

Rocky Mountain Health Plans: *A Case Study of a Changing Market*

Safety Net Advisory Committee (SNAC) Lab

September 22, 2016



coloradohealthinstitute.org



Objectives



- Leverage our collective focus on vulnerable populations
- Provide a forum for opportunities and lessons learned
- Share the latest strategies for using data to measure effectiveness
- Synthesize input from the group and develop a shared body of knowledge

Introductions and Agenda

Setting the Stage: What We're Watching in Colorado's Insurance Market

Joe Hanel, Colorado Health Institute
Jeff Bontrager, Colorado Health Institute

Medicaid PRIME: Cost and Quality Outcomes to Date?

Patrick Gordon, Rocky Mountain Health Plans

Facilitated Discussion and Wrap-Up Interview



*What We're Watching in
Colorado's Private Market*

BUSINESS

Colorado health-insurance rates to jump 20 percent on average for individual buyers in 2017

Hot Off the Press

- Average 20% price increase
- Fewer carriers
- Regional trouble spots



Dramatic Price Increases

A Look at Colorado's 2017 Individual and Small Group Insurance Premiums
SEPTEMBER 2016

Coloradans who buy health insurance on the individual market will see steep price increases in 2017, with rates rising by an average of 20.4 percent. This increase comes on top of premium price hikes of 9.8 percent in 2016 and 0.7 percent in 2015. For some, insurance coverage may become unaffordable, threatening the historic gains made by Colorado in reducing its uninsured rate since 2014.

In the Eastern Plains, prices will rise an average of 39 percent on the individual market, the state's biggest increase. On the Western Slope, where consumers already pay some of the nation's highest premiums, rates will climb 28 percent.

The Colorado Division of Insurance (DOI) on September 20 approved the rates that insurance carriers can charge for 2017 policies sold on the individual and small group markets.

Individual market prices for 2017 will rise faster than any year since 2014, when the Affordable Care Act (ACA) launched. These rate increases impact eight percent of Coloradans, or about 435,000 people, according to the Colorado Health Access Survey. This includes individual policies sold on Connect for Health Colorado, the state's online insurance marketplace.

Price increases will translate to sticker shock for many. For example, the price of the second-lowest cost silver plan (the plan that sets the amount of tax credits available through the ACA) available on Connect for Health Colorado to a 27-year-old in several western Colorado counties will be \$514 a month. Prices will be even higher for older insurance consumers.

The ACA's tax penalty for not buying insurance is \$695 a year, so it's a good bet that some Coloradans will choose to remain uninsured and pay the tax penalty rather than spend more than \$6,000 a year on health coverage.

Table 1. Weighted Average of Increase in Rates from 2016 to 2017, by Market.

	Individual	Small Group
Shortfalls	26.4%	2.1%
On Exchange	20.9%	5.3%
Off Exchange	19.9%	2.0%
All Platinum Plans	0.0%	-0.5%
All Gold Plans	19.1%	1.6%
All Silver Plans	18.9%	3.3%
All Bronze Plans	21.9%	1.3%
All Catastrophic	18.6%	---

Source: Colorado Division of Insurance

Most Coloradans get their coverage through a large employer or government programs such as Medicaid or Medicare. These prices are not affected by the rates approved by the DOI.

But the new individual market rates disproportionately affect rural Colorado, where there are fewer large employers and where residents face some of the nation's highest insurance rates.

Small group prices will increase at a much more modest pace — 2.1 percent statewide. (See Table 1.) But in the individual market, prices are increasing by nearly 20 percent across all metal tiers except platinum, the most expensive plans. Prices for individual policies sold on Connect for Health Colorado are increasing slightly more than policies sold off the exchange.

