



## Department of Health Care Policy and Financing FY 2015 Annual Performance Evaluation (Final)

### Strategic Policy Initiatives

The Department of Health Care Policy and Financing identified six strategic policy initiatives for FY 2015. This evaluation reports final actuals for highlighted initiatives from its FY 2015 Performance Plan. The selected initiatives below reflect the Department's strategic and operational priorities as identified by Department leadership for FY 2015. Additional detail for these, and other, strategic policy initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

#### Customer – Improve health outcomes, client experience and lower per capita costs

*The Department exceeded five out of eight goals in its Customer Strategic Policy Initiative (SPI). The goals not met were related to enrolling eligible individuals in need of services into the Children's Extensive Support waiver, reducing the percent of Long Term Services and Supports (LTSS) members in nursing facilities, and increasing the percent of LTSS members receiving Home and Community Based Services.*

Strategy: The Accountable Care Collaborative (ACC) is central to the Department's commitment to delivering a customer-focused Medicaid program that improves health outcomes and client experience while delivering services in a cost-effective manner. The ACC is an integrated delivery system which holds providers accountable for health outcomes. It shifts financial incentives away from volume of services to efficacy. The ACC focuses on the needs of its members and leverages local resources to best meet those needs. Medicaid members in the ACC receive the regular Medicaid benefit package and belong to a Regional Care Collaborative Organization. They choose a Primary Care Medical Provider as a medical home, who coordinates and manages their health needs across specialties and along the continuum of care. In addition to the ACC, the Department is working to improve customer experience through eligibility and enrollment systems, expanding access to medical providers, reducing waiting lists for waiver services, and enhancing long term services and supports.

#### Technology – Provide exceptional service through technological innovation

*The Department exceeded its goal to increase the percent of Medicaid Providers receiving incentive payments for meaningful use of electronic health records.*

Strategy: The Department is encouraging adoption of electronic health records (EHRs) for Medicaid members through a federally-funded incentive program. Creating a personal EHR will allow Medicaid clients and their providers to see individual claims, service utilization, costs compared to similar clients, and monitor personal wellness needs. Linking this data to the Statewide Data and Analytics Contractor for the Accountable Care Collaborative will allow Medicaid providers access to a broader picture of member resource needs. Providers who meet defined eligibility criteria can qualify for limited-time incentive payments to help offset the costs of adopting EHR. Providers must demonstrate "Meaningful Use" or declare that their services meet core measures to receive incentive payments.

#### Process – Enhance efficiency and effectiveness through process improvement

*The Department did not meet its goal to increase the percent of survey responses to the question "We get work done more efficiently with less waste."*

Strategy: The Department established a Lean Community for process improvement in 2012. The Lean Community empowers employees to eliminate waste and maximize value in their daily work activities, and fosters a culture of continuous improvement through training and project management. The Department is using training, coaching, global projects and rapid improvement sessions called "Quick Hits" to deploy Lean throughout the Department, and to create a Lean culture that is customer-centric, and focused on continuous improvement and data-driven decision-making.



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### Financing – Ensure sound stewardship of financial resources

*The Department exceeded its goal for ACC net savings.*

Strategy: The Department’s “Financing” initiative is intertwined with its “Customer” initiative in that it contains costs through many of the same programs designed to improve health outcomes. This is because medical costs decrease when overall population health improves: members engage in prevention and wellness programs, they experience better management of chronic diseases, and have fewer acute care episodes. Costs are also controlled by shifting payment systems from outdated “pay and chase” models that drive volume of services to new systems that pay for value and improved health. In addition, the Department is focused on financing efforts to prevent fraud, waste and abuse; expand the use of performance-based contracts; and seek grant funding to further strategic goals not funded through the regular budget process.

### Operational Measures

#### SPI: Customer – Improve health outcomes, client experience and lower per capita costs

##### Process – Increase enrollment of Medicaid recipients into the ACC

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Goal	3-Year Goal
Percentage of ACC enrollees of total Medicaid population	13.2%	34.4%	52.8%	66.5%	64.8%	71.3%

Counts are based upon annual average of monthly enrollment.

##### Process – Attribute ACC clients to primary care providers in RCCO network

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Goal	3-Year Goal
Percentage of ACC enrollees with a Primary Care Medical Provider	N/A	76.4%	70.9%	71.1%	69.6%	75.0%

Counts are based upon annual average of monthly enrollment.

