



COLORADO

Department of Health Care
Policy & Financing

Partners for a Healthy Colorado

A photograph of a family of three—a man, a young boy, and a woman—smiling and posing together in a rural setting. The man is on the left, wearing glasses and a dark sweater. The boy is in the center, wearing a denim jacket. The woman is on the right, wearing glasses and a brown leather jacket, with her arm around the boy. They are standing in front of a wooden fence and a rustic log cabin. In the background, there are mountains and a clear sky.

2016 - 2017 ANNUAL REPORT

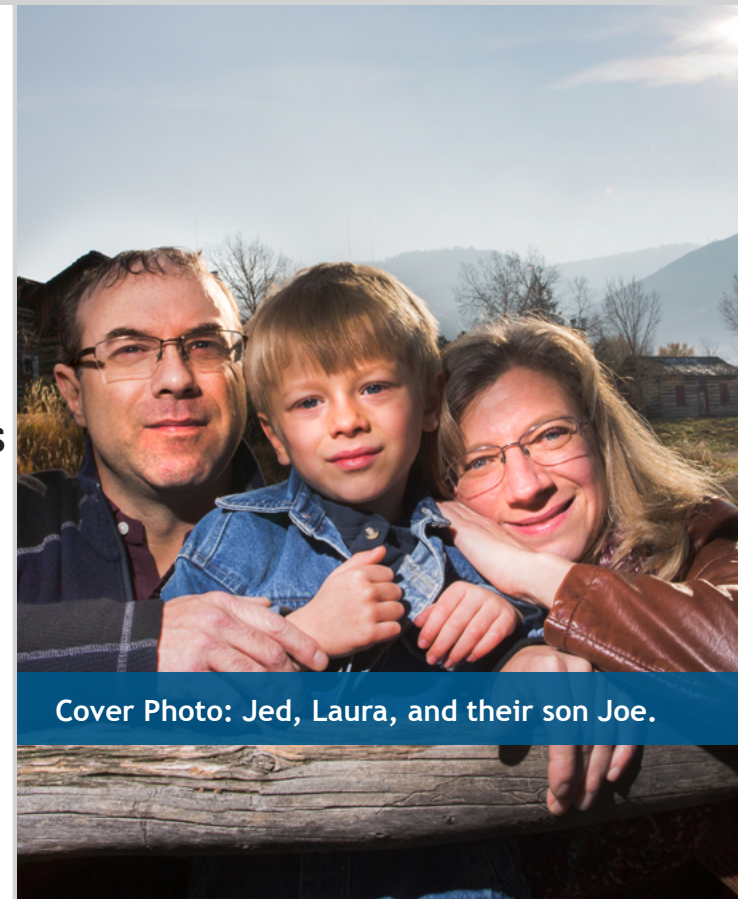
The Department of Health Care Policy and Financing focuses on person-centered initiatives, increasing access to care, improving health outcomes and containing health care costs as we do our part to help Colorado become the healthiest state in the nation.

At the federal level, the Department is regulated by the Centers for Medicare & Medicaid Services. At the state level, the Department is overseen by the Medical Services Board, which adopts rules to govern all Department programs, ensuring compliance with state and federal regulations. Learn more about the Medical Services Board at CO.gov/hcpf/medical-services-board.

This report summarizes Department accomplishments and activities for state Fiscal Year (FY) 2016-17, which spans July 1, 2016 thru June 30, 2017, unless otherwise noted. Future reporting may vary as the Department continues to receive data.

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Cover Photo: Jed, Laura, and their son Joe.

A Year in Review

This year produced many significant and exciting developments in the Department's continued partnership with our members, stakeholders, providers and the private sector.

Our Member Experience Advisory Councils continued their important work helping the Department become more person-centered. The Councils provided feedback on dozens of health topics and written communications and contributed over 100 hours of service to the Department this year. Their work is invaluable in our efforts to make the Department more person-centered to meet the needs of our members.

We worked with stakeholders, members, the Colorado General Assembly, and Governor Hickenlooper to make improvements in conflict-free case management and person-centered care delivery for our members who receive long-term services and supports. New legislation eliminating potential conflicts of interest in care delivery and extending access to home health services in the community will help our members receive the best care possible and have the flexibility to fully contribute and participate in public and private settings.

Our Accountable Care Collaborative continues to make strides toward improving health outcomes while making wise use of our financial resources. Its innovative approach has been the foundation for keeping quality and access to care consistent while reducing per client spending persistently over time. Estimated Accountable Care Collaborative cost savings for State Fiscal Year 2016-17 totaled \$21 million after accounting for administrative expenses.

As my tenure at the Department has come to an end, I am honored and grateful to have had the opportunity to lead this organization at such a pivotal time in health policy. I am proud of what we accomplished so far. The work we did together will carry on through any challenges or changes to come.

Sincerely,



Susan E. Birch, MBA, BSN, RN
Executive Director



Susan E. Birch, Executive Director

PARTNERING WITH THE PEOPLE WE SERVE

OUR MISSION

To improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.

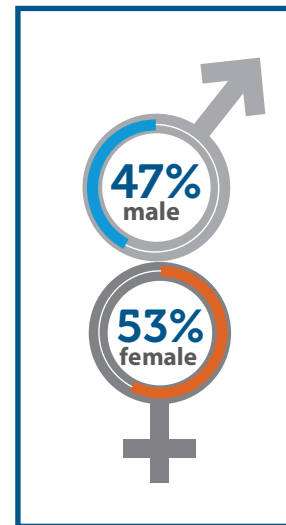
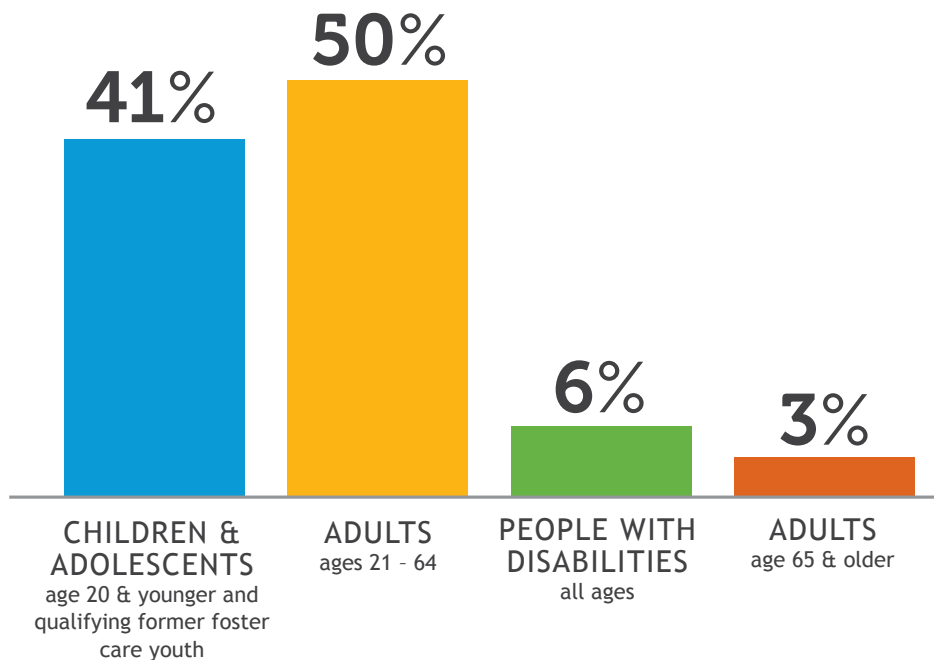
OUR VISION

That the people we serve have integrated health care and enjoy physical, mental and social well-being.

In FY 2016-17, Health First Colorado provided coverage to approximately 1.3 million Coloradans. Child Health Plan *Plus* enrollment, which includes both children and pregnant women, was just over 65,000 in FY 2016-17.