Consumers also will feel the results of a shake up of

\$230.43

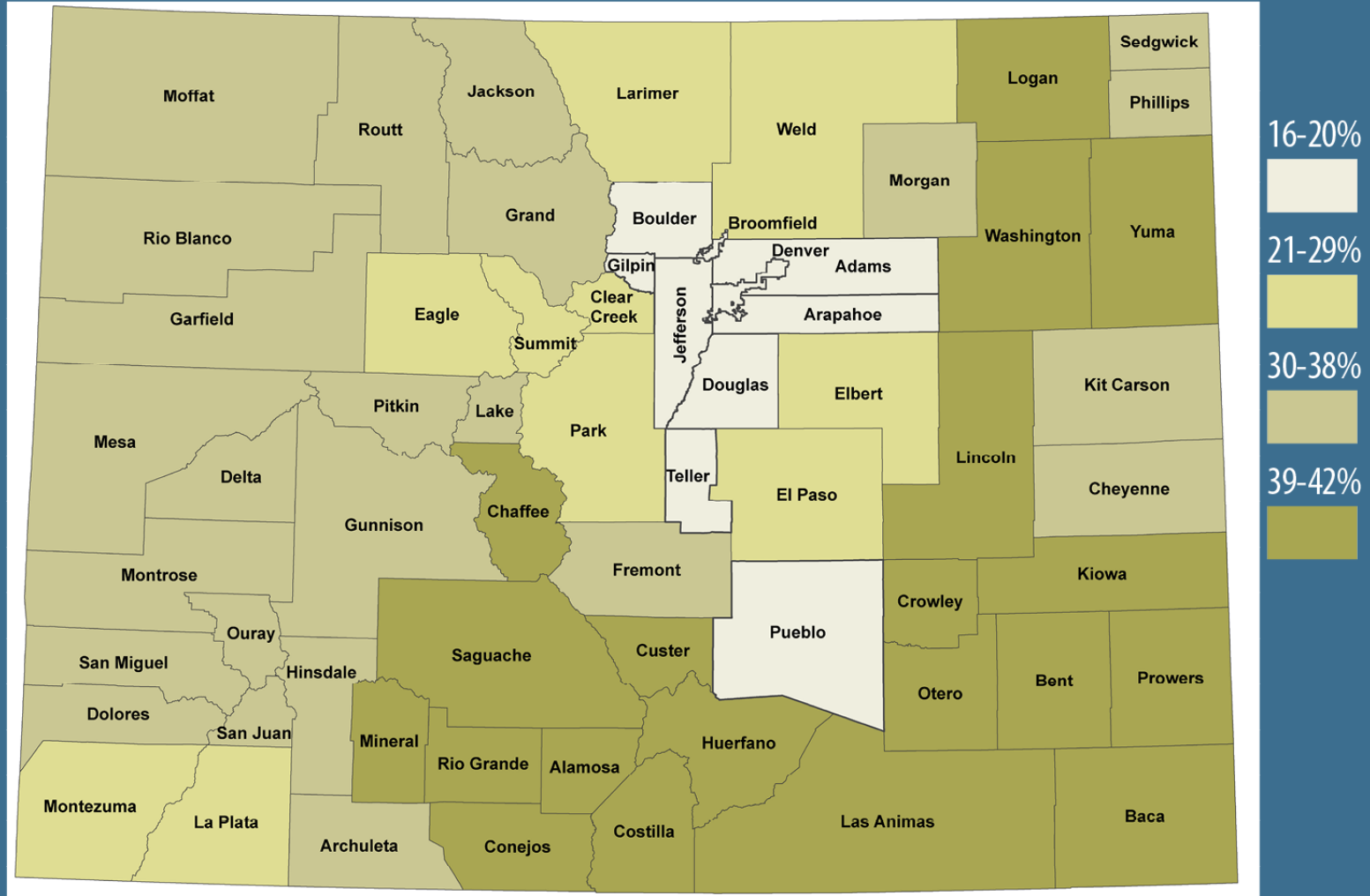
Cheapest Monthly Cost for a Bronze Plan for a 27-year-old in Denver

\$424.56

Cheapest Monthly Cost for a Bronze Plan for a 27-year-old in Blue County

Premium Increases by County, 2016-17

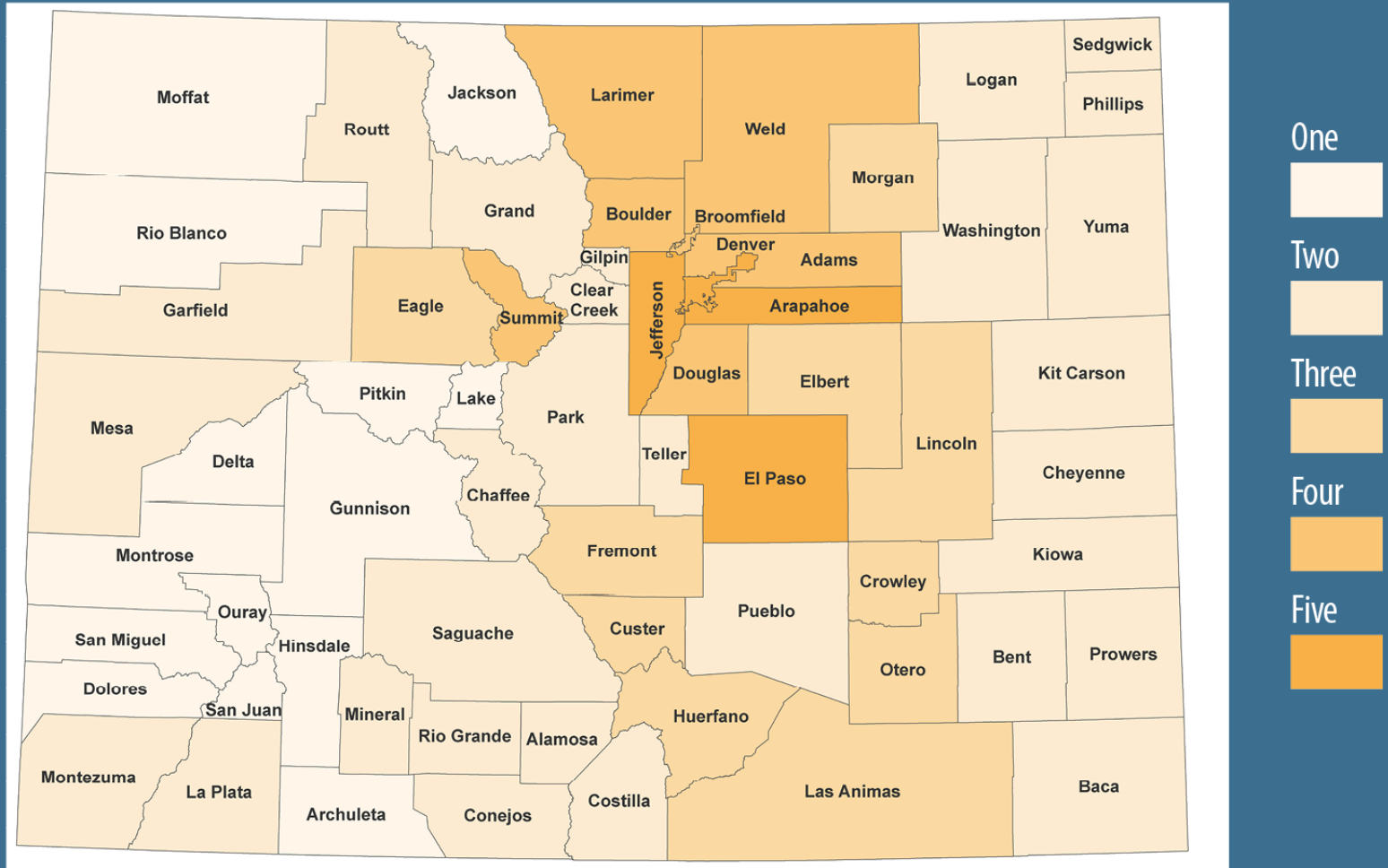
Weighted Average Increase of Individual Market Health Insurance Premiums by County, 2016 to 2017



