



COLORADO
Department of Health Care
Policy & Financing

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

October 1, 2019

The Honorable Dominick Moreno, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Senator Moreno:

Enclosed please find the Department of Health Care Policy and Financing's response to the Joint Budget Committee's Multi-Department Request for Information #6 regarding the programs funded with Tobacco Master Settlement moneys.

Multi-Department Legislative Request for Information #6 states:

Each Department is requested to provide the following information to the Joint Budget Committee by October 1, 2019 for each program funded with Tobacco Master Settlement Agreement money: the name of the program; the amount of Tobacco Master Settlement Agreement money received and expended by the program for the preceding fiscal year; a description of the program including the actual number of persons served and the services provided through the program; information evaluating the operation of the program, including the effectiveness of the program in achieving its stated goals.

The Department is allocated Tobacco Settlement funding for the Children's Health Plan Plus (CHP+) and Children's Autism Program and the attached report contains the programmatic information of the two programs. In the report, you will find an overview of the program, prior year financials, strategic priorities and key goals, partner relationships, program measures of success, program opportunities and challenges, and lastly, the recommendation for FY 2020-21 funding allocation.

If you require further information or have additional questions, please contact the Department's Legislative Liaison, Nina Schwartz, at Nina.Schwartz@state.co.us or 303-866-6912.



Sincerely,



Kim Bimestefer
Executive Director

KB/eg

Enclosure(s): Health Care Policy and Financing FY 2019-20 Multi-Department RFI #6

CC: Representative Daneya Esgar, Vice-chair, Joint Budget Committee
Representative Chris Hansen, Joint Budget Committee
Representative Kim Ransom, Joint Budget Committee
Senator Bob Rankin, Joint Budget Committee
Senator Rachel Zenzinger, Joint Budget Committee
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Nina Schwartz, Legislative Liaison, HCPF



Multi-Department LRFI #6 (Tobacco Master Settlement Agreement)

Joint Budget Committee's Multi-Department Request for Information #6 regarding the programs funded with Tobacco Master Settlement moneys

October 1, 2019

Submitted to: Joint Budget Committee



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Department of Health Care
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I. Children’s Basic Health Plan

A. Program Overview:

Program Description:	The Children’s Basic Health Plan, known as the Child Health Plan <i>Plus</i> (CHP+), provides affordable health insurance to children under the age of 19 and pregnant women in low-income families, up to 260% of the Federal Poverty Level (FPL), who do not qualify for Medicaid and do not have private insurance. The program is primarily funded by tobacco settlement monies deposited in the Children’s Basic Health Plan Trust, Healthcare Affordability and Sustainability Fee cash fund, and federal funds.	
Eligible Population:	Uninsured children from 143% FPL to 260% FPL and uninsured pregnant women from 196% FPL to 260% FPL.	
Tobacco Settlement Monies Received:	FY 2018-19: \$15,156,991	
Services:	Number of Eligible Persons Served:	
Affordable health insurance and oral health care for CHP+ children and Prenatal Clients.	In FY 2018-19, average monthly caseload for CHP+ was 81,645 (80,709 children and 936 pregnant adults).	

B. Strategic Priorities and Key Goals

- Reduce the number of uninsured children and pregnant adults under 260% FPL that are not eligible for Medicaid.

C. Measures of Success:

Program Outputs	Program Outcomes
<ul style="list-style-type: none">In FY 2018-19, CHP+ provided health care to an average monthly caseload of 81,645 children and pregnant adults who would have otherwise been uninsured. This represents a 5.03 percent increase in the average monthly enrollment over FY 2017-18.	<ul style="list-style-type: none">Providing affordable health insurance to children under the age of 19 and pregnant women in low-income families who do not qualify for Medicaid and do not have private health insurance.Offering a defined benefit package that uses privatized administration.

D. Program Opportunities and Challenges:

In late January 2018, Congress passed a six-year extension of CHIP funding, and in February 2018, CHIP was renewed for an additional four years, for a total of ten years. This funding certainty allows the Department to develop long-term strategies and plans to continue to align CHP+ performance goals and administrative functions with the Accountable Care Collaborative.

During FY 2018-19, primary care physicians and specialists continue to be added to the CHP+ network as a result of recruitment and revalidation efforts. In addition, the CHP+ dental program served over 51,000 children. This is approximately the same number of children receiving dental services as the previous year. The percentage of CHP+ children seeing a dentist, at least once during the year, fell slightly from 46 percent to 42%. This was due to increased enrollment while the number of members receiving dental services remained stable as noted above. In the new dental contract, the Managed Care Organization (MCO), DentaQuest, will be tasked with increasing the percentage of children receiving dental services by 10% over a four-year period. The Department will monitor progress through annual reviews and corrective action against the MCO will be taken if necessary.

The Department issued a request for proposal (RFP) in late 2018 for a Dental Managed Care Organization to provide dental services for the CHP+ program. The Department combined the CHP+ and Medicaid dental

programs into one RFP with a subsequent contract beginning July 1, 2019. DentaQuest was awarded the contract and began work on July 1, 2019. DentaQuest has served as the Administrative Service Organization (ASO) for Medicaid dental services since 2014. Delta Dental of Colorado previously serviced the CHP+ dental benefit from 2001-2019.