Health First Colorado (Colorado's Medicaid Program)

FY 2016-17 Demographics



Partnering to Cover Colorado

The Department and private and public sector partners collaborate to help Coloradans get connected to appropriate health care coverage. Andrew and his wife are covered through Connect for Health Colorado, and his children are covered by Child Health Plan *Plus*.

"It's really a matter of peace of mind. It's why all of us want health insurance and it's particularly important to know that you are providing that protection to your children and to your family's financial future," he said.

"My wife and I work hard as parents and it's good to know that our girls' health is taken care of, so I can focus on the under-served people I represent as a lawyer."

About Health First Colorado Members

FY 2016-17

Health First Colorado provides comprehensive health and long-term services and supports benefits. Members must meet income, citizenship and other requirements.

448,907
ADULTS

Were Health First Colorado members in FY 2016-17 due to Affordable Care Act Medicaid expansion.

97.5% Federally funded; no impact on state General Fund

45%

of babies in CO were born to mothers enrolled in Health First Colorado or CHP+ in 2016.

Department of Public Health and Environment

2017
Federal Poverty Levels
by Family Size*

FAMILY OF 1

\$16,044

FAMILY OF 4

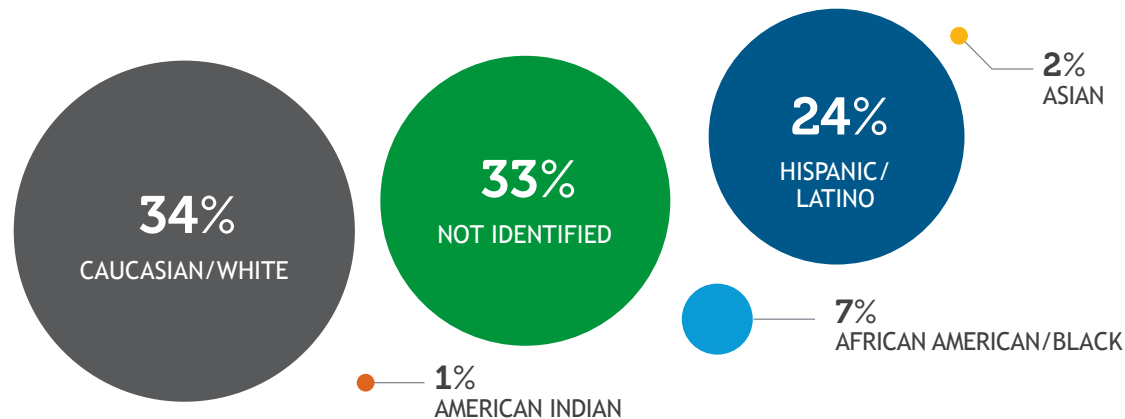
\$32,724

*Some earning more may still qualify

\$ \$ \$

FEDERAL POVERTY LEVEL

The Federal Poverty Level, or FPL, is a measure of income issued every year by the U.S. Department of Health and Human Services. FPL is one factor used to help determine if individuals or families qualify for programs such as Health First Colorado and Child Health Plan *Plus*.



MEMBER EXPERIENCE ADVISORY COUNCIL

The Department has created two Member Experience Advisory Councils for Health First Colorado and Child Health Plan *Plus* members. The Councils and the Department collaborate to learn about our members' experiences while developing and maintaining a culture of person-centeredness. For more information, visit CO.gov/hcpf/meac.



Jed, Laura, and Joe enjoying a nature hike.

“We were in trouble”

Family partners with Health First Colorado to live life to the fullest.

Laura and her husband Jed met while living near Idaho Springs and working together in the outdoor industry. Jed was forced to leave work and lost the private health insurance he was using to battle his autoimmune and chronic kidney disease. Still, he remained a Class V river guide, head boatman and the owner of his successful rafting business.

Then they got pregnant.

At 41, Laura wasn't expecting to have a baby. The doctors had told the couple that Jed's medication would preclude conceiving a child. But against medical expectations, Laura found herself in a high risk pregnancy.

“Very quickly we realized we were seriously in trouble,” she said. “We needed help. We needed health care in a way we hadn't needed it before. And I went on Medicaid.”

After an emergency cesarean section, Joe officially entered the family. Now an active, inquisitive 5-year-old, Joe had a rough start. At just 25 days, Laura and Jed learned that Joe had a choledochal cyst and would need major surgery. Health First Colorado paid for Joe's first major surgery. Today the kindergartner has only some acid reflux issues as a reminder of his initial troubles.

Jed was forced to leave his career as an outfitter in 2015 due to his declining health and chronic pain, but finding ways to be outdoors and in the mountains continues to be a family priority.

“If people hadn't reached out their hand to us, I don't know where we would be,” Laura said. “We struggle. Jed can't work now. And I can only work part time because of the care

that Jed needs and the fact that I now am the primary caregiver for our son. One of the only constants we have to rely on is that we have health insurance through Medicaid.”

To manage his chronic conditions, Jed needs about 17 separate medications as well as injections every two weeks. Laura and Jed time Jed's injections in order to share their love of camping with their young son.

“Without Medicaid, our family would not be able to continue to function in any way that would be rewarding,” Laura said. “It's important for people to understand that we're just regular people who hit a tough place in our life and genuinely needed help. Our circumstances just pushed us into a place we never thought we would be. We know we are lucky to have this help.”

Last year, Jed was involved in a serious car accident and suffered additional spinal damage beyond the damage already caused by his ongoing autoimmune issues. At 46, this former athlete who once made part of his living winning raft races, is unable to work and struggling to manage the chemical balance that keeps him going on a daily basis.

Still, even with this additional challenge, the family manages to keep moving forward. Laura attributes this, at least in part, to Health First Colorado and the care all three of them receive.

“The reality is, without Medicaid, my son would be dead. My husband, if not dead, would be completely bed ridden,” Laura said. “Everything I have would be gone. It sounds dramatic, but it is true. I never thought I would need this. But none of us know what our futures hold. I'm just grateful we have it and my family is together.” ▲

PROGRAMS

Partnership Across the Continuum of Care



Health First Colorado

Health First Colorado (Colorado's Medicaid Program) is a public health assistance program for Coloradans who qualify. The program provides access to primary care, hospitalization, nursing facility care, prescription drugs, and other programs to get and keep members healthy.



Home and Community-Based Services and Other Programs

The Department offers Home and Community-Based Services and supports to qualifying Health First Colorado members. These services allow older members and members with physical, or intellectual and developmental disabilities to live everyday lives with family and friends in the communities of their choosing.



Dental Program

Health First Colorado offers dental benefits to children and adults. The adult dental program completed its third year of services on June 30, 2017.



The Colorado Indigent Care Program

The Colorado Indigent Care Program (CICP) allows Coloradans with incomes up to 250 percent of the Federal Poverty Level (FPL) to receive discounted health care services at participating hospitals, community health centers, and clinics. CICP is not health insurance. In FY 2016-17, CICP served nearly 50,000 Coloradans. CICP is an important safety net for Coloradans who do not qualify for Health First Colorado or Child Health Plan *Plus*.



Child Health Plan *Plus*

Child Health Plan *Plus* (CHP+) offers comprehensive health care benefits to two populations: uninsured children, ages 18 and younger, and pregnant women who do not qualify for Health First Colorado but cannot afford private health insurance.

In FY 2016-17, the CHP+ Dental Program served nearly 42,000 children. This is a 20 percent increase over the previous year. The percentage of CHP+ children seeing a dentist, at least once during the year, stayed steady at 45 percent.

