



We're Here  
for YOU,  
Colorado!

2019 - 2020 ANNUAL REPORT



**COLORADO**  
Department of Health Care  
Policy & Financing

# A Year in Review – A Message from the Executive Director



The Department of Health Care Policy & Financing, its seasoned leaders and passionate staff worked tirelessly this past year to support our members

through the COVID-19 pandemic, to meet the growing demands for our health care coverage and supports, and to continue to lead health care affordability efforts to protect our programs and help Coloradans access affordable coverage during the economic downturn. Through it all, one thing is clear: every Coloradan needs health care coverage during each stage of their life. We are proud to be the state department that provides that critical coverage and protection to one in four Coloradans when they need it the most.

As we look back, the first six months of the 2019-20 fiscal year covered in this report had been unfolding according to our bold and innovative plans.

We were laser focused on our strategic pillars: Member Health, Customer Service, Operational Excellence, Medicaid Cost Control and leveraging our expertise and leadership to drive Health Care Affordability for Coloradans and their employers.

We [presented](#) our [performance plan](#) to the House and Senate Health Committees and shared the significant progress made in collaboration with our many partners and stakeholders. Major accomplishments included exceeding industry standards for call center wait times and improving our digital tools to enhance member service; increasing Medicaid provider enrollment and corresponding access to care for members; improving analytic systems to help identify members who most need support and creating pathways for our [Regional Organizations](#) to better respond to those needs in order to improve member health.

Under the bold leadership of Gov. Jared Polis and Lt. Gov. Dianne Primavera, and in collaboration with the Health Cabinet, HCPF is leveraging our expertise to lead affordability efforts for the betterment of public programs, all Coloradans and our employers. We released the [Colorado](#)

[Hospital Cost Shift Analysis report](#) and presented the [Hospital Expenditure Report](#) to the General Assembly, which details the activities the Department has undertaken to implement [HB19-1001](#) (Hospital Transparency) and [HB19-1320](#) (Hospital Community Benefit) to date. We submitted the [Hospital Transformation Program](#) 1115 demonstration waiver application and State Plan Amendment to the Centers for Medicare and Medicaid Services (CMS). We released the [Reducing Prescription Drug Costs report](#), which identified drivers of rising prescription drug costs and solutions to address them to the benefit of Coloradan families, employers and public programs like Medicaid.

We began the state legislative session with renewed energy for our agenda and work. Then, the COVID-19 pandemic hit. Facing this global public health crisis, our Department recalibrated its focus on the emerging health coverage and economic crisis. As dedicated public servants, Department leadership and passionate staff acted thoughtfully, boldly and innovatively during an unprecedented public health emergency and a resulting economic

downturn to protect and serve a growing number of Coloradans in need.

As a first step, and with extraordinary stakeholder collaboration, we worked with the Colorado Department of Public Health & Environment (CDPHE) and our federal partners on provider care directives to reduce exposure for our most vulnerable—those in long-term care facilities and others who are more susceptible to COVID-19 complications.

Operationally, we realigned resources, reprioritized projects, worked with federal partners to secure waivers that cut through red tape to enable speedy policy changes, implemented telemedicine to create safe and increased access to care for our members and providers, obtained hundreds of millions in additional federal financing, established new collaboratives to protect our most vulnerable, and escalated supports and reduced administrative burden on providers. We implemented changes to ensure continuous coverage for our members throughout the public health emergency in accordance with both our mission to serve and directives from our federal partners at CMS. We also partnered with counties to activate their continuity of operations plans

to ensure our members were served during the public health emergency.

We developed the [We're Here for You, Colorado](#) outreach campaign to help enroll Coloradans and providers in our programs to expand access to health coverage. We partnered with Connect for Health Colorado, the state's marketplace exchange, to develop an enrollment guidance tool that provides clear and simple guidance Health First Colorado and CHP+ guidelines, as well as alternative coverage options and financial supports that make coverage more affordable. And we worked to encourage Colorado providers to [join us](#) as rising unemployment rates and growing loss of commercial insurance coverage fueled an increase in Coloradans qualifying for our coverage programs.

Through the pandemic and unprecedented job losses, we increased outreach and support to both applicants and existing members through [CO.gov/PEAK](#) and the newly rebranded [Health First Colorado mobile app](#). We provided important COVID-19 information at [HealthFirstColorado.com](#) and on new [Facebook](#) and [Twitter](#) social media channels specifically for members.

When this year began, none of us could have imagined how drastically our lives were about to change. Rest assured, you can count on our leadership and staff to passionately serve Coloradans through this incredibly difficult chapter, through good times and bad, and for years to come. We invite you to keep up to date with the Department's key initiatives intended to support the members we serve, our safety net programs, Colorado families and Colorado employers, as well. Together, we can be the change in the world we wish to see and help Coloradans rise and thrive through the end of this pandemic. On behalf of all of us, we are proud to say:

**We're Here for YOU, Colorado!**



Kim Bimestefer, Executive Director  
*Colorado Department of  
Health Care Policy & Financing*

# What We Do



This report summarizes our accomplishments and activities for the state fiscal year 2019-20, which spans July 1, 2019 through June 30, 2020, unless otherwise noted. Future reporting may vary as the Department continues to receive data.

In the 2019-20 fiscal year, Health First Colorado (Colorado's Medicaid program) provided coverage to approximately 1.2 million Coloradans. Child Health Plan *Plus* (CHP+) covered approximately 77,000 children and pregnant women.

At the federal level, the Department is regulated by the Centers for Medicare & Medicaid Services (CMS). At the state level, the Medical Services Board adopts rules to govern all Department programs, ensuring compliance with state and federal regulations. Learn more about the Medical Services Board at [colorado.gov/hcpf/medical-services-board](https://colorado.gov/hcpf/medical-services-board).

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# Programs



## Health First Colorado

Health First Colorado (Colorado's Medicaid program) is a public health assistance program for Coloradans who qualify. The program provides access to primary care, behavioral health care, hospitalization, nursing facility care, prescription drugs, and other programs to get and keep members healthy.



## Buy-In Programs

The Health First Colorado Working Adults with Disabilities Buy-In Program and the Health First Colorado Children with Disabilities Buy-In Program allow individuals and families the opportunity to purchase Health First Colorado coverage. Members pay a monthly premium based on their income. In the 2019-20 fiscal year, 10,675 Coloradans participated in these two buy-in programs. The Health Insurance Buy-In Program offers commercial health insurance premium assistance for Health First Colorado members who qualify. In the 2019-20 fiscal year, 768 Coloradans participated in the Health Insurance Buy-In Program.



## Child Health Plan *Plus*

Child Health Plan *Plus* (CHP+) offers comprehensive health care benefits to two populations: uninsured children ages 18 and younger, and pregnant women who do not qualify for Health First Colorado and cannot afford private health insurance. CHP+ enrollment, which includes both children and pregnant women, was just over 77,000 in the 2019-20 fiscal year.

State legislation in 2019 expanded dental services to CHP+ moms. In the 2019-20 fiscal year, the CHP+ dental program served more than 51,000 children and prenatal CHP+ members.



## Dental Program

Health First Colorado offers dental benefits to children and adults. During the 2019-20 fiscal year, 502,132 Health First Colorado members received at least one paid dental service. The adult dental program completed its fifth year of services on June 30, 2020.



## The Colorado Indigent Care Program

The Colorado Indigent Care Program (CICP) allows Coloradans with incomes up to 250% of the Federal Poverty Level (FPL) to receive discounted health care services at participating hospitals, community health centers and clinics. CICP is not health insurance. In the 2019-20 fiscal year, CICP served approximately 54,000 Coloradans. CICP is an important safety net for Coloradans who do not qualify for Health First Colorado or Child Health Plan *Plus*.

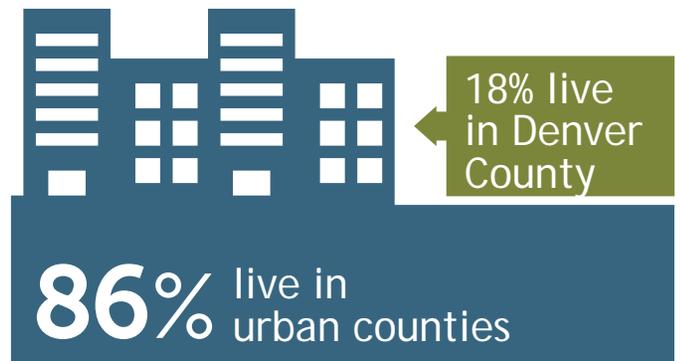


## Long-Term Services and Supports

The Department offers Long-Term Services and Supports to qualifying Health First Colorado members. These services allow members with disabilities to live everyday lives, with family and friends, in the communities of their choosing. In the 2019-20 fiscal year, approximately 51,000 Coloradans received long-term services and supports each month.

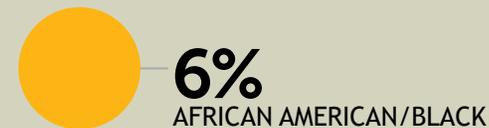
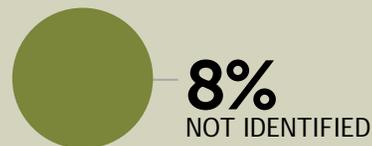
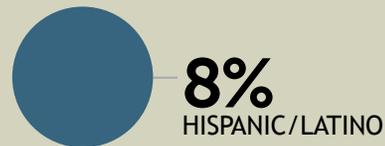
# Who We Serve

Health First Colorado provides comprehensive health care and long-term services and supports benefits to members who meet income, citizenship and other requirements.



