



CHASE

Colorado Healthcare Affordability and
Sustainability Enterprise

CHASE Initiatives Workgroup Meeting Notes

May 21, 2025

12:00pm- 1:30pm

[CHASE Workgroup Meeting 10 Slides](#)
[Meeting Recording](#)

Actions Assigned:

- GPS to send a hold to all Work Group members for June 11 from 12:00-1:30pm for another meeting as needed, given the timeline for preprint development. *Completed*
- Mary Goddeeris to share resources from a recent CMS call around the ACR, focusing on APCD and surveys as top 2 preferences for data sources for the ACR. *Completed*

Notes:

1. Introductions and Recap

- a. Workgroup members (*regrets with strikethrough*)
 - i. Alison Sbrana, Consumer
 - ii. ~~Annie Lee, President & CEO, Colorado Access~~
 - iii. Emily King, Senior Policy Advisor/Deputy Director of the Office of Saving People Money on Health Care, Governor's Office
 - iv. Josh Block, Deputy Chief Financial Officer, HCPF
 - v. Dr. Kimberley Jackson, CHASE Board Vice President
 - vi. Nancy Dolson, Special Financing Division Director, HCPF
 - vii. Shauna Lorenz, Partner, Gjerset & Lorenz LLP
 - viii. Tom Rennell, Senior Vice President Financial Policy and Data Analytics, CHA
- b. Additional attendees:
 - i. Greg Boyle, UCHHealth
 - ii. J Sanders, Organization Unknown
 - iii. Jason Durrett, Adelanto HealthCare Ventures
 - iv. Jeff Wittreich, HCPF



- v. Katie Ryan, Denver Health
- vi. Mary Goddeeris, HMA for CHA
- vii. Matt Haynes, HCPF
- viii. Matt Reidy, Public Consulting Group (PCG)
- ix. Paul Harang, HMA
- x. Shay Lyon, HCPF
- xi. Scott Humpert, Public Consulting Group (PCG)
- xii. Windsar Fields, Adelanto HealthCare Ventures
- c. GPS shared a plan for this meeting, upcoming meetings, a progress update, and upcoming workgroup deliberations.

1. Environmental Update and Discussion

- a. Nancy Dolson (HCPF) shared updates around recent state initiatives with potential impact to the SDP.
 - i. FY 24-25 CHASE model: including the FY 24-25 CHASE model that includes being at the 6% NPR limit and using cash reserves to cover expenditures. Feedback around the big driver of the increased need in fees, which is related to expenditures related to the expansion population. The next step is to go to Medical Services Board with emergency rules to amend fees and DSH payments, as approved by the CHASE Board.
 - ii. Poudre Valley Hospital and Memorial Hospital filed suit last August on classification related to provider fees. Denver District Court ruled in favor of these two hospitals to be classified as non-governmental public hospitals which may impact division of funds.
- b. *Discussion on recent state actions:*
 - i. Kim Jackson: received letters from CHA shortly before the CHASE Board meeting and understand the concerns shared. Acknowledge that we are working on this and acknowledge that an impact to this timeline could occur.
 - ii. Tom Rennell: Wrestling with the FY 24-25 CHASE model that has some challenges. As that model is put together, it is reaching its constraints. The SDP program does run alongside and complement the current model. Working toward a win-win situation. If we can bring some more money into the supplemental payment programs, we may have an opportunity



to patch up and strengthen some of the challenges we are running into. We all heard from the CHASE Board to keep working on the SDP.

- c. Matt Reidy (PCG) shared updates around recent federal budget reconciliation with potential impact to the SDP.
 - i. Different proposals and amendments are being considered by the House; have not heard anything from Senate Finance in terms of specific proposals. Should have a much better idea today about what the House will propose. The Senate will make their own proposal and then reconciliation will have to occur. Timing is unknown and we will want to watch the effective dates of different sections and the related impact on submissions to CMS.
 - ii. House proposals consider changes to provider taxes, SDP, FMAP. These have implications as Colorado uses a blended rate to determine total federal dollars available.
 - iii. Things happening at administrative level to watch as well. For instance: CMS proposed a regulation with almost identical language to a House proposal. Administrative changes may or may not align with legislated changes.
 - iv. CMS looking at another state's SDP proposal and has shared concern with using cost reports as a source of data for identifying payers by commercial volume. Will watch to see if this is unique or if a trend emerges.
 - v. CMS has pushed back on RAND study. New head of CMS used the RAND study in his state (MS) to calculate the SDP. Now, CMS is raising questions about that study.
 - vi. Kim Jackson: CBO released a report that the proposed House budget would trigger a \$500B sequestration of Medicare. Many people are dually eligible in Colorado (Medicaid and Medicare), so could impact how CHASE funds are used.
 - vii. Mary Goddeeris (HMA): The latest draft of the House bill does include grandfathering in SDP applications submitted before the bill's enactment, including a rating period that has not yet started yet. Heard from one state that future preprints would fall under the grandfathering; also heard that there are members who want this amendment to be removed and disallow grandfathering.