##### Process – Increase timely eligibility determinations

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Goal	3-Year Goal
Percentage of eligibility applications processed within state and federal timeline requirements	81.0%	89.9%	91.8%	97.0%	94.0%	95.8%



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**Process – Enroll new Medicaid providers**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Goal	3-Year Goal
Number of Colorado providers serving Medicaid	36,537	39,821	43,867	45,963	44,996	50,845

**Process – Increase enrollment for Children’s Extensive Support (CES) Waiver**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual*	FY15 Goal	3-Year Goal
Percentage of CES eligible individuals in need of immediate services enrolled	N/A	44.7%	71.9%	88.9%	100%	100%

\*Enrollments are taking longer than expected due to case management capacity issues as well as the time it takes for families to participate in the enrollment process, which includes developing service plans, and selecting appropriate and available service providers.

**Process – Place appropriate Long Term Services and Supports (LTSS) Members in nursing facilities**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Goal	3-Year Goal
Percentage of LTSS Members in nursing facilities	22.3%	21.1%	20.7%	19.9%	18.1%	17.0%

**Process – Provide waiver services to appropriate LTSS Members**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual*	FY15 Goal	3-Year Goal
Percentage of LTSS Members receiving HCBS waiver services	72.9%	73.5%	74.4%	74.1%	76.3%	76.6%

\*HCBS waiver enrollment (numerator) is not growing as quickly as expected, causing the percentage to remain lower.

**Process – Provide PACE services to appropriate LTSS Members**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY15 Goal	3-Year Goal
Percentage of LTSS Members enrolled in PACE	4.8%	5.3%	4.9%	6.0%	5.7%	6.5%



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**SPI: Technology – Provide exceptional service through technological innovation**  
**Process – Increase meaningful use of Electronic Health Records (EHR-MU) – Medicaid Providers**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual*	FY15 Goal	3-Year Goal
Percentage of Medicaid Providers receiving EHR-MU incentive payments	N/A	N/A	57.4%	69.0%	56.8%	78.6%

\* The Federal site (HealthIT.gov) from which the Department obtains its measures data, has not updated Colorado EHR data since February 2015.

**SPI: Process – Enhance efficiency and effectiveness through process improvement**  
**Process – Promote a Lean culture throughout the Department**

Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual*	FY15 Goal	3-Year Goal
Percentage of Favorable survey responses to “Work Done > Efficiently with < Waste”	43.0%	N/A	49.0%	50.8%	60.0%	75.0%

\*Historical data source is DPA statewide employee survey, conducted biennially. Survey question did not exist in 2013. FY15 is based on a Departmental internal survey conducted in February 2015. The Department originally set its one-year goal to match the level of the then highest performing department in the state.

**SPI: Financing – Ensure sound stewardship of financial resources**  
**Process – Achieve ACC net savings targets**

Measure	FY12 Actual	FY13 Actual	FY14 Actual*	FY15 Actual	FY15 Goal	3-Year Goal
Dollar amount of ACC net savings (range minimum)	(\$2,708,711)	(\$6,930,854)	(\$29,429,670)	(\$37,682,795)	(\$20,143,291)	(\$23,386,336)

\*ACC Net Savings for FY14 were restated and do not match the FY16 Department Performance Plan. The adjustment is due to a refinement of methodology. Source: Department of Health Care Policy and Financing Annual Budget Request for FY 2016-17, November 1, 2015, Medical Services Premiums R1, page R1.85.



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### FY 2016 Performance Plan

#### FY 2016 Strategic Policy Initiatives, Strategies and Operational Measures

In FY 2016, the Department retained all of its FY 2015 Strategic Policy Initiatives and strategies; changes were made to performance measures based on changes in relevance and/or availability. The Department is currently remodeling its Performance Plan with new Strategic Policy Initiatives, strategies, and performance measures for FY 2017. The FY 2016 strategy map is based on a 2012 model, and the remodel will ensure continuous alignment and impact of Department goals and strategies in light of progress made since the implementation of the Affordable Care Act.

Below is a list of changes to performance measures between FY 2015 and FY 2016:

- The Department is no longer reporting Primary Care Medical Providers enrolled as a percentage of eligible Primary Care Practices. The Department continues to report the number of site locations.
- The Department replaced the well-child visit metric for children under 15 months with children ages 3 to 9.
- The Department replaced the low birthweight babies metric with a measure for postpartum visits for women who gave birth within the past 12 months.
- Payments linked to outcomes now presents the amount of payments as opposed to (formerly) the percentage of payments in relation to acute care expenditures.
- Two new measure sets were added related to the call center: answer speed (within five minutes or less) and first call resolution.
- The Department is no longer reporting Connect for Health Colorado Exchange metrics, as this is not a program managed by the Department.
- While various measures related to electronic health records meaningful use (EHR-MU) were included in the FY 2016 Performance Plan, the Department has since learned that the Centers for Medicare and Medicaid Services is restructuring this program. As a result, data has not been updated for Colorado by CMS since February 2015.