Colorado Quarterly Report

Title Line One – Colorado Adults without Dependent Children (AwDC) Demonstration

Title Line Two - Section 1115 Quarterly Report

Demonstration/Quarter Reporting Period:

Demonstration Year: 2 (07/1/2012 – 06/30/2013)
Federal Fiscal Quarter: 3 (4/2013 – 6/2013)

I. Introduction

The Colorado AwDC Medicaid Section 1115 Demonstration (Demonstration) was approved on March 30, 2012. The State of Colorado's Department of Health Care Policy and Financing (the Department) began accepting and processing applications on April 1, 2012. In May 2012, all applicants who had been found eligible and approved for AwDC benefits were enrolled and began receiving benefits effective May 1, 2012.

The Demonstration provides comprehensive health care benefits for up to 19,250 eligible adults. Eligible adults are ages 19 through 64 years who are not pregnant, who do not have a Medicaid-eligible dependent child living in the household, who have family income at or below 10 percent of the Federal Poverty Level (FPL), and who are ineligible for Medicaid State Plan benefits under any other category, the Children's Health Insurance Program (CHIP) or Medicare. Currently, the State-established income eligibility standard is 10 percent of the FPL; however, the Department has the option to increase the income standard up to 60 percent of the FPL and/or increase enrollment capacity as State funding allows. In the meantime, all individuals who apply and are found eligible for the Demonstration are placed on a waitlist for randomized enrollment as enrollment slots become available.

The Demonstration population receives State Plan benefits through the Department's Accountable Care Collaborative (ACC) program. All Demonstration-enrolled individuals are mandatorily enrolled in the ACC, which consists of seven Regional Care Coordination Organizations (RCCOs) throughout the state. Clients enrolled in the ACC are associated with a RCCO based on their county of residence. The RCCO is designed to assist individuals in coordinating care and improving health outcomes. In addition to coordinated care through the ACC, Demonstration-eligible individuals may also receive mental health services through mandatory enrollment into the Prepaid Insurance Health Plan (PIHP) serving their region of residence. Demonstration-enrolled individuals with co-occurring mental health and substance use disorders may receive treatment for both conditions provided under the PIHP contract.

The Department's goals under the Demonstration are to:

- Provide health care coverage for up to 19,250 previously uninsured Coloradans, and more if funding is available to sufficiently cover additional individuals;
- Ensure that services are effective and coordinated through an accountable care structure;
- Ensure that appropriate services are provided in a cost-effective manner for this

population;

- Provide comprehensive coverage for individuals who were previously uninsured and served through the Colorado Indigent Care Program (CICP), a State-only program that provides low-cost health care services to low-income individuals who are not eligible for Medicaid or CHIP; and
- Study trends in beneficiary needs, provider capacity, and care delivery to assist in preparations for the implementation of provisions of the Affordable Care Act in 2014, including the coverage for the group described in section 1902(a)(10)(A)(i)(VIII) for individuals under age 65, regardless of disability status, with income at or below 133 percent of the FPL.

II. Enrollment Information

A. Enrollment Counts

Note: *Enrollment counts should be person counts, not member months*

Demonstration Populations	**Current Enrollees** (as of June 2013)	**Disenrolled in Current Quarter**
AwDC	14,772	1,412

The number of current enrollees is the official caseload number of clients. It is a count of anyone who had a final eligibility type of AwDC for at least one day in the last month of the quarter, June 2013.

The number of clients disenrolled in the current quarter indicates the number of clients who were enrolled for at least one day in the last quarter, but were not enrolled at all during the current quarter.

B. Enrollment Cap/Wait List

The enrollment cap for this quarter increased incrementally. At the end of the last quarter, the enrollment cap was still 10,000. During this quarter, the cap increased to 13,000 in April, 14,250 in May, and 15,500 in June. The enrollment increase will continue incrementally through September, per the approval received from CMS in March 2013.