- viii. Shauna Lorenz: Grandfathering means that while future SDPS will only allow payments up to the Medicare rate, where as if an SDP is filed before this legislation is enacted, you may pay up to the commercial rate. You will be limited to what you have approved in the submission. If file for something very conservative vs aggressive, you will be limited to your submission. States will be frozen at current level of spending. Very short window for increasing spending in Colorado; once closed, will be closed. We do not have the luxury of waiting to see what changes may come.
- ix. Kim Jackson: Has there been any modeling around how Colorado rates would be effected by using the Medicare published rate vs. ACR?
 - 1. Nancy Dolson: We have not yet done this at HCPF. We will be submitting a preprint by July 1 to ensure we meet the deadline. That does focus our choices. We will focus our efforts on what we will need to submit. Generally, Medicare rates are lower than commercial rates, so there will be an impact.
- x. Kim Jackson: Is there a chance that CMS could look at what's published now and decide to approve only those tied to Medicare rates?
 - 1. Nancy Dolson: The law change would be necessary before CMS is likely to change their approach. In the bill draft now, any SDP submitted prior to bill enactment can use ACR. Anything after is subject to maximum calculated based on Medicare rate. Ongoing discussion about the details of the ACR will happen (e.g., cost reports, APCD, surveys, etc.).
 - 2. Matt Reidy: OMB is directing all secretariats to reduce federal spending via any mechanism available to them, so CMS could make decisions in accordance with this outside of or preceding legislation. The process does not end on July 1.
 - 3. Mary Goddeeris: if CMS asks Colorado to use a different ACR calculation, that does not require a



brand new preprint and does not negate the submission/grandfathered status.

- d. Mary Goddeeris (HMA) shared updates around recent federal rule revisions with potential impact to the SDP. The rule revision is focused on states that charge a higher rate to providers for Medicaid utilization over non-Medicaid utilization (higher rate per Medicaid member vs. commercial member). Appears as though this rule change is targeted to 7 specific states noted in the preamble to the rule. However, language is open for interpretation (e.g., charging a rate that is a “proxy” for Medicaid). Flexibility and subjectivity is given to CMS, representing a different approach from prior objective calculations. Accepting public comment. CMS held a call and provided some technical assistance around the ACR, focusing on APCD and surveys as top 2 preferences for data sources for the ACR.

2. ACR and Quality Measures Updates

- a. GPS shared an updated timeline with milestones related to the ACR and Quality Measures elements. Goal is that a preprint draft is prepared by the June 18 workgroup meeting in time for review by the CHASE Board at their June 24 meeting.
- b. Scott Humpert (PCG) and Nancy Dolson (HCPF) shared an update on subgroup discussions and activities related to the ACR calculation, including progress to date and remaining discussion points. The group is positioned to deliver a recommendation by June 4.
- c. Matt Haynes (HCPF) shared an update on subgroup discussions and activities related to Quality Measures. Meeting with SMEs as they are available. Have met with data leads with RMHP and will continue to meet with others.
 - i. Tom Rennell: Thank you on behalf of the hospitals for taking more time for these discussions.

3. Other Activities

- a. Nancy Dolson (HCPF) reviewed additional activities related to the preprint submission, including actions that must be taken before *and* after.



i. *Discussion:*

1. Alison Sbrana: Will we try to meet more frequently between now and June 18? Is one week sufficient time for all of the other activities that need to happen once the preprint is drafted?
 - a. Nancy Dolson: HCPF is focused on the timeframe as currently understood. Between June 4 and July 1, our leadership will sign and submit the documents. Not so much this workgroup but our ACR subgroup will need to be collaborating more often to meet the June 4th date along with any revisions before June 18.
 - b. Alison Sbrana: The uncertainty has generated additional fear in the community and challenges to all managing daily curveballs. Have had feelings of hesitancy around our pace and understand that we must move quickly. All in on what needs to happen between now and June 24, including more time or asynchronous work. I will put whatever capacity we have into this and encourage others to do the same.
2. Kim Jackson: Is it helpful to run the calculation using the Medicare published rate vs. ACR?
 - a. Tom Rennell: We could reasonably ballpark or use a few other benchmarks to determine the potential figures. Maybe we could take this back to the ACR subgroup to size the differential between the two calculations.
3. Alison Sbrana: With where we are now and how little time, we shouldn't let perfect be the enemy of the good. It's more important for us to get a preprint submitted. My two cents based on what we've discussed today. How do future year modifications work with the idea of preprints being grandfathered in?
 - a. Matt Reidy (PCG): Annual preprint submissions likely to continue based on current proposals. The state could revise or amend components of the preprint upon annual submission. The back and forth with CMS after initial submission is resulting in revisions to submissions but amendments are also possible.



- b. Mary Goddeeris: Devil is in the details with what exactly CMS is looking at, most likely the total dollar amount to remain steady. Other elements that don't impact total amount will be able to be revised.

4. Next Steps

- a. GPS to share meeting notes with decisions and actions.
- b. Small group work will continue where necessary and tap support as needed.
- c. HCPF will post the next workgroup meeting on its [website](#).
- d. HCPF will post an agenda ahead of the second workgroup meeting.

5. Next Meeting: June 4, 2025, from 12:00-1:30pm MT. Please visit [Colorado Healthcare Affordability and Sustainability Enterprise \(CHASE\) State Directed Payment Program Workgroup](#)

Resources

- 1. HCPF has created a resource bank to enable asynchronous and self-paced learning. Scroll to the bottom of the [Work Group webpage](#) and click on "Resource Bank"
- 2. Opportunities for independent study, feedback, and questions
 - a. Individualized support and deeper learning for workgroup-relevant topics are available upon request. Please direct requests to Laura and Greg and they will facilitate responses (laura@governmentperformance.us and greg@governmentperformance.us).
 - b. There is also a dedicated email box for this project, available to workgroup members and any other stakeholders: HCPF_CHASE_SDP@state.co.us
 - c. The Workgroup will have a few business days in advance of each meeting to review upcoming meeting materials
 - d. Agendas, meetings materials, and notes will be posted on the [CHASE SDP Workgroup website](#)

Keep Up to Date with CHASE Workgroup Activities

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