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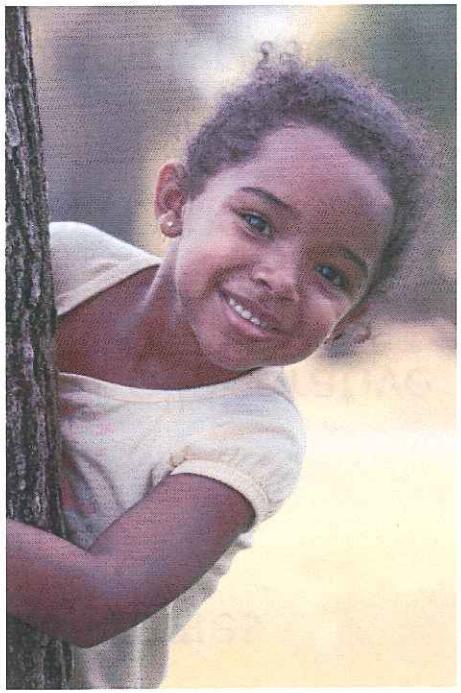
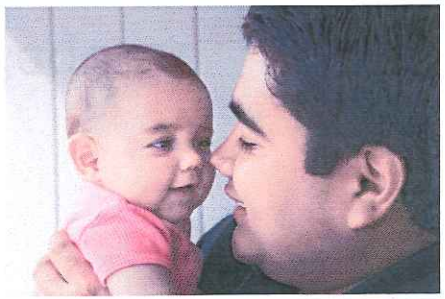
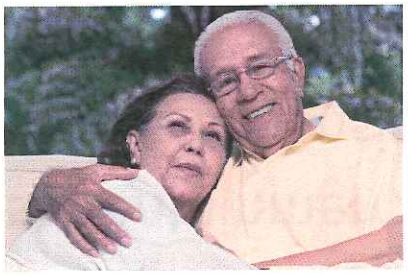
Colorado Department of Health Care Policy & Financing







SMART Act Presentation

January 10, 2013

Colorado Department of Health Care Policy and Financing

Attachment F

Presentation Agenda

- HCPF Overview
- Strategic Plan
- FY 2013-14 Budget
- Cost Containment Strategies
- Medicaid Expansion
- Updates
  - Accountable Care Collaborative
  - Payment Reform
  - Long Term Supports and Services
  - Dental Requests
  - Substance Use Disorder Benefit Request
- Regulatory Agenda
- Legislation Implementation

Our Mission:

Improving health care access and outcomes for the **people** we serve while demonstrating sound **stewardship** of financial resources

What We Do

The Department of Health Care Policy and Financing (HCPF) is the State agency responsible for the administration of:

- Medicaid
- Child Health Plan *Plus* (CHP+)
- Other health care and long term services and supports for eligible low-income families, children, older persons, and persons with disabilities

Medicaid & CHP+

Medicaid

- Medicaid is a program that provides health coverage for low-income pregnant women, parents, children, persons with disabilities, and seniors.
- Receives approximately 50% of its funding from the federal government

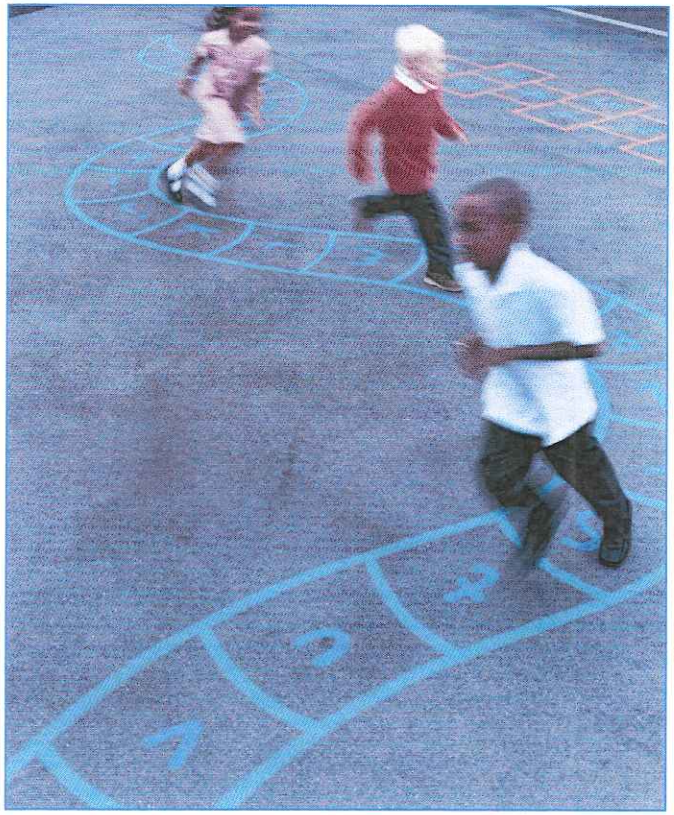
Child Health Plan *Plus* (CHP+)