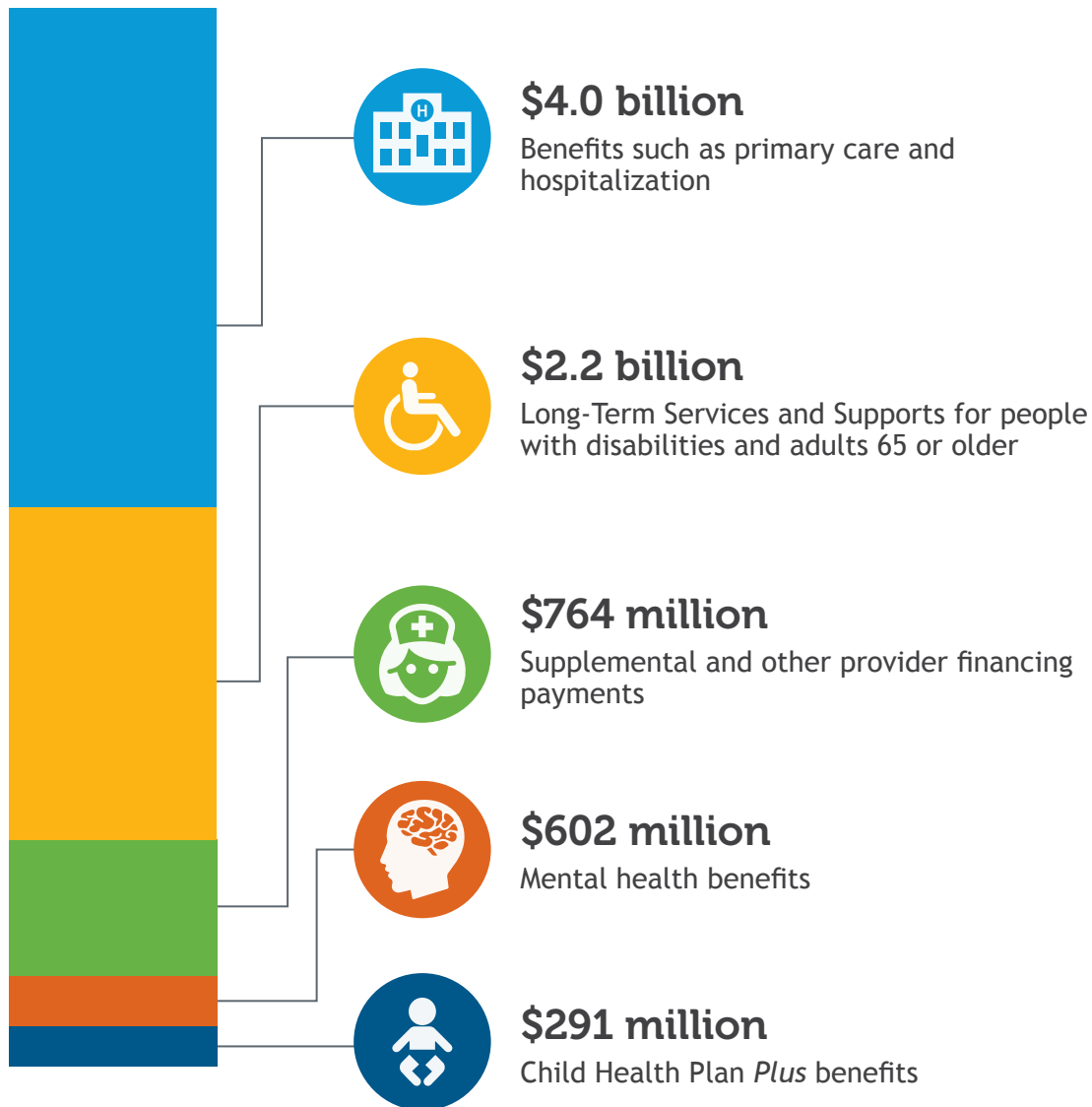


Buy-In Programs

The Buy-In Program for Working Adults with Disabilities and the Buy-In Program for Children with Disabilities allow individuals and families the opportunity to purchase Health First Colorado coverage. Members pay a monthly premium based on their income.

The Health Insurance Buy-In Program offers commercial health insurance premium assistance for Health First Colorado members who qualify.

Breakdown of Department Costs by Benefit



FY 2016-17 Total Services Expenditure: \$7.8 billion



Partners in Access: Lowry Pediatrics

At Lowry Pediatrics, doctors put a priority on the individual and Health First Colorado helps them do that. Nearly 45 percent of their young patients use the program to access health care. The practice focuses on health equity and finds that access to wrap-around services, including behavioral health supports, are essential to improving their clients' health.

"Access should be the model for any insurance plan, and by far we find that access is the top priority for Medicaid through Colorado Access," said Dr. Scott Merenstein. "I think the feeling is that somehow Medicaid is more difficult to work with, but we find they are easier than any other plan we deal with in our private practice, particularly around mental health issues."

DELIVERY SYSTEM

Accountable Care Collaborative: Managing Care Appropriately

When the Accountable Care Collaborative launched in 2011, the Department's goal was not to simply deliver health care more efficiently and effectively, but to improve the health of our members. The FY 2016-17 Accountable Care Collaborative legislative request for information, which provides a comprehensive overview of the program, is available at CO.gov/hcpf/legislator-resource-center.

How does the Accountable Care Collaborative work?

Health Team



Coordinated care means improved health outcomes for everyone enrolled in the Accountable Care Collaborative. It also means better clarity for and coordination with providers as they interact with the system and wiser use of state resources.

Regional Coordination



Improved health outcomes and smarter use of state resources requires regional and local coordination that recognizes the need for medical care, behavioral health care, and community supports all working together.

Data



Members, providers, and the system receive the data needed to make real-time decisions that improve care, increase coordinated services, and improve overall efficiencies.

Accountable Care Collaborative At-A-Glance



Over 1 million people

enrolled in the Accountable Care Collaborative in June 2017.

78% of Health First Colorado members

are enrolled in the Accountable Care Collaborative.



TOTAL HEALTH FIRST COLORADO MEMBERS



Accountable Care Collaborative membership has increased by 62% since June 2014.



Partners in Prenatal Care: First Steps/United Way Prenatal Outreach

In her role as a community health care manager for the First Steps/United Way Prenatal Outreach program at the North Colorado Health Alliance, registered nurse Edie Wilkerson relies on Health First Colorado to ensure that expecting mothers get the prenatal care they need and their babies have the greatest possible chance at a healthy start. Thousands of women rely on Health First Colorado for access to prenatal care and nearly half of all births in the state are covered by Health First Colorado.

“I connect with as many pregnant women as I can, often even before Health First Colorado takes effect. While they are pregnant I do as much hard and fast education as I can regarding preventive health care as well as schedule not only medical, but also dental care and identify any mental health needs,” Wilkerson said. *“Meeting these essential health needs for women and their children is critical. And Health First Colorado makes it possible.”*

ACCOUNTABLE CARE COLLABORATIVE PROGRAM KEY FINDINGS

Cost Savings

The program has reduced health care related expenditures persistently over time. Estimated cost savings for FY 2016-17 totaled \$21 million after accounting for administrative expenses.

Providers View Program Positively and Support Program’s Direction

Many providers stated the program has been a step toward needed health care reform in Colorado by supporting provider practice transformations and facilitating community connections that previously were not implemented in a coordinated way. Providers laud the program’s flexibility.

Maintaining Quality

The program increased value by reducing spending while keeping quality and access to care constant.

Members View Program Positively

Members praised the program for helping them access effective, affordable and timely care. Most reported maintaining or improving their overall health. Members feel that care coordinators help facilitate relationships between members and their providers, addressing the members’ holistic needs.

Enhanced Primary Care Medical Providers (ePCMP)

Accountable Care Collaborative providers who meet **5 of 9 factors** receive additional financial support for offering enhanced medical home services.

\$2.6 M Amount paid to ePCMPs

FY 2016-17

393 Number of ePCMPs

FY 2016-17

Enhanced Primary Care Medical Provider Factors



Extended Hours

Offers appointment times on a weekend and/or a weekday outside of typical office hours.



Timely Clinical Advice

Provides clinical advice by phone or electronic message during and after office hours.



Data Use and Population Health

Uses data to identify patients that may require extra services and support.