Everyone needs help sometimes. [Learn about the Ynigo-Soto family's Health First Colorado experience.](#)

## Self Identified Race/Ethnicity

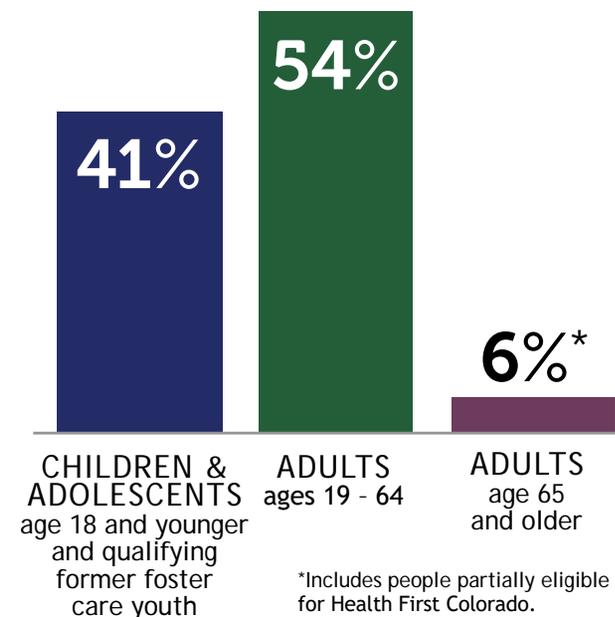


# 1.21 Million

Coloradans are Health First Colorado members.

## About Health First Colorado Members

Fiscal Year 2019-20 Demographics



**5.1% OF MEMBERS** use long-term services and supports programs

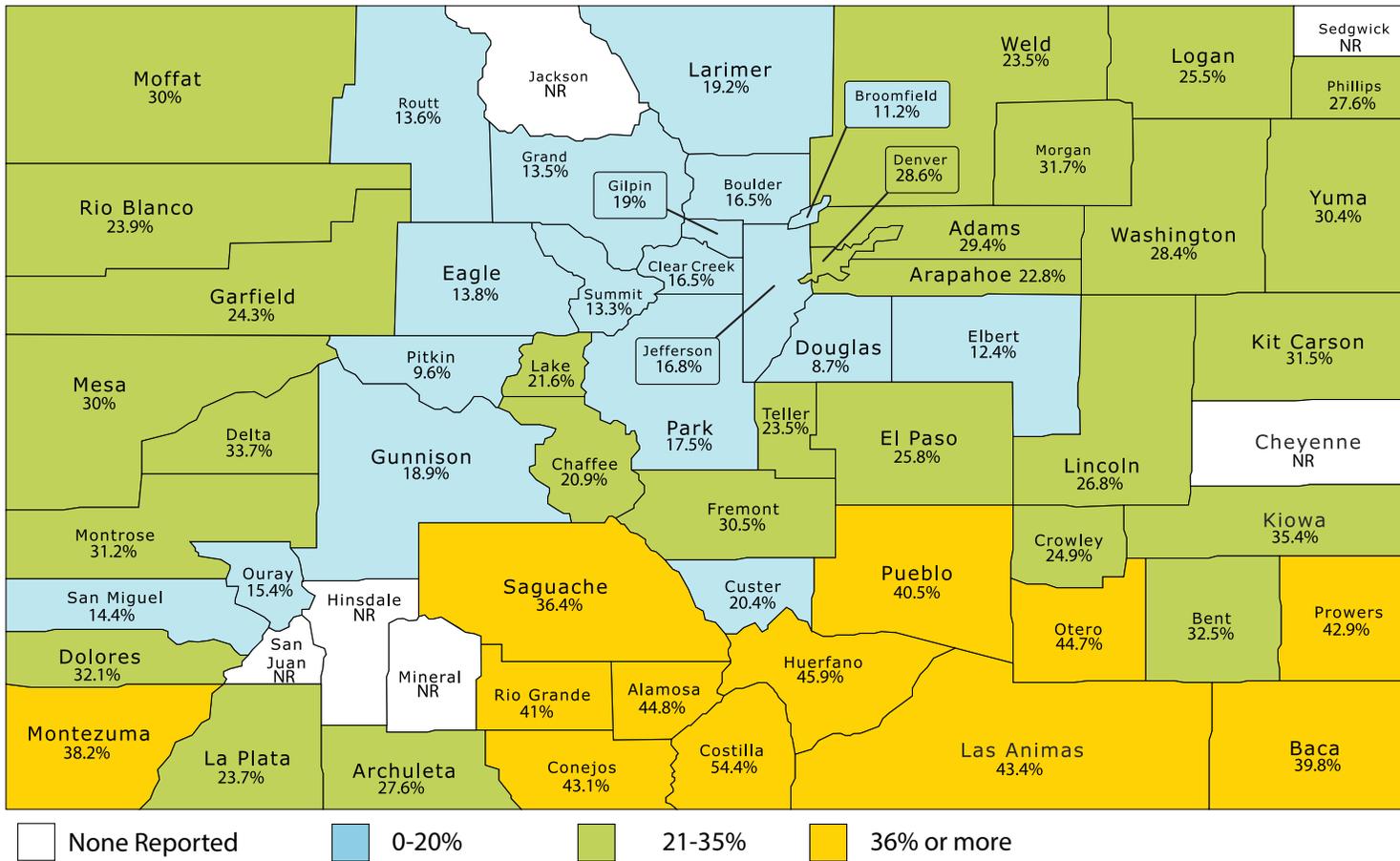


# 44%

of babies born in Colorado during calendar year 2019 were born to mothers enrolled in Health First Colorado or Child Health Plan Plus.

The Department's BIDM System (Business Intelligence and Data Management); Colorado State Demographer Website: Estimated number of Colorado State Births for calendar year 2019

# Health First Colorado and CHP+ Members by County Combined



## 2020 FEDERAL POVERTY LEVELS by Family Size\*

Family of 1

**\$16,980**

Family of 4

**\$34,848**

\*Some earning more may still qualify

The Federal Poverty Level (FPL) is a measure of income issued every year by the U.S. Department of Health and Human Services. FPL is one factor used to help determine if individuals or families qualify for programs such as Health First Colorado and Child Health Plan Plus.

Source of enrollment data is Medicaid Management Information Systems (MMIS). 2019 population data as forecasted by the State Demographer at: [demography.dola.colorado.gov/population/data/profile-county/](http://demography.dola.colorado.gov/population/data/profile-county/)



### *Member Experience Advisory Council*

Colorado is achieving a more equitable and accessible Health First Colorado through its award-winning Member Experience Advisory Council (MEAC) by recruiting a diverse demographic, removing barriers to participation and creating trusted partnerships. We engage with our members through monthly surveys, focus groups, interviews and usability testing. For more information, visit [colorado.gov/hcpf/meac](https://colorado.gov/hcpf/meac) and [bit.ly/MEACstory](https://bit.ly/MEACstory).



*Top: Health First Colorado was there when Cassie needed it. [Learn more](#) about her experience. Bottom: Health First Colorado has helped Raina and her daughter cope with tremendous grief. [Learn more](#) about their experience.*

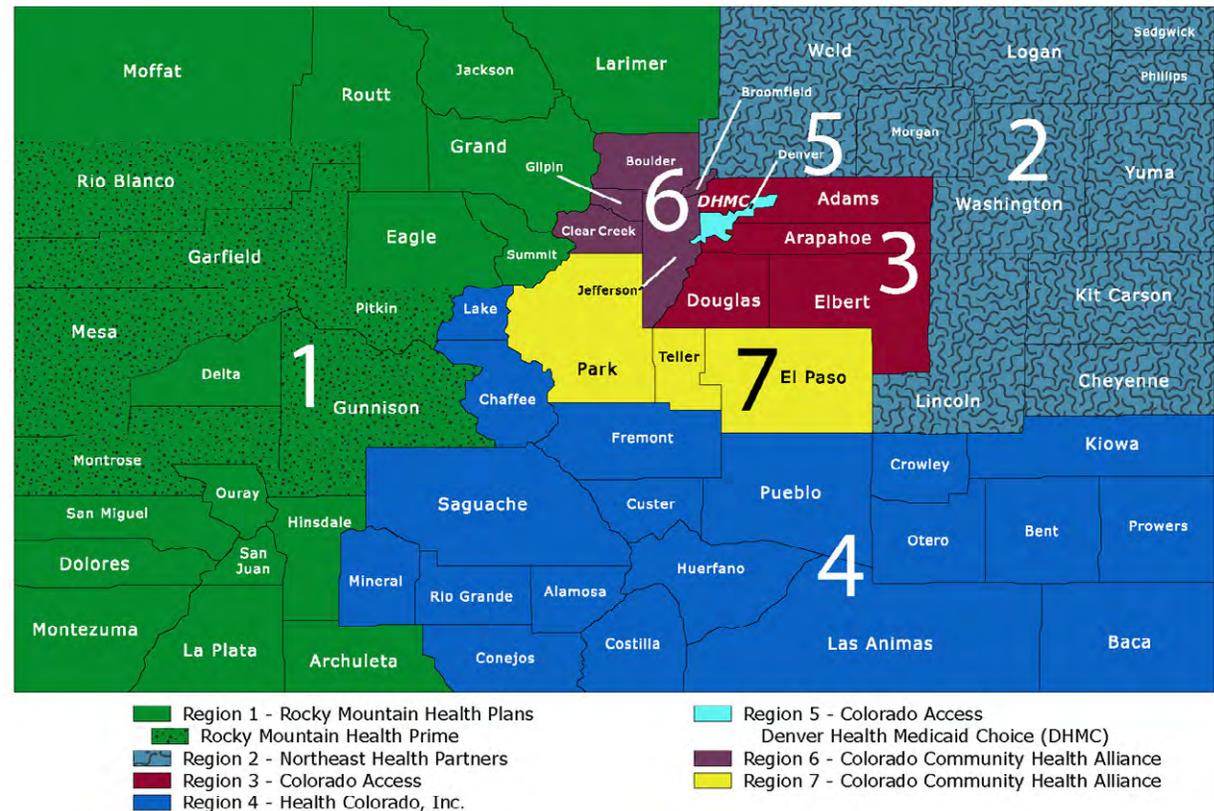
# Accountable Care Collaborative

## Coordinating Care Appropriately

Launched in 2011, the Accountable Care Collaborative (ACC) is the primary vehicle for delivering health care to Health First Colorado members. It features a flexible delivery system that leverages regional communities to improve member health and health care affordability.