Source: Colorado Division of Insurance

Exchange Plans by County, 2017

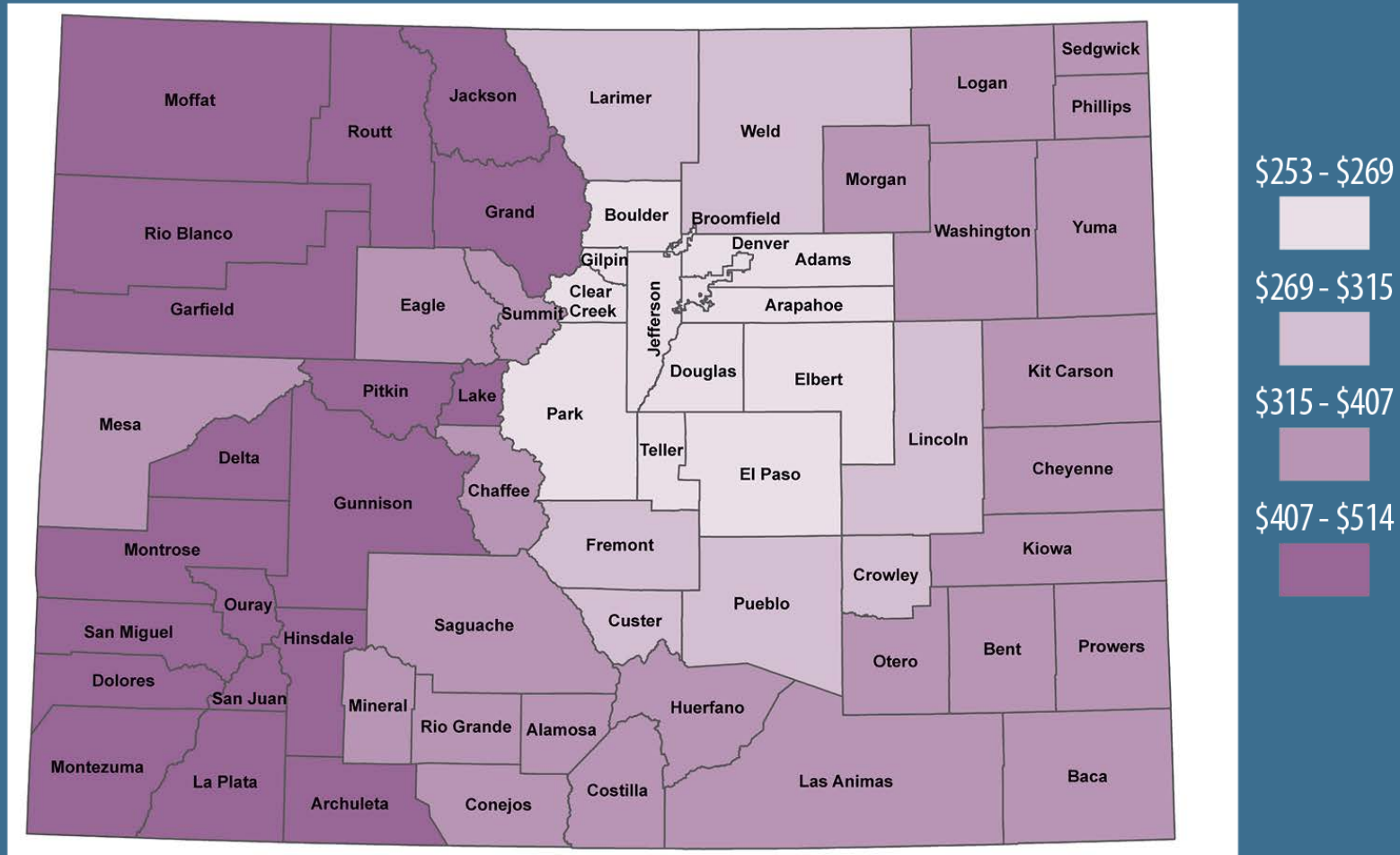
Number of Insurance Carriers by County, Through Connect for Health Colorado, Individual Market, 2017



