



OPERATIONAL MEMO

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Purpose and Audience

This memo informs Community Mental Health Centers (CMHC), licensed Behavioral Health Entities (BHE), Behavioral Health providers, and the community of the timeline and expectations for transitioning to the Behavioral Health Safety Net system.

The Department of Health Care Policy & Financing (HCPF) administers Health First Colorado Colorado's Medicaid program, Child Health Plan *Plus* (CHP+), and other healthcare programs for Coloradans who qualify. The Behavioral Health Administration (BHA) is the state administration responsible for ensuring all people in Colorado have access to quality mental health and substance use disorder services, regardless of where they live, or ability to pay. As a regulatory body, BHA is bringing together community groups and governmental agencies to create a behavioral health system for all people in Colorado that is easy to access and offers high-quality care that considers the whole person and their needs.

The BHA is responsible for regulating behavioral health services by developing and monitoring reasonable and proper standards, rules, and regulations. This includes the licensing of Behavioral Health Entities and approval of Behavioral Health Safety Net Providers.

HCPF and BHA are issuing this joint guidance to Behavioral Health Safety Net system stakeholders in Colorado, including those who intend to enroll with HCPF as Comprehensive Community Behavioral Health Providers (comprehensive providers) or Essential Behavioral Health Safety Net Providers (essential providers) upon approval by BHA, as well as communities and organizations which receive services from the safety net system.

Issue in Brief

HCPF and BHA are utilizing a phased implementation strategy to familiarize and prepare providers with the Behavioral Health Safety Net system changes in enrollment, approval, licensure, contracts, and billing requirements to minimize administrative burden and reduce the financial impact as Behavioral Health Safety Net system changes go into effect through July 1, 2024.

Definitions

Behavioral Health Administrative Service Organizations (BHASOs): BHASOs are new organizations BHA has been tasked with creating through [House Bill 22-1278](#). BHASOs will establish, administer, and maintain regional networks of behavioral healthcare providers that serve people across Colorado. BHASOs will consolidate the current fragmented behavioral healthcare provider networks into regions, emphasizing a “no wrong door” approach.

Behavioral Health Entity (BHE): A BHA-licensed facility or provider organization engaged in providing community-based health services, which may include services for a behavioral health disorder but does not include residential detention and commitment facilities operated by the Division of Youth Services within the Department of Human Services or services provided by a licensed or certified mental health-care provider under the provider's individual professional practice act on the provider's own premises.

Behavioral Health Safety Net Approval: A safety net approval demonstrates that a licensed provider is in compliance with the safety net standards. An approval is not a license, and essential and comprehensive providers will still be required to hold any professional or facility licenses they are obligated to hold pursuant to federal or state law or regulations. Once approved, essential and comprehensive providers will be eligible to seek enhanced payments for the services they provide.

Comprehensive Community Behavioral Health Providers (“comprehensive providers”): A licensed behavioral health entity or behavioral health provider approved by BHA to provide care coordination and the following behavioral health safety net services, either directly or through formal agreements with behavioral health providers in the community or region:

1. Emergency and crisis behavioral health services
2. Mental health and substance use outpatient services
3. Behavioral health high-intensity outpatient services
4. Care management
5. Outreach, education, and engagement services
6. Mental health and substance use recovery supports
7. Outpatient competency restoration
8. Screening, assessment, and diagnosis, including risk assessment, crisis planning, and monitoring to key health indicators

Essential Behavioral Health Safety Net Providers (“essential providers”): A licensed behavioral health entity or behavioral health provider approved by BHA to provide care coordination and at least one of the following behavioral health safety net services:

1. Emergency or crisis behavioral health services
2. Behavioral health outpatient services
3. Behavioral health high-intensity outpatient services
4. Behavioral health residential services
5. Withdrawal management services
6. Behavioral health inpatient services
7. Integrated care services
8. Hospital alternatives
9. Additional services that the BHA determines are necessary in a region or throughout the state

Timeline of Effectiveness

November 15, 2023

Beginning November 15, 2023, BHA began accepting applications from agencies seeking approval as comprehensive and essential providers. The application period will be rolling, and agencies can apply for approval at any time on or after this date. For agencies that will be obligated to seek licensure from the BHA as a Behavioral Health Entity (BHE), applications for BHE licensure will also open on this date. Providers can simultaneously apply for both BHE licensure and safety net provider approval by indicating both when starting their application. All providers that are obligated to obtain a BHE license will need to do so no later than December 31, 2024, based on their current license term and expiration.

January 1, 2024

Beginning January 1, 2024, BHA will begin issuing Behavioral Health Safety Net Approvals and BHE licenses.

In January 2024, BHA will begin SFY25 contract renewal negotiations with providers previously designated as Community Mental Health Centers (CMHCs). CMHCs who attest to BHA their intent to obtain comprehensive and/or essential provider approval by January 1, 2024, can participate in the negotiations.

CMHCs that attest to HCPF by January 1, 2024, their intent to become a comprehensive provider and providers that submitted cost reports by November 30, 2023 can participate in the Prospective Payment System (PPS) as soon as it goes into effect July 1, 2024. When the attestation is completed, CMHCs will have until December 31, 2024 to enroll in Medicaid as a comprehensive provider. Comprehensive safety net providers will continue to be required to complete cost reporting requirements.