The ACC features Regional Accountable Entities (RAEs), which are responsible for promoting physical and behavioral health in each of seven regions; and two limited managed care capitation initiatives: Denver Health Medicaid Choice, and Rocky Mountain Health Plans Prime. The Department has taken significant steps to improve health outcomes, improve member access and services, and make health care more affordable by joining the administration of physical and behavioral health.

RAEs contract with a network of Primary Care Medical Providers (PCMPs) to serve as a member's central point of care for physical health. The RAE also



administers the Department's capitated behavioral health benefit, which includes contracting with and reimbursing a network of mental health and substance use disorder providers. They also

coordinate access to services addressing social determinants of health. RAEs are accountable for treating the whole person, thus improving the member experience and member health.

RAEs have a primary role in implementing the Department's new clinical risk stratification dashboard to identify the top conditions impacting Health First Colorado members and provide member level data to inform the RAEs' activities. The dashboard looks across all populations (children, adults, adults 65 and older, and individuals with disabilities) to identify those members where the RAEs and their provider networks are most likely to positively influence member health and program costs:

- Coordinating care for members with complex health conditions
- Preventing the disease progression of the most common conditions impacting Health First Colorado members
- Promoting prevention and wellness

Similar to the Department's risk stratification dashboard, the Department is working with RAEs to review utilization patterns under the capitated behavioral health benefit to identify opportunities for intervention.

### *Enrollment in the ACC*

All full-benefit Health First Colorado members, excluding those members enrolled in the Program of All-Inclusive

Care for the Elderly (PACE), are mandatorily enrolled in the ACC. In the 2019-20 fiscal year, average monthly enrollment in the ACC was 1,161,545.

### *Program Performance*

The Department measures progress toward programmatic goals using the ACC's pay-for-performance program. The RAEs are able to earn financial incentives for:

- **Key Performance Indicators:** A set of seven outcome and utilization measures that highlight the RAEs' progress toward building a coordinated, community-based approach to meet member health needs and reduce costs.
- **Performance Pool:** Annually identified performance and programmatic priorities that align with state and Department initiatives.
- **Behavioral Health Incentive Program:** Five measures that indicate behavioral health system performance.

Highlights of recently reported performance results:

- On average, nearly 19% of members received a behavioral health service. This was an increase of more than 2% from the previous year.

- For 64% of newborn deliveries, the mother received a prenatal care visit during pregnancy. This was an 8.7% increase from the previous year.
- On average, 61% of members who received inpatient treatment for a mental health condition during fiscal year 2018-19 received follow-up within seven days following discharge.
- The RAEs and their provider networks were able to increase member engagement in substance use disorder treatment by 1.43% between fiscal year 2017-18 and fiscal year 2018-19. Engagement is defined as two or more outpatient services within 30 days of the member's first treatment for substance use disorder.
- Follow-up after a positive depression screen increased by 2.3% between fiscal year 17-18 and fiscal year 2018-19.
- For the first time in many years, the ACC reported a 1.3% increase in emergency room visits. The reason for the increase is unclear, but the Department is using multiple strategies to decrease emergency visits as part of the Governor's Office's Wildly Important Goals for fiscal year 2020-21.

# Financial Performance

The total amount paid for the ACC in the 2019-20 fiscal year was \$8.15 billion—a 3.8% increase from the previous fiscal year. The average paid amount per member per month (PMPM) was \$564. This was a 7.2% increase from the 2018-19 fiscal year, when the average paid PMPM was \$526.

As specific cost drivers are identified, the Department reviews benefits and programs to identify opportunities for interventions that can contain costs. Interventions may include reviewing claims processing procedures, implementing prior authorization requirements, coordinating services more effectively, expanding fraud, waste and abuse investigations and more. Additionally, the Department's implementation of the statewide approach for clinical management will help the RAEs focus on members with complex health needs and the conditions associated with many of the highest cost trends.

## *ACC Response to COVID-19*

The Department and the RAEs have been proactive in supporting both members and providers during the COVID-19 pandemic. In March, the Department shared a member list with the RAEs, Community Centered Boards, and Single Entry Point agencies

that identified those members at risk for severe negative consequences related to COVID-19. The agencies worked together to coordinate outreach and care coordination activities, with the RAEs reaching out to over 500,000 members and successfully engaging with nearly 50,000 members.

In addition, the RAEs supported behavioral health providers in expanding the utilization of telehealth services for a variety of behavioral services. The Department also encouraged RAEs to use the flexibility of their capitated payment to implement alternative funding strategies, such as sub-capitation arrangements, to support the sustainability, viability and innovation of the Community Mental Health Centers in creatively meeting Health First Colorado members' needs during the crisis.

The Department also leveraged the flexibility of the ACC Performance Pool

to distribute funding to providers to help offset some of the financial challenges they were facing. RAEs were required to submit a plan for outreaching and engaging the members identified at high-risk for COVID-19 and to support providers in being able to continue providing care. The RAEs distributed 100% of the performance pool dollars they received to providers.

## *Advisory Committees and Stakeholder Engagement*

The ACC is committed to staying connected to members and being responsive to the input of stakeholders. The Program Improvement Advisory Committee (PIAC) is the program's main forum for stakeholder engagement and feedback. The RAEs also formed Health First Colorado member advisory councils to incorporate the member perspective into program decisions and policies.

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## Residential and Inpatient Substance Use Disorder Service Implementation

In accordance with HB18-1136, the Department collaborates with the Office of Behavioral Health, Managed Service Organizations, RAEs, providers, members and other stakeholders to add residential and inpatient substance use disorder treatment and

withdrawal management services as a Health First Colorado covered benefit starting Jan. 1, 2021. Some of the key implementation activities performed in fiscal year 19-20 included:



Created and submitted an 1115 Substance Use Disorder Demonstration Waiver application to CMS.



Designed updates to Colorado Interchange to support provider enrollment and billing changes for the new benefits.



Defined policies and procedures for the newly covered services.



Conducted a state capacity assessment of inpatient, residential and withdrawal management substance use disorder services, including convening a workgroup and 12 statewide stakeholder meetings.

# Accountable Care Collaborative Phase II: Improving Health and Reducing Costs

Through Phase II of the ACC and SB 18-266 Controlling Medicaid Costs, the Department has generated broad delivery system reform to support and expand its focus on affordability.

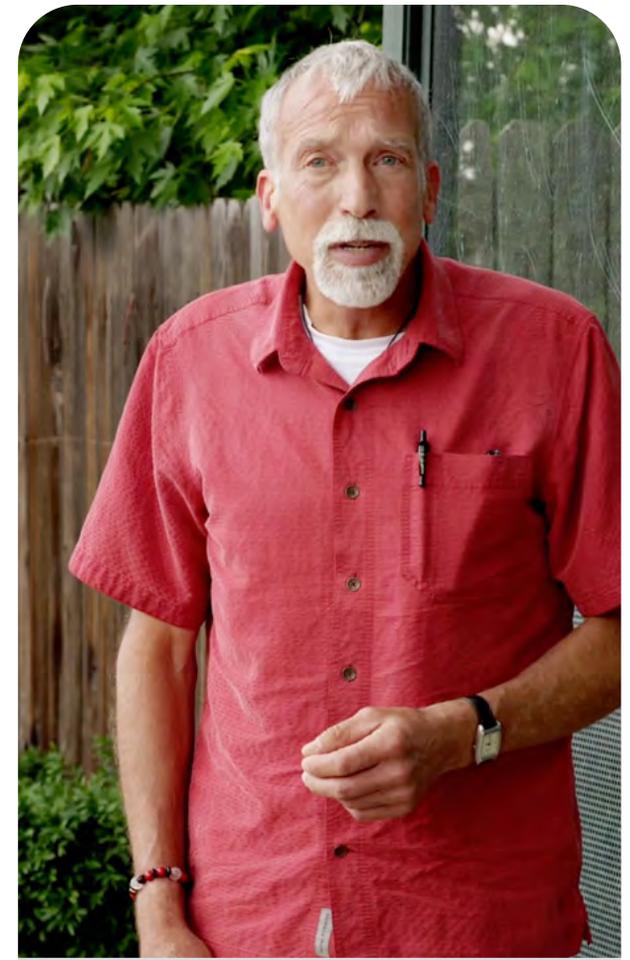
The Department's clinical and data-driven analysis of the Health First Colorado population identified two primary populations where the RAEs are likely to have the greatest impact on member health and health care costs:

- Members with the most complex, high-cost needs, and
- Members with one or more of 10 Department identified conditions, such as maternity, diabetes and depression.

