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March 18, 2024

General Assembly Newsletter



Stay up to date on what's new at the Department of Health Care Policy & Financing (HCPF) with our newsletter created specifically for the Colorado General Assembly.

Editor's Note

This newsletter is published monthly while the legislature is in session, and quarterly outside of the legislative session. The next edition will be published in April 2024.

Please continue to direct any questions or constituent issues to HCPF's legislative team:

- Lauren Reveley, HCPF Government Relations Director
- Jo Donlin, HCPF Legislative Liaison
- Isabel Hinshaw, Legislative Analyst
- Tegan Gough, HCPF Legislative Coordinator Intern

Constituent Outreach

<u>Our constituent services form is online.</u> If you have a constituent who needs assistance or has questions about their Medicaid or CHP+ coverage, this is the best way to reach us. You can also email <u>Isabel Hinshaw</u>, our Legislative Analyst for help.

A Message from Executive Director Kim Bimestefer



Important HCPF February Forecast Information & Materials from our Feb. 26 Medicaid Behavioral Health Webinar

The Department of Health Care Policy & Financing (HCPF) provides the Joint Budget Committee with caseload and budget forecasts in November and February of each year. This Feb. 15 forecast included updates to our fiscal years 2023-24 and 2024-25 Health First Colorado (Colorado's Medicaid Program) and Child Health Plan *Plus* (CHP+) enrollment, leveraging a more expansive public health emergency (PHE) unwind period of insights based on actual renewal data. The new forecast for fiscal year 2023-24 estimates a net 519,000 member enrollment reduction. This reflects the net of individuals losing Health First Colorado and CHP+ coverage through the PHE unwind and those who newly enroll. Providers and partners should plan on a post unwind enrollment that more closely aligns with pre-pandemic levels.

We began our PHE unwind process with March notices for May 2023 renewals, meaning April 2024 reflects the last month of the 12-month unwind period. This new estimate takes into account the actual enrollment changes we have experienced thus far, historic norms, and our projected changes through the next year given current economic conditions. Consider the following specifics:

- As a result of our collaborative efforts to get Coloradans covered during the COVID-induced economic downturn, when so many lost their employer-sponsored coverage, Health First Colorado enrollment grew by more than 40% compared to national growth of about 31%, as measured through January 2023 results, before the PHE unwind began. Further, Colorado's unemployment rate has been lower (3.4%) than the national average (3.7%) through the pandemic and as of December 2023, indicating the state recovered faster than the nation from the COVID-induced economic downturn. Last, the Colorado economy has recovered faster than anticipated, and faster than national norms. As people regain employer-sponsored coverage through the economic recovery, more disenroll from Health First Colorado.
- We anticipate the PHE unwind will cause the emerging, aggregate composition of our members to more closely resemble pre-pandemic norms, where historically eligible members with higher medical needs stay

- covered, while the vast majority of those who enrolled during the COVID-induced economic downturn a generally healthier population no longer qualify.
- HCPF has underscored the importance of analyzing the 90-day reconsideration period, as covered members leverage this period to submit their renewal information late. This February forecast considers information through December, while relying heavily on the data through September, which incorporates the impact of this 90-day reconsideration period.
- We have also been tracking PHE unwind data compared to historic norms (calendar years 2018 and 2019), which shows that PHE unwind renewals are tracking within 2% of pre-pandemic norms, while disenrollments are within 3% of pre-pandemic norms. However, our procedural denials are higher than historic, pre-pandemic levels, while our income based and other qualified eligibility based denials are far below historic (about half). To verify income, Colorado sends a renewal packet to all individuals who did not meet eligibility income criteria through the ex parte process. If the recipient does not verify their income through this added process, it is considered a procedural denial, even if the individual is over income and simply not responding to renewal inquiries. We are implementing short-term and long-term solutions to improve the overall eligibility process, and appreciate your partnership.

To achieve our shared goal to Keep Coloradans Covered, we ask that all stakeholders please read our updated website, reporting webpage and newsletters, as well as use toolkits to help members and partners complete the renewal process or transition to other affordable health coverage. These are available in the top 11 languages spoken by our members: Update Your Address, Understanding the Renewal Process and Take Action on Your Renewal. Flyers have been developed for employers to distribute to employees to remind them to look for their Health First Colorado renewal packet and where appropriate, how to transition to employer-sponsored coverage, and the importance of doing so in a timely manner.

Thank you to the approximately 700 who joined our webinar on Medicaid behavioral health transformation, policy changes, how changes are impacting communities, and what is coming next. Recordings and materials are being posted on our website. This webinar was hosted jointly with the Behavioral Health Administration (BHA). While Dannette R. Smith, the new BHA Commissioner was unable to co-host, we welcome her March 18 start date and the ability to leverage her vast experience, positivity, and passion to transform Colorado's behavioral health system in partnership.

Non-Emergent Medical Transportation (NEMT)

With the passage of HB24-1146: Medicaid Provider Suspension for Organized Fraud, HCPF will have the authority to suspend fraudulent providers. HCPF has been navigating and investigating an unprecedented suspected fraud scheme associated with a significant increase in NEMT providers. HCPF is pursuing proactive and responsive steps to protect Health First Colorado (Colorado's Medicaid) members and taxpayer dollars, while continuing to ensure that members have access to transportation for medical needs. With this law we will now be able to begin the process of reviewing and suspending fraudulent providers that have been putting Medicaid members at risk.