Source: Connect for Health Colorado

Sample Prices, Exchange Plans, 2017

Sample Insurance Rates for Second-Lowest Cost Silver Plan for a 27-Year-Old, Sold on Connect for Health Colorado, 2017



Source: Connect for Health Colorado

Turbulence in the Individual Market

Figure 1. Number of Plans Offered Since ACA Implementation

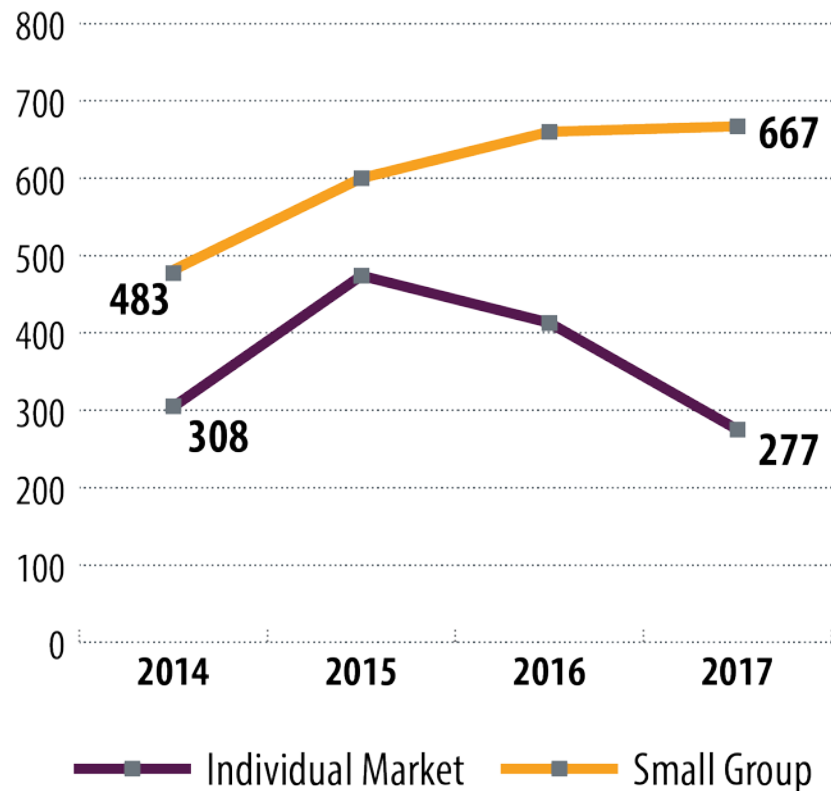
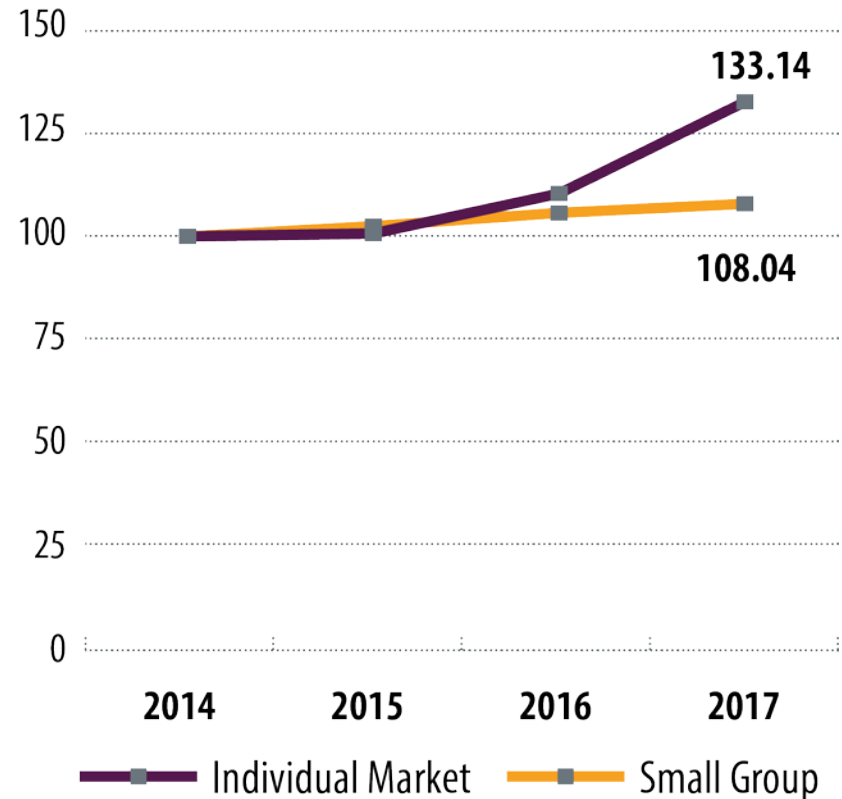