The waitlist data as of June 27, 2013 showed 11,411 eligible applicants on the waitlist for enrollment. Although enrollment in Part II, Section A above indicates fewer than 15,500 clients, meaning that our enrollment was slightly below the cap, a waitlist was in place due to the enrollment process the Department is using. This process is described in STC 18.

C. State-Established Income Eligibility Standard

The current Department-established income eligibility standard is at 10 percent of the FPL.

Although the Department received approval to increase the enrollment cap, at this time the Department is not considering a change in this income standard. The size of the waitlist indicates that we have many more potential clients at 10 percent FPL whom we would need to cover before we could consider raising the income limit.

D. Collection and Verification of Encounter Data and Enrollment Data

The Department has not encountered any issues, activities or findings related to the collection and verification of encounter and enrollment data.

III. Benefits Information

Demonstration clients receive the standard State Plan Medicaid benefit. The Department is not anticipating any benefits changes among populations served under the Demonstration. The Department received approval during the recent legislative session to add an enhanced substance abuse benefit and an adult dental benefit to the State Plan, but neither of these benefits will be implemented until after the Demonstration ends.

IV. Assignment of a Primary Care Medical Provider and Virtual Network

Demonstration Populations	New RCCO Enrollees for the Quarter	New Enrollees Assigned a PCMP
AwDC	3,286	1,126

The number of new RCCO enrollees is the number of new AwDC clients who had a RCCO enrollment span and for whom a PMPM payment was made to a RCCO.

The number of new enrollees assigned a PCMP is the number of new AwDC clients who had a PCMP enrollment span in this quarter and for whom a PMPM payment was made to a PCMP. PCMP assignments are effective the first day of the month after a selection is made. Therefore, PCMP enrollment was effective on May 1 for clients enrolled in April and on July 1 for clients enrolled in June. The Department encountered an operational problem with May enrollments, which is discussed in Section VI. The percentage of AwDC clients who had been assigned a PCMP on July 1, 2013 was 41.0% for clients enrolled through June. This is slightly lower than our previous quarter (49.8%), but we believe this is reasonable given that our enrollment increase has resulted in an influx of new clients without provider relationships or claims histories.

For all ACC program clients, including Demonstration clients, the RCCOs continue to work with primary care providers and with the community mental health centers in their regions to help clients select a PCMP. As noted in the previous quarterly report, many providers are using a fax enrollment form whereby the provider works with the client and then faxes the PCMP selection to the Department's enrollment broker to create the PCMP enrollment span.

The RCCOs have committed to an ongoing process improvement to effectively serve Demonstration enrollees. As an example, a work group has formed, consisting of RCCO staff, State staff, and members of the ACC Program Improvement Advisory Committee to identify barriers for linkage to care among all ACC clients, including AwDC Demonstration clients. The work group will also formulate recommendations to help remove these obstacles.

The Department continues its re-attribution process. Clients enrolled in the ACC who did not or do not have an established relationship with a provider (both Demonstration and non-Demonstration enrollees) are not initially attributed to a PCMP. In the re-attribution process, claims are analyzed for clients who have remained unassigned to a PCMP but have accumulated a claims history. If the claims history indicates a relationship with a provider has been established, the client is attributed to that PCMP. Once a PCMP is assigned or selected, clients (including Demonstration enrollees) continue to have the option of selecting a different PCMP by contacting our enrollment broker. The Department's Statewide Data and Analytics Contractor (SDAC), Treo Solutions, conducts the re-attribution process, which has resulted in an increased share of AwDC clients becoming attributed to a PCMP.

The RCCOs continue to outreach to the providers in their region and have indicated increases in both formal networks of PCMPs and informal networks of specialists. Also, formal partnerships between the RCCOs and larger specialty networks are in place in various regions.