Behavioral Health Integration

Offers on-site access to behavioral health care providers.



Behavioral Health Screening

Assesses patients for depression and other conditions, including substance use disorder.



Patient Registry

Generates a list of patients actively receiving care coordination.



Specialty Care Follow-Up

Tracks the status and provides pertinent clinical information of referrals to specialty care.



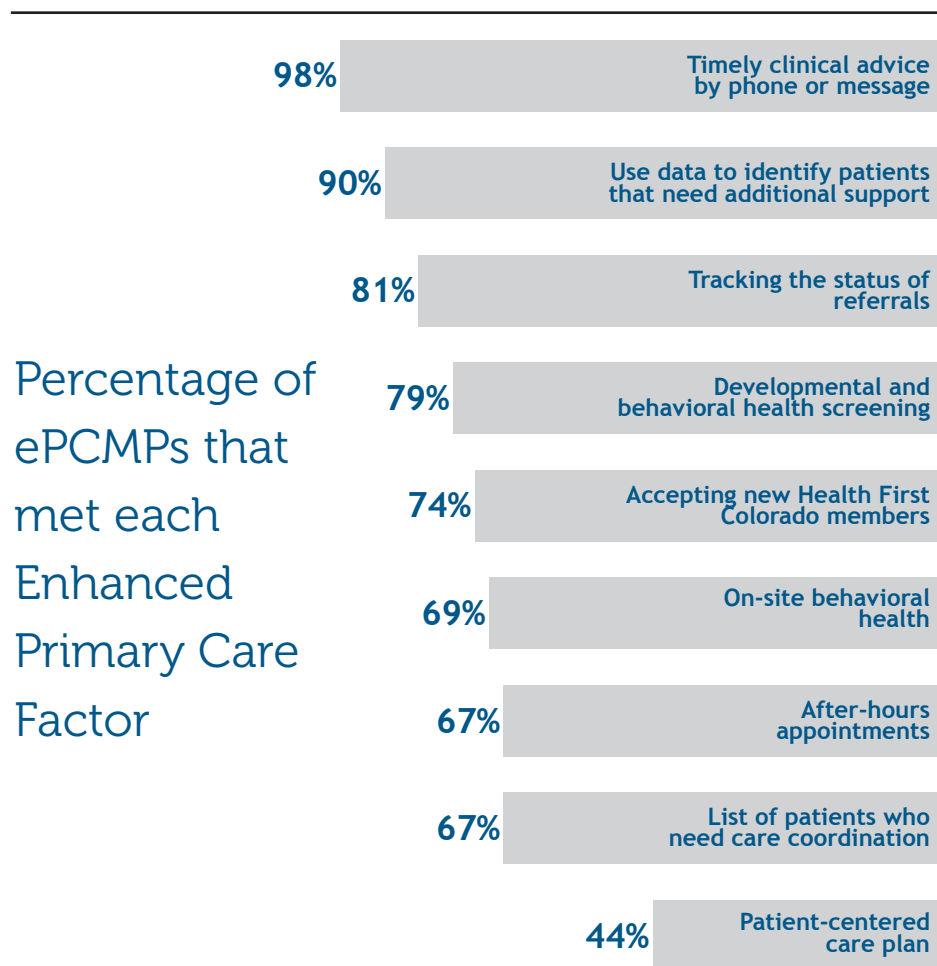
Consistent Provider

Accepts new Health First Colorado members for the majority of the year.



Patient-Centered Care Plans

Collaborates with the patient, family, or caregiver to develop and update care plans.





Pediatric Partners of the Southwest's clinic and office are in Durango.

Pediatric Partners of the Southwest

Health First Colorado partners with a little pediatric practice with an outsized impact.

It's likely you have never thought of Pediatric Partners of the Southwest, based in Durango, as the center of the universe. But for people living in the more sparsely populated south western corner of Colorado - especially those with kids in need of medical care - this small practice often is just that.

The pediatric practice has about 11,000 patients. More than half of those patients use Health First Colorado to get access to the

quality care the practice provides. Beyond this, the seven doctors and three advanced practice providers who work there are the only Health First Colorado hospitalists, meaning they can admit kids on the program to hospitals, until you reach north to Grand Junction or east to Pueblo.

The Horse Gulch Health Campus, where these doctors, nurses, counselors, social workers and other staff work to support children's health, is rarely closed. The doors are open on holidays, weekends and evenings to accommodate the

increasing numbers of families who come. That's the reality of working in what is considered a "frontier" area, in health policy lingo. There is no children's hospital in the area or for hundreds of miles. Geography - always a challenge in parts of Colorado - becomes a genuine barrier.

To solve these complex health care situations, the practice has been on the forefront of innovation in a host of areas. And in large part, they credit Health First Colorado and the Enhanced Primary Care Medical Provider

program with helping these innovation and the resultant improved care.

“So much of what we do is funded by Health First Colorado, but it is open to all of our patients,” said Dr. Cecile Fraley, a board-certified pediatrician and the chief executive officer of the practice. “The integrated services we provide, the access to telemedicine, the data-driven interventions would never be covered by private insurance.”

When you begin to discuss with Fraley the multitude of services the practice provides it’s hard to know where to start or where to end. But at the heart of the work are two primary objectives: First, to serve families where they are and in the ways that will produce the best health outcomes for their children. And second, to deliver care that is team-based and includes support for the whole child, not just a single symptom. These wrap-around services, things like transportation assistance to appointments come standard with the care. The practice’s additional fundraising seeks to help families with kids who need specialty care in Denver or other locations to make that journey as well. And more and more data is showing this kind of approach ultimately means healthier kids and families who are better able to manage their own health care needs.

One area in which the practice has a reach far greater than their lone staff members could ever accomplish individually is in the arena of telemedicine. As with many of the practice innovations, the efforts were driven

by community need. With limited access to specialists in their region, the practice began a partnership with Aurora-based Children’s Hospital Colorado that includes regular access to the myriad specialists at the hospital. The practice provides access to these specialists on a regular schedule and that access is open to anyone in the region that needs it, not just their patients.

The telemedicine work is also important to the surrounding communities they serve. For example, in isolated Silverton, the practice uses video links through the community’s public school to handle check-ups for things like pink eye, thrush and other common childhood ailments that help people avoid costly, treacherous and sometimes just plain impossible travel over mountain passes.

“We’re really just interested in meeting our community where it is and serving our patients in the best way we can. These practice changes and our willingness to pilot different programs and try different approaches is just a reflection of that desire,” Dr. Fraley said. “The help we get from a variety of organizations to do this including our Regional Care Collaborative Organization and all of the various ways that Health First Colorado itself is trying to innovate. It’s really helped us find the solutions our community and really our region needs.”

Fraley is referring to the cutting-edge progress the practice is making providing mental health services and other behavioral health services through their Regional Care Collaborative

Organization that allows them to have licensed master counselors on staff and in the rooms with doctors as team members. The practice has built on this foundation by participating in the State Innovation Model program, working to demonstrate additional improvements to care and health outcomes. The practice is provided additional financial help through the Enhanced Primary Care Medical Provider initiative. This initiative provides extra support to practices that are providing enhanced care, quality outcomes and data-driven interventions.

Those efforts are joined with the practice’s own extensive fundraising to help local families with particularly sick kids afford the often-extensive travel needed to Denver to seek care.

“We couldn’t do any of this critical work without the relationships we’ve built, with our community, with our state and with the amazing organizations we’re lucky to call partners,” Dr. Fraley said. “Our work with Medicaid is at the heart of much of that, and the program is demonstrably improving the health of our community through our practice work.” ▲



The practice is provided additional financial help through the Enhanced Primary Care Medical Provider (ePCMP) Initiative.