Figure 2. Index of Average Individual Market Prices
2014 = 100



The Human Face of the Problem



Alexandre

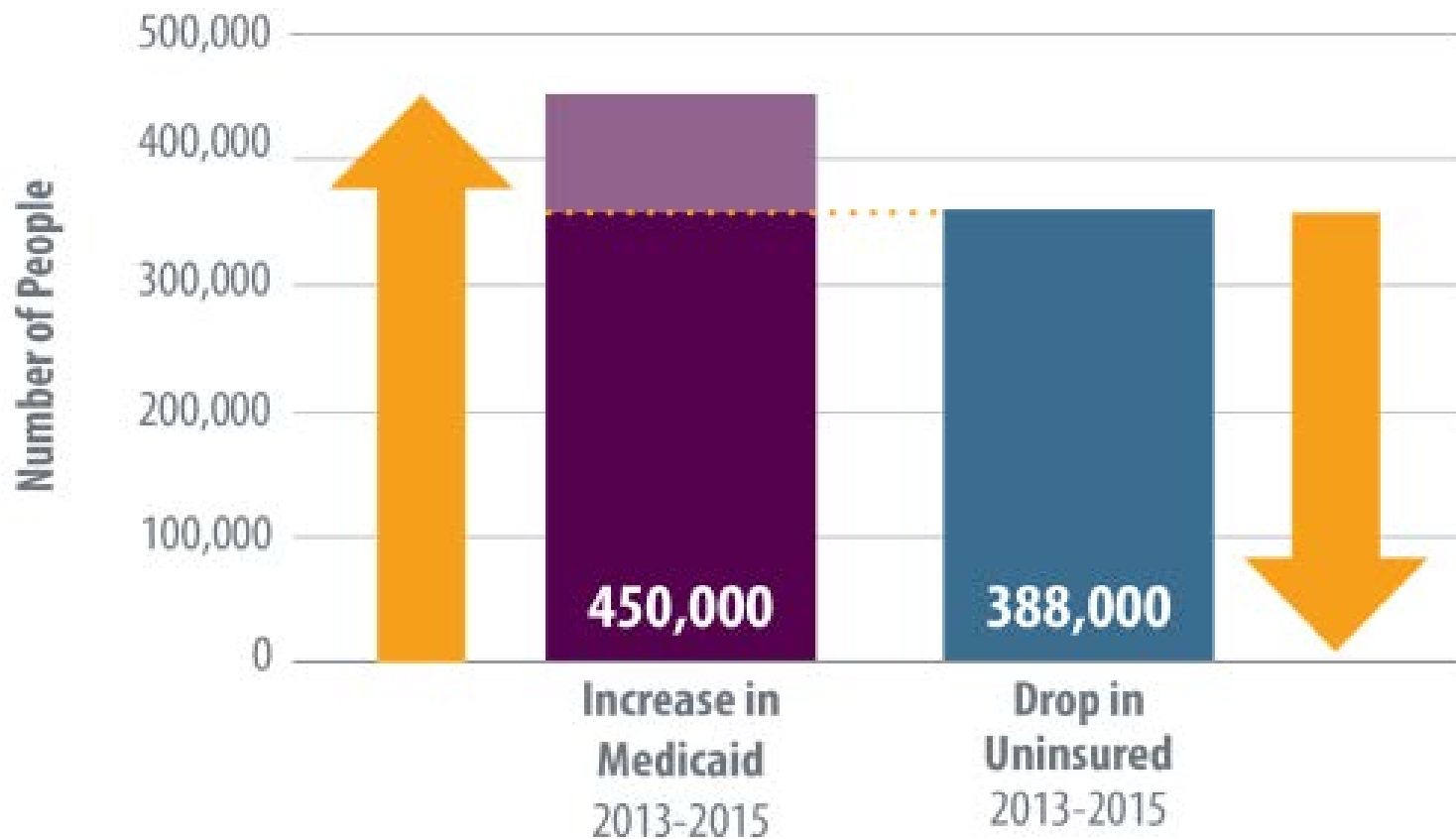
- Aspen, family of four
- 2015 premium: \$680/mo
- 2017 premium: \$1,600/mo

“How much do you squeeze people in the middle? What is the breaking point?”