- CHP+ is affordable health insurance for Colorado children 18 and under and pregnant women
- Receives approximately 65% of its funding from the federal government

Who We Serve

As of November 2012:

- 669,000 Medicaid clients
- 86,000 children and pregnant women in CHP+
- 60% of Medicaid clients are children 20 and under



Strategic Plan Goals:

1. Improve health outcomes, client experience and lower per capita costs
2. Sustain effective internal and external relationships
3. Provide exceptional service through technological innovation
4. Build and sustain a culture where we recruit and retain talented employees
5. Enhance efficiency and effectiveness through process improvement
6. Ensure sound stewardship of financial resources

Department of Health Care Policy & Financing
5-Year Strategy Map

November 1, 2012

VISION

The Coloradans we serve have integrated health care and enjoy physical, mental and social well-being.

MISSION

Improving health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.

GOALS

- I. Improve health outcomes, client experience and lower per capita costs* (Customer)
- II. Sustain effective internal and external relationships (Communications)
- III. Provide exceptional service through technological innovation (Technology)
- IV. Build and sustain a culture where we recruit and retain talented employees (People)
- V. Enhance efficiency and effectiveness through process improvement (Process)
- VI. Ensure sound stewardship of financial resources (Financing)

STRATEGIES

Logic Models & Implementation Plans

- A. Integrated Delivery System
- B. Benefit / Program Design
- C. Payment Methodology
- D. Eligibility & Enrollment
- E. Client Experience & Engagement

- A. Internal Communications
- B. External Communications
- C. Government Affairs

- A. Health Information Technology (HIT)
- B. Collaboration & File Sharing

- A. Workforce Development
- B. Employee Engagement
- C. Human Resources Transformation
- D. Revitalization

- A. Strategic Management Process (SMP)
- B. LEAN Community
- C. Tri-Agency & Interagency Collaboration

- A. Cost Containment Extpertise
- B. Fraud, Waste & Abuse Prevention
- C. Grants Management

5-Year Programmatic Performance Measures

1-Year Operational Performance Measures

Adapted from the Institute for Healthcare Improvement's Triple Aim.

Strategic Plan: Goal 1

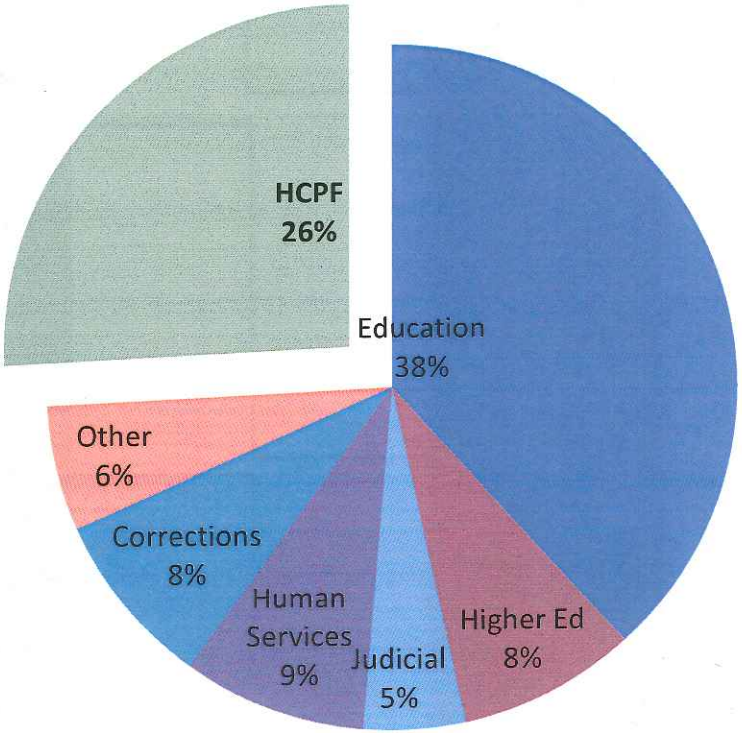
Improve health outcomes, client experience and lower per capita costs