V. Outreach/Innovative Activities

All outreach activities detailed in the last quarterly report have continued. These include email communications which have been sent to stakeholders, advisory committee members and community partners on a regular basis. The communications include Demonstration updates and links to resources posted on the Demonstration web page. Department staff continue to attend various community engagement meetings. Department staff also participate on the HIV Resources Planning Council for Denver's Ryan White grant and have been working with HIV advocates to encourage their clients to apply for the current AwDC waiver and to prepare for the 2014 Medicaid expansion.

During this quarter, the Department also continued outreach activities to advise community partners, potential clients, and other stakeholders of the enrollment increase. This outreach included advisories through Department newsletters; communications to eligibility sites; emails to stakeholders; and announcements by Department staff at stakeholder meetings and public events, including announcements by our Medicaid Director and our agency's Executive Director.

Some of the innovative activities that have occurred as part of the Demonstration have been described elsewhere in this report, including re-attribution, use of additional databases to locate clients and link them with PCMPs, and events to encourage clients to engage with the Demonstration.

VI. Operational/Policy Developments/Issues

Operational issues and policy developments in this quarter include the following, which are summarized below: 1) the assignment of a PCMP; 2) a change to the manual enrollment process; and 3) a problem with the May enrollment.

1) The assignment of a PCMP has been discussed elsewhere in this report and in the previous quarterly reports. The Department will continue to monitor and track the RCCOs' progress in ensuring Demonstration clients have an assigned PCMP. Although many other clients enrolled in the ACC are automatically attributed to a PCMP based on claims history, the AwDC population does not have the benefit of that claims history with Medicaid, and all members must manually choose a PCMP or wait until there is enough claims history for the system to attribute them, as discussed below.

   In addition, the Department continues a re-attribution process in which the SDAC examines recent claims history for enrolled but unattributed ACC members to identify potential relationships and assign members to PCMPs. This quarter's re-attribution analysis was run in April 2013, and 532 AwDC clients were newly assigned to a PCMP through that process.

2) As described in previous reports, the Department uses a randomized selection process each month to determine which clients to pull from the waitlist and enroll into benefits. Each client is moved manually from the waitlist into benefits. As the waitlist has grown, it has caused the eligibility system to run slowly when workers at the Department's eligibility and enrollment contractor, Maximus, manually changed a client's status from waitlist to enrollment in benefits. Although the April enrollments were completed on time, the compromised speed of the database along with the increased monthly enrollment prompted the Department to change the enrollment process.

   Rather than having Maximus enroll each client manually, the Department instructed the benefits system contractor, Deloitte, to auto-enroll the group of randomly selected May clients into benefits and then send any exception cases to Maximus to work through manually.

3) This change made the enrollment process much faster, but the group of clients enrolled by Deloitte in late May were mistakenly given a July 1 Medicaid eligibility span rather than a May 1 eligibility span. Clients who were enrolled manually by Maximus received correct May 1 start dates. To correct this problem, the Department took the following steps:
   a. The Department announced the system error to stakeholders at the June 4 Advisory Committee meeting.
   b. The Department instructed Deloitte to correct the spans. Deloitte was able to change the eligibility date to June 1 but could not backdate to May 1.

c. The Department mailed proof of eligibility letters to the 1,253 affected clients to backdate their coverage to May 1.
d. The Department advised RCCO leadership of the incorrect dates and engaged their assistance to reach out to providers, instructing them to resubmit any claims that had been denied in May.
e. The Department worked with the enrollment broker to ensure that ACC spans were created for clients beginning no later than July 1.

The June enrollment was completed without problems using the new process. Deloitte auto-enrolled the group of randomly selected clients with a correct June 1 start date, and Maximus worked all the exception cases, also enrolling those clients with a June 1 start date. The Department plans to continue using this process since it is completed much more quickly than having Maximus work every individual case.