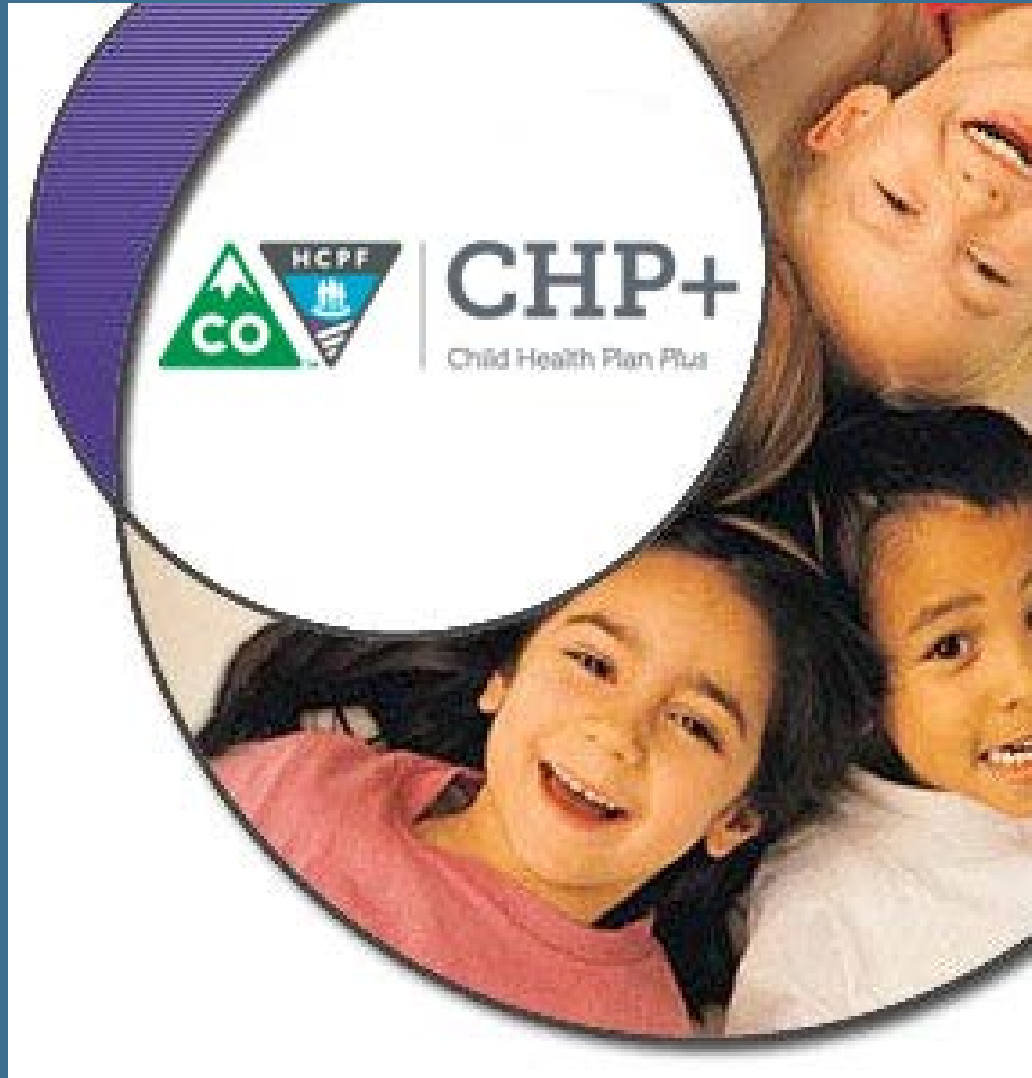
*What We're Watching in
Medicaid and Child Health Plan
Plus (CHP+)*

Did Crowd-Out and Welcome Mat Impact the Expansion?



Source: 2013 and 2015 Colorado Health Access Survey

What's the Future of CHP+?



What Should We Anticipate in the Accountable Care Collaborative (ACC) Phase II Request for Proposals?

Accountable Care Collaborative Phase II Concept Paper

October 20, 2015

Please send questions and comments to
RCCORFP@state.co.us



COLORADO
Department of Health Care
Policy & Financing

How will HCPF Pilot Programs Affect Reform?

The image shows two overlapping screenshots of the Rocky Mountain Health Plans website. The top screenshot displays the 'Medicaid Prime' page, which includes a navigation menu with 'HOME', 'PROGRAMS', and 'ABOUT'. The page content describes Medicaid Prime as a two-year pilot program launched in September 2014, aimed at reducing costs and improving efficiency through a community-based approach. It lists key themes such as value, health equity, behavioral health integration, and resource prioritization. The bottom screenshot shows the 'Access KP Medicaid' page, featuring a photo of a doctor and text explaining the ACC (Access Care Collaborative) as a new payment reform initiative. It details the partnership between the State of Colorado and Kaiser Permanente, the enrollment start date of July 1, 2016, and provides links to download program fact sheets and CPT code lists.