- Integrated Delivery System
- Benefit/Program Design
- Payment Methodology
- Eligibility & Enrollment
- Client Experience & Engagement

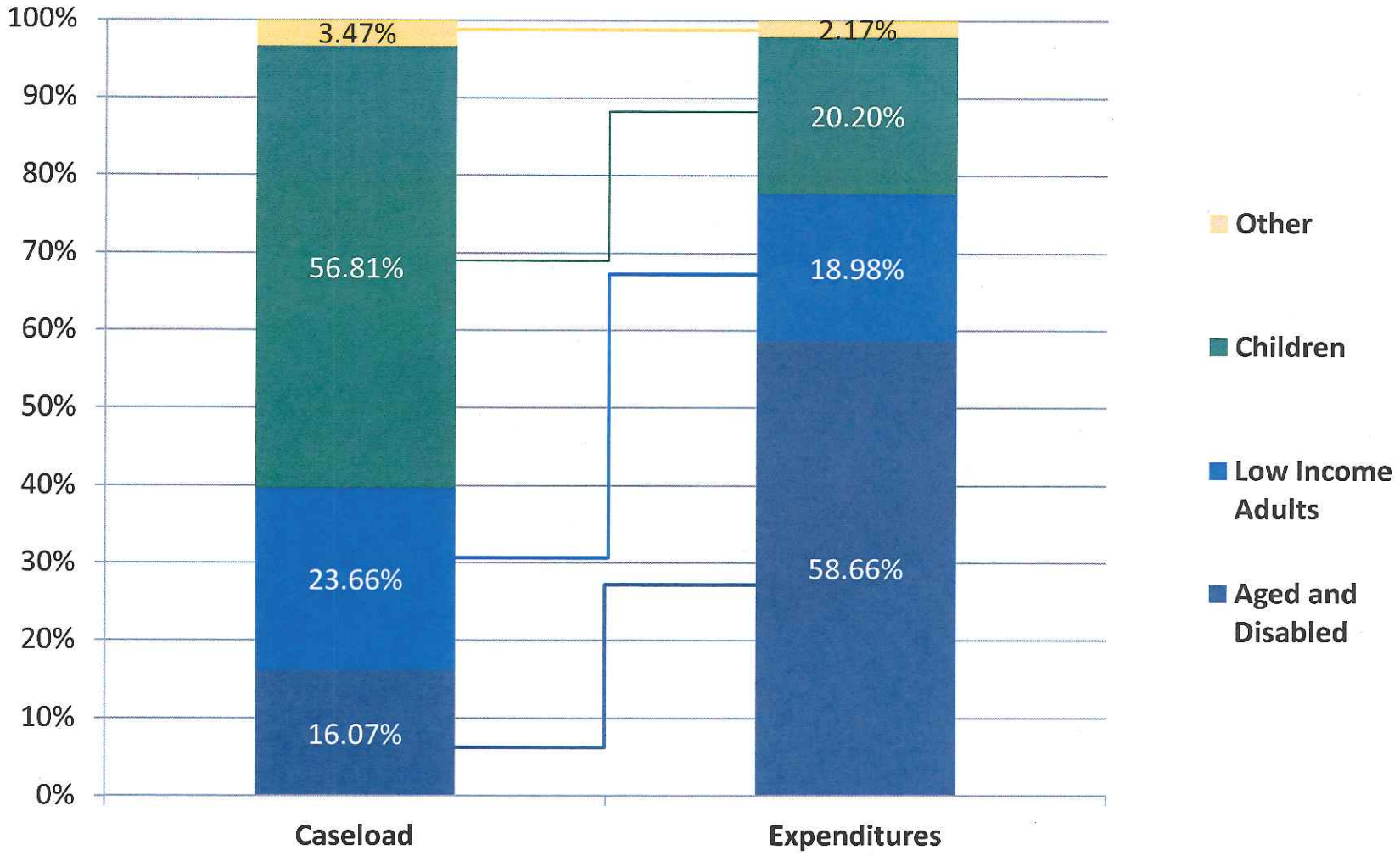
FY 2013-14 Budget

	Total Funds	General Funds	Cash Funds	Reappropriated Funds	Federal Funds
State	$21.6B	$7.9B	$6.5B	$1.6B	$5.6B
HCPF	$6.0B	$2.0B	$917M	$5.9M	$3.1B
% of State	27.9%	25.7%	14.0%	0.4%	55.0%

General Fund Request By Department



Medicaid Caseload and Expenditures



Cost Containment Strategies
$280 million over ten years

1. Benefit Redesign & Value-Based Services
2. Delivery System Reform
3. Payment Reform
4. Improve Health Technology and Information
5. Redesigning Administrative Infrastructure & Reducing Fraud, Waste, Abuse

Medicaid Expansion: The Right Choice for Colorado

Expansion allows Medicaid to cover more than 160,000 additional Coloradans

- Expansion allows us to cover more people with the right services at the right time and drive value in the system
- 58,000 additional parents and adults likely to enroll between 100%-133% of FPL (138% with an automatic 5% income disregard)
  - In 2012, 133 percent of the FPL was $30,657 for a family of four and $14,856 for an individual
- Supports Colorado's health and economy by helping people stay healthier over the long term

Maximizing enhanced federal funding is the best option for Colorado

- Allows provider fee dollars to stretch further with the enhanced federal matching funds
- The Medicaid expansion is expected to have little to no impact on the state General Fund

Expansion Match Rates

Eligibility Category	Match Rate (Federal/State)
Existing Medicaid[1]	50/50
Existing CHP+	65/35 88/12 (FFY 2015-2019)
Parents & AwDC (HB 09-1293)	100/0 (CY2014-16) [2] 90/10 (2020+) [2]
ACA Medicaid	100/0 (CY2014-16) 90/10 (2020+)

Match Rates for Expansion Populations Over Time (Federal/State)				
2014	2017	2018	2019	2020+
100/0	95/5	94/6	93/7	90/10

