

# Colorado

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## 1. MANAGED CARE OPPORTUNITY ASSESSMENT (UPDATED 2-8-21)

The bulk of Colorado’s Medicaid members are covered through the state’s Accountable Care Collaborative (ACC) program, an enhanced primary care case management system, which began in May 2011.

Colorado began Phase II of the ACC program in July 2018. Five organizations were awarded contracts to act as Regional Accountable Entities (RAEs) in the state’s 7 regions. Rocky Mountain Health Plans serves region 1, Northeast Health Partners region 2, Colorado Access regions 3 and 5, Health Colorado region 4, and Colorado Community Health Alliance regions 6 and 7. On January 1, 2020, the state contracted with a sixth RAE, Denver Health Medicaid Choice, to serve Medicaid enrollees who were previously attributed to RAE 5, Colorado Access. Denver Health Medicaid Choice covers about 100,000 members who live in Adams, Arapahoe, Denver, or Jefferson counties.

Phase II of the program integrates behavioral and physical health under one RAE in each of the state’s seven regions. It also advances coordinated care by supporting a system of multidisciplinary health teams, including specialty behavioral health providers, long-term services and supports, and case management agencies; automatically enrolls full-benefit Medicaid clients in the ACC; and increases the use of value-based payments for both RAEs and providers.

The RAEs replace the Regional Care Collaborative Organizations (RCCOs) and five behavioral health organizations (BHOs).

HMA Managed Medicaid Opportunity Assessment for Colorado	
Positive Metrics	Strong Indicators
<ul style="list-style-type: none"> <li>Enrollment in Colorado’s six Regional Accountable Entities was 1.6 million as of year-end 2022.</li> </ul>	<ul style="list-style-type: none"> <li>The state awarded contracts to 5 organizations across 7 regions to act as RAEs for Phase II of the ACC, with contracts anticipated to run from July 2018 to June 30, 2025.</li> <li>Denver Health Medicaid Choice joined as the sixth RAE in January 2020.</li> </ul>
Negative Metrics	Weak Indicators
<ul style="list-style-type: none"> <li>Only two RAEs – Rocky Mountain and Colorado Access – are licensed insurance companies.</li> </ul>	<ul style="list-style-type: none"> <li>The state opted against a model using fully capitated Medicaid managed care organizations.</li> <li>In May 2020, the state decided to shelve a public option proposal citing COVID-related difficulties.</li> </ul>
Source: HMA	

## 2. MEDICAID MANAGED CARE FINANCES

Average MLR among five Medicaid Regional Accountable Entities in Colorado was 85.8% in 2021. Per member per month premiums averaged \$84.

(Note: Financial metrics and comparisons presented in this overview are based on health plan NAIC filings in the state. Measures like per member per month premiums and medical loss ratios may vary greatly by plan and by state depending on the mix of business (e.g., TANF, ABD, etc.), scope of the state's Medicaid benefit package, geographic variations in the cost of care, and other factors.)

### Colorado Medicaid Managed Care Plan Financials, 2021

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR <sup>(1)</sup>
Colorado Access	N	601,155	6,933,253	\$41.04	\$284,564	\$253,138	89.3%
Anthem/CCHA	Y	400,218	4,603,492	\$52.97	\$243,858	\$187,815	77% <sup>(2)</sup>
Health Colorado	N	145,776	1,681,954	\$53.95	\$90,746	\$95,209	87.3%
Denver Health Medical Plan	N	110,428	1,288,248	\$217.69	\$280,442	\$256,225	91.9%
UnitedHealth/Rocky Mountain Health	Y	46,070	545,839	\$681.34	\$371,903	\$309,761	83.3%
<b>Total</b>		<b>1,303,647</b>	<b>15,052,786</b>	<b>\$84.47</b>	<b>\$1,271,514</b>	<b>\$1,102,148</b>	<b>85.8%</b>

(1) After reinsurance recoveries. (2) Before reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