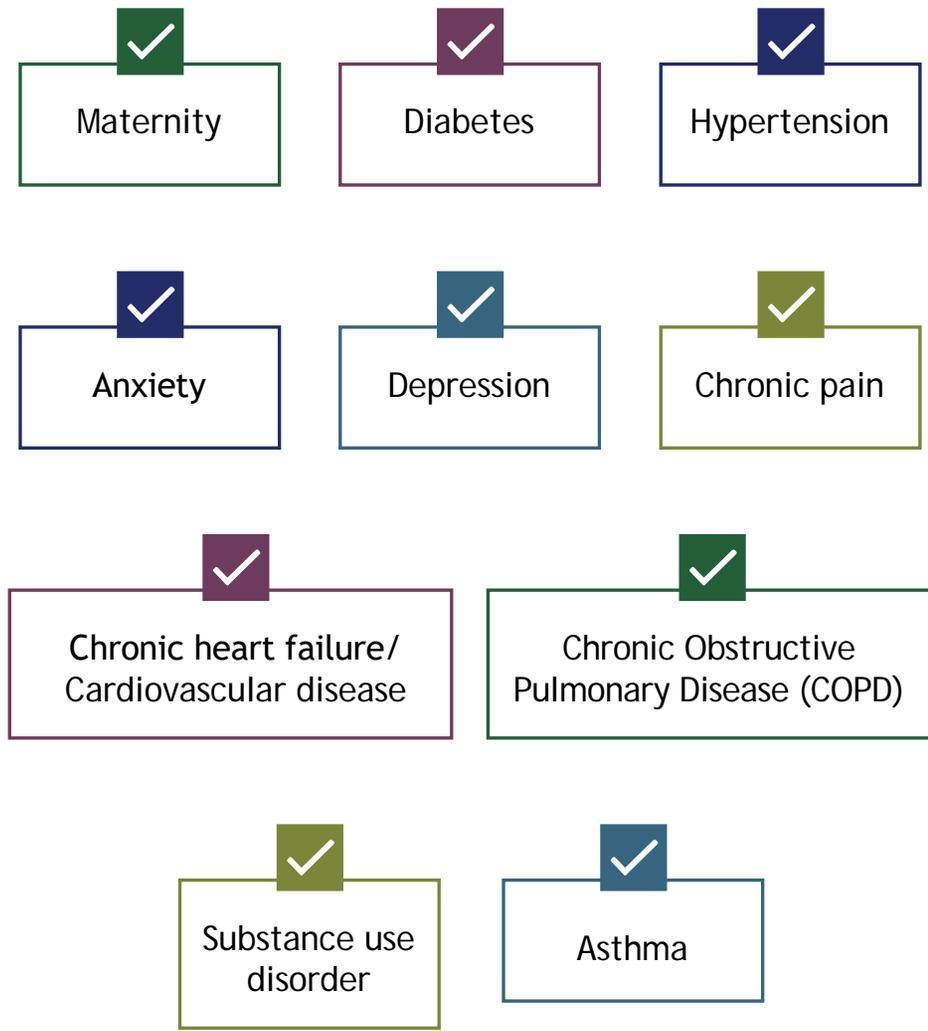
RAEs inventoried the resources available in their regions to support these populations and worked with the Department to define intervention requirements. The RAEs then worked to implement strategies that ensure the identified members have access to and are being connected with risk assessments, culturally competent care managers, comprehensive care coordination and other evidence-

based practices as appropriate. Using existing resources, the Department has developed cost trend and quality outcome metrics and is leveraging staff oversight to support and monitor the performance of the RAEs in reducing related costs and improving member health and well-being.

*Mike is grateful for two things: his family and Health First Colorado. [Learn more](#) about Mike's experience as a Health First Colorado member.*



*The Accountable Care Collaborative is especially impactful for members with one or more health conditions, such as:*



### *Improving Health Outcomes with PROMETHEUS*

The Department equips Regional Accountable Entities (RAEs), hospitals and primary care medical providers with access to dynamic dashboards to monitor and evaluate potentially avoidable complications (PACs) across the care delivery system. A PAC, such as an unexpected inpatient stay or emergency room visit, can result from treatment or surgery complications, patient safety-related events or poor preventive care and chronic disease management. The Department developed analytic dashboards to analyze the effects PACs have on health outcomes and cost of care.

The PAC dashboards are powered by the Provider Payment Reform for Outcomes, Margins, Evidence, Transparency, Hassle-reduction, Excellence, Understandability and Sustainability (PROMETHEUS) model. PROMETHEUS is an analytic tool that uses innovative clinical algorithms to compare quality and cost across populations of patients with the same condition or disease. Across episodes, services and providers, PROMETHEUS separates the typical costs of care from costs associated with PACs. The goal is to identify and address PAC episodes and to reduce care variations over time. For example, the comprehensive data from PROMETHEUS helps RAEs strategically develop population-specific care interventions for highest cost PACs while hospitals identify opportunities to address inefficient, lower quality care delivery.

The PAC work is an iterative process. Initiated in 2018, the Department estimates it will require several years of cumulative data to determine PAC cost reduction and clinical outcomes.

# Long-Term Services and Supports

## Partnering with Members and Stakeholders to Improve Programs

The Office of Community Living administers Long-Term Services and Supports (LTSS) benefits for people with disabilities. This includes a continuum of services to help people with disabilities and people ages 65 and older live and thrive in the communities of their choice, including in the home or community, or in places like nursing homes.

The Department is committed to improving the lives of the people we serve. To support our members and their families, the Department continues to work to ensure that Coloradans with intellectual and developmental disabilities (IDD) and their families are able to access the services and supports they need and want at the time that they need and want those services and supports.

Much progress has been made toward providing timely access to services for people with IDD through eliminating waiting lists for certain programs, focusing on waiting list management, and implementing initiatives to create more robust services through programs without waiting lists to meet the needs of individuals with IDD. Key progress over the last five years includes:

- 48% increase of enrollment in IDD programs, reaching 18,278 people.
- Elimination of three of the five waiting lists.

Despite a 24% growth in enrollment in the program, the waiting list for the Home and Community-Based Services Waiver for Persons with Developmental Disabilities grew by 100%. This increase is partly attributed to improved data and program management. The increase can also be attributed to Health First Colorado members. For the first time in decades, there was movement on the waiting list, and members decided it was finally worthwhile to join the list.

The Department continued to offer Home and Community-Based Services enrollment waivers for persons with IDD throughout 2019 and 2020. There

*Long-Term Services and Supports provide a system for Health First Colorado members to:*



Live in a setting they choose



Have the supports they need to live where they choose



Participate in communities that value their contributions



Access services in a streamlined, simple and timely manner



Get the highest quality services

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were 2,962 people on the waiting list as of June 30, 2020, but over the course of the year, 378 people were offered enrollment onto the HCBS-DD waiver and an additional 411 people were offered enrollment through reserve capacity.

Due to the particular vulnerabilities of LTSS members, the Department has spent a significant amount of time and attention putting into place policies and implementing strategies to mitigate the impact of COVID-19. The Department responded swiftly to the emerging pandemic to lessen the risks for the people we serve in long-term services and supports. We immediately issued guidance for members, case managers, and providers in line with public health guidance to limit person-to-person exposure, while ensuring services were minimally disrupted and providers had the information and resources they needed to continue those services. From March through September 2020, we received federal approval for six amendments for our community-based programs, issued over 60 operational memos, and hosted 72 webinars. Examples of the actions taken include:

- Expanded the places where services may be provided, including virtual options.
- Permitted payments to family caregivers or legally responsible individuals for targeted services.
- Authorized retainer payments for day program providers who needed to suspend services.
- Allowed all case management activities to be completed via phone or other technology-based method.
- Developed and managed a new website, [ConnectToCareJobs.com](https://connecttocarejobs.com), to connect long-term care providers with job seekers.

The Department is looking at how to continue some of the more successful changes beyond the pandemic, especially considering virtual options for some services and restructuring congregate day programs.

Department staff were also critical in the formation and execution of the Residential Care Strike Team, a cross-agency team formed to develop and institute strategies to mitigate the risk of COVID-19 in residential settings.

The strike team has been integral in implementing strategies centered on six key priorities including:

1. Enforcement and education of infection prevention strategies
2. Swift outbreak response to assist with cohorting and isolation
3. Wide-spread surveillance testing
4. Regular reporting to ensure situational awareness
5. Support for facilities experiencing staffing shortages
6. Attending to the health and well-being of residents

Through these efforts, Colorado has been able to keep case counts low across residential care settings in comparison to other states and has dramatically decreased the average positive cases during the course of an outbreak within a facility.

# Affordability

## Health Care Affordability Toolkit

As a part of the Polis-Primavera administration's goal to lower costs and save Coloradans money on health care, the Department is rolling out the Health Care Affordability Toolkit across the state. The Toolkit is a collection of existing and emerging tools and initiatives that can support communities in local efforts to drive value in health care by improving quality and controlling ballooning health care costs.

The Department, employer groups, payers and providers have invested in a number of local and statewide tools that help constrain costs, particularly related to hospitals and pharmacy, innovation in payment and technology, and address social determinants, behavioral health and population health.

Each community has its own unique set of challenges. The Department is offering leadership, project management and data/research resources to support customized community affordability efforts. The Department is presenting the toolkit to communities throughout

Colorado and coordinating across state agencies to best inform providers, payers, patients and families, elected officials, and local governments about the tools available to help lower the cost of health care.

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I'm proud to lead the Office of Saving People Money on Health Care, because people are truly at the heart of everything we do.

Lt. Gov. Dianne Primavera.