ROCKY MOUNTAIN HEALTH PLANS®

HOME PROGRAMS ABOUT

Medicaid Prime

Medicaid Prime, launched in September 2014, is a two-year pilot with a simple goal: Improve the community while reducing costs and improving efficiency.

The community-based approach brings together payment reform, population management, and a more cost-effective and accountable way of providing care. It will primarily serve adult Medicaid enrollees and a small number of Montrose, Pitkin and Rio Blanco.

The Colorado Department of Health Care Policy and Financing (RMHP) for a Medicaid payment reform project encompasses physical health, behavioral health, and population management. The program's purpose is to align the way providers deliver care and consists of about 2,000 CPT codes for which Kaiser Permanente will be financially responsible.

Prime's purpose is to align the way providers deliver care and consists of about 2,000 CPT codes for which Kaiser Permanente will be financially responsible. Key themes include:

- > Value, not volume
- > Accountable communities, not individual providers
- > Health equity for vulnerable populations
- > Behavioral health integration and whole-person care
- > Reduced health plan "red tape" to enable providers to deliver care
- > Prioritizing resources while accounting for everyone's needs
- > Sharing burdens and benefits with partners
- > Improving efficiency as coverage expands
- > Sharing data to improve population health

Access KP Medicaid

The ACC: Access KP is a new payment reform initiative within Colorado's Accountable Care Collaborative (ACC). The initiative is a limited benefit, capitated primary care model designed to pilot an alternative to the current fee for service payment mechanism.

This initiative is a partnership between the State of Colorado Department of Health Care Policy and Financing (HCPF), Colorado Access, and Kaiser Permanente with enrollment beginning **July 1, 2016**.

All ACC Region 3 (Adams, Arapahoe, and Douglas County) Medicaid clients who are attributed to Kaiser Permanente (KP) as their Primary Care Medical Provider (PCMP) as of May 1, 2016, will be passively enrolled into the new ACC: Access KP initiative.

After the initiative is implemented, clients who live in Adams, Arapahoe and Douglas County and meet the enrollment criteria may call HealthColorado at 303-839-2120 and ask to be enrolled in ACC: Access KP. Clients who are located outside this service area will not be eligible for ACC: Access KP.

Click this link to download the [Access KP program fact sheet](#)*

Click this link to download the list of CPT codes covered under [Access KP Medicaid](#)

Only KP contracted providers can bill Kaiser Permanente for covered services provided to ACC: Access KP members. Medicaid covered services not among the covered primary and specialty services will continue to be billed directly to the State.



*Medicaid PRIME: Cost and
Quality Outcomes to Date*



A Case Study in a Changing Market

CHI SNAC Lab | September 22, 2016



ROCKY MOUNTAIN
HEALTH PLANS®

We understand Colorado. We understand you.

What is Prime?

