



## COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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John W. Hickenlooper, Governor • Susan E. Birch MBA, BSN, RN, Executive Director

July 1, 2012

The Honorable Ken Summers, Chair  
Health and Environment Committee  
200 E. Colfax Avenue, Room 271  
Denver, CO 80203

Dear Representative Summers:

Enclosed please find the Colorado Department of Health Care Policy and Financing's submission to the House Health and Environment Committee on Medicaid's Managed Care and Quality.

Section 25.5-5-410, C.R.S. requires the Department to submit an annual report by July 1, showing a comparison of the effectiveness of the Colorado Medicaid managed care organizations and the primary care physician program based upon common performance standards that shall include, but not be limited to, recipient satisfaction.

The attached "Colorado Medicaid Health Care Plan Report Card" is a tool developed by the Department to enable the Colorado Medicaid client to make a well-informed decision regarding which of the four available health plans is best for them. The Report Card includes information on both the quality and level of satisfaction clients have with their health plan.

The statute also requires the Department to report on the cost-efficiency of each managed care program. This information is included in the attached report.

Questions regarding this report should be addressed to Katie Brookler, Strategic Projects at [Katie.Brookler@state.co.us](mailto:Katie.Brookler@state.co.us) or 303-866-6173.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Susan E. Birch', is written over a light blue circular stamp.

Susan E. Birch MBA, BSN, RN  
Executive Director

Enclosure: Colorado Medicaid Health Plan Report Card 2011

Cc: Representative Cindy Acree, Vice-Chair, Health and Environment Committee  
Representative Laura Bradford, Health and Environment Committee  
Representative J. Paul Brown, Health and Environment Committee  
Representative Rhonda Fields, Health and Environment Committee  
Representative Janak Joshi, Health and Environment Committee  
Representative John Kefalas, Health and Environment Committee  
Representative Jim Kerr, Health and Environment Committee  
Representative Tom Massey, Health and Environment Committee  
Representative Beth McCann, Health and Environment Committee  
Representative Cheryl Peniston, Health and Environment Committee  
Representative Sue Schafer, Health and Environment Committee  
Representative Dave Young, Health and Environment Committee  
Amanda King, Health and Environment Committee Staff  
Lorez Meinhold, Policy Director, Health, Human Services and Education, Governor's Office of Policy and Research  
Legislative Council Library  
Colorado Senate  
Colorado House of Representatives  
State Library  
Susan E. Birch, MBA, BSN, RN, Executive Director  
John Bartholomew, Financial & Administrative Services Office Director  
Suzanne Brennan, Medical and CHP+ Program Administration Office Director  
Susan Heinzeroth, Administration & Innovation Office  
Antoinette Taranto, Acting Client and Community Relations Office Director  
Carrie Cortiglio, Legislative Liaison  
Joanne Zahora, Public Information Officer



**COLORADO DEPARTMENT OF HEALTH CARE  
POLICY AND FINANCING**

REPORT TO JOINT HEALTH AND HUMAN SERVICES COMMITTEE

*A Comparison of the Managed Care Programs Based on Quality*

C.R.S. 25.5-5-410

July 1, 2012

## A Comparison of the Managed Care Programs Based on Quality

This report describes the effectiveness of medical care given to clients in the Colorado Medicaid program. During FY 2011-12 the Colorado Department of Health Care Policy and Financing (the Department) worked with five health care plans to deliver medical care to Medicaid clients. The five plans are as follows: Denver Health Medicaid Choice, Rocky Mountain Health Plan, PACE, the Department administered Primary Care Physician Program, and the Department administered Fee-for-Service Program. Denver Health Medicaid Choice and PACE are the only fully capitated risk-based contracts.

Data from FY 2010-11, the most recent fiscal year for which complete data is available, shows the Colorado Medicaid population distributed among the five health care plans as follows<sup>1</sup>:

- The monthly average number of clients enrolled in Colorado Medicaid was 560,722.
- Of those, the average monthly enrollment in the contracted managed care organizations of Denver Health Medicaid Choice and PACE, was 45,919 clients or eight percent of all clients.
- The average monthly enrollment in the plan type designated by the Centers for Medicare and Medicaid Services as a prepaid inpatient health plan, Rocky Mountain Health Plan, was 20,558 clients or four percent of all clients.
- The average monthly enrollment in the Primary Care Physician Program was four percent, or 23,380 clients.
- The average monthly enrollment in the Fee-for-Service Program was 84 percent, or 470,865 clients.

### Health and Outcomes Data

The Department has two primary activities that collect data on the performance of Colorado Medicaid health plans. These include client satisfaction surveys from the Consumer Assessment of Healthcare Providers and Systems (CAHPS<sup>®</sup>)<sup>2</sup> and quality of care performance measures included in the Healthcare Effectiveness Data and Information Set (HEDIS<sup>®</sup>).

Selected data from each of these sources was used to create a Health Plan Report Card for client use. Letter grades are used in the report card to help Colorado Medicaid clients make an informed decision about which health care plan is best for them. Attached, please find the Colorado Medicaid Health Plan Report Card for 2011. Additional CAHPS<sup>®</sup> and HEDIS<sup>®</sup> data can be found in the annual budget submission.

Health and outcomes data for the PACE program is under development and should be available for next year's report.

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<sup>1</sup> June 2011 Medical Premiums Expenditure and Caseload Report.