Health First Colorado Provides Extra Help

Rochelle is a success story. The Grand Junction 27-year-old has already earned her bachelor's degree in Spanish as well as recently completed a certificate in medical transcription. She's also a regular volunteer for the local fire and police departments. Born with cerebral palsy, Rochelle uses Health First Colorado to get the help she needs for mobility, whether that's crutches to help her walk or transportation supports from individuals like her grandmother, Jackie, to make sure she can participate fully in her community. Health First Colorado helps people with disabilities like Rochelle and others with those things that private insurance just won't cover. Those are things that make all the difference like access to health care for Rochelle and others living with disabilities.

"By using the program for these things, including adapting my home so I can live more independently, I can be a full member of my community and pursue my goals," she said. "While Health First Colorado can be a big and complex system, people with disabilities cannot afford to lose the vital supports it provides for many of us."

DELIVERY SYSTEM

Long-Term Services and Supports: Partnering with Members and Stakeholders

The Office of Community Living administers long-term services and supports benefits for people with physical, intellectual and developmental disabilities. This includes overseeing the entire spectrum of long-term services and supports, from services for people in their home and community to services provided by nursing homes.

In FY 2016-17, the Department began restructuring to more effectively, efficiently and responsively administer and develop long term services and supports benefits for Health First Colorado members and their families. Part of the restructure will be the creation of new divisions in the Office of Community Living that will more cohesively organize the Office's work to further the Department's goal of creating a 21st century system for long-term supports and services where all Health First Colorado members:



Live in a setting they choose.



Have the supports they need to live where they choose.



Participate in communities that value their contributions.



Are able to access services in a streamlined, simple, and timely process.



Have the highest quality services.

Family charts a new path forward

Health First Colorado's waiver programs support family's vision for community partnerships.



Blair with his son Daniel.

If you ask Blair what his adult son Daniel's life would look like without the help and support Health First Colorado has provided since he was young, he simply can't answer the question.

Instead, he pivots to describing all the ways that Health First Colorado has helped. He talks about the initial intervention when the family finally got the diagnosis of profound autism for Daniel when he was 14. He talks about the hundreds of specialized doctors' visits needed to help Daniel deal with his myriad health issues, the behavioral health supports that help to keep Daniel from self-abuse, and the thousands of diapers and wipes Daniel continues to need. The specialty medical equipment, including wheelchairs, the family could never afford on their own.

"Medicaid and the services and supports it has given my family have been unbelievable," Blair said from the Denver station where he serves as a fire fighter. "Even beyond the substantial medical, dental and behavioral health care Daniel needs, we get access to community services that you would never think of until you are

raising a child like ours.”

Today, Daniel is 21, though his father describes caring for him as you might a toddler. Daniel took his first steps at age 11. At age 14, the family received the Community Extensive Support waiver that allowed additional help for the family. Through his teens, Daniel stopped sleeping through the night and would often harm himself without immediate intervention.

“As he aged and things have become more severe with his behavior, we started pushing into more services. And these were certainly services that our private insurance wouldn’t provide,” said Blair.

Daniel is now enrolled in the Consumer Directed Attendant Support Services program offered through Health First Colorado. This program allows the family to hire the right care givers from their community to help meet Daniel’s needs in their home and neighborhood. It also allows Blair and Daniel’s mom, Valerie, to be paid as caregivers instead of hiring a caregiver for some of the care they provide Daniel in the home, which enables Daniel to receive additional supports in his community not provided by Health First Colorado. Daniel receives massage therapy, a benefit covered through the Waiver Program. Recently, Valerie became a licensed Massage Therapist and provider through Health

First Colorado so she can provide this needed service to other participants.

Most importantly, however, the waiver program has allowed the family to hire a daytime caregiver for Daniel who helps to replace his daily time at public school. “We thought we were prepared for Daniel to age out of the school system, but we really weren’t,” Blair said. “We’ve talked to so many parents who are on that road now and don’t know where to go to. You have to have some respite. You can’t live this way constantly.”

And it isn’t like the family to wait around for challenges to mount up on them. Blair and Valerie have opted to make their own path forward and try to help other families along the way.

In December 2012, Blair and Valerie hatched the idea to found Rooster Ranch in rural Douglas County. The ranch’s mission is to “offer permanent supportive housing and a healthy, sustainable and inclusive lifestyle to adults of all abilities and their families. It will be a working ranch with horses, small animals and a year-round Greenhouse. Rooster Ranch will be a community where everyone is welcomed and where adults with or without disabilities and their families can find their foundation, explore budding interests, and grow into an interdependent community.”



“Medicaid and the services and supports it has given my family have been unbelievable.”

Since its founding, the non-profit has partnered with Douglas County Open Space on a community gardening project and brought in a host of donors and supports to help make the dream a reality.

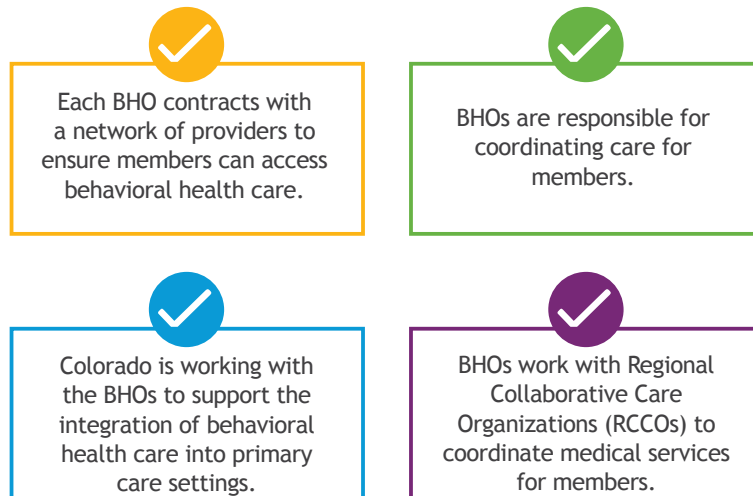
Blair envisions a time when his son, and lots of other kids and adults like him, can live together in a group setting with all the supports they need to live their most independent lives. And he knows that Health First Colorado will also play a role in that effort.

“There will never be a time in Daniel’s life where he won’t need the supports and services as well as the specialized medical and behavioral health care that Medicaid makes possible,” Blair said. “We meet a lot of parents just on fumes. They just don’t have anything left in them and they don’t have hope. With the help of Medicaid and our own efforts through a non-profit we are aiming to change that.” ▲

DELIVERY SYSTEM

Behavioral Health Organizations: Connecting Members to Behavioral Health Services

The community behavioral health services program provides comprehensive mental health and substance use disorder services to all Health First Colorado members. Members are assigned to a Behavioral Health Organization (BHO) based on where they live. BHOs arrange for medically necessary behavioral health services, like therapy and medications.



Colorado State Innovation Model (SIM)

Integrating behavioral health and primary care in Colorado

This governor's office initiative, funded by the Centers for Medicare & Medicaid Services, helps primary care practices integrate behavioral and physical health and test alternative payment models. SIM will reach 400 practices and four community mental health centers during its four-year timeline. CO.gov/healthinnovation

Transforming Clinical Practice Initiative (TCPI)

This governor's office initiative, that is funded by the Centers for Medicare & Medicaid Services, is helping 2,000 practices improve efficiency and ensure patient-centered care. The goal is to help teams succeed with alternative-based payment models that reward value-based versus volume-based health care services. CO.gov/healthinnovation/tcpi



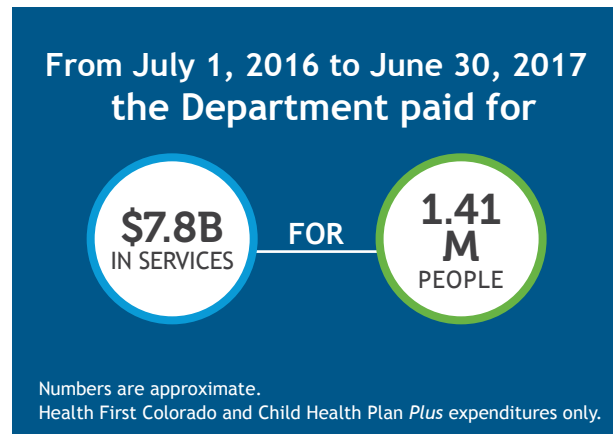
Advocate Partners With Health First Colorado to Keep Helping Others

There is no doubt that Ty is struggling. The 32-year-old works daily to manage the mental health issues that have plagued him since he was young. Daily in-home supports provided by Health First Colorado including help living independently make his battle a little easier to fight. And access to health care that helps him manage his ongoing mental health challenges make it possible for him to continue to lead a youth advocacy organization that he believes makes a real difference for other kids who grew up institutionalized like he did.