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# SAVING COLORADANS MONEY ON HEALTH CARE



## *Toolkit highlights include:*

### Hospital Costs

- **Transparency Reporting:** In 2019, the Colorado General Assembly passed legislation to improve transparency for hospital finances through HB19-1001 and HB19-1320. The first full reports on hospital finances and on hospital community benefit spending will be published in January 2021. The first partial hospital expenditure report was published in January 2020 and amended in September 2020.

### Pharmacy Costs

- **Importation:** The Department is working to implement the plan for importing prescription drugs from Canada, authorized by SB19-005.

- **Reducing the Cost of Prescription Drugs:** In 2019, the Department released [a report outlining the challenges with pharmacy costs](#) and pricing, and a set of recommendations which can be used by communities. A second edition of the report is due in winter 2020.

### Innovation in Payment and Technology

- **Alternative Payment Models (APMs):** The Department adopted innovative alternative payment and delivery models supporting a transition from traditional fee-for-service (FFS) payments to value-based payments. One such model is the APM program. The APM introduces accountability for outcomes by adjusting a primary care medical provider's enhanced primary care FFS based on performance against quality

care indicators. The APM aligns with other payment reform across the delivery system and provides sustainable investment into primary care.

### Behavioral Health

- The Department participated in the Behavioral Health Task Force, and the subcommittees, led by CDHS over the past year. The Task Force worked together to complete a blueprint that lists priorities and actions that Colorado needs to improve behavioral health. The Health Cabinet has identified implementation of this plan as a top priority for all health agencies and the Department expects to partner closely with the Colorado Department of Human Services, which is leading this effort.

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# The Pharmacy Office

The Department created the Pharmacy Office in May 2019 to enhance our ability to meet the prescription needs of our members, to help battle the rising costs of our prescription benefit, and to lead the emerging legislative and affordability prescription drug policy for the state.

## *Drug Rebate Transparency*

In December 2018, Executive Director Kim Bimestefer created Executive Director rule 18-04-28-A. This rule requires commercial insurance payers to submit prescription drug rebate data to the Center for Improving Value in Health Care (CIVHC) All Payer Claims Database (APCD). The ultimate aim of this rule is to better understand the impact that rebates have on drug costs and utilization. A summary of payer-reported prescription drug expenditures and drug manufacturer rebates from 2016 through 2018, conducted by CIVHC, demonstrate that prescription drug rebates reduce overall prescription drug expenditures. More notably, the results show that as the amount paid in drug rebates increases, the expenditures for high cost specialty drugs and brand name drugs also increase.

## *Opioid Prescriptions*

Over the past five years, the Department has implemented several effective initiatives to help Health First Colorado members avoid the devastating consequences of excess opioid prescribing and utilization. These policy initiatives have been aimed at reducing the number of opioids prescribed to members, tightening criteria when requesting refills and reducing the daily Morphine Milligram Equivalents (MME) members can take – all while continually ensuring members receive necessary medications for adequate pain management.

These initiatives, along with provider collaboration, education and evolving public awareness of the opioid crisis, have helped the Department achieve and maintain a more than 50% reduction in the number of opioid units dispensed to members, a 44% reduction in the number

of Health First Colorado members using opioids and a 64% reduction in gross opioid expenditures during the 5-year period from 2014 through 2018.

## *Value-Based Contracts*

In February 2019, The Centers for Medicare & Medicaid Services approved a Colorado plan allowing the Department to negotiate supplemental rebate agreements involving value-based contracts with pharmaceutical companies. Value-based purchasing can link the payment of a drug to its effectiveness and the outcomes it achieves. Promoting value-based payments is one tool the Department is using to reduce Health First Colorado drug prices. Colorado is the third state in the nation to get approval for value-based contracts for drug purchasing.

## ***Drug Importation Program***

Since May 2019, the Department has worked to implement a Canadian Drug Importation Program, as outlined in Senate Bill 19-0005. If approved by the Department of Health and Human Services, the Drug Importation Program will allow Colorado to access affordable prescription drug prices at an average of 61% less, potentially savings tens of millions of dollars each year. The goal of the program is to make these prescription drugs available across the market, particularly the commercial market, to bring savings to all Colorado consumers.

## ***Prescriber Tool***

The prescriber tool will be implemented in two phases. In phase one, the tool will be embedded in the Electronic Health Record and will provide real time patient-specific pharmacy benefit and price information to prescribers. The information returned to prescribers will include patient co-pays, drug prices, covered therapeutic equivalent drugs and utilization management policies such as prior authorization requirements. This information will help providers prescribe the most cost-effective and efficacious

drugs available to them in our formulary. The tool will also include an opioid module which will give providers patient-specific opioid risk metrics to consider before they prescribe. The phase one functionalities are targeted to be available in 2021.

In phase two, the tool will return health improvement program information to providers so they can prescribe or recommend a program to a patient, not just a pill, to get at the root of health issues. These programs might include tobacco cessation, diabetes management, maternity support, or social determinants of health support. The timeline for completion of phase two is in development.

## ***Pharmaceutical Alternate Payment Methodology***

Effective October 1, 2020, the reimbursement methodology for outpatient pharmacy will incorporate National Average Drug Acquisition Cost (NADAC) and Maximum Allowable Cost (MAC) rates into the lesser-of calculation at 10 CCR 2505-10, Sections 8.800.13. NADAC is a Centers for Medicare & Medicaid Services published rate which represents the national average of the drug acquisition costs submitted

by retail community pharmacies. MAC is a rate which will be utilized when a covered drug possesses neither Average Acquisition Cost (AAC) nor NADAC rates and will be calculated using an adjustment of the national pricing benchmark Wholesale Acquisition Cost (WAC).

The incorporation of the NADAC and MAC rates will help address the gaps in current AAC rate setting for some prescription drugs, resulting in rates better aligned with acquisition costs. In addition, the incorporation of an alternative pharmaceutical payment methodology was mandated pursuant to the FY2020-21 Long Bill.

## ***Pharmacy Cost Report***

The Department published a report to educate partners, stakeholders and the public about pharmaceutical costs in December 2019. The report gives an overview of cost drivers, encourages dialog and proposes state and federal policy solutions. Read the report [\*Reducing Prescription Drug Costs in Colorado.\*](#)

### Colorado's Public Option

The Department worked with the Colorado Division of Insurance in the summer and fall of 2019 on a report proposing [Colorado's Public Option](#). This report is the result of [HB19-1004](#), passed in the 2019 legislative session, which directed the two agencies to create a plan for such an option. The Public Option report recommends that this option be available first to individuals, including those eligible for federal tax credits through the Affordable Care Act (ACA), and those not eligible for such credits, and then to small employers. Pending legislative approval, the plans will be sold beginning in 2022.

### Colorado Hospital Cost Shift Analysis Report

In January 2020, the Department and Lt. Governor Dianne Primavera released the [Colorado Hospital Cost Shift Analysis Report](#) that reveals, despite significant reductions in uninsured rates and uncompensated care, Colorado hospitals are persistently increasing the price of care while receiving significant increases in Health First Colorado payment rates.

### Hospital Affordability and Sustainability Fee in Action

Hospital Affordability and Sustainability Fee revenue, together with matching federal dollars, provides the funding source for the Medicaid expansion of health care coverage for Coloradans and an increase in reimbursements to hospitals, including a hospital quality incentive payment.

**Hospital Affordability and Sustainability Fee: \$936.4 Million\***  
Fiscal Year 2019-20

\$228.9 M

Payments for services and care for

**426,238 Members**

|         |  |
|---------|--|
| 319,804 | Adults without Children  |
| 65,218  | Parents  |
| 27,394  | Child Health Plan <i>Plus</i> (CHP+)   |
| 10,675  | Buy-In Individuals with Disabilities<br><small>Does not include Health Insurance Buy-In (HIBI)</small> |
| 3,147   | Other eligible groups  |



**\$665.6 M**

**Supplemental Payments to Hospitals**

\*Hospital Affordability and Sustainability Fee also funds the Medicaid expansion's administrative costs and provides funding for Upper Payment Limit backfill per 25.5-4-402.4(5)(b)(VII). Total payments to providers for Medicaid expansion member services and care, including federal matching funds, equaled \$2 billion. Total supplemental payments to hospitals, including federal matching funds, equaled \$1.3 billion.

## *The Colorado Healthcare Affordability and Sustainability Enterprise (CHASE)*

The CHASE is a government-owned business operating within the Department. Under guidance from the CHASE board, the Department charges and collects the Healthcare Affordability and Sustainability Fee to obtain federal matching funds that are used to provide business services to hospitals. Additionally, from July 2019 through June 2020, CHASE has:

- Provided \$395 million in increased reimbursement to hospital providers
- Reduced uncompensated care costs and the need to shift uncompensated care costs to other payers
- Provided health care coverage through Health First Colorado and Child Health Plan *Plus* (CHP+) for more than 426,000 Coloradans

Read the 2020 [CHASE report](#).

## *Hospital Transformation Program*

Since its inception, the Hospital Transformation Program (HTP) has been rooted in transparency, partnership and collaboration. HTP aims to drive improved health outcomes through a re-distribution of the CHASE fee. Groundwork for this program began in January 2016.

