Oct. 31, 2023

Kim Bimestefer
Executive Director
Colorado Department of Health Care Policy & Financing
Submitted via HCPF_ACC@state.co.us

Director Bimestefer:

On behalf of Colorado Hospital Association (CHA) and its more than 100 member hospitals and health systems statewide, I am writing to provide feedback on the Accountable Care Collaborative (ACC) Phase III Concept Paper. We greatly appreciate the efforts to continue strengthening the ACC as well as the immense amount of work that has gone into the thorough stakeholder engagement process.

CHA's guiding principles for ACC Phase III are 1) to promote integration of physical and behavioral health to ensure payment adequacy and care efficiency; 2) to ensure sustainable reimbursements for participating providers; and 3) to increase access to high-quality care. As you will see in the feedback below, provided in response to the Department's August 2023 ACC Phase III Concept Paper, Colorado hospitals' concerns center on the ability of patients and communities to access care.

1. <u>Access to Care in Rural Colorado</u>

As a program that must serve and respect the diversity of communities across Colorado, CHA appreciates that the ACC has a longstanding and steadfast commitment to a regional approach that allows for some variation across the state. Particularly in rural communities, local hospitals often serve as the sole source or central hub for access to the entire continuum of care, from primary care to inpatient hospitalization.

Community Alignment

CHA appreciates all the stakeholder engagement that went into the development of the currently proposed four-region Regional Accountable Entity (RAE) model. While this new model will help to reduce inconsistencies between different RAE regions, it does disrupt existing care models, patient preferences, and contractual arrangements by grouping the San Luis Valley with the western region of the state rather than the eastern region, as it currently is.

> **Recommendation:** Realign the San Luis Valley to fall within the same RAE region as the eastern plains.

Health Equity

CHA appreciates the importance that the Concept Paper places on advancing health equity and reducing disparities in access to care. However, one piece missing from the conversation around reducing disparities in access to care is ensuring network adequacy.

> **Recommendation:** To ensure adequate access to care in rural areas, CHA recommends adding language to RAE contracts with minimum network adequacy standards and appropriate mechanisms for enforcement of those standards.

Rural Sustainability

As described in the Concept Paper, $12 million per year is provided to rural providers through the Hospital Transformation Program (HTP) to increase participation in value-based payment systems and other alternative payment methodologies. Additionally, the Office of eHealth Innovation is providing $17 million for rural providers to connect to the state Health Information Exchanges, and rural hospitals can now enter into collaborative agreements and shared investments in related technologies to better manage care for rural members, per Senate Bill 23-298. However, these funding amounts are temporary and are often being used as stop-gap measures for rural hospitals struggling to maintain sustainability in their communities. These hospitals serve a disproportionate number of patients with Medicare and Medicaid – programs that typically fail to cover the full cost of delivering care.

> **Recommendation:** In conjunction with ACC Phase III, Colorado needs a consensus-driven and collaborative plan for long-term rural health sustainability that accounts for real-time and projected challenges facing rural health and hospitals. CHA looks forward to a continued partnership with HCPF that aims to improve access to high-quality primary care, particularly in rural and underserved communities.

2. Using Payment Sufficiency to Ensure Access to Care

Improving RAE Accountability

CHA is very supportive of the new payment structures proposed in the Concept Paper to reduce inconsistency across RAEs and to hold the RAEs more accountable to member health outcomes. Hospitals that serve patients across multiple RAE regions often report inconsistencies among payment rates and utilization management practices, increasing the administrative burden for providers. Additionally, CHA members have expressed concern that RAEs are not meeting contractual requirements with providers or HCPF.

> **Recommendation:** CHA appreciates the policy proposals that would require a minimum fee schedule and increase the use of standard assessment and utilization management tools for higher cost services. CHA is supportive of the policy proposals that add penalties for contract non-compliance, universal contracting provisions, and more prescriptive contract language, and asks that HCPF continue to prioritize these efforts.

Care Coordination Payments

CHA appreciates that the Concept Paper makes it clear that RAEs are expected to distribute a portion of their administrative payment to primary care medical providers for providing delegated care coordination services to members. However, CHA is concerned about the lack of accountability in ensuring those payments are appropriately distributed to providers. As HCPF has made clear, care coordination works best at the point of care. However, smaller providers – especially in rural areas –

might not have the staffing and capacity for high-quality care coordination and need to lean on the RAE for those services.

