploration of endocrinology as a new specialty care area of focus, and completion of a data analysis that provided a methodology for determining and verifying specialty providers within the Department's data and/or claims system.

Community Engagement:

CUSOM hosted two separate Community Engagement Forums for all active project teams, HCPF leadership and staff, and other featured community partners who were invited to connect with one another for shared learning and presentations from CUSOM, HCPF and other guests. The first Community Engagement Forum was held on December 5, 2024, and the second was on June 10, 2025. Forum participants are polled at the end of each forum on what useful topics they would like to learn more about, and the feedback is used to plan content for future forums.

CUSOM hosted a series of Population Focus Learning Network (PFLN) meetings with project teams working on improving maternal health outcomes for Health First Colorado members. Meetings were held on January 31 and April 30, 2025. PFLN meetings provided an opportunity for those projects working within the same population of focus to come together with their peers and staff from HCPF to learn from each other's experiences and exchange ideas about future policy changes that could positively impact their work.

Telehealth:

CUSOM reviewed 22 Supplemental Funding Program behavioral health projects that have a telehealth component to summarize the current landscape and to investigate the impact of telehealth sustainment and expansion on behavioral health outcomes and policy implications.

In collaboration with CUSOM, The Peer Mentored Care Collaborative (now called The Care Collaborative) continued to create content for healthcare professionals on topics that are important to the state and Health First Colorado members and increase engagement with health care professionals in rural and frontier counties including series focused on neurology, endocrinology, and autism for caregivers.

CUSOM supported the implementation of a Virtual Primary Care Center (VPCC) to create connections back to Primary Care for Health First Colorado members who use telehealth modalities and to provide a sustainable model for expanded telehealth access for UHealth Primary Care patients. The VPCC will do this by providing evening and Saturday telehealth primary care services.

Collaborative Initiatives:

These community identified projects incorporate population-level and individual-level determinants of health and interventions and support robust evaluation to better scale interventions for underserved populations. Below are the specific Collaborative Initiatives undertaken in FY 2024-25.

- Housing Transitions Team (HTT) - HTT aims to reduce overall emergency department (ED) visits, unplanned readmissions, inpatient length of stay, and improve housing stability and well-being by connecting patients with medical and social supports. In FY 2024-25, measurable outcomes included over 400 patients served, including more than 250 unique Medicaid members. HTT supported the transition of 45 individuals into housing and facilitated nearly 500 referrals to community partners for short-term shelter and medical stabilization following hospital discharge.
- STRIDE Mobile Health - The STRIDE Mobile Health team aimed to increase access to healthcare for underserved populations by providing care in the community through mobile health services and street medicine. In FY 2024-25, the STRIDE Street Medicine team completed 3,234 total encounters. This included 1,531 direct street contacts and 1,703 outreach event interactions. The program proudly supported 106 repeat patients, with return visit rates ranging from 2 to 18 visits per individual, reflecting both ongoing trust and persistent clinical need within the population served.
- Wellness, Opportunity, Resilience Through Health (WORTH) – WORTH helps minimize the stress and difficulty of transitioning back into the community for incarcerated individuals in jails in the Denver Metro Area. Utilizing the expertise and lived experience of peer support specialists and a health navigator, WORTH establishes relationships with incarcerated individuals and provides resources and facilitation to aid them in fulfilling their health and wellness goals. In FY 2024-25, WORTH received 130 referrals and after contacting each referral while still incarcerated, the program staff successfully enrolled 89% of these individuals into the WORTH program prior to their release from jail. Of those who enrolled, 46% of these individuals connected with WORTH after their release and 37% established medical care post-release.

In addition to the successful completion of work in the Priority Areas, CUSOM undertook a range of actions to continue exploration of HCPF's Special Areas of Interest. Below are highlights from these activities.

- Palliative Care - CUSOM initiated a promising collaboration with the University of Colorado's Palliative Care team to explore opportunities for disseminating educational materials to the community. The co-development of an ECHO series focused on equipping community-based providers with foundational palliative care skills is in progress for launch in FY 2025-26.
- Pediatric to Adult Transitions of Care in Neurology – A child with chronic illness reaching adulthood is particularly vulnerable to gaps in care as they transition from

their pediatric care team to adult healthcare. The Children's Hospital Colorado IMPACT team led by CUSOM faculty supports patients and families with education and coordination of scheduling and transferring of records. From March 2024 through May 2025, 301 neurology pediatric patients have successfully transitioned to adult care. Of these, 63% were Health First Colorado members.

Program and Project Highlights

Below are highlights from the unique investments made in FY 2024-25.