<sup>2</sup> HEDIS<sup>®</sup> and CAHPS<sup>®</sup> are registered trademarks of the National Committee for Quality Assurance (NCQA)

**Cost-effectiveness**

Colorado statute (25.5-5-410) also requires the Department to report on the cost-efficiency of each managed care program. Rocky Mountain Health Plan has a contractual provision that provides for the Department to calculate the net savings and value to the Colorado Medical Assistance Program after payment of the Administrative Services Fee. The Centers for Medicare and Medicaid Services (CMS) has requested that the Department modify how it calculates the net savings and value with Rocky Mountain Health Plan. This impacted the Department's calculation of cost-effectiveness. Implementation of the CMS changes is progressing and the Department expects that it will have updated cost and quality information to provide the General Assembly in next year's report.

Reimbursement rates for the Denver Health Medicaid Choice contract are based on service utilization and cost history from clients in the Fee-for-Service Program. Once the base rates are set, the rates are then adjusted up or down depending on the complexity of conditions clients enrolled in Denver Health Medicaid Choice experience when compared to Fee-for-Service Program clients.

Moving forward, the Accountable Care Collaborative and the Regional Care Collaborative Organizations will play an important role in providing health care to the 84 percent of clients not enrolled in managed care organizations. The Department suggests the focus of this report in future years concentrate on the performance of the Accountable Care Collaborative. Enrollment into the Regional Care Collaboratives began in Spring 2011. Data regarding the care provided to these enrollees will be available July 2013.

## Primary Care Physician Program (PCPP)

### Care for children and teenagers

Parents' overall rating of Health Plan.....	<b>B</b>
Children get the right vaccines.....	<b>A</b>
Babies get regular checkups.....	<b>B</b>
Children ages 3-6 get regular checkups.....	<b>A</b>
Children ages 12-19 get regular checkups.....	<b>A</b>
Getting care quickly.....	<b>A</b>
Parents are happy with their children's doctor.....	<b>B</b>

### Rating care for adults

Overall rating of Health Plan .....	<b>B</b>
Getting care for pregnant women .....	<b>B</b>
Getting care for mom after baby is born .....	<b>A</b>
Care for heart problems .....	<b>C</b>
Getting routine care .....	<b>A</b>
Getting care when needed .....	<b>A</b>
Adults happy with their doctor .....	<b>A</b>

## Regular Medicaid

### Care for children and teenagers

Parents' overall rating of Health Plan.....	<b>B</b>
Children get the right vaccines.....	<b>C</b>
Babies get regular checkups.....	<b>B</b>
Children ages 3-6 get regular checkups.....	<b>B</b>
Children ages 12-19 get regular checkups.....	<b>B</b>
Getting care quickly.....	<b>B</b>
Parents are happy with their children's doctor.....	<b>B</b>

### Rating care for adults

Overall rating of Health Plan .....	<b>B</b>
Getting care for pregnant women .....	<b>C</b>
Getting care for mom after baby is born .....	<b>C</b>
Care for heart problems .....	<b>C</b>
Getting routine care .....	<b>B</b>
Getting care when needed .....	<b>B</b>
Adults happy with their doctor .....	<b>B</b>



# Colorado Medicaid Health Plan Report Card 2011



This Report Card tells you about the Medicaid health plans.

You can use this chart to help you choose the Medicaid health plan that is best for you.

The Department of Health Care Policy and Financing  
[Colorado.gov/hcpf](http://Colorado.gov/hcpf)

*Improving access to cost-effective, quality health care services for Coloradans*





## How we got the grades for this report card

We asked Medicaid clients about the care they got from Medicaid health plans and Medicaid doctors. We also collected information from Medicaid doctors. Then we gave each plan a grade: **A, B or C.**

## Denver Health Medicaid Choice

### Care for children and teenagers

Parents' overall rating of Health Plan.....	<b>A</b>
Children get the right vaccines.....	<b>A</b>
Babies get regular checkups.....	<b>A</b>
Children ages 3-6 get regular checkups.....	<b>B</b>
Children ages 12-19 get regular checkups.....	<b>B</b>
Getting care quickly.....	<b>C</b>
Parents are happy with their children's doctor.....	<b>A</b>

### Rating care for adults

Overall rating of Health Plan .....	<b>C</b>
Getting care for pregnant women .....	<b>B</b>
Getting care for mom after baby is born .....	<b>B</b>
Care for heart problems .....	<b>B</b>
Getting routine care .....	<b>C</b>
Getting care when needed .....	<b>C</b>
Adults happy with their doctor .....	<b>B</b>

## Rocky Mountain Health Plan

### Care for children and teenagers

Parents' overall rating of Health Plan.....	<b>A</b>
Children get the right vaccines.....	<b>A</b>
Babies get regular checkups.....	<b>A</b>
Children ages 3-6 get regular checkups.....	<b>A</b>
Children ages 12-19 get regular checkups.....	<b>A</b>
Getting care quickly.....	<b>A</b>
Parents are happy with their children's doctor.....	<b>B</b>

### Rating care for adults

Overall rating of Health Plan .....	<b>A</b>
Getting care for pregnant women .....	<b>A</b>
Getting care for mom after baby is born .....	<b>A</b>
Care for heart problems .....	<b>A</b>
Getting routine care .....	<b>A</b>
Getting care when needed .....	<b>A</b>
Adults happy with their doctor .....	<b>B</b>

## Accountable Care Collaborative Program

New Medicaid health plans will be included in this report card when data are available.

## Stay Healthy

Take good care of yourself by:

- Exercising
- Seeing your doctor at least once a year
- Quitting smoking
- Taking your children to the dentist regularly