Payment

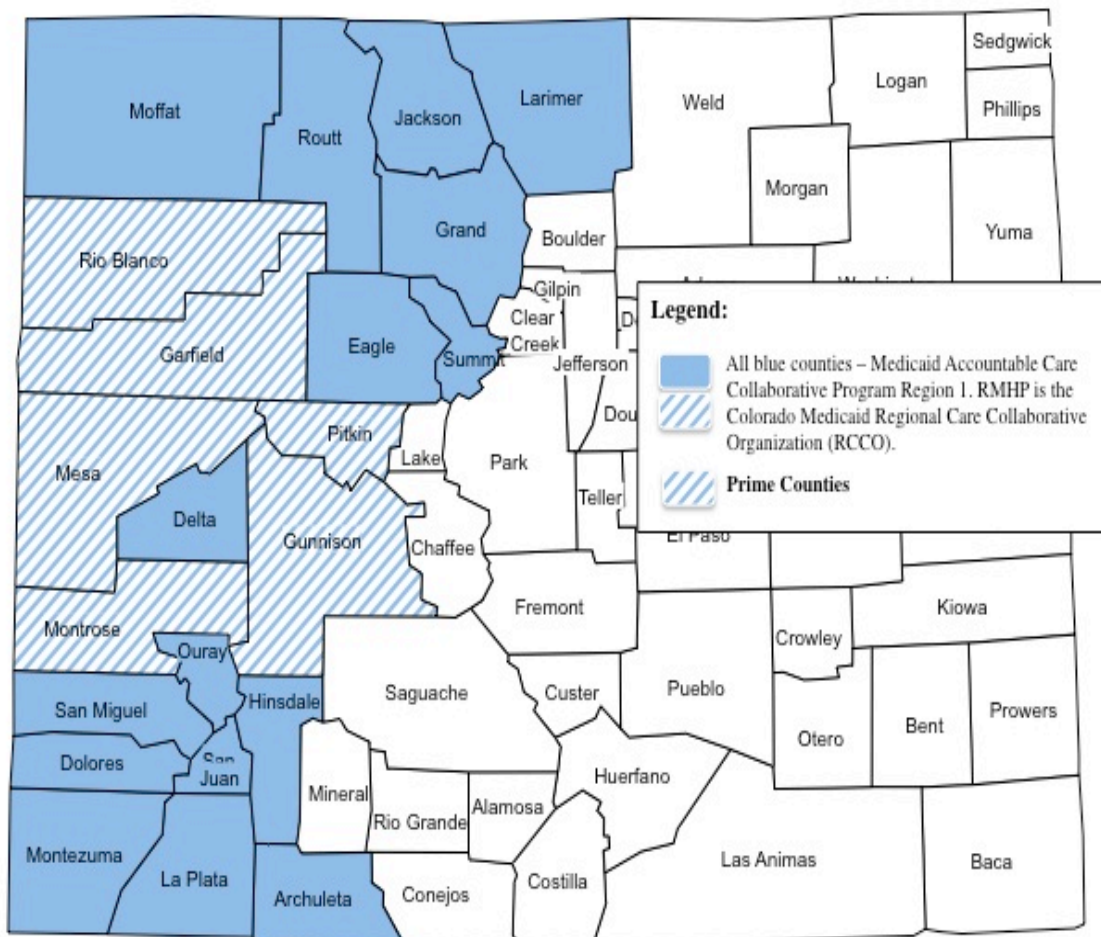
Reform

Initiative for

Medicaid

Expansion

Where is Prime?



- Component of Medicaid ACC;
- Serving about 35,000 people in six counties;
- MAGI adults, people with disabilities, CSHCN;
- Launched Sep 2014;
- Two state budget cycles complete;
- Two quality performance periods complete.

Why Prime?

+ **Leadership**

+ **Policy**

+ **Data**

+ **Workforce**

+ **Social**

+ **Clinical**

+ **Cultural**

+ **Financial**

= Whole Person Care

How Prime Works



- **Financial:** Aggregate pool created if financial benchmarks are achieved (**i.e., total cost is less than total budget**).
- **Quality:** HCPF quality targets met (**Depression, Obesity, Diabetes, Patient Activation**).
- **Payments:** Pool distributed to providers (**if eligible due to quality**):
 - **Attribution volume**
 - **Risk relativity**

Provider Quality Standards | Year 1



Gate 1:

- Participating in RMHP practice transformation initiatives; or
- NCQA PCMH accreditation; or
- “Enhanced PCMP” status

Gate 2

- Can baseline and report eCQMs from electronic health record;
- Can baseline Patient Activation Measure; and,
- Can set practice-specific improvement targets.

Provider Performance and Attribution



	Count	Percentage
Total Prime Practices	54	
Ineligible Practices	28	52%
Eligible Practices	26	48%

Total Attribution (Mem	89834	
Ineligible Attribution	24413	27%
Eligible Attribution	65421	73%

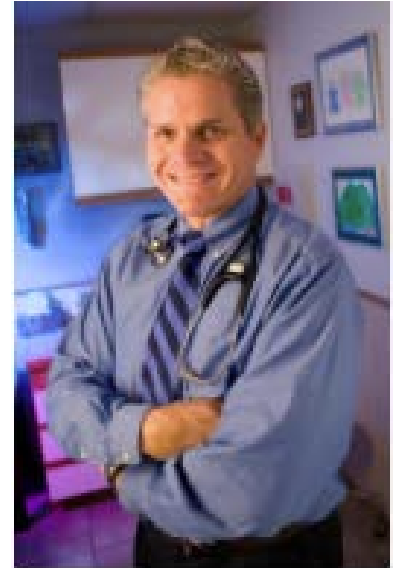
Where the money went



Prime Global Budget - Year 1	\$ 125,934,079
Covered Services	\$ 95,632,525
Operating Costs	\$ 12,593,408
Total Costs	\$ 108,225,933
Returned to Taxpayers	\$ 12,625,462
Shared Savings	\$ 5,082,684
Primary Care	\$ 3,049,610
Mental Health	\$ 1,524,805
Health Plan	\$ 508,268
Balance	\$ -

Provider Feedback

- "Fee-for-service for Medicaid is not sustainable."
- "We are committed to the Medicaid population regardless of what we get paid, but practices wanted a way to take care of the patients *and* keep our doors open. Prime provided an opportunity to make this happen."
- "We've learned there are many behavioral health issues facing the Prime population. This population is ripe for this approach."



Greg Reicks, DO
FAAFP

Focus on 3 Big Things



- Population focused, team-based care
- Data driven
- Social determinants





Patrick Gordon

[@RMHPCommunity](#)

Rocky Mountain Health Plans

patrick.gordon@rmhp.org

720.515.4129





*Facilitated Discussion and
Interview*

The Final 2016 SNAC Lab Date



Nov. 17

All SNAC Labs scheduled for 12:00-1:30 pm at the Colorado Health Institute.



Jeff Bontrager 720.382.7075 bontragerj@coloradohealthinsitute.org

Joe Hanel 720.382.7093 hanelj@coloradohealthinstitute.org

Nina Roumell 720.382.7092 roumelln@coloradohealthinstitute.org