[1] Includes those currently eligible but not enrolled who subsequently enroll

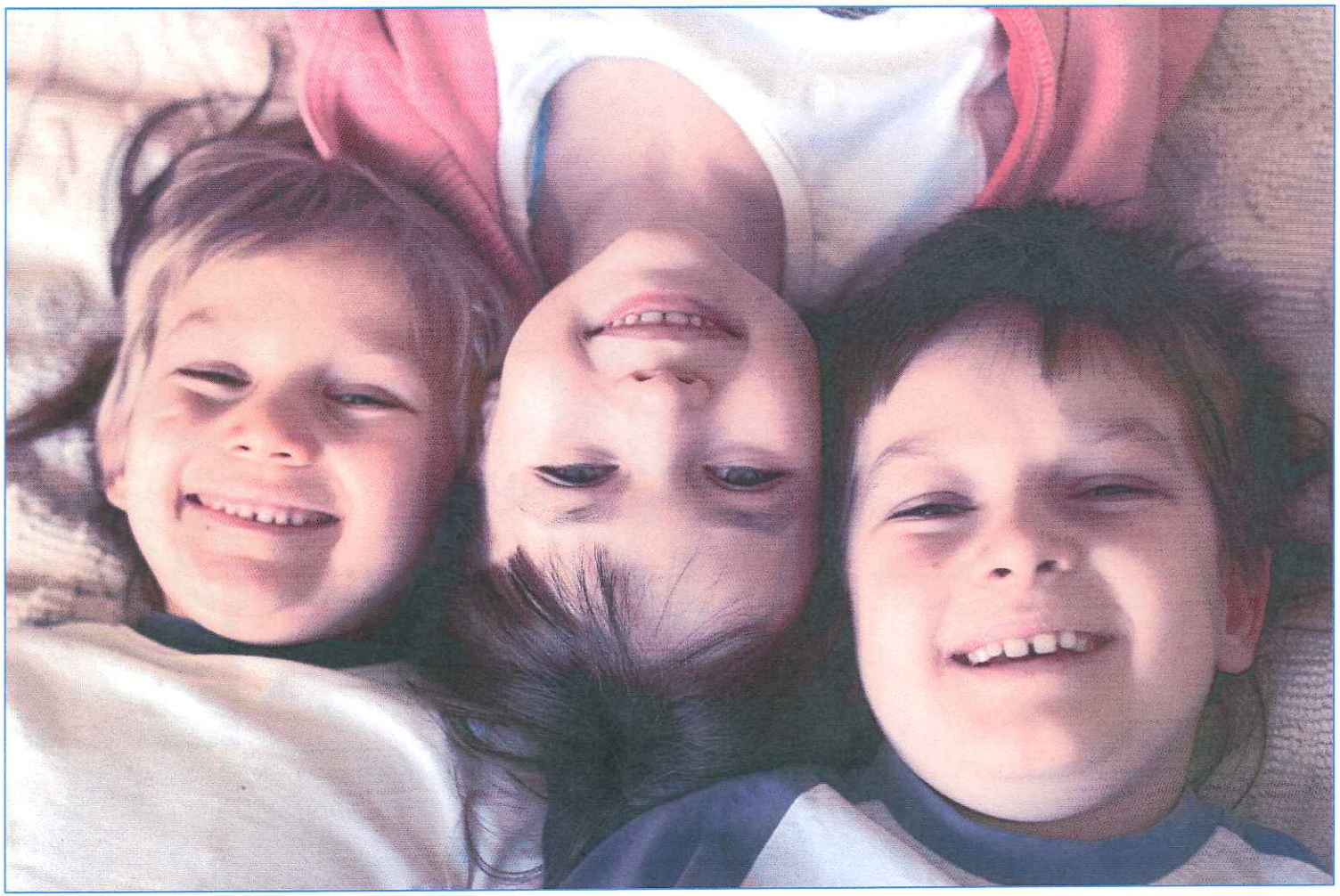
[2] Match rate for parents and AwDC under the 09-1293 expansion will be 50/50 if the state does not expand these categories to 133%

