



Strategic Pillars

The Department of Health Care Policy and Financing identified five significant objectives, or pillars, to be accomplished in FY 2019-20, as outlined in the [performance plan](#). The Department’s strategic pillars and supporting initiatives described below are new as of FY 2019-20. Current year ramp-up efforts are creating a foundation to achieve Governor Polis’ health related goals, and new data will help set a baseline to evaluate performance. Many of these initiatives are project-based activities with short term milestones gauging performance. As a result, year-over-year performance data beyond what is provided below is not yet available.

Pillar 1: Health Care Affordability for Coloradans: Reduce the cost of care in Colorado

The Department created a Health Care Affordability Roadmap that identifies cost drivers and cost control policies to address them. The Roadmap is intended to inform the State’s and Medicaid’s affordability strategy and align the two. This pillar is formulated to achieve improvement in the areas of price constraint, alternative payment models, data infrastructure, innovation, and population health, as reflected by the following performance measures.

Performance Measures	FY 19 YE	FY 20 YE	1-Year Goal
# State thought leaders, industry influencers and stakeholders who are aware of, engaged to develop, or supporting the execution of the 3-5+ Year Health Care Affordability Road Map	2,220	4,650	3,500
% Complete: Prescription Cost Drivers Report	N/A	100%	100%
% Complete: Payer Prescription Tool implementation	N/A	29%	100%
% Complete: CMS Approval for HTP Waiver	N/A	85%	100%
# HTP measures implemented	N/A	12	10

The Department met or exceeded all but two of the measures above by the end of FY 2019-20. Implementation of the Payer Prescription Tool is on track for completion in FY 2020-21. For the HTP Waiver, CMS approved the State Plan Amendment in May 2020, and specific Waiver discussions with CMS were paused due to COVID19 at CMS’s request. CMS is currently working with us and we expect approval of the HTP Waiver by the end of calendar year 2020.



Pillar 2: Medicaid Cost Control: Ensure the right services for the right people at the right price

Since the passage of Colorado’s Senate Bill 18-266, Controlling Medicaid Costs, the Department has been focusing resources to meet the intent of the legislation and the affordability goals of Governor Polis. In addition to many cost control initiatives to better manage Medicaid expenditures, such as curbing fraud and evolving Accountable Care Collaborative strategies, there are more than 15 workstreams inside the Department focused on Medicaid claim trend management. Most of the appropriations received by the Department are for the purpose of funding the State’s Medicaid program. As such, it is critical that the Department demonstrate sound stewardship of the financial resources that have been allocated to its programs.

Performance Measures	FY 19 YE	FY 20 YE	1-Year Goal
\$ Medicaid per-capita total cost of care (PMPY)	\$6,378	\$7,087	\$6,839 ¹
% Complete: Managing rising trends and high-risk, high-cost Medicaid members	N/A	100%	100%

¹ Annual goal or per member per year (PMPY) target was adjusted after finalization of DPP in October 2019 to reflect changes in the November budget forecast for FY 2019-20.

Per capita expenditure exceeded the FY 2019-20 target for two primary reasons. Caseload declined during the first three quarters of the fiscal year, and individuals who left Medicaid were less costly than those who remained. In addition, the Department received less funding from drug rebates compared to previous years which led to an increase in total expenditure.



Pillar 3: Member Health: Improve member health

The Department seeks to improve the health and well-being of Coloradans served by the Medicaid program. Appropriate health care must be complemented by addressing chronic disease, mental health and substance abuse. The impact of the opioid crisis has devastated many American families and Colorado is no exception. The Department is implementing strategies to battle overprescribing behaviors and reduce patient addiction in the Medicaid and CHIP populations.

Performance Measures	FY 19 YE	FY 20 YE	1-Year Goal
Decrease # opioid pills dispensed among members who use the Rx benefit	8.26	7.93	7.46
% Complete: Baseline Risk Score for every member	N/A	100%	100%

The number of dispensed opioid pills per Pharmacy member per month exceeded the goal. The was due to fewer people seeking medical care during COVID-19 and the fact that surgeries and other therapies had to be delayed. The denominator of this metric represents all members who filled prescriptions, and since there was a drop in total prescriptions filled during the stay at home order while members who filled opioid prescriptions remained steady, these members represented a larger ratio of the total.

Pillar 4: Customer Service: Improve service to members, care providers, and partners

Our focus for this pillar is on improving service to our members and providers to reach levels that parallel that of the private or commercial sector. We want to be diligent and thoughtful in finding ways to do more with less across all our operations in order to match the service levels associated with commercial payers.

Performance Measures	FY 19 YE	FY 20 YE	1-Year Goal
Provider call average speed of answer (ASA) in seconds	52	46	61

The Department exceeded its customer service goal in FY 20.



Pillar 5: Operational Excellence: Create compliant, efficient, and effective business practices that are person- and family-centered

To achieve this pillar we are improving the cost-efficiency of our operations, strengthening services to our providers, and completing systems changes that improve member experience. We have taken on a substantial amount of project work to improve operational excellence in areas such as federal compliance, member call center, eligibility accuracy, executive accountability, and measure execution.

Performance Measures	FY 19 YE	FY 20 YE	1-Year Goal
Complete contract management training for 100% of contract managers	N/A	100%	100%
% targeted Medicaid households using PEAK <i>Health</i> mobile app	36%	49%	43%
\$ HCPF expenditures – Administration	\$ 311,714,033	\$347,005,365	\$436,961,708

The Department achieved all three goals for operational excellence in FY 20.