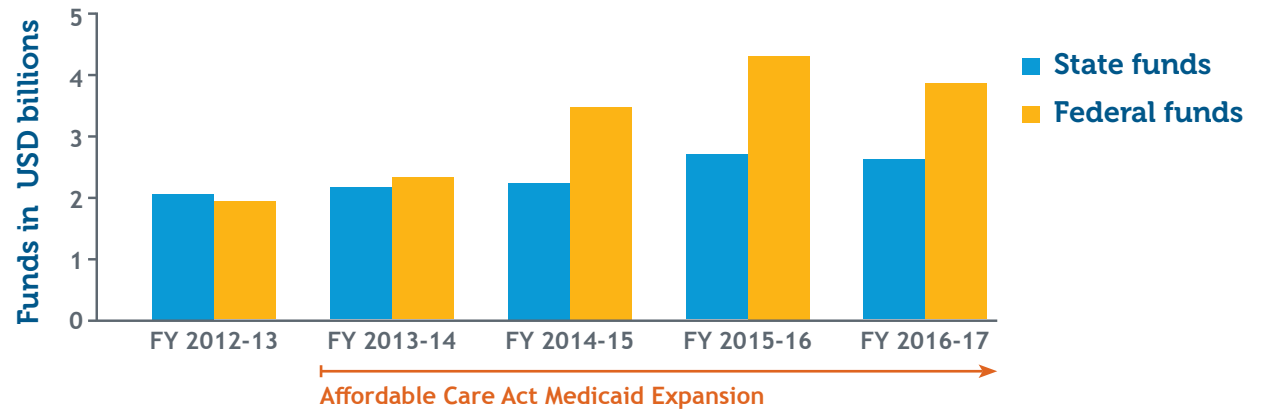
"I've lived in poverty almost my entire life. If it wasn't for Medicaid, I probably wouldn't be here. I didn't have any resources growing up and ended up in institutions instead," Ty said from his Denver home. "I am grateful for the supports that I get. I don't like that I need so much support, but I do. Hopefully, with my work I am giving back in some way to help others."

VALUE

The Department strives to improve health outcomes while using resources wisely.



Expenditure Over Time by State vs. Federal Funds*



*Medical services premiums only

Department Spending Authority by Fund

FY 2016-17



*For all services and administrative line items including Colorado Indigent Care Program and Old Age Pension; the entire Department budget.

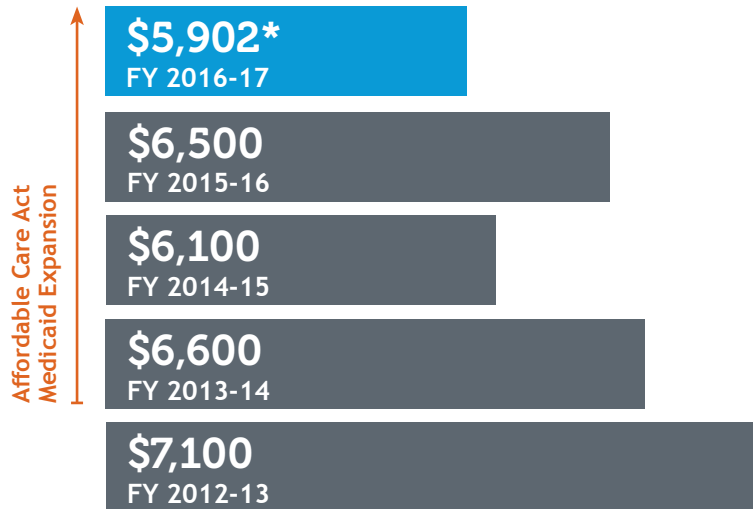


**Administrative
Costs**

3.0%

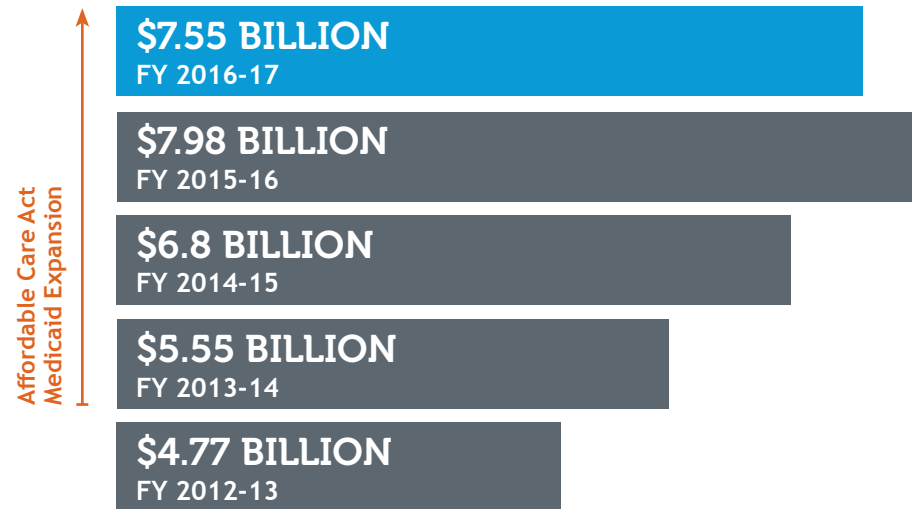
of Department
expenditures were
for administrative
costs in FY 2016-17.

Health First Colorado Per Capita Cost of Care Over 5 Years

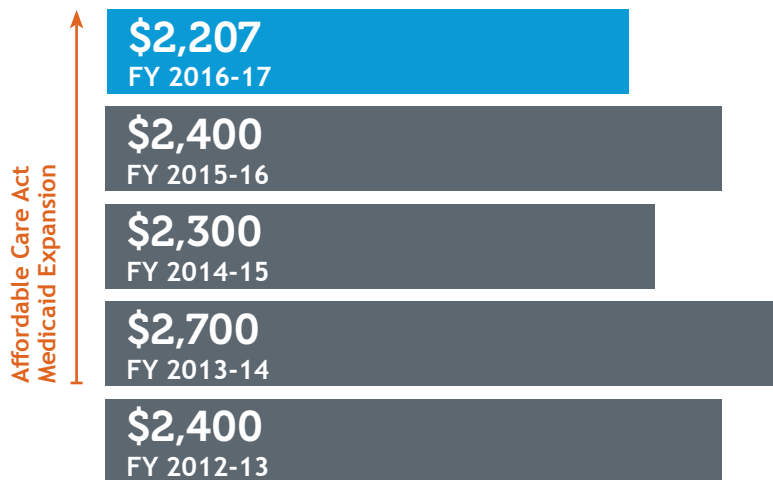


*Per capita costs are calculated on a cash accounting basis and can fluctuate based on the timing of payments. For example, the FY 2016-17 per capita was impacted by the transition to the new MMIS and would be an estimated \$6,136 without the impact of the transition on payments that year.