Expansion Financing

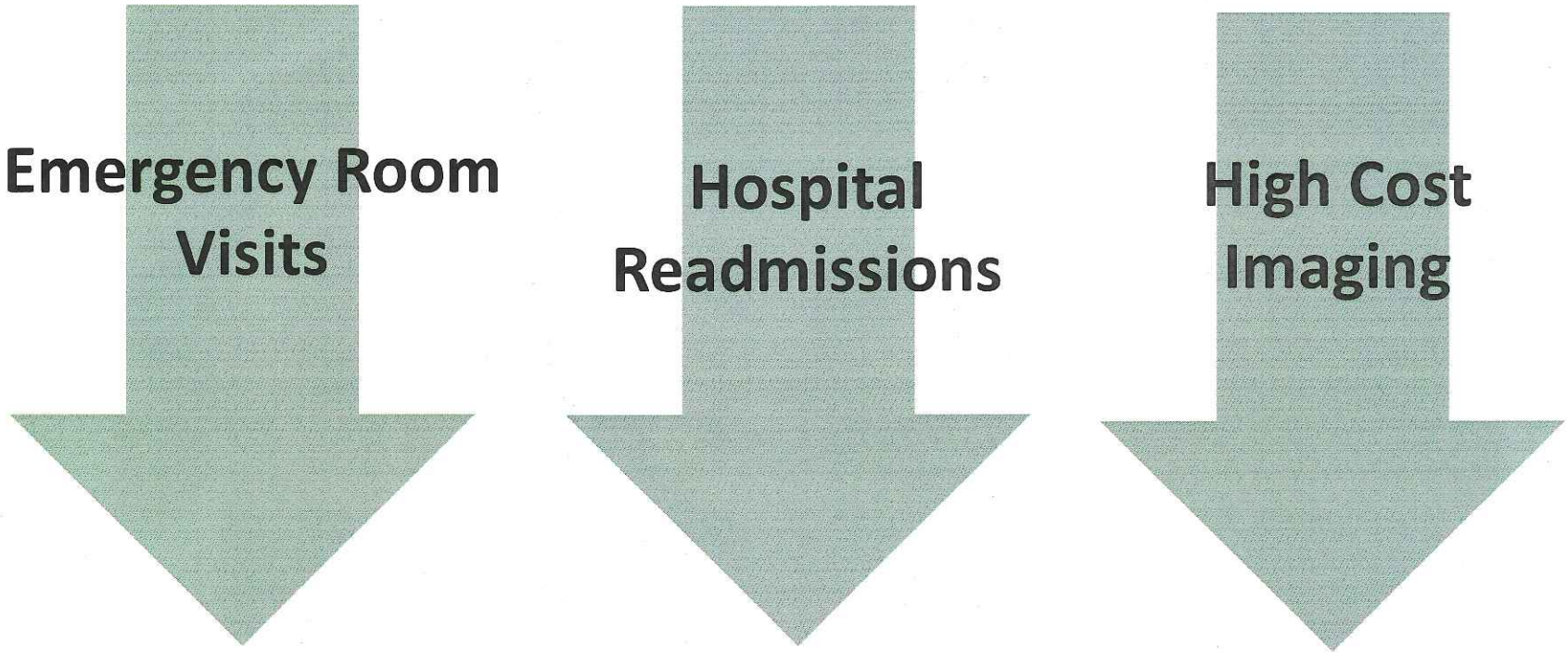
Preliminary 10-YEAR ESTIMATE* Caseload and Cumulative Expenditure Projections, 2013-2022 (Representing Net Change, Costs in Millions)			
	HB 09-1293	ACA	**Total
Caseload[1]	220,300	59,500	271,000
Total Cost	$11,709.7	$2,039.2	$13,548.3
State Share: Provider Fee/ Other[2]	*$1,267.3*	***$128.3***	*$1,395.6*
State Share: GF/Other[2]	*$0*	*$0*	***($179.5)***
Federal	*$10,382.3*	*$1,910.9*	*$12,280*

*This is a preliminary estimate of caseload and expenditures and does not include administrative costs or effects of other programs.
**The total estimates column above takes into account calculations for eligible but not enrolled individuals and changes to the CHP+ costs and caseload.
[1] Its estimated that more than 160,000 Coloradans will be enrolled as a result of the expansion. This is the difference between 271,000 (above) and an estimated 110,200 parents and adults without dependent children currently authorized under the provider fee.
[2] As federal funding tapers, we anticipate savings, provider fees and other public funding will cover the additional caseload.

Updates



Accountable Care Collaborative: Initial Results



Accountable Care Collaborative: Future Vision

2012	2013	2014	2015	2016
Duals Proposal to CMS	Enrollment 200,000	Enrollment 350-400,000	Enrollment 470-520,000	Enrollment 620-670,000
AwDC Implementation	Shared savings Implementation	ACA Expansion		RCCO RFP
CPCI	Duals Implementation with CMS approval	BHO Rebid Implementation		
	1281 Implementation			

Payment Reform through the ACC

Improving Long Term Supports and Services

Strong program management

Transparent stakeholder partnerships

Rigorous data analysis

Consumer direction