



Department of Health Care Policy and Financing Q1 FY2016 Performance Evaluation (October 2015)

Strategic Policy Initiatives

The Department of Health Care Policy and Financing has identified several strategic policy initiatives for FY 2015-16. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY2016 Performance Plan that 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 October 1, 2015. First Quarter actuals will be available at varying intervals dependent upon data sources with lag time for reporting purposes. Additional detail for these, and other, strategic policy initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

SPI 1: 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.

SPI 2: People – Build and sustain a culture of recruiting and retaining talented employees

The Department's greatest assets are its hardworking and dedicated employees. Hiring, training, and retaining employees are central to its People strategic policy initiative. Employee turnover is very costly, not only in time and effort required to fill vacant positions, but also in loss of institutional knowledge and impact on employees whose teams become short-staffed. Three goal areas – Workforce Development, Employee Engagement, and Human Resources Optimization support this strategic policy initiative.



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SPI 3: Process – Enhance efficiency and effectiveness through process improvement

To maximize the efficiency and effectiveness of its business processes, the Department strives to be responsive to change, attain clear alignment between strategic goals, programs and initiatives, and establish a culture of continuous improvement. By involving staff in the Strategic Management process, staff gain understanding, or “line of sight”, about how their individual roles connect to and help the Department achieve its mission. The Department seeks to empower engaged employees to eliminate waste and maximize value in their daily work routines. Two goal areas – Strategic Management and Lean Community support this strategic policy initiative.

SPI 4: Financing – Ensure sound stewardship of financial resources

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 1: Customer – Improve health outcomes, client experience and lower per capita costs Processes – Enroll Eligible Members and Providers

	Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
1-A	Percentage of ACC enrollees with a Primary Care Medical Provider	N/A	76.4%	70.9%	71.1%	75.9%	82%	85%
1-B	# Colorado Providers Serving Medicaid	36,537	39,821	43,867	45,963	N/A	51,070	58,400
1-C	Percentage of eligibility applications processed within various state and federal timeline requirements	81.0%	89.9%	91.8%	97.0%	N/A	97%	98%
1-D	Increase the dollar amount of provider payments tied to quality or value through alternative payment models 45% (from \$172.8 million in FY 2014-15 to \$250.8 million in FY 2015-16)	\$5.2M	\$29.6M	\$46.1M	\$172.8M	\$37.6M	\$250.8M	N/A



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SPI 2: People – Build and sustain a culture of recruiting and retaining talented employees

Process –Employee Engagement

	Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
2-A	Increase the % of favorable responses to “Good Place to Work” survey question from 69% to 80% by June 30, 2016	47%	N/A	59%	69%	N/A	80%	80%
2-B	# New Employees Participating in the Ambassador Program	N/A	N/A	58	97	N/A	60	70

2-A: The correct 1-year goal for this measure is 80%. This replaces the target printed in the July 1, 2015 Department Performance Plan.

SPI 3: Process – Enhance efficiency and effectiveness through process improvement

Processes – Lean Community and Strategic Management Process

	Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
3-A	% Favorable Survey Responses to "Work Done > Efficiently w < Waste" (Lean Impact)	N/A	N/A	49%	51%	N/A	55%	58%
3-B	% Favorable Survey Responses to "Understand Strategic Role"	N/A	42%	66%	66%	N/A	68%	70%
3-C	# Employees Trained in "Line of Sight"	N/A	164	100	26	13	50	50

SPI 4: Financing – Ensure sound stewardship of financial resources

Process – Cost Containment

	Measure	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	Q1 FY16	1-Year Goal	3-Year Goal
4-A	Dollar amount of ACC net savings (range minimum)	(\$2,708,711)	(\$6,930,854)	(\$13,210,777)	N/A	N/A	N/A	N/A
4-B	\$ Program Integrity Recoveries	\$11,656,798	\$11,876,801	\$10,366,659	\$8,078,898	N/A	\$10,000,000	\$10,000,000
4-C	\$ Third Party Liability Collections	\$45,069,263	\$51,447,486	\$52,896,045	\$72,091,076	N/A	\$55,000,000	\$55,000,000