Department of Health Care Policy and Financing
July 2015 Performance Evaluation

Strategic Policy Initiatives

The Department of Health Care Policy and Financing has identified several strategic policy initiatives for FY 2014-15 and beyond. For this performance evaluation, the Department has updated progress on the initiatives in its November 3, 2014 Annual Performance Report. These initiatives best capture the Department's strategic and operational priorities, and reflect the overall direction as identified by Department leadership. The updates reflect data estimates available as of June 2015. Final year-end actuals will be available in November 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 is committed to delivering a customer-focused Medicaid program that improves health outcomes and client experience while delivering services in a cost-effective manner. Central to this initiative is the establishment of an integrated delivery system through the Accountable Care Collaborative (ACC), which holds providers accountable for health outcomes. This 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 eligibility and enrollment systems for members, expand member access to medical providers, reduce waiting lists for waiver services, and enhance long term services and supports.

Technology – Provide exceptional service through technological innovation

The Department is encouraging the 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 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.

Financing – Ensure sound stewardship of financial resources

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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

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	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of ACC enrollees of total Medicaid population	13.2%	34.4%	52.8%	63.7%	65.0%	64.8%	71.3%

Counts are based upon annual average of monthly enrollment. Medicaid enrollments (denominator) have increased more than expected.

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

Measure	FY12 Actual	FY13 Actual	FY14 Actual	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of ACC enrollees with a Primary Care Medical Provider	N/A	76.4%	70.9%	78.3%	86.2%	69.6%	75.0%

Process – Increase timely eligibility determinations

Measure	FY12 Actual	FY13 Actual	FY14 Actual	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of eligibility applications processed within various state and federal timeline requirements	81.0%	89.9%	91.8%	96.6%	97.1%	94.0%	95.8%

Process – Enroll new Medicaid providers

Measure	FY12 Actual	FY13 Actual	FY14 Actual	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Number of Colorado providers serving Medicaid	36,537	39,821	43,867	45,636	47,405	44,996	50,845

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

Measure	FY12 Actual	FY13 Actual	FY14 Actual	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of CES eligible individuals in need of immediate services enrolled	N/A	44.7%	71.9%	84.1%	90.6%	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	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of LTSS Members in nursing facilities	22.3%	21.1%	20.7%	20.2%	20.2%	18.1%	17.0%

LTSS membership (denominator) is not growing as quickly as expected, causing the percentage to remain higher. Additionally, the Department observes a greater than expected need for long-term placement/retention in nursing facilities among an expanding aging Colorado Medicaid population.

Process – Provide waiver services to appropriate LTSS Members

Measure	FY12 Actual	FY13 Actual	FY14 Actual	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of LTSS Members receiving HCBS waiver services	72.9%	73.5%	74.4%	74.3%	74.3%	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	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of LTSS Members enrolled in PACE	4.8%	5.3%	4.9%	5.5%	5.5%	5.7%	6.5%

PACE facilities are generally at capacity and are limited currently in how much room they have to expand.

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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	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of Medicaid Providers receiving EHR-MU incentive payments	N/A	N/A	57.4%	76.8%	69.0%	56.8%	78.6%

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

Measure	FY12 Actual	FY13 Actual	FY14 Actual	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Percentage of Favorable survey responses to "Work Done > Efficiently with < Waste"	43.0%	N/A	49.0%	50.8%	50.8%	60.0%	75.0%

Historical data source is DPA statewide employee survey, conducted biennially. Survey question did not exist in 2013. FY15 Estimate 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. The actual result, while not meeting the goal for this measure, is in line with other Lean-oriented measures within the Department.

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

Measure	FY12 Actual	FY13 Actual	FY14 Actual	03/31/2015	06/30/2015*	1-Year Goal	3-Year Goal
Dollar amount of ACC net savings (range minimum)	($2,708,711)	($6,930,854)	($13,210,777)	N/A	N/A	($20,143,291)	($23,386,336)

Data for FY 2014-15 will be available in November 2015.

*Table data for 06/30/2015, if provided, is an estimate