### Colorado Medicaid Managed Care Plan Financials, 2020

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR <sup>(1)</sup>
Colorado Access	N	544,615	5,976,775	\$36.70	\$219,362	\$186,794	86.8%
Anthem/CCHA	Y	362,291	3,951,960	\$47.67	\$188,395	\$173,833	92.3% <sup>(2)</sup>
Health Colorado	N	134,081	1,507,003	\$63.07	\$95,051	\$80,289	84.5%
Denver Health Medical Plan	N	100,570	1,099,730	\$210.14	\$231,099	\$217,544	94.4%
UnitedHealth/Rocky Mountain Health	Y	43,054	472,873	\$652.48	\$308,542	\$267,182	86.7%
<b>Total</b>		<b>1,184,611</b>	<b>13,008,341</b>	<b>\$80.14</b>	<b>\$1,042,449</b>	<b>\$925,642</b>	<b>89.1%</b>

(1) After reinsurance recoveries. (2) Before reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

## 3. RFP DEVELOPMENTS AND ANALYSIS (UPDATED 11-21-19)

In November 2017 the state awarded contracts to five organizations to act as Regional Accountable Entities (RAEs). Reunion Health/Rocky Mountain Health Plans will serve region 1, Northeast Health Partners region 2, Colorado Access regions 3 and 5, Health Colorado region 4, and Colorado Community Health Alliance Plus regions 6 and 7. Community Care of Central Colorado was the only incumbent that was not awarded a contract. New entrants include Northeast Health Partners and Health Colorado. Contracts run from July 2018 through June 30, 2020, with 7 one-year renewals. Current contracts are anticipated to run through July 2025. As of January

1, 2020, Denver Health Medicaid Choice covers about 100,000 members who live in Adams, Arapahoe, Denver, or Jefferson counties.

Colorado Medicaid RFP Calendar		
Contract	Key Dates	# of Beneficiaries
ACC Phase II	RFP Released: May 11, 2017 Awarded: November 2017 Implementation: July 1, 2018	~1.2 million
Medicaid Information Technology Architecture Documented Quote (DQ)	DQ Released: September 2019 Responses Due: October 2, 2020 Awards: October 7, 2020 Implementation: TBD	NA

*Source: HMA, Colorado Department of Health Care Policy and Financing*

#### 4. MANAGED CARE ENROLLMENT UPDATE

Enrollment in Colorado’s six Regional Accountable Entities was 1.6 million in 2022 compared to year-end 2021. Previous members in Denver Health Medicaid Choice were attributed to RAE 5, Colorado Access. As of January 1, 2020, Denver Health Medicaid Choice covers about 80,000 members who live in Adams, Arapahoe, Denver, or Jefferson counties. The program went live in July 2018. Previously, Colorado had five Regional Care Collaborative Organizations, with enrollment of nearly 973,000 as of May 2018.

Enrollment in Colorado Regional Accountable Entities, 2018-22				
	2018	2019	2020	2022
<b>Total, 6 CO RAEs<sup>1</sup></b>	<b>1,201,456</b>	<b>1,063,317</b>	<b>1,343,939</b>	<b>1,599,201</b>
<i>+/- between reporting periods</i>	NA	<i>(138,139)</i>	280,622	115,592
<i>% chg. between reporting periods</i>	NA	-11.5%	26.4%	7.8%

(1) Previously members in Denver Health Managed Care Plan were attributed to RAE 5, Colorado Access. As of January 1, 2020, the state contracts directly with Denver Health Medical Plan for Medicaid members enrolled in Denver Health Medicaid Choice to serve as the RAE for the managed care organization’s Medicaid members.