Rural Track and Student Medical Training Programs

Significant investments for Rural Track and Student Medical Training Programs at the University of Colorado School of Medicine continued to be made in FY 2024-25. These training program dollars are crucial to recruiting the most talented students. Student Medical Training Programs funded 49 students in Academic Year 2025 in which students received a full or partial tuition scholarship. Rural scholarships funded 69 students in Academic Year 2025.

General Internal Medicine Telehealth Expansion Program - Department of Corrections Transitions of Care

The General Internal Medicine (GIM) Telehealth Transitions of Care Expansion Program with the Department of Corrections launched in October 2024 with the goal of improving health outcomes and increasing access to Health First Colorado-funded primary and addiction care for individuals with justice involvement and substance use disorders (SUD). This program addresses a critical gap in the care continuum by initiating care before release from incarceration and providing rapid follow-up after re-entry into the community. Through a partnership between the University of Colorado School of Medicine (CUSOM) and the Colorado Department of Corrections (CDOC), the program engages individuals prior to release through a telehealth appointment with an Integrated Primary Care and Addiction physician and an in-person follow-up visit within seven days post-release.

State Benefit of Program Continuity and Next Steps

Moving into FY 2025-26, this program is well-positioned to continue work in the five strategic priority areas.

Evaluation - Activities for FY 2025-26 include QUEST evaluations with corresponding highlight reports and continued standardization work around project measures and definitions.

Specialty Care Access - Activities for FY 2025-26 include the exploration of endocrinology as a new specialty care area of focus and the assessment of the CUSOM environment of pain medicine and its subspecialties (i.e., chronic pain management, addiction medicine, interventional pain medicine, etc.) to identify opportunities and meaningful interventions to address gaps in care experienced by members.

Project Engagement - Beginning in FY 2025-26, Community Engagement will now be referred to as Project Engagement to better align with the goal of bringing project teams together. Activities for FY 2025-26 include hosting two Project Engagement Forums where project teams can connect with one another for shared learning; continued management of the Project Engagement tracker and contact information for the projects' distribution list; and the Population Focused Learning Network.

Virtual Care - Beginning in FY 2025-26, Telehealth will be referred to as Virtual Care to demonstrate the inclusion of provider education and the continued utilization of additional telehealth modalities within the scope of this priority area. Activities for FY 2025-26 include continued support for the Colorado Extension for Community Health Outcomes (ECHO) project and an enhanced review of all active Supplemental Funding Program Integrated Behavioral Health projects with a focus in telemedicine to better understand access and sustainability.

Collaborative Initiatives - Activities for FY 2025-26 include support for the provision of services to the Colorado justice involved community; assisting unhoused members by connecting them to resources including medical and behavioral health care and housing; and identification of new potential collaborative initiatives projects in FY 2026-27.

Appendices

Appendix A - Supplemental Payment Methodology and Structure

Per federal regulations, aggregate Medicaid payments to groups of providers are allowed up to the amount of an Upper Payment Limit (UPL). The UPL is the difference between a reasonable estimate of what commercial payors utilizing Medicare payment principles would have paid for professional services delivered to Health First Colorado members and what was actually paid by Health First Colorado. Supplemental Payments to CUSOM for Physician and Professional Services to Health First Colorado members are made quarterly based on direct patient services provided during the same quarter a year prior. For example, a supplemental payment made at the end of the FY 2024-25 first quarter (July 01, 2024 - September 30, 2024) is based on services provided to Health First Colorado members during the FY 2023-24 first quarter (July 01, 2023 - September 30, 2023).

Since HCPF is the only authorized agency to draw down federal matching funds, the General Fund allocation designated to the Department of Higher Education is transferred to HCPF on a quarterly basis to be used for the match. Once federal funds are drawn, payments that include both the General Fund and federal match dollars are made by HCPF to CUSOM via University Physicians, Inc, dba University of Colorado Medicine. The General Fund component is remitted to the University of Colorado to satisfy their Higher Education budget while the matching funds are retained by University of Colorado Medicine to fulfill the obligations of this agreement. Table A1 below shows the General Fund originally designated to Higher Education and drawn federal funds for each supplemental payment paid to CUSOM during FY 2024-25.