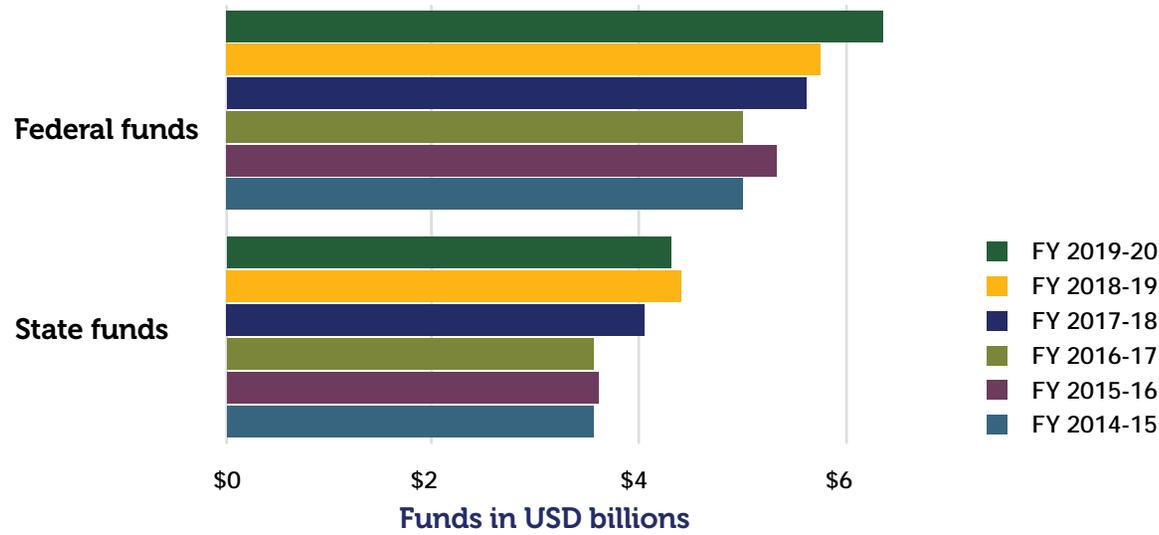
The goal of the HTP is to improve the quality of hospital care by tying provider fee-funded hospital payments to quality-based initiatives. The HTP includes expectations for key activities and tracking measures for consistency across the state, while also allowing hospitals to work with their communities on the best interventions and approaches.

Beginning in April 2021, the five-year program will begin transitioning hospitals from pay-for-proces and reporting to a pay-for-performance structure, demonstrating meaningful community engagement and improvements in health outcomes over time.

## *ClaimsXten*

[SB18-26](#) funded additional technology and resources to enhance the Department's ability to identify and deny overbilling or combinations of claims codes that would otherwise create an overpayment. Through the current contract with DXC Technology, the Department implemented a commercial technology provided by Change Healthcare called ClaimsXten which automates and increases the accuracy of claims processing by augmenting industry-recognized edits based on a robust library of clinical guidelines from the American Medical Association, the Centers for Medicare & Medicaid Services (CMS) and various medical specialty societies. The technology is widely accepted in the commercial market and is growing in the Medicaid market to reduce inefficiencies and generate associated savings. ClaimsXten and Clear Claim Connection were implemented Sept. 26, 2020, after a soft launch which allowed the Department to monitor results and ensure the technology worked as intended.

## Expenditure Over Time by State vs. Federal Funds



**In Fiscal Year 2019-20,  
the Department Paid:**

**\$9.7 Billion**  
IN SERVICES

FOR

**1.21 Million**  
PEOPLE

Numbers are approximate. Health First Colorado and Child Health Plan Plus expenditures only.

## Department Expenditures by Fund

Fiscal Year 2019-20

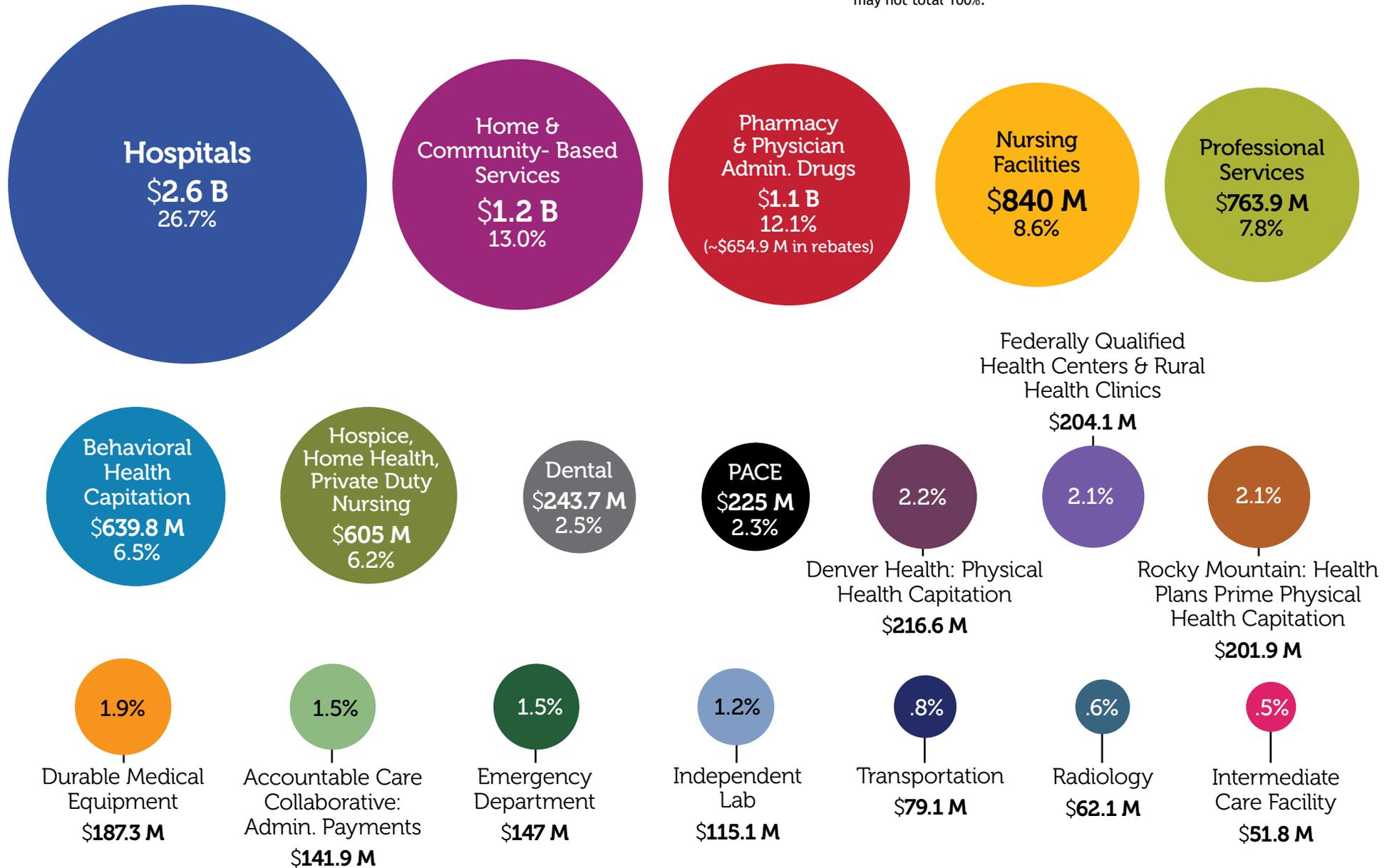


\*Includes all services and administrative line items, including Colorado Indigent Care Program and Old Age Pension.

# Payment Breakdown to Health First Colorado Partners

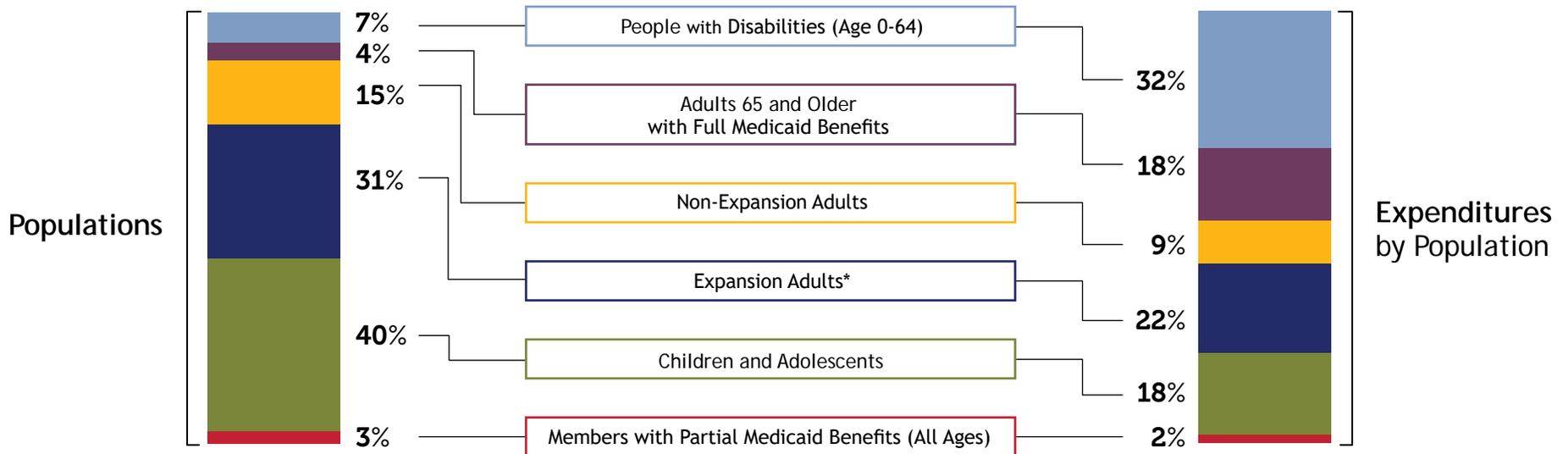
Fiscal Year 2019-20

This chart refers to medical services cost only, not total Department spending. It is based on claims data by date of service and will differ from data calculated on a cash accounting basis. Due to rounding, percentages may not total 100%.