Source: CO Dept. of Health Care Financing and Policy, HMA

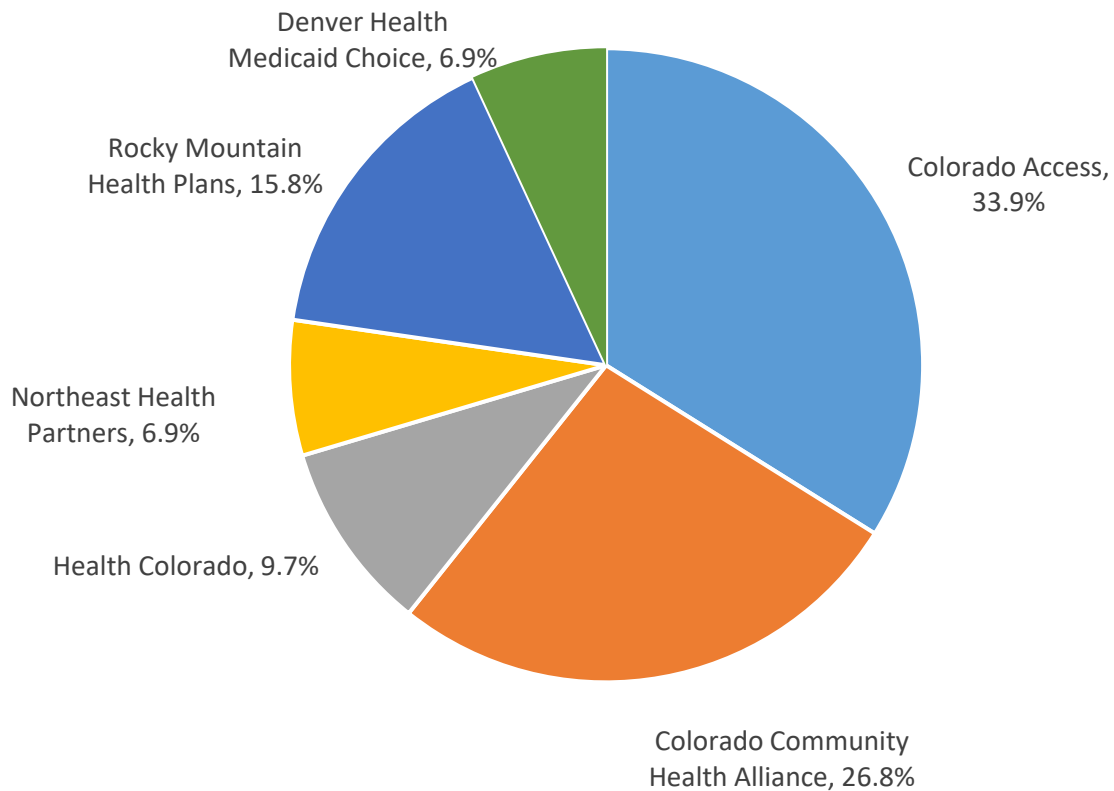
Enrollment in Colorado Regional Accountable Entities by RAEs, 2018-22

Plan	2019	2020	2021	2022
<b>Colorado Access</b>	<b>379,781</b>	<b>443,240</b>	<b>490,970</b>	<b>541,797</b>
<i>+/- between reporting periods</i>	<i>(95,775)</i>	63,459	47,730	50,827
<i>% chg. between reporting periods</i>	-20.1%	16.7%	10.8%	10.4%
<i>% of total</i>	35.7%	33.0%	33.1%	33.9%
<b>Colorado Community Health Alliance</b>	<b>309,920</b>	<b>364,436</b>	<b>402,064</b>	<b>428,042</b>
<i>+/- between reporting periods</i>	<i>(17,549)</i>	54,516	37,628	25,978
<i>% chg. between reporting periods</i>	-5.4%	17.6%	10.3%	6.5%
<i>% of total</i>	29.1%	27.1%	27.1%	26.8%
<b>Rocky Mountain Health Plans</b>	<b>175,724</b>	<b>208,421</b>	<b>232,120</b>	<b>252,759</b>
<i>+/- between reporting periods</i>	<i>(6,026)</i>	32,697	23,699	20,639
<i>% chg. between reporting periods</i>	-3.3%	18.6%	11.4%	8.9%
<i>% of total</i>	16.5%	15.5%	15.6%	15.8%
<b>Health Colorado</b>	<b>120,308</b>	<b>135,219</b>	<b>146,143</b>	<b>155,586</b>
<i>+/- between reporting periods</i>	<i>(13,633)</i>	14,911	10,924	9,443
<i>% chg. between reporting periods</i>	-10.2%	12.4%	8.1%	6.5%
<i>% of total</i>	11.3%	10.1%	9.9%	9.7%
<b>Northeast Health Partners</b>	<b>77,584</b>	<b>91,402</b>	<b>101,690</b>	<b>110,535</b>
<i>+/- between reporting periods</i>	<i>(5,156)</i>	13,818	95,224	95,224
<i>% chg. between reporting periods</i>	-6.2%	17.8%	11.3%	8.7%
<i>% of total</i>	7.3%	6.8%	6.9%	6.9%
<b>Denver Health Medicaid Choice<sup>1</sup></b>	<b>0</b>	<b>101,221</b>	<b>110,622</b>	<b>110,482</b>
<i>+/- between reporting periods</i>	NA	NA	9,401	<i>(140)</i>
<i>% chg. between reporting periods</i>	NA	NA	9.3%	-0.1%
<i>% of total</i>	0.0%	7.5%	7.5%	6.9%
<b>Total, 6 CO RAEs</b>	<b>1,063,317</b>	<b>1,343,939</b>	<b>1,483,609</b>	<b>1,599,201</b>
<i>+/- between reporting periods</i>	<i>(138,139)</i>	280,622	139,670	115,592
<i>% chg. between reporting periods</i>	-11.5%	26.4%	10.4%	7.8%