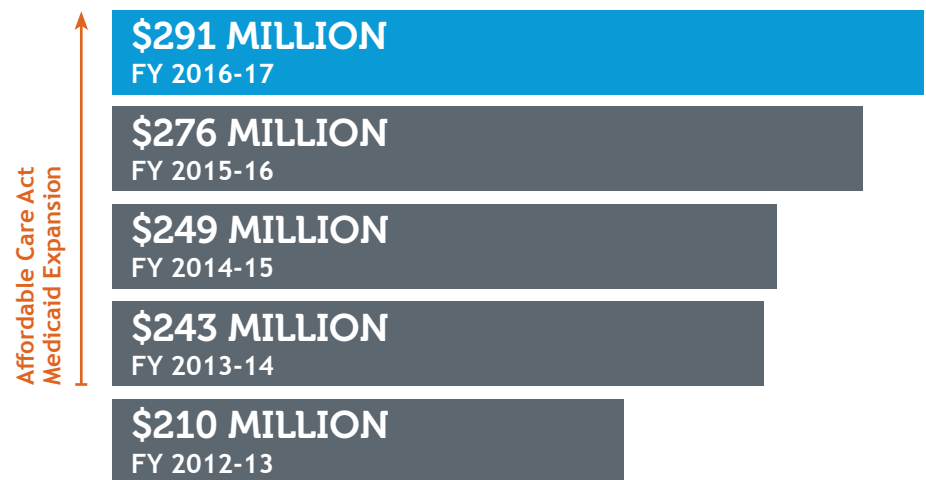
Health First Colorado Costs Over 5 Years



Child Health Plan Plus Per Capita Cost of Care Over 5 Years

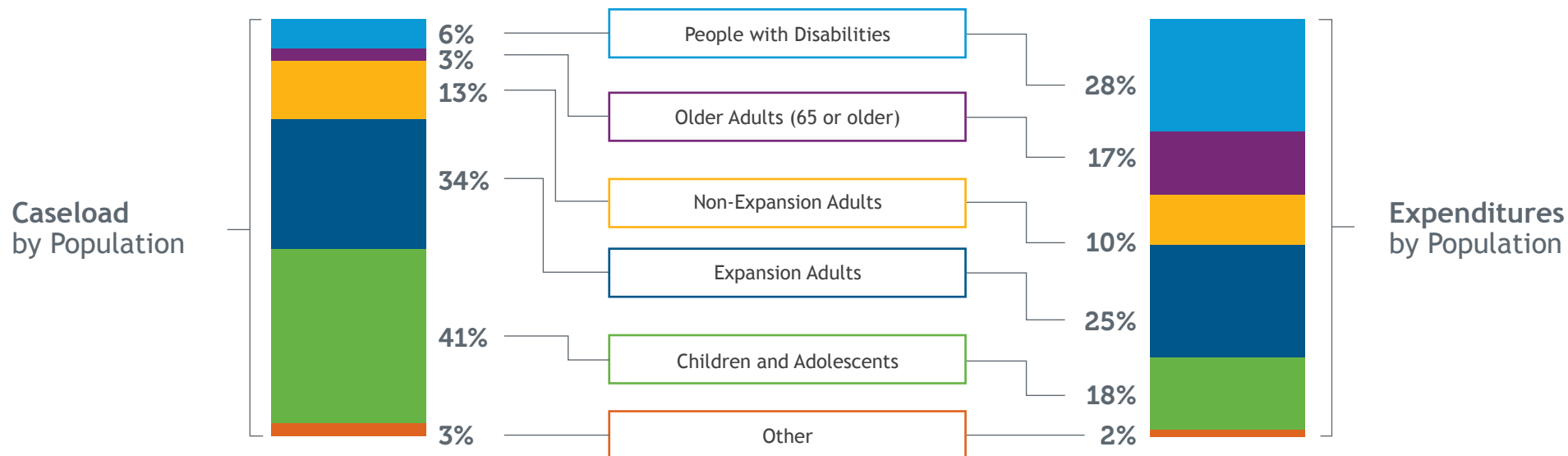


Child Health Plan Plus Costs Over 5 Years



Source: Exhibit Q, Health Care Policy & Financing FY 2018-19 Budget Request, November 2017.

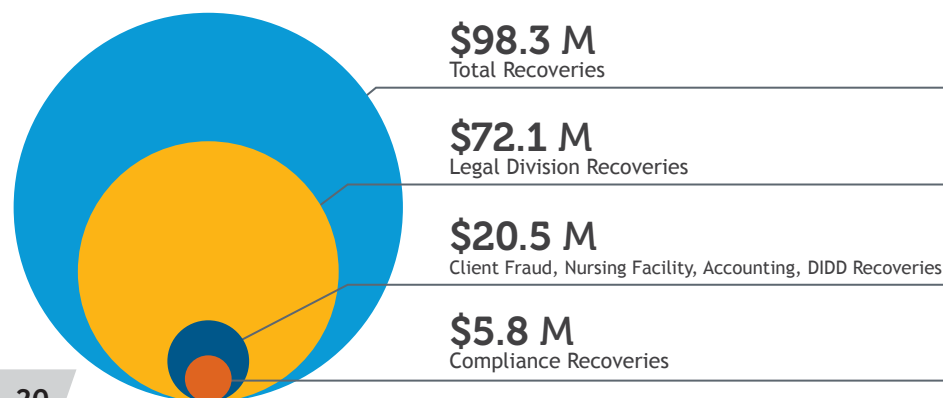
Health First Colorado: Who is Covered and What Does it Cost?



Reducing Fraud, Waste, and Abuse

In FY 2016-17, the Department recovered approximately \$98.3 million due to overpayments, fraud, waste, and abuse. This includes third-party liability repayments for benefits that should be paid for by another party, such as Medicare. Learn more at CO.gov/hcpf/medicaid-recoveries

Total Department Recoveries



Grant Funding: Strengthening Public-Private Partnerships

\$8.88 M New Funding Secured

from federal government, private industry, and foundations in FY 2016-17.

Grant activities span the Department and fund diverse programs and initiatives. Everything from the Health First Colorado rename, to better care coordination for our members, improved use of technology, and support for our members with disabilities who live independently in their communities have benefited from the Department's grant acquisition efforts.

\$24.14 M Total Grant Expenditures

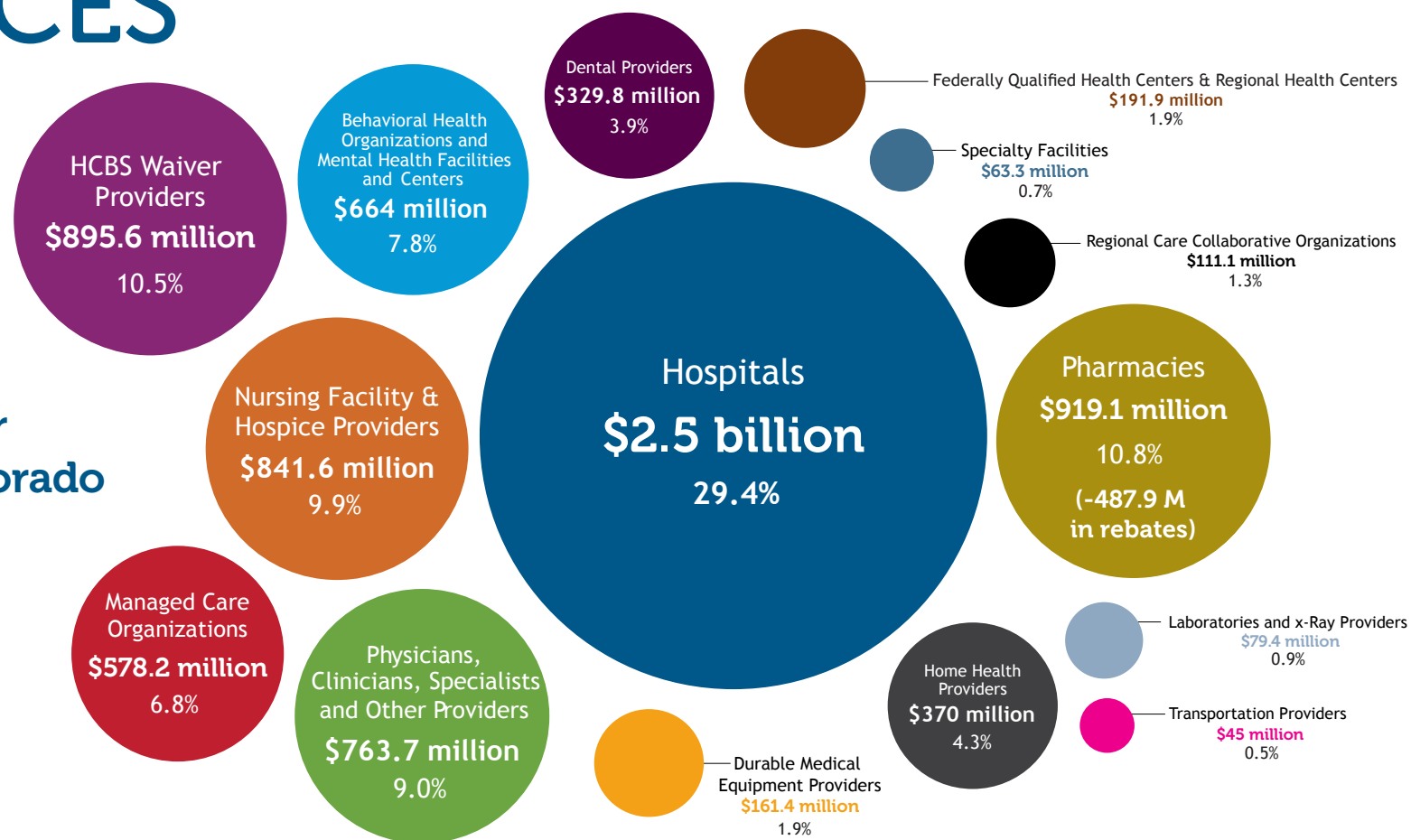
from those awards in FY 2016-17.