## Health First Colorado: Who is Covered and What Does it Cost?

\*The majority of funding for Expansion Adults is federal dollars, with the State fund source funded by the Hospital Affordability and Sustainability Fee.



## Grant Funding: Strengthening Public-Private Partnerships

**\$18.08 M**

**Total Grant Expenditures**  
Awards in Fiscal Year 2019-20

**\$7.63 M**  
**New Funding Secured**

from federal government, private industry and foundations in fiscal year 2019-20.

The Department is the recipient of both federal and foundation grants, and is sometimes able to match private foundation grants with federal funding if the Centers for Medicare and Medicaid Services determine a direct benefit to Medicaid. Examples include funding to evaluate, test, and rewrite a broad swath of member communications for better readability; providing innovative services for mothers facing opioid misuse; business process reengineering with multiple counties to improve their processing efficiency; piloting and evaluating new long-term services and supports assessment tools; and the continuation of person-centered practices with our staff, members, and community partners. With grant funding, we have been able to support such key partners as the Colorado Health Care Access Survey administered by the Colorado Health Institute and the final evaluation of the State Innovation Model's practice transformation efforts.

Funding secured is the total amount of all grants awarded to the Department in fiscal year 2019-20. Total grant expenditures for fiscal year 2019-20 do not match the amount of funding secured as each grant has its own timeline. While grant periods vary, most span several years and are not confined to any fiscal year. Each year's funding secured amount reflects what was awarded to the Department in new grants within that fiscal year, not the amount expended for each individual grant.

# 2019-20 Fiscal Year Goals

The Department identified five significant objectives, or pillars, to be accomplished in fiscal year 2019-20. These strategic pillars and the policy initiatives supporting them reflect project-based foundation building to achieve Governor Polis' health goals.

## ***Pillar 1: Health Care Affordability for Coloradans: Reduce the cost of care in Colorado***

The Department created a Health Care Affordability Toolkit that identifies cost drivers and cost control policies to address them. The Toolkit is intended to inform and align the state's and

Medicaid's affordability strategies. This pillar is formulated to achieve improvement in the areas of price constraint, alternative payment models, data infrastructure, innovation, and population health, as reflected by the following performance measures.

| Performance Measures  | FY 19 YE | FY 20 YE | 1-Year Goal |
|---|----------|----------|-------------|
| # State thought leaders, industry influencers and stakeholders who are aware of, engaged to develop, or supporting the execution of the 3-5+ Year Health Care Affordability Toolkit | 2,220    | 4,650    | 3,500       |
| % Complete: Prescription cost drivers report  | N/A      | 100%     | 100%        |
| % Complete: Payer prescription tool implementation  | N/A      | 29%      | 100%        |
| % Complete: CMS approval for HTP waiver   | N/A      | 85%      | 100%        |
| # HTP measures implemented  | N/A      | 12       | 10          |

The Department met or exceeded all but two of our performance measures by the end of fiscal year 2019-20. Implementation of the Payer Prescription Tool is on track for completion in fiscal year 2020-21. For the Hospital Transformation Program (HTP) Waiver, CMS approved the State Plan Amendment in May 2020, and specific Waiver discussions with CMS were paused due to COVID-19 at CMS's request. CMS is currently working with us and we expect approval of the HTP Waiver by the end of calendar year 2020.

### *Pillar 2: Medicaid Cost Control: Ensure the right services for the right people at the right price*

Since the passage of Colorado’s Senate Bill 18-266, Controlling Medicaid Costs, the Department has been focusing resources to meet the intent of the legislation and the affordability goals of Governor Polis. In addition to many cost control initiatives to better manage Health First Colorado expenditures, such as curbing fraud and evolving ACC strategies, there are more than 15 workstreams inside the Department focused on Health First Colorado claim trend management. Most of the appropriations received by the Department are for the purpose of funding the state’s Medicaid program. As such, it is critical that the Department demonstrate sound stewardship of the financial resources that have been allocated to its programs.

| Performance Measures  | FY 19 YE | FY 20 YE | 1-Year Goal          |
|---|----------|----------|----------------------|
| \$ Health First Colorado per-capita total cost of care (PMPY)                             | \$6,378  | \$7,087  | \$6,839 <sup>1</sup> |
| % Complete: Managing rising trends and high-risk, high-cost Health First Colorado members | N/A      | 100%     | 100%                 |

Per capita expenditure exceeded the fiscal year 2019-20 target for two primary reasons. Caseload declined during the first three quarters of the fiscal year, and individuals who left Health First Colorado were less costly than those who remained. Also, the Department received less funding from drug rebates compared to previous years which led to an increase in total expenditure.

### *Pillar 3: Member Health: Improve member health*

The Department seeks to improve the health and well-being of Coloradans Health First Colorado serves. Appropriate health care must be complemented by addressing chronic disease, mental health and substance abuse. The impact of the opioid crisis has devastated many American families and Colorado is no exception. The Department is implementing strategies to battle overprescribing behaviors and reduce patient addiction in the Health First Colorado and CHP+ populations.

| Performance Measures   | FY 19 YE | FY 20 YE | 1-Year Goal |
|--|----------|----------|-------------|
| Decrease # opioid pills dispensed among members who use the Rx benefit | 8.26     | 7.93     | 7.46        |
| % Complete: Baseline Risk Score for every member                       | N/A      | 100%     | 100%        |

The number of dispensed opioid pills per Pharmacy member per month exceeded the goal. This was due to fewer people seeking medical care during COVID-19 and the fact that surgeries and other therapies had to be delayed. The denominator of this metric represents all members who filled prescriptions, and since there was a drop in total prescriptions filled during the stay-at-home order while members who filled opioid prescriptions remained steady, these members represented a larger ratio of the total.

<sup>1</sup> Annual goal or per member per year (PMPY) target was adjusted after finalization of DPP in October 2019 to reflect changes in the November budget forecast for fiscal year 2019-20.

**Pillar 4: Customer Service: Improve service to members, care providers, and partners**

Our focus for this pillar is on improving service to our members and providers to reach levels that parallel that of the private or commercial sector. We want to be diligent and thoughtful in finding ways to do more with less across all our operations in order to match the service levels associated with commercial payers.

| Performance Measures                                   | FY 19 YE | FY 20 YE | 1-Year Goal |
|--|----------|----------|-------------|
| Provider call average speed of answer (ASA) in seconds | 52       | 46       | 61          |

The Department exceeded its customer service goal by adding more staff.

**Pillar 5: Operational Excellence: Create compliant, efficient, and effective business practices that are person- and family-centered**

To achieve this pillar we are improving the cost-efficiency of our operations, strengthening services to our providers, and completing systems changes that improve member experience. We have taken on a substantial amount of project work to improve operational excellence in areas such as federal compliance, member call center, eligibility accuracy, executive accountability and measure execution.

| Performance Measures  | FY 19 YE  | FY 20 YE | 1-Year Goal |
|---|-----------|----------|-------------|
| Complete contract management training for 100% of contract managers     | N/A       | 100%     | 100%        |
| % targeted Health First Colorado households using PEAKHealth mobile app | 36%       | 49%      | 43%         |
| \$ HCPF expenditures - Administration                                   | \$311.7 M | \$347 M  | \$436.9 M   |



Health First Colorado gave Emery's family hope, stability and opportunity. [Learn more](#) about their member experience.

## 2020 Legislative Session

The 2020 legislative session ended on June 15, 2020. The General Assembly recessed due to the COVID-19 pandemic on March 14, 2020. The legislature reconvened for an abbreviated session on May 26, 2020. The Department passed one agenda bill and is now working to implement all bills from the 2020 Legislative Session with an impact on the Department.

### *Department Agenda Bill*

**HB20-1426 Limit Emergency Spending and Authorize Additional Appropriation:** This extends the statutory authority for Medicaid overexpenditure and transfers between HCPF and Department of Human Services (CDHS) until 2025. Medicaid overexpenditure authority is a requirement of the Social Security Act. The transfer authority is critical as CDHS needs to move money between line items, and HCPF must be able to account for those changes. The bill also includes language related to oversight requirements for disaster emergency spending.

### *Other Bills Impacting the Department*

The 2020 legislative session focused on finalizing the state budget and passing legislation to help the state recover from the COVID-19 pandemic. Legislation impacting the Department sought to improve member access to care given the challenges of the pandemic.

### *Bills to Balance the Budget*

**HB20-1361 Reduce the Adult Dental Benefit:** This reduces the cap for the adult dental benefit from \$1,500 to \$1,000 per year for each recipient until December 2022. The savings from this

change will be transferred to the General Fund. This bill reduces state expenditures by \$5.2 million in fiscal year 2020-21.

**HB20-1362 Limit Increase to Medicaid Nursing Facility Rates:** Under current statute, nursing facilities receive an annual rate increase of 3.0%. The bill limits the increase to 2.0% for fiscal year 2020-21 and fiscal year 2021-22. This bill reduces state expenditures for medical service premiums by \$7 million in fiscal year 2020-21.

**HB20-1363 Repeal Report on Increase Rate for Direct Support:** This removes the requirement for certain Home and Community-Based Service (HCBS) agencies to report on whether increased funding was passed through to direct support professionals. The Department is still required to track how the funding is used. This bill decreases workload within the Department.