(1) Previously members in Denver Health Managed Care Plan were attributed to RAE 5, Colorado Access. As of January 1, 2020, the state contracts directly with Denver Health Medical Plan for Medicaid members enrolled in Denver Health Medicaid Choice to serve as the RAE for the managed care organization's Medicaid members.

Source: CO Dept. of Health Care Financing and Policy, HMA

## Colorado Regional Accountable Entities Market Share by Enrollment, 6 RAEs, 2022



Source: CO Dept. of Health Care Financing and Policy,

### Current Colorado Regional Accountable Entities by RAE Region

Region	Geography	RAE
Region 1	Western CO, Larimer County	Rocky Mountain Health Plans
Region 2	Northeastern CO	Northeastern Health Partners
Region 3	Southeast Metro Denver	Colorado Access;
Region 4	Pueblo, Southeastern CO	Health Colorado
Region 5	Denver City and County	Colorado Access; Denver Health Medicaid Choice
Region 6	West Metro Denver, Boulder	Colorado Community Health Alliance;
Region 7	Colorado Springs, Central CO	Colorado Community Health Alliance

Source: CO Dept. of Health Care Financing and Policy

## Historical Enrollment in Colorado Regional Care Collaborative Organizations, 2013-17, May 2018

	2013	2014	2015	2016	2017	May-18
<b>Total, 5 CO RCCOs</b>	<b>376,367</b>	<b>696,332</b>	<b>981,665</b>	<b>1,012,107</b>	<b>1,007,150</b>	<b>972,914</b>
<i>+/- between reporting periods</i>		319,965	285,333	30,442	(4,957)	(34,236)
<i>% chg. between reporting periods</i>		85.0%	41.0%	3.1%	-0.5%	-3.4%