Funding secured is the total amount of all grants awarded to the Department in FY 2016-17. Total grant expenditures for FY 2016-17 do not match the amount of funding secured as each grant has its own timeline. While grant periods vary, most span several years and are not confined to any fiscal year. Each year's funding secured amount reflects what was awarded to the Department in new grants within that fiscal year, not the amount expended for each individual grant.

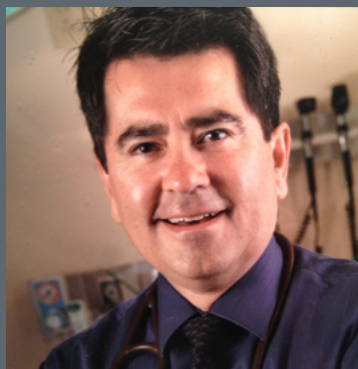
FINANCES

Breakdown of Payments to our Health First Colorado Partners

Calendar Year 2017



Partners in Community Health: Western Colorado Physicians' Group



Dr. Glenn Madrid has been a family doctor for nearly 30 years, all of those seeing patients from the medical home he helped to nurture and grow at Western Colorado Physicians Group in Grand Junction. Today, between 20 and 30 percent of the patients he sees use Health First Colorado as their primary form of access to quality health care.

"Family medicine is about taking care of all patients. This includes seeing patients on Health First Colorado, many of which are the working poor including young adults and families. Many of my new obstetric patients are on Health First Colorado when they become pregnant. After delivery, I welcome them and their families into my practice. By doing this, I believe I'm not only helping to improve their health, but also the health of the entire community."

Hospital Provider Fee in Action

The Department collects a yearly fee from participating Colorado hospitals. This fee is matched by federal dollars to increase payments to hospitals, fund hospital quality incentive payments, and to expand health care coverage. Colorado is one of only a few states in the nation reducing its number of uninsured residents with this federal and state funding partnership.

Hospital Provider Fee: \$654 Million*
FY 2016-17

\$128M

Payments for services and care for
485,842 Members

345,249	Adults without kids
109,961	Parents
21,782	Child Health Plan <i>Plus</i> (CHP+)
6,251	Buy-in Individuals with Disabilities
2,599	Other eligible groups



\$488 M

Hospital Provider Fee
Payment to Hospitals

*Hospital Provider Fee also funds the Medicaid Expansion's administrative costs and provides funding for Upper Pay Limit backfill per §25.5-4-402.3 (4)(b)(VII), C.R.S. (2017)

COMMIT

The Colorado Medicaid Management Innovation and Transformation project (COMMIT) launched in FY 2016-17 after extensive efforts to modernize our three major health IT systems and implement a new Fiscal Agent service.

The Colorado interChange, our new claims payments system, launched March 1, 2017. Our vendor and fiscal agent for this system is DXC Technology Company. The Colorado interChange is a major update and transition from our previous claims payment system which was built on a 1970s framework. The new technology allows for policy changes and enhancements to be implemented more quickly and efficiently.

The federal requirement for providers to be revalidated or reenrolled as a Health First Colorado provider had a major impact on our new systems and providers. Revalidation and enrollment is required as part of the Patient Protection and Affordable Care Act implementation.

The Pharmacy Benefits Management System (PBMS), our new pharmacy point of sale system, eligibility and claims submittal system launched February 25, 2017. Our vendor for this system is Magellan Health.

The Business Intelligence Data Management system (BIDM) is our new data warehouse and will be used to run reports that will inform policy decisions and provide important files to our partners. Our vendor for this system is Truven Health Analytics.

More information about COMMIT is available at: <https://tinyurl.com/ycnh6229>.



Meeting patients where they are.

OUR FUTURE

Accountable Care Collaborative Phase II

The Department is excited to launch the next phase of the Accountable Care Collaborative, which will build upon the successes of the first seven years and advance the Department's goals to improve member health and life outcomes and to use state resources wisely.

To achieve these goals, the Department will: join physical and behavioral health under one accountable entity; strengthen coordination of services by advancing team-based care and health neighborhoods; promote member choice and engagement; pay providers for the increased value they deliver; and ensure greater accountability and transparency.

The next phase of the Accountable Care Collaborative is expected to launch the summer of 2018.

Payment Reform: Improving the Health First Colorado Delivery System

The Department is transforming payment design with the goal of rewarding improved quality of care while containing costs. In 2018, the Department will implement the Alternative Payment Model for Primary Care (APM).

The Department has been collaborating with stakeholders to design the model since the fall of 2016 when the Department engaged with six workgroups. Workgroups had input on almost every aspect of the APM including selection of measures and design of the payment structure. The Department will continue working with stakeholders on implementing and operationalizing the new payment model.

These new payment structures will give providers the ability to earn enhanced reimbursement by rewarding performance while enhancing transparency and accountability in the Health First Colorado delivery system.

Long-Term Services and Supports System Redesign

Health First Colorado has long been a leader among states providing long-term services and support (LTSS) to people with all types of disabilities, empowering them to live in the community among family and friends. And as a leader in LTSS, Colorado continually seeks to make improvements. In 2012, Governor John Hickenlooper issued Executive Order 2012-027 creating the Office of Community Living (OCL) and the Community Living Advisory Group (CLAG). The charge was to redesign how LTSS are delivered to ensure "all Coloradans [are] able to live in the home of their choosing with the supports they need and participate in the communities that value their contributions."

The Department is in the process of implementing recommendations from the CLAG to redesign LTSS in Colorado. For example, changes are being made to streamline access to services through piloting and developing a No Wrong Door system, service coordination is being improved through initiatives that redesign case management like Conflict-Free Case Management, and service options and quality are being increased by creating cohesion between the different programs that provide Home and Community-Based Services.

These and many other initiatives are pushing Colorado toward a future for LTSS that focuses more on people's needs, desires, and choices.



Do you know someone who needs help?

Individuals and families can see if they qualify for medical assistance, food assistance, and other help online through CO.gov/PEAK. Applicants without internet access can visit their local county human services office for assistance.



COLORADO
Department of Health Care
Policy & Financing