



Section 1115 SUD Demonstration Waiver Summary of public comments

The public comment period for the 1115 SUD waiver closed on September 27, 2019. We appreciate the feedback that came in the form of comments and questions submitted in writing and raised at the public hearings. The 91 comments and the Department's individual responses have been included in the application which will be posted by the Centers for Medicare and Medicaid Services (CMS) during a federal comment period.

The Department received comments in several areas including: provider capacity, length of stay, utilization management, licensing, and rates. In the interest of keeping stakeholders informed, we are providing summaries of those comments and our responses as part of this email. We appreciate your input and welcome continued inquiries as we move toward implementation. Please send comments and questions to hcpf_sudbenefits@state.co.us.

Capacity and access to care

Comments: Concerns were expressed about shortages in treatment programs to meet the demand for services. Specific mention of the lack of services for the adolescent population was mentioned.

Response: The Department has formed the SUD Treatment Capacity Workgroup which is focused on assessing the availability of treatment services throughout the state and comparing it to the demand for those services. The workgroup is composed of representatives of the Department of Health Care Policy and Financing, the Office of Behavioral Health within the Department of Human Services, the Regional Accountable Entities (RAEs) and the Managed Service Organizations (MSOs). The workgroup will be identifying areas in which there are shortages in treatment programs at various levels of care throughout the state. In order to assess capacity, the Department is mapping treatment programs alongside demand across the state. Starting in December, the workgroup will be holding regional capacity meetings which will be widely announced and open to the public. In those meetings, the workgroup will be collecting information about local treatment programming needs. With this information, the workgroup will develop plans for increasing SUD treatment capacity over time. Population-specific needs will be considered.

Length of stay

Comments: There were multiple questions regarding whether or not there would be limits on the length of stay that Medicaid would reimburse for the new residential and inpatient services that the State is proposing to cover in the future.



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Response: There will be no limit on length of stay as it is proposed in the waiver. SUD diagnosis and medical necessity will be required for reimbursement of services. If an individual is mandated by the legal system for a specified period, the services may be paid for by Medicaid as long as medical necessity is demonstrated.

Utilization management

Comments: Questions were asked about how utilization management criteria will be applied to the new services.

Response: American Society of Addiction Medicine (ASAM) criteria will be the required criteria for utilization management. Providers will be required to conduct an assessment that is aligned with ASAM criteria and to utilize the ASAM matrix that maps assessment data to the appropriate level of care. Medical necessity will be based on whether the level of care is appropriate for the patient's needs as demonstrated by the risk ratings on the six ASAM dimensions. The Department is exploring specific assessment tools and is considering ways in which processes can be streamlined for the RAEs and providers. The Department is also working with the Office of Behavioral Health to provide statewide ASAM training for provider, RAE and MSO staff. Further information will be shared on this topic in stakeholder meetings and Department communications.

Licensing and provider standards

Comments: Commenters suggested that discrepancies between the current licensing rules and ASAM criteria be addressed.

Response: The Department is aware that the Office of Behavioral Health is in the process of revising their licensure rules to be more consistent with ASAM criteria. That change will require providers to consider whether their programs meet the new rule requirements. In anticipation of those changes, providers are encouraged to review the ASAM criteria for the level of care at which they are licensed. If the program is deficient in some standards at that level of care, they should consider applying for a license at a level of care consistent with their offerings or developing a plan to make changes to the program so that it meets standards for the level of care they would like to offer. Providers are encouraged to stay tuned for updates from the Office of Behavioral Health as they provide information about the rule revision process.

Rates

Comments: Questions were asked about how cost estimates for the services were developed and how rates will be determined in the future.



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Response: The budget neutrality calculations in the waiver application reflected unit costs that were determined based on available state cost data for these services and rates paid in other states. Adjustments were made to out-of-state rates for cost of living differences. These estimates continue to be refined and are subject to change as discussions with CMS progress and as additional information becomes available. The services will be delivered through the capitated behavioral health system. The Department will develop actuarially sound capitation rates which will be paid to the RAEs for the management of behavioral health services. We are exploring options such as risk-corridors to manage risk and will work with the RAEs and our actuaries to determine the best approach. Provider rates will be negotiated with the RAEs. Providers will bill the RAEs for the treatment services and the MSOs for room and board.