We thank you for your partnership and support in addressing this unprecedented situation. We will continue collaborating broadly with all levels of state and federal law

enforcement. You may hear from NEMT providers due to the steps we are taking. Please reach out to <u>Lauren Reveley</u> with any questions.

Drug Importation Application Update

On Tuesday, Feb. 27, 2024, HCPF <u>announced the submission</u> of an amended <u>Section 804 Importation Program (SIP) proposal</u> to the U.S. Food and Drug Administration (FDA). The submission is the next formal step in requesting federal approval to operate <u>Colorado's Canadian Drug Importation Program</u>, which will save Coloradan consumers and employers an estimated \$51 million over 3 years on imported medications, depending on adoption in the market. Based on the requirements of the final rule, HCPF estimates that an importation program in Colorado could be approved by late 2024, at the earliest, and its implementation is dependent on how quickly the federal government approves Colorado's application.

As HCPF begins this next phase of implementation, we look forward to engaging stakeholders to ensure that Colorado consumers will have access to the lower cost medications they deserve. HCPF hosted a stakeholder engagement session on March 12 which was <u>recorded</u>.

COVID-19 Public Health Emergency Update

HCPF posts Public Health Emergency (PHE) renewal reports on the <u>Continuous Coverage Unwind Data Reporting page</u>. The information reported is point-in-time data about renewals as required by federal reporting requirements and does not include new members coming into the program or those who will take action during the 90-day reconsideration period. Members can return their renewal packet and any missing information to their county for processing within 90 days of losing coverage and ask for retroactive coverage if they experienced a gap.

Updates to our fiscal years 2023-24 and 2024-25 enrollment forecasts were released on Feb. 15, 2024, leveraging a more expansive PHE-unwind period of insights based on actual renewal data. This updated forecast includes assumptions and learnings on Health First Colorado and Child Health Plan *Plus* (CHP+) member demographics and costs. More information about the updated enrollment forecast is on the <u>Unwind Data Reporting page</u>.

PHE Unwind Support

Please continue to help us spread the word to Health First Colorado and CHP+ members to prepare for renewals by sharing the messaging our partner toolkits: <u>Update Your Address</u> and <u>Take Action on Your Renewal</u>. A joint webpage, <u>KeepCOCovered.com</u>, also includes partner resources and information for those who may need to transition to other coverage.

Member facing materials are available in English and Spanish and have been transcreated into the top 11 languages spoken by members: Amharic, Arabic, Burmese, Chinese, Dari, Pashto, Russian, Somali, Swahili, Ukrainian, and Vietnamese.

<u>Frequently Asked Questions</u> about the end of the continuous coverage requirement and return to regular renewal processes are in the PHE Resource Center.

Members with questions about the renewal process can be referred to the Health First Colorado's renewal webpage available in <u>English</u> and <u>Spanish</u>.

To stay informed about the latest updates, please sign up for the <u>COVID-19 public health</u> <u>emergency updates monthly newsletter</u>.

ACC Phase III Updates

Thank you to everyone who has participated in our series of stakeholder engagement meetings to discuss the Accountable Care Collaborative (ACC) Phase III <u>Draft Contract</u>. The Draft Contract outlines the contractual requirements for Regional Accountable Entities (RAEs) for Phase III of the ACC that is scheduled to begin on July 1, 2025. We heard from nearly 1,000 attendees at 20 different sessions and received over 70 written comments between January 2024 to March 2024. We are grateful to have received such robust feedback and are continuing to carefully review and incorporate insights into the Phase III Request for Proposal (RFP).

The ACC Phase III Draft Contract is based on the policy and programmatic recommendations outlined in the <u>Concept Paper</u> as well as feedback from stakeholders detailed in the <u>Vision Stage Summary</u> and <u>Concept Stage Summary</u>. The draft contract, as well as other fact sheets, are available on the <u>ACC Phase III Draft Contract webpage</u>. Presentations and materials from our past meetings are on the <u>ACC Phase III Stakeholder Engagement webpage</u>. For additional updates, please sign up for the <u>ACC Newsletter</u>.

FY 2023-24 Legislative Reports and Legislative Requests for Information (LRFI) Reports

HCPF has submitted 4 Legislative Reports and 9 LRFIs to the General Assembly since the last edition of the newsletter. You can find them all on HCPF's <u>website</u>.

County-By-County Resources

Our <u>county fact sheets</u> provide an annual snapshot, by fiscal year, for Health First Colorado activity, including average annual caseload and top five claim types for each county.

Legislator Resource Center

The <u>Legislator Resource Center</u> on our website is available to help legislators and legislative staff easily find information. It includes links to reports, fact sheets and overviews of the budget process to help inform legislators.

Town Halls

If you are having a town hall meeting or sending out a newsletter and are willing to provide an update on the PHE Unwind, please contact <u>Jo Donlin</u>. HCPF can provide updates for your newsletter or town hall appearance.

Follow HCPF on Social Media

We invite legislators to follow us on social media to stay informed of news and happenings at HCPF. You can follow us on <u>Facebook</u>, <u>Twitter</u> and <u>LinkedIn</u>.

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