For providers that have never submitted a cost report, or are not able to secure a comprehensive provider status before July 1, 2024, HCPF will develop a statewide PPS rate based on statewide safety net cost data. Providers that become comprehensive providers but were unable to submit a cost report by November 30, 2023 will qualify for the statewide PPS rate until their first cost report is submitted and HCPF can develop a unique PPS rate for them. This is designed to create a stable payment mechanism for comprehensive providers to support the enhanced costs of meeting the state requirements, and will be higher than essential provider or independent provider rates. This will be available ongoing as additional provider join the network and achieve comprehensive status.

July 1, 2024

BHA renewal contracts for SFY 2024-25 will be effective July 1, 2024. SFY 2024-25 contract awards are contingent upon providers, including licensed BHEs, obtaining comprehensive provider approval and/or essential provider approval associated with BHA-contracted services by July 1, 2024.

The July 1, 2024 edition of the [State Behavioral Health Services \(SBHS\) Billing Manual](#) will include Comprehensive and Essential provider types on the appropriate coding pages.

January 1, 2025

All providers who are currently enrolled with HCPF as a CMHC must re enroll in Medicaid as a Comprehensive, Essential, or Behavioral Health Group provider by December 31, 2024.

CMHC as a provider type (provider type 35) and as an enrollment category will be terminated from the HCPF system and removed from the SBHS Billing Manual. More details are included on page 5 of this memo.

July 1, 2025

After July 1, 2025, BHA will not directly contract with comprehensive or essential providers for the historical CMHC services. Instead, BHA will contract with Behavioral Health Administrative Service Organizations (BHASOs) who will manage a network of behavioral health providers, including comprehensive and essential providers. Further information will be provided regarding the establishment of the BHASO network, which will be effective July 1, 2025.

Medicaid Provider Types

HCPF will add 2 new provider types (PT) available for enrollment to accommodate the implementation of the new Safety Net design, resulting in a total of [#] BH provider types. The new provider types include:

1. A PT for Comprehensive providers*
 - a. Must possess a BHE license from the BHA and comprehensive provider approval from the BHA.
 - b. Comprehensive providers will only enroll as this PT - they will NOT need to enroll as a separate SUD provider (PT 64) since outpatient SUD services are required of Comprehensive providers. The Comprehensive PT will be available to apply for enrollment on March 1, 2024 but enrollments will only be effective on or after July 1, 2024. A provider's current enrollment as a CMHC will end effective June 30, 2024.
2. A PT for Behavioral Health Group with Prescriber AND a PT for Behavioral Health Group without Prescriber
 - a. These will allow providers who have or would have previously enrolled under PT 16 and 25 but are distinctly BH providers to have an identified pathway to enroll.
 - b. This will accommodate the Group Providers that will require a BHE license.
 - c. This will accommodate other distinct BH group providers (i.e. Psychiatrists, Psychologists, Day Treatment, etc.)
3. HCPF is creating specialty types under each eligible BH Provider Type that provides any of the Essential Services. Providers who are approved as essential providers will be able to enroll or update their enrollment to reflect the Essential specialty type.

*A provider may enroll as both a comprehensive and essential provider depending on the scope of services they choose to provide.

BHA Licensure and Safety Net Approval

For a provider to become a BHA-licensed provider and receive a safety net provider designation, a provider must follow the following steps:

1. Review applicable BHA license from [2 CCR 502-1](#). Updated rules will be published on January 1, 2024. Until then, draft proposed rules can be reviewed on the [BHA Laws and Rules Webpage](#).
2. Visit the [LADDERS licensing portal](#) to begin an application.
3. Complete the application for the licensure, designation or approval required. This includes uploading any required documentation.
4. The BHA will review the application for completeness. If complete and in compliance with regulations, the BHA will issue the license, designation, or approval certificate.
5. If not complete, the BHA will reach out to the provider and inform them of any deficiencies. Once complete, the BHA will review the application again.

HCPF Enrollment

To become a Health First Colorado provider follow these 3 steps:

1. Step 1: First, a provider must [apply to become licensed](#) through BHA and obtain approval as a comprehensive and/or essential safety net provider.
2. Step 2: Next, a provider identifies their Health First Colorado [provider type](#) and [enrolls](#) in that provider type.
 - a. Provider types and specialty types for comprehensive and essential safety net providers will be created and published by March 1, 2024.
 - b. A comprehensive provider will only need to enroll as a comprehensive provider, which includes outpatient SUD services.
 - c. Essential providers will enroll in the specialty type under the provider type appropriate for the services they are licensed to provide.
3. Step 3: Once enrolled as a Health First Colorado behavioral health provider, a provider must contract with Managed Care Entities (MCEs) to serve members from one or more [regions](#).

Action To Be Taken:

CMHCs that complete and submit the [Comprehensive Provider Attestation Form](#) by December 31, 2023, will be eligible to bill and be compensated using the Comprehensive PPS starting July 1, 2024.

To submit the attestation form or for questions related to the attestation form, please contact the Safety Net Provider Team at hcpf_safetynetforum@state.co.us.

Attachments:

None

Licensing and Enrollment Contacts

1. Gainwell Technologies, HCPF Provider Enrollment Assistance, at 1-844-235-2387
2. BHA Licensing and Safety Net Team, at cdhs_bharulefeedback@state.co.us

Program Contacts

1. Jordan Larson, Behavioral Health Alignment Advisor, HCPF, at jordan.larson@state.co.us
2. Victoria Laskey, Safety Net Associate Director, BHA, at victoria.laskey@state.co.us