



Colorado HCPF §1115 IMD Demonstration

**IMD Stakeholder Forum
November 30, 2023**

PROJECT OVERVIEW & RECAP

In SFY 2023, the Department of Health Care Policy & Financing (HCPF) contracted with Health Management Associates (HMA) to explore parameters of an 1115 Demonstration related to the federal IMD exclusion.

HMA's work included research and support to identify an appropriate scope for the Demonstration based on CMS guidelines, a survey of other states' solutions, and alignment with Colorado continuum efforts.

The final phase of this engagement included feedback from IMDs on concerns related to the current 15-day length of stay limit.

IMDs provided data on stays over 15 days and participated in focus groups.

HCPF PROPOSAL FOR §1115 DEMONSTRATION AMENDMENT

HCPF is proposing to amend its §1115 Demonstration: Colorado Expanding the Substance Use Disorder Continuum of Care.

Amendment will include request to reimburse the first 15-days of IMD stays that exceed the current 15-day limit under “in lieu of” authority.

This will permit Colorado to modify its current practice through which a prorated capitation payment is made to the RAE for the days within the month that the enrollee was not in an IMD and the RAE’s subsequent payment recoupment from the IMD for the entire stay.

PROPOSAL FOR STAYS OVER 15 DAYS

Scenario: Enrollee has an IMD stay of 17 days in November

	Current State "In Lieu of"	Proposed Future State §1115 Demonstration
HCPF Payment to Managed Care Entity	<ul style="list-style-type: none">• Full month capitation recouped• Prorated payment made for 13 days enrollee is not in the IMD	<ul style="list-style-type: none">• No capitation recoupment• Capitation rate setting accounts for reimbursement of up to 15 days
IMD Reimbursement	<ul style="list-style-type: none">• No reimbursement made	<ul style="list-style-type: none">• Reimbursement for first 15 days

CMS DEMONSTRATION GOALS & REQUIREMENTS

CMS has established a series of goals and associated milestones to measure progress. This will impose new state and IMD obligations.

- » Reduced utilization and lengths of stay in emergency departments among Medicaid beneficiaries with SMI or SED while awaiting mental health treatment in specialized settings.
- » Reduced preventable readmissions to acute care hospitals and residential settings.
- » Improved availability of crisis stabilization services including services made available through call centers and mobile crisis units, intensive outpatient services, as well as services provided during acute short-term stays in residential crisis stabilization programs, psychiatric hospitals, and residential treatment settings throughout the state.
- » Improved access to community-based services to address the chronic mental health care needs of beneficiaries with SMI or SED including through increased integration of primary and behavioral health care.
- » Improved care coordination, especially continuity of care in the community following episodes of acute care in hospitals and residential treatment facilities.

CMS REQUIREMENTS: MILESTONE #1

Ensuring quality of care in psychiatric hospitals and residential setting

Licensure and Accreditation

Assurance that participating hospitals and residential settings are licensed or otherwise authorized by the state primarily to provide mental health treatment and that residential treatment facilities are accredited by a nationally recognized accreditation entity prior to participating in Medicaid

State Oversight Processes

Oversight process (including unannounced visits) to ensure participating hospital and residential settings meet state's licensing or certification and accreditation requirements

Utilization Review

Utilization review process to ensure beneficiaries have access to the appropriate levels and types of care and to provide oversight on lengths of stay

Program Integrity

Compliance with program integrity requirements and state compliance assurance process

Patient Screening

Requirement that psychiatric hospitals and residential settings screen beneficiaries for co-morbid physical health conditions, SUDs, and suicidal ideation, and facilitate access to treatment for those conditions

CMS REQUIREMENTS: MILESTONE #2

Improving Care Coordination & Transitioning to Community-Based Care

Discharge Planning

Actions to ensure psychiatric hospitals and residential settings carry out intensive pre-discharge planning, and include community-based providers in care transitions

Housing Assessment & Coordination

Actions to ensure psychiatric hospitals and residential settings assess beneficiaries' housing situations and coordinate with housing services providers when needed and available

Post-Discharge Contact

State requirement to ensure psychiatric hospitals and residential settings contact beneficiaries and community-based providers through most effective means possible (e.g., email, text, or phone call) within 72 hours post discharge

Emergency Department Reduction

Strategies to prevent or decrease lengths of stay in EDs among beneficiaries with SMI or SED prior to admission

CMS REQUIREMENTS: MILESTONE #3

Increasing Access to Continuum of Care, Including Crisis Stabilization Services

Annual Availability Assessment

Strategy to conduct annual assessments of the availability of mental health providers

Bed Availability Tracking

Strategies to improve state tracking of availability of inpatient and crisis stabilization beds

Patient Assessment Tool

Requirement that providers use a widely recognized, publicly available patient assessment tool to determine appropriate level of care and length of stay

CMS REQUIREMENTS: MILESTONE #4

Earlier Identification and Engagement in Treatment, Including Through Increased Integration

Early Identification & Engagement

Strategies for identifying and engaging beneficiaries with or at risk of SMI or SED in treatment sooner (e.g., with supported employment and supported programs)

Integration

Plan for increasing integration of behavioral health care in non-specialty settings to improve early identification of SED/SMI and linkages to treatment

Specialized Settings

Establishment of specialized settings and services, including crisis stabilization, for young people experiencing SED/SMI

FINANCING PLAN

Colorado must submit a Financing Plan as part of the amendment that describes plans to support the improved availability of community-based care, including:

Crisis Call Centers

Mobile Crisis

**Observation/
Assessment Centers**

**Community-Based
Services**

**Partial Hospitalization,
Day Treatment and
ACT**

**Integrated Care
Settings**

HEALTH IT PLAN

Colorado must submit a Health IT Plan (HIT Plan) as part of the amendment that describes the state's ability to leverage health IT, advance health information exchange, and ensure health IT interoperability in support of the demonstration's goals

**Closed Loop Referrals
and
E-Referrals**

**Electronic Care Plans
and
Medical Records**

**E-Consent
And
Identity Management**

**Interoperability in
Assessment Data**

Telehealth

**Alerting
And
Analytics**

ACTIONS REQUIRED TO MEET MILESTONES

Accreditation	Post Discharge Follow-Up	Additional CMS Requirements
<p>HCPF will require national accreditation for all BHEs with an endorsement as a CSU or ATU as a condition of HCPF provider enrollment</p>	<p>IMDs will be required to follow-up with patients within 72 hours of discharge</p>	<p>As HCPF negotiates approval with the Centers for Medicare and Medicaid Services (CMS), additional IMD obligations may be required</p>

NEXT STEPS



**January -
February 2024
Public Comment**



**April 2024
CMS Submission**



**April – May 2024
Federal Public
Comment**



**CMS
Negotiations**



**July 1, 2025
Effective Date**

QUESTIONS?