As of the end of this reporting quarter, the Department has not heard of or experienced any major health care delivery issues, there are no expected changes to the structure of the Community Mental Health Services program and the delivery of mental health services by the PIHPs, and the Department is not aware of any issues with enrollment into the PIHPs or access to mental health services. The Department has no concerns about the financial performance of any of our health plans and there is no current legislative activity planned. There are no action plans in place at this time.

VII. Expenditure Containment Initiatives

The Department is not currently undertaking any expenditure containment initiatives that will affect the Demonstration.

VIII. Budget Neutrality

A. Financial/Budget Neutrality Development/Issues

All population expenditures were identified and were reported on the CMS 64 AwDC Waiver for the quarter ending 6/30/2013. All expenditures meet budget neutrality requirements.

B. Member Month Reporting

i. For Use in Budget Neutrality Calculations

Eligibility Group	April -Month 1	May -Month 2	June –Month 3	Total for Quarter Ending 6/13
AwDC	12,076	12,462	14,772	39,310

Eligibility Group	Total Member Months for the Quarter	PMPM *(Total Expenditures divided by Total Member*	Total Expenditures

		Months)	
AwDC	39,310	$521.06	$20,483,062.80

IX. Consumer Issues

As with the previous quarters, during this quarter there were some consumer issues related to the application and eligibility process. To correct this, the Department continues to respond to questions from counties, eligibility workers, community organizations and other stakeholders. Overall, there have been fewer issues each quarter as the stakeholders have become more familiar with the program. The Department did work closely with call center staff to ensure that they were able to give correct information to clients affected by the May enrollment problem. Clients and advocates have been hugely supportive of the program's enrollment increase and appreciative of the Department's work to address problems quickly.

During this quarter, the Department's program manager began working with stakeholders in the monthly Advisory Committee meetings to discuss and document the lessons learned from the waiver program. Stakeholders have been providing thoughtful feedback that will be useful to inform preparations for the larger Medicaid expansion.

X. Quality Assurance/Monitoring Activity

RCCOs are required to submit quarterly Behavioral Health Integration Reports to demonstrate their efforts to provide integrated care. The Department is using these reports to help track the challenges around integration, to ensure that RCCOs and BHOs are working together to provide more integrated care, and begin to explore additional opportunities for integration. Demonstration staff continue to work with the Department's Quality Section to ensure the adult quality measures are appropriate for the Demonstration population.

The Department received a grant from CMS Adult Medicaid Quality Measure (AMQM) program. During the previous quarter, the Department received and reviewed grant applications from RCCOs and providers for quality improvement projects related to adult quality measures on depression and diabetes. These grant projects are being implemented by ACC providers for adult ACC clients, including AwDC. The anticipated grant period is April to December, 2013.

XI. Demonstration Evaluation

The Department submitted the draft evaluation plan on July 27, 2012. CMS responded with questions about the evaluation plan in mid-September. The Department responded to those questions on November 23, 2012 and submitted the revised plan on February 8, 2013. The Department received additional feedback on the April 30 quarterly monitoring call and re-submitted the plan on August 1. CMS approved the plan on August 14, 2013. Utilization, enrollment, waitlist, and cost data that will be used in the evaluation are already being collected.

XII. Transition Plan

The Department submitted the first draft of its Transition Plan on October 31, 2012. As many decisions that will affect the development of the Transition Plan had not yet been made by the Governor's office or by the Department, the Transition Plan was very much a draft. The Department's expansion and transition team staff, and senior leadership have outlined a more fully developed plan based on our policy and system parameters. Public notice around the Transition Plan began in July 2013, and the Department is working closely with stakeholders and CMS to finalize it.

XIII. Additional Information

A. Enclosures/Attachments

B. State Contact(s)

Sonja Madera, MS
Medicaid Reform Specialist
Medicaid Reform Unit
Department of Health Care Policy and Finance
1570 Grant Street
Denver, CO 80203-1818
Phone: 303.866.6977 Fax: 303.866.2803
Email: sonja.madera@state.co.us

C. Date Submitted to CMS

August 29, 2013