> **Recommendation:** CHA supports Children's Hospital Colorado and the Colorado Academy of Family Physicians' proposal to pay RAEs and providers directly for care coordination services, rather than paying the provider through the RAE. ACC Phase III payment structure should appropriately reimburse both providers and RAEs directly for providing care coordination services.

Alternative Payment Models
CHA appreciates the move towards alternative payment models for providers that prioritize value over volume, as well as the commitment to ensure ACC Phase III will complement existing alternative payment programs. For nearly 15 years, Colorado hospitals have been strong partners with HCPF in implementing alternative payment models, which now include the Hospital Quality Incentive Payment Program and HTP, among others. Hospitals have numerous quality programs and measures tied to payment at both the federal and state levels.

> **Recommendation:** ACC Phase III should minimize the addition of new quality measures and align as closely as possible with existing programs, particularly those that align with federal and other multi-payer programs. CHA appreciates HCPF's recognition of the need for alignment stated in the Clinical Quality Strategic Objectives.

3. <u>Access to Behavioral Health Care</u>

CHA has been deeply involved in behavioral health transformation occurring in Colorado over the last decade or more. CHA's engagement is driven by a policy principle that promotes improvements in behavioral health infrastructure and continuum of care, as well as encourages policies to coordinate care across the spectrum of services to ensure the right care is provided at the right time in the right care setting.

Ensuring Access to Care for Individuals in Crisis
One way to improve ACC Phase III would be to increase the availability of services across the care continuum – specifically services for those in crisis. As stated in the Concept Paper, the RAEs will be responsible for administering both community-based mobile crisis intervention services and a new secure transport benefit. CHA appreciates this expansion of services; however, there remains a need for a facility-based response to crisis services, as local hospitals are viewed as safe, accessible locations with resources for individuals in crisis. It is imperative to ensure that access to these services in various settings is prioritized for all patients.

> **Recommendation:** Ensure ACC Phase III, HCPF, and the Behavioral Health Administration (BHA) support and fund facility-based crisis response services alongside community-based mobile crisis services. CHA will continue to work with HCPF and the BHA on appropriate long-term solutions.

c|h|a
Colorado Hospital Association

Removing Access Limitations to Inpatient Behavioral Health Care

CHA appreciates the proposal in the Concept Paper to cover 15 days for member stays in Institutions of Mental Diseases (IMDs), regardless of the total length of stay. Currently, IMDs will not be paid for any part of a Medicaid member's inpatient care if that member's inpatient care exceeds 15 days. Consequently, patients are discharged before they have received necessary care and medication and without options for community support or care continuity, which often leads to cyclical admissions and discharges from an IMD without achieving stabilization.

> **Recommendation:** Prioritize seeking federal approval of a waiver that would eliminate the cap of 15 days for Medicaid members at IMDs and instead cover members fully for inpatient care lasting up to 30 days, consistent with changes implemented in eight other states, including Utah, Idaho, and Maryland.

Expanding Access to Integrated Physical and Behavioral Health Care

As stated above, a core policy principle for CHA in ACC Phase III is to promote the integration of physical and behavioral health to ensure payment adequacy and efficiency in the provision of care. CHA supports the proposed integrated care benefit and the Department's work around allowing reimbursement for standard Current Procedural Terminology code sets often used to support integrated care models. Additionally, CHA appreciates the desire to design a fully informed benefit by delaying development of this benefit until adequate feedback about lessons learned and best practices can be obtained from grantees for the Health Care Practice Transformation Grants program.

Providing fee for service reimbursement for integrated care outside of the existing capitated behavioral health benefit appropriately emphasizes the importance of care coordination services and will help to expand the provision of these services beyond the current structure, which has providers struggling to stretch RAE care coordination per-member per-month capitation payments to support this work.

> **Recommendation:** CHA strongly urges HCPF to continue prioritizing this benefit and expanding patient access in all health care settings – specialty care, behavioral health, hospital inpatient and outpatient, and in-home services.

Overall, CHA is pleased with the Concept Paper and supports HCPF's commitment to improving the health and well-being of Medicaid members across the state. Please do not hesitate to reach out with any questions or concerns you have regarding the Association's feedback.

Sincerely,

Adeline Ewing

Adeline Ewing
Policy Analyst