Source: CO Dept. of Health Care Financing and Policy, HMA

## Historical Enrollment in Colorado Regional Care Collaborative Organizations by RCCO, 2015-17, May 2018

Plan	2015	2016	2017	May-18
<b>Colorado Access</b>	<b>427,543</b>	<b>435,669</b>	<b>429,266</b>	<b>410,167</b>
<i>+/- between reporting periods</i>	NA	8,126	(6,403)	(19,099)
<i>% chg. between reporting periods</i>	NA	1.9%	-1.5%	-4.4%
<i>% of total</i>	43.6%	43.0%	42.6%	42.2%
<b>Colorado Community Health Alliance</b>	<b>125,186</b>	<b>129,268</b>	<b>125,971</b>	<b>121,203</b>
<i>+/- between reporting periods</i>	NA	4,082	(3,297)	(4,768)
<i>% chg. between reporting periods</i>	NA	3.3%	-2.6%	-3.8%
<i>% of total</i>	12.8%	12.8%	12.5%	12.5%
<b>Community Care of Central Colorado</b>	<b>154,680</b>	<b>166,012</b>	<b>168,882</b>	<b>165,185</b>
<i>+/- between reporting periods</i>	NA	11,332	2,870	(3,697)
<i>% chg. between reporting periods</i>	NA	7.3%	1.7%	-2.2%
<i>% of total</i>	15.8%	16.4%	16.8%	17.0%
<b>Integrated Community Health Partners</b>	<b>110,298</b>	<b>113,775</b>	<b>115,092</b>	<b>112,849</b>
<i>+/- between reporting periods</i>	NA	3,477	1,317	(2,243)
<i>% chg. between reporting periods</i>	NA	3.2%	1.2%	-1.9%
<i>% of total</i>	11.2%	11.2%	11.4%	11.6%
<b>Rocky Mountain Health Plans</b>	<b>163,958</b>	<b>167,383</b>	<b>167,939</b>	<b>163,510</b>
<i>+/- between reporting periods</i>	NA	3,425	556	(4,429)
<i>% chg. between reporting periods</i>	NA	2.1%	0.3%	-2.6%
<i>% of total</i>	16.7%	16.5%	16.7%	16.8%
<b>Total, 5 CO RCCOs</b>	<b>981,665</b>	<b>1,012,107</b>	<b>1,007,150</b>	<b>972,914</b>
<i>+/- y/y</i>	NA	30,442	(4,957)	(34,236)
<i>% y/y</i>	NA	3.1%	-0.5%	-3.4%

Source: CO Dept. of Health Care Financing and Policy, HMA

## 5. MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in Colorado was nearly 1.7 million in 2021. About 88.2% of Medicaid beneficiaries were enrolled in a managed care plan. The remainder are in fee-for-service Medicaid. Total Medicaid expenditures in Colorado were \$10.7 billion in 2021, with about 12.9% through managed care and the rest through fee-for-service.

Colorado Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, Fiscal 2014-21

Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures <sup>(1)</sup>	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
2021	\$10,693,728,321	\$1,382,730,320	12.9%	1,682,140	1,483,609	88.2%
2020	\$9,571,142,660	\$869,519,564	9.1%	1,484,080	1,343,939	90.6%
2019	\$9,201,828,436	\$676,221,627	7.3%	1,258,718	1,063,317	84.5%
2018	\$8,925,796,867	\$1,446,890,107	16.2%	1,305,951	1,201,456	92.0%
2017	\$7,805,267,931	\$1,238,798,134	15.9%	1,357,645	1,007,150	74.2%
2016	\$7,876,027,821	\$954,543,148	12.1%	1,371,548	1,010,748	73.7%
2015	\$7,302,686,990	\$936,498,701	12.8%	1,286,318	34,892	2.7%
2014	\$5,919,113,049	\$663,019,246	11.2%	1,195,042	24,111	2.0%

(1) Includes evaluation and management, vaccine codes, Community First Choice, and preventive services Grade A or B, ACIP vaccines and their administration, Prepaid Ambulatory Health Plans, and Prepaid Inpatient Health Plans.

Sources: CMS64 for expenditures. CMS for total Medicaid/CHIP enrollment. States, NAIC for Medicaid managed care enrollment.

## 6. SNPs AND DUAL ELIGIBLES

There are almost 48,700 Special Needs Plans members in Colorado, with the bulk in Dual SNPs and 2,635 in Institutional SNPs, as of November 2022.

Colorado SNP Enrollment by Plan, November 2022

Plan	Total SNPs	DSNPs	CSNPs	ISNPs	Share
UnitedHealth	33,378	30,756	404	2,218	68.6%
Humana	5,679	5,679			11.7%
Kaiser Foundation Health Plan	2,912	2,912			6.0%
CVS Health	2,239	2,239			4.6%
Denver Health Medical Plan	1,980	1,980			4.1%
Anthem	1,683	1,569	114		3.5%
Longevity Health Plan	353			353	0.7%
CIGNA	356	356			0.7%
Perennial Advantage	64			64	0.1%
Bright Health	47	23	24		0.1%
<b>Total</b>	<b>48,691</b>	<b>45,514</b>	<b>542</b>	<b>2,635</b>	<b>100%</b>

Source: CMS, HMA