Table A1 – Schedule of Supplemental Payments to CUSOM FY 2024-25

Period of Payment	Total Funds	Reappropriated Funds	General Fund	Federal Funds	FMAP
QE-09/30/23	\$54,934,548.50	\$26,093,910.50	\$0.00	\$28,840,638.00	52.50%
QE-12/31/23	\$54,934,548.50	\$26,643,256.00	\$0.00	\$28,291,292.50	51.50%
QE-03/30/24	\$54,934,548.50	\$27,467,274.25	\$0.00	\$27,467,274.25	50.00%
QE-06/30/24	\$54,934,548.50	\$27,467,274.25	\$0.00	\$27,467,274.25	50.00%
Total	\$219,738,194.00	\$107,671,715.00	\$0.00	\$112,066,479.00	51.00%

At any time, this program is subject to review by the U.S. Department of Health and Human Services (DHHS), Center for Medicare & Medicaid Services (CMS) for timely filing of claims and conformance to the reimbursement methodology and other stipulations outlined in the Medicaid State Plan, Supplement to Attachment 4.19B - CUSOM Supplemental Payments for Physician and Professional Services.

Documentation from either CUSOM or HCPF including, but not limited to, demonstrations that this program is qualified to receive reimbursement may be requested by CMS, the Office of Inspector General (OIG), or the Office of the State Auditor (OSA), and both CUSOM and HCPF are responsible for providing that documentation promptly. If HCPF determines that this program's reimbursement payments were made in error, or in the event of a disallowance of federal funds by CMS, CUSOM must return the appropriate amount of funds.

Appendix B - FY 2024-25 Carryforward and Obligated Investments

Carryforward funds were accumulated predominantly during the initial years of programming. Numerous program investments required building periods resulting in

lower expenditures during the initial years of the program. Program maturation is now promoting descending carryforward funds.

Table B1 below shows FY 2024-25 carryforward funds which have been obligated to future programming and necessary reserves.

Table B1 – Carryforward and Obligated Investments – FY 2024-25

Description	Amount	
FY25 Total Carryforward Balance	\$72,949,296.54	
(Includes \$1,828,541.96 = FY25 Investment Income Less HCPF Admin Fee)		
Targeted Investment Obligation		
Collaborative Initiatives & Specialty Care Investment	\$7,324,766.79	
Section 9.3* Reserve Obligation		Target Amount
Project Specific Decommissioning Reserve	\$25,417,910.28	\$42M
Enhanced Clinical Payments Reserve	\$40,206,619.47	\$54.7M
Total Obligated	\$72,949,296.54	

*Section 9.3 - Parties agree that in the event that Supplemental Program funding is not continued, it is in their best interest to employ the amount of remaining carry forward balance necessary to continue the objectives of the Agreement for at least one additional fiscal year following when the decision to discontinue funding was made.

Appendix C - FY 2024-25 Priority Areas

The priority areas for FY 2024-25 were: Evaluation, Specialty Care Access, Community Engagement, Telehealth, and Collaborative Initiatives. Table C1 below shows specific deliverables under each priority work area jointly agreed upon by CUSOM and HCPF to be achieved by the end of FY 2024-25 and the status of the deliverables.

Table C1 – IA Priority Work Areas – FY 2024-25

#	Priority Area	Goal	Deliverable	Status
1	Evaluation	A data driven	1. (4) QUEST Highlight	COMPLETE

		framework to evaluate Supplemental Funding investments to ensure they achieve the objectives of the Agreement and to promote sound stewardship of supplemental funds.	Reports 2. Narrative of FY25 Progress on Definition Standardization 3. Draft Narrative in Community Year End Report	
2	Specialty Care Access	Health First Colorado member specialty needs and development of interventions to support the Specialty Care Action Plan to meet those needs.	1.Specialty Care Report 2. Draft Narrative in Community Year End Report	COMPLETE
3	Community Engagement	Report community engagement activities incorporated in Supplemental funded programs and projects and identify opportunities for enhanced engagement with community partners within those programs and projects.	1.Community Engagement Tracker 2. Population Focused Learning Network 1-Pager 3. Draft Narrative in Community Year End Report	COMPLETE
4	Telehealth	Facilitate partnership to explore opportunities for information exchange, guidance, and dissemination for telehealth.	1.ECHO Report 2. Behavioral Health and Telemedicine Narrative 3. Draft Narrative in Community Year End Report	COMPLETE
5	Collaborative Initiatives	Define, implement, and evaluate collaborative projects that work to increase access to care and improve outcomes for populations with high health care needs across the state.	1.Quarter Reporting 2. HCPF's Special Areas of Interest Overview Narrative 3. Draft Narrative in Community Year End Report	COMPLETE

Completion status of these priority area deliverables determines the amount of discount applied to the following state fiscal year funding distribution to CUSOM. Based on Table C1 above, CUSOM successfully completed all priority deliverables and there will be no withhold applied to FY 2025-26 funding distribution.