**HB20-1384 Wraparound Services for Eligible At-Risk Children:** This directs the Department to delay implementation of

SB19-195. The 2019 bill created a child and youth behavioral health system to work toward coordinating behavioral health services across agencies. The Department was required to apply for a federal waiver to provide high-fidelity wraparound services for children and youth at risk of or currently in an out-of-home placement. This bill reduces state expenditures by \$1.7 million and 6.4 FTE in fiscal year 2020-21.

**HB20-1385 Use of Increased Medicaid Match:** Congress passed the Families First Coronavirus Response Act in early March 2020. The Act includes a 6.2 percentage increase to the federal match rate (FMAP) for state Medicaid spending through the COVID-19 pandemic. The bill assumes the increased federal match will last until December 31, 2020, and makes corresponding General Fund reductions to account for the increased federal dollars.

**HB20-1386 Use of Fees for Medical Assistance Program General Fund Offset:** bill takes money from the Colorado Health Care Affordability and Sustainability Cash Fund to offset General Fund expenditures for the Department. The Cash Fund collects fees from hospitals to pull down matching federal dollars and is used to

support Health First Colorado and the Colorado Indigent Care Program (CICP).

### *Bills to Improve Access to Care*

**SB20-033 Allow Medicaid Buy-In Program After Age 65:** The current Medicaid buy-in program for working adults with disabilities permits individuals who would not otherwise qualify due to income or assets to buy-in to Medicaid. The program currently only allows adults to buy-in up to age 64. This bill directs the Department to seek federal authority to expand the program to allow individuals over age 65 to continue to buy-in. The expanded buy-in must be implemented by July 1, 2022.

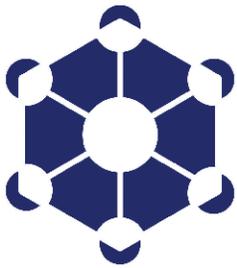
**SB20-212 Reimbursement for Telehealth Services:** This codifies the emergency rules regarding telehealth policy passed by the Medical Services Board in response to the COVID-19 pandemic. The bill requires the Department to reimburse Federally Qualified Health Centers (FQHCs), Indian Health Services (IHS) providers, and Rural Health Clinics (RHCs) for telehealth services. Covered services include speech therapy, physical therapy, occupational therapy, hospice care, home health care, and pediatric behavioral health care.

**HB20-1232 Equity in Access to Clinical Trials in Medicaid:** This codifies the Department's existing policy regarding coverage for clinical trials. Medicaid currently covers routine costs associated with participation in a clinical trial.

**HB20-1236 Health Care Coverage Easy Enrollment Program:** This creates the Colorado Affordability Health Care Coverage Easy Enrollment Program and advisory committee. The advisory committee is tasked with determining information to be collected on an individual's income tax form to use in evaluating whether they are eligible for Medicaid, Child Health Plan *Plus* (CHP+), or a health plan offered on the Health Benefit Exchange. The Department of Revenue must update tax forms by 2021.

**HB20-1237 Medicaid Managed Care Assignment for Child Welfare:** This requires the Department to assign a child who is in an out-of-home placement because of a dependency and neglect action or juvenile delinquency action to the same managed care entity (MCE) that covers the county with jurisdiction over the action. The Department can only change the assignment of the child if the change is requested by the county or the child's legal guardian.

# Where We're Going



## Shaping Policies and Developing Partnerships

Our passionate staff is focused on improving operational excellence, increasing provider access, improving member health and better controlling claim costs to the benefit of our members and providers. At the same time, the Department will publish additional reports and provide tools to help analyze and manage hospital and pharmaceutical costs, while continuing our work to help shape innovative policies and develop new partnerships. These efforts will bring us closer to Governor Polis' goal of saving money and improving quality of health care for all Coloradans.

As Coloradans continue to struggle with job loss resulting from the COVID-19 pandemic, the Department is here to keep Coloradans covered. The Department anticipates increased Health First Colorado and CHP+ enrollment in the coming months.

It's critical that Coloradans know they can apply for health coverage at any time and it's easy to do. We will continue to work with our partners and share materials to spread the word to Coloradans who need health care coverage, and to help us recruit more health care providers to serve our members during this global pandemic.

## Delivery Systems

### *Accountable Care Collaborative*

Implementation of Regional Accountable Entity (RAE) strategies will continue to improve care coordination for members with complex health needs, address identified top trending conditions, and

reduce potentially avoidable costs. The RAEs are implementing condition management strategies for members with prevalent conditions identified by the Department where member education, care coordination and case management strategies are most likely to improve member health and reduce claim costs. Beginning Jan. 1, 2021, the Department

will add residential and inpatient substance use disorder services as a Health First Colorado covered benefit in accordance with House Bill 18-1136.

### *Child Health Plan Plus (CHP+)*

The Department will be focusing on strategic improvements and mechanisms to modernize the CHP+ program, as well

as key areas of alignment between the ACC and CHP+ programs. As part of this effort, at the end of the 2020-21 fiscal year, the Department will be eliminating the State Managed Care Network, the administrative service organization for the CHP+ program, and enrolling all CHP+ eligible members into a managed care organization, which will represent improved continuity of care for members and cost-savings by reducing administrative duplication. Additionally, the Department is seeking to extend the 1115(a) Prenatal Demonstration Waiver in order to continue receiving Title XXI funds to support the improvement of health outcomes for eligible prenatal individuals and newborns.

### *Long-Term Services and Supports System Redesign*

Long-term services and supports offered through Health First Colorado are a vital resource for people with all types of disabilities, empowering them to live in the community among family and friends. Over the coming decades, Colorado will experience significant growth in the number of people who need to access long-term services and supports. Between 2015 and 2030, the number of adults 65

and older in Colorado will grow by nearly 70%. The Department continues to focus on innovating and improving long-term services and supports to prepare for serving an increasing number of older adults with disabilities. Even as Colorado faces the monumental fiscal challenge brought about by the COVID-19 pandemic, the Department remains committed to its goals in long-term services and supports. In the coming years, the Department will continue to develop and implement strategies to stabilize and increase the long-term care workforce, focusing on minimum-wage issues in urban communities and the sustainability of rural partners. In addition, there will be ongoing work to reimagine programs and benefits, as well as redesigning the case management system, to meet the needs of members in the location that they want with the services that they need, beginning with the implementation of new assessment and person-centered support planning tools. The post-COVID new normal will allow for new modernized models of care and reimbursement that improve accountability, leverage technology, and reduce administrative requirements.



*Executive Director Bimestefer participates in a discussion during the Denver Business Journal BizWomen Mentoring Monday in February 2020.*

# Cost Control and Health Improvement

The Department is coordinating ongoing efforts with the RAEs to improve care and condition management for the highest-risk, highest-cost members. The Department anticipates that improved clinical care management of targeted high-cost members and improved condition management of members with targeted chronic conditions would result in improved health outcomes and lower utilization of high-cost medical services over time.

## *Prescriber Tool*

The prescriber tool will be implemented in two phases. Phase One consists of two parts. The first is the implementation of an opioid module that gives providers patient specific opioid risk metrics and medication history to consider before they prescribe. The Department has contracted with OpiSafe as the vendor to provide the opioid risk metrics module for Medicaid prescribers and this will be operational in January of 2021. The second part of phase one is to implement a module that provides real time patient-specific pharmacy benefit and price information for prescribed drugs. The information returned to prescribers will include patient co-pays, drug prices, covered therapeutic equivalent drugs, and utilization management policies such as prior authorization requirements. This functionality is anticipated to be

operational in June of 2021. In phase two, the tool will return health improvement program information so they can prescribe or recommend a program to a patient, not just a pill, to get at the root of health issues. These programs might include tobacco cessation, diabetes management, maternity support, or social determinants of health support. The timeline for completion of phase two is in development.

## *Medicaid Blue Button Project*

In accordance with the Patient Access and Interoperability final rule (CMS-9115-F), the Department is implementing new system infrastructure that will allow Health First Colorado and CHP+ members to have direct access to their health care information via third-party mobile applications. This will include medical claims submitted on their behalf, provider

information and other clinical data. The implementation of this project will enable members to have access to their health data quickly and easily.

The Department is in the beginning stages of this project and expects Phase One of the project to be completed by June 2021. More information will be available on our website as the project progresses.

# Policy

## *Pharmacy Cost Report*

The Department published an updated edition of *Reducing Prescription Drug Costs in Colorado* to supplement last year's report. These reports are intended to help partners, stakeholders and the public learn more about pharmaceutical costs. The report gives an overview of cost drivers, encourages dialog and proposes state and federal policy solutions. Read the report at [Colorado.gov/hcpf/publications](https://colorado.gov/hcpf/publications).

## *Drug Importation Program*

Senate Bill 19-005, passed during the Colorado 2019 legislative session, requires the Department to seek federal approval to import drugs from Canada to reduce the cost of prescription drugs for Colorado consumers, employers and other payers. The Department has been working on the implementation of the Importation Program since May 2019. Since that time, the federal government released a final rule setting forth the regulatory structure for state-led importation programs.

Using the final rule as a guide, the Department is designing and developing a program structure and will be releasing a competitive solicitation to seek vendors that will participate in the drug importation supply chain for the program.

*HCPF Executive Director Kim Bimestefer looks on as Colorado Gov. Jared Polis signs an executive order to promote diversity and inclusion in the state's workforce.*





## Do you know someone who might qualify?

Individuals and families can find out if they qualify for medical assistance, food assistance and other help online through [CO.gov/PEAK](https://colorado.gov/PEAK). Applicants without internet access can contact their local [county human services office](#) for assistance.



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