Department of Health Care Policy & Financing - FY 2024-25 Annual Performance Report (November 2025)

Wildly Important Goals

The Department of Health Care Policy & Financing has identified several wildly important goals (WIGs) for FY 2024-25 and beyond. For this annual performance report, the Department has updated progress on those goals identified in its FY 2024-25 Performance Plan that capture the Department's WIGs and reflect the overall direction as identified by Department leadership.

Additional detail for these, and other, WIGs is available in the Department's Performance Plan. For a visual representation of the Department's WIG progress please visit the Governor's Dashboard.

WIG 1 – Medicaid Efficiency: Reduce Medicaid costs by $400 million by June 30, 2027, while maintaining current benefit levels by partnering with providers to tie payment to performance through value based programs and avoiding inappropriate costs.

Exceeded target: reduced costs by $405,815,739 as of June 30, 2025.

HCPF must ensure it is appropriately making payments to providers and maintains compliance with federal and state laws. HCPF has expanded fraud, waste and abuse efforts to collect and/or avoid inappropriate payments, including when a member has other insurance. Retrospective recovery refers to money owed from claims that were not properly billed. Cost avoidance refers to a proactive strategy to prevent future inappropriate costs from occurring.

To achieve this WIG, HCPF implemented two lead measures to reduce Medicaid costs: first by partnering with providers to deliver higher quality of care, resulting in members experiencing healthier outcomes and thereby reducing preventable use of hospitals and by using more affordable prescription drugs; and second, through retrospective recoveries and prospective cost avoidance.

1. **Our first lead measure was to reduce Medicaid preventable costs by $12,100,000 through value based care by June 30, 2026,** thereby reducing preventable use of hospitals and by using more affordable prescription drugs. HCPF is working diligently to complete the actuarial calculations for this measure.

2. **Our second lead measure was to reduce inappropriate Medicaid spending by $387,000,000 through retrospective recoveries and prospective cost avoidance by June 30, 2027.** As of June 2025, we have recovered or avoided $405,815,739.

WIG 2 – Automate and Digitize Medicaid Renewals: Improve member service and reduce county workload by increasing automation of Medicaid renewal processing from 58% to at least 71% of member renewals by June 30, 2026. Exceed target: increased automation and digitization of member renewals to 84% by June 30, 2025.

Our second agency WIG was to automate and digitize Medicaid renewals as part of our continued effort to improve the renewal process for Medicaid members statewide and for our partners in all 64 Colorado counties through automation and digitization enhancements. In June 2025, HCPF achieved 83% of member renewals automated or digitized.

To achieve this WIG, HCPF implemented three lead measures: (1) increase the proportion of Medicaid renewals automatically processed (neither the covered member nor the county worker needed to take action to approve the renewal) and approved via ex parte for the Modified Adjusted Gross Income (MAGI) population; (2) increase the proportion of Medicaid renewals processed digitally through the Colorado Program Eligibility and Application Kit (PEAK), and (3) improve correspondence with Medicaid members.

1. **Our first lead measure was to increase ex parte auto-renewal performance from 40% to 73% by June 30, 2026**, pending the federal government making the emergency e14 waivers permanent, for those Medicaid individuals renewed based on income (MAGI). As of June 2025, we exceeded this target with 77% ex parte renewal performance.

2. **Our second lead measure was to increase member renewals returned through the Colorado Program Eligibility and Application Kit (PEAK) from 45% to 53% by June 30, 2026.** PEAK is the online service for Coloradans to screen and apply for medical and other assistance programs. As of June 2025, we exceeded this target with 71% of renewals processed through PEAK.

3. **Our third lead measure was to improve member correspondence accuracy and readability by revising 55 frequently used member eligibility correspondences prototypes by December 31, 2024**, pending state and federal budget, regulations, approvals, and the shared HCPF-CDHS queue for implementing system changes. This goal was met in September 2024.