In 2019, the state legislature passed HB 19-1038 which provides dental services to all prenatal CHP+ clients. Starting October 1, 2019 all pregnant women will benefit from the same dental services as CHP+ children except for orthodontics (braces). The benefits include diagnostic services (exams and x-rays), preventive (fluoride, sealants, and cleanings), basic restorative services (fillings), endodontics (roots canals), and emergency dental services. The annual maximum allowable benefit is \$1,000 per calendar year (July 1st through June 30th) while the member is eligible and enrolled. As with all CHP+ benefits, families with a higher income may be required to pay a small fee (co-pay) when they receive services.

E. FY 2020-21 Tobacco Master Settlement Funds Recommendation:

The Department recommends an allocation, consistent with current statute, of eighteen percent of the Tobacco Master Settlement Agreement on an ongoing basis. Caseload maintained its FY 2017-18 levels, and more growth expected in the years to come. In addition, the federal match rate for the CHP+ program decreased in FY 2019-20 and will again in FY 2020-21, which will increase the state share for the program. The Department will continue to need a regular funding source to meet the needs of these clients. The Department projects that starting in FY 2020-21, the Children's Basic Health Plan Trust and other cash funds used to fund the CHP+ program will no longer be sufficient for the full state share, and the Department will need General Fund appropriations to continue to administer the program.

II. Early and Periodic Screening, Diagnostic and Treatment (EPSDT)

A. Program Overview

Program Description:	<p>HB 16-1408 added Early and Periodic Screening, Diagnostic and Treatment Services (EPSDT) to the services covered by the Colorado Autism Treatment Cash Fund. Starting in 2016, behavioral therapy services were moved out of various HCBS programs, including all children’s waivers, into the EPSDT benefit. These services are funded by tobacco settlement monies deposited in the Colorado Autism Treatment fund, General Fund, and federal funds.</p>	
Eligible Population:	<p>Per C.R.S. 25.5-6-805 the Colorado Autism Treatment fund was created for the purpose of paying for services provided to eligible children, EPSDT services, and program and participant evaluations. Eligible children are children under the age of six that have received a diagnosis of autism. The EPSDT benefit provides comprehensive and preventive health care services for children and youth ages 20 and under, who are enrolled in Health First Colorado. The only population that is eligible to be funded by the Colorado Autism Treatment Cash Fund, however, are those children with an autism diagnosis and who are under the age of 6 at the time of service.</p>	
Tobacco Settlement Monies Received:	<p>FY 2018-19: \$1,684,110</p>	
Services:	Number of Eligible Persons Served:	
<p>Comprehensive community support treatment, mental health assessment, request for assessment, and adaptive behavior treatment.</p>	<p>47</p>	

B. Strategic Priorities and Key Goals

- Increase the quality of services to EPSDT children and youth with an autism diagnosis and under the age of 6 who have a documented need for pediatric behavioral therapy services

C. Measures of Success

Program Outputs	Program Outcomes
<ul style="list-style-type: none">• Increased quality in provider documentation by standardizing documentation to reduce any unnecessary delays in care• Increased percentage of goals met per child• Increased quality of the prior authorization process	<ul style="list-style-type: none">• Serving the children most vulnerable to institutionalization without the services provided with quality services and higher percentage of goals met• Keeping children out of institutions and in their communities• Demonstrating improvement in the child’s expressive and receptive communication, adaptive skills, and a reduction in the severity of the child’s maladaptive behavior, including self-injurious or aggressive behavior and tantrums, through the use of standardized and norm-referenced treatment and assessments

D. Program Opportunities and Challenges

On September 14, 2015, the Centers for Medicare and Medicaid Services (CMS) denied the Department’s Children with Autism waiver expansion and requested that the State provide the services, when medically necessary, through Early and Periodic Screening, Diagnostic and Treatment (EPSDT). The Department has enrolled providers and is currently providing behavioral therapies to clients through the EPSDT program. Since behavioral therapy was the only service on the Children with Autism waiver, the Department submitted a Waiver Amendment to CMS to phase out the CWA waiver in 2018. The Department stopped all program and waitlist enrollments on January 2, 2018 and ended operations on July 1,

2018. The Department established transition monitoring procedures to work with Case Management Agencies and families to ensure client transitions were appropriate and timely.

In the fall of 2015 CMS also directed the Department to run the Pediatric Behavioral Therapies benefit under EPSDT and remove behavioral services for children and youth 20 years and under from the following waivers: Children's Extensive Support (CES) waiver, Children's Habilitative Residential Program (CHRP) waiver, Developmental Disabilities (DD) waiver and the Supported Living Services (SLS) waiver. The Department transitioned all children and youth 20 years and under from waiver behavioral services to Pediatric Behavioral Therapies in FY 2017-18. It is important to note that members who are receiving EPSDT and behavioral services must also meet eligible criteria of the Colorado Autism Treatment Cash Fund statute. The member must have an autism diagnosis and be under the age of 6.

E. FY 2020-21 Tobacco Master Settlement Funds Recommendation

Consistent with current statute, the Department recommends that the program should continue to receive two percent of the Tobacco Master Settlement on an ongoing basis until the program terminates. Children with an autism diagnosis under the age of 6 are continuing to utilize behavioral therapy services through the EPSDT benefit. As utilization continues to grow, the Department will continue to need a regular funding source to meet the needs of these clients.

The costs of providing these behavioral services will continue to outpace the annual revenue into the Cash Fund from the Tobacco Master Settlement. Therefore, the funds from the settlement will serve as an offset to General Fund expenditure on EPSDT and pediatric behavioral therapies for the eligible population.