WIG 3 – Increase Access to Prenatal Care: Increase timely utilization of prenatal care in the Medicaid program from 62.7% to 70.0% by June 30, 2027. Exceed target: increased timely utilization of prenatal care in the Medicaid program to 72% by June 30, 2025.

Our last agency WIG was to increase timely utilization of prenatal care in the Medicaid program from 62.7% to 70.0% by June 30, 2027. This is a National Committee for Quality Assurance (NCQA) measure recorded using the NCQA Healthcare Effectiveness Data and Information Set (HEDIS). In May 2025, HCPF achieved 72% on this measure.

HCPF implemented three lead measures to improve utilization of timely prenatal care for birthing Medicaid members.

1. **Through the Accountable Care Collaborative Phase III HCPF, in partnership with the Regional Accountable Entities (RAEs), Managed Care Entities, and Child Health Plan Plus (CHP+), will outreach at least 3,000 birthing members by June 30, 2027** to help connect eligible members to prenatal programs and timely care. This measure will begin reporting in FY 25-26 after ACC Phase III goes live on July 1, 2025.

2. **Our second lead measure was to meet with each RAE quarterly on their performance on the timeliness of prenatal care measure and collaborate on performance improvement by June 30, 2025.** This goal was met in June 2025.

3. **Our final lead measure was to improve birth equity through increased access to and choice of providers and supports for birthing people including direct entry midwives and doulas by implementing 100% of programmatic requirements by June 30, 2025.** This goal was met in June 2025.

Performance Measures

Reduce Medicaid costs by $400 million by June 30, 2027, while maintaining current benefit levels by partnering with providers to tie payment to performance through value based programs and avoiding inappropriate costs.

Measure	FY 23-24 Actual	Q1 FY 24-25	Q2 FY 24-25	Q3 FY 24- 25	Q4 FY 24-25	FY 24-25 Goal	3-Year Goal
Medicaid Efficiency	$141,150,000	Not Reported	Not Reported	Not Reported	$405,815,739	$247,900,000	$400,000,000
Reduce Medicaid Spending with Value Based Care	$1,150,000	Not Reported	Not Reported	Not Reported	TBD - Pending final actuarial calculation	$4,900,000	$12,100,000
Reduce Inappropriate Medicaid Spending	$140,000,000	$196,000,000	$262,955,943	$326,000,000	$405,815,739	$243,000,000	$387,000,000

Our second agency WIG was to improve member service and reduce county workload by increasing automation of Medicaid renewal processing from 58% to at least 71% of member renewals by June 30, 2026.

Measure	FY 23-24 Actual	Q1 FY 24-25	Q2 FY 24-25	Q3 FY 24- 25	Q4 FY 24-25	FY 24-25 Goal	2-Year Goal
Automate and Digitize Medicaid Renewals	58%	80%	84%	81%	84%	62%	71%
Auto Renewal of Medicaid Coverage	40%	71%	76%	76%	77%	69%	73%
Online Medicaid Renewals	45%	60%	60%	58%	71%	49%	53%
Medicaid Correspondence Improvement	48	55	55	55	55	55	N/A

Our last agency WIG was to increase timely utilization of prenatal care in the Medicaid program from 62.7% to 70.0% by June 30, 2027. This is a National Committee for Quality Assurance (NCQA) measure recorded using the NCQA Healthcare Effectiveness Data and Information Set (HEDIS).

Measure	FY 23-24 Actual	Q1 FY 24-25	Q2 FY 24-25	Q3 FY 24- 25	Q4 FY 24-25	FY 24-25 Goal	3-Year Goal
Increase Access to Prenatal Care	62.7%	Not Reported	Not Reported	Not Reported	TBD	65%	70%
Perinatal Outreach to Members	0	Not Reported	Not Reported	Not Reported	Not Reported	None: Measure Begins FY25-26	3,000
Prenatal Care Performance Improvement	0	7	14	14	21	20	20
Increase Access to More Service Options	0	33%	33%	67%	100%	100%	100%