

## Colorado

Data as of July 2003

# Mental Health and Substance Abuse Services in Medicaid and SCHIP in Colorado

As of July 2003, 377,123 people were covered under Colorado's Medicaid and SCHIP programs. There were 330,499 enrolled in the Medicaid program and 46,624 in the separate SCHIP program. In State fiscal year 2001, Colorado spent \$1.95 billion to provide Medicaid services.

In September 2002, Colorado received a §1115 Health Insurance Flexibility and Accountability (HIFA) waiver to enroll uninsured pregnant women from families with incomes of no more than 185 percent Federal Poverty Level (FPL) in a separate SCHIP program called CHP+. These women do not qualify for Medicaid.

In Colorado, low-income children may be enrolled in the Medicaid or the CHP+ program, based on the child's age and the family's income.

- The Medicaid program serves children aged 0–6 from families with incomes of no more than 133 percent FPL; and children aged 6–18 from families with incomes of no more than 100 percent FPL.
- The separate SCHIP program serves children aged 0–18 from families with incomes of no more than 185 percent FPL who do not qualify for Medicaid. Families with incomes between 151 and 185 percent FPL pay an annual premium for their children's participation. The premium varies by family size but is no more than \$35 per family.

Colorado operates a Medicaid managed care program that includes three types of contractors, including one that delivers mental health and substance abuse services:

- All beneficiaries must obtain all mental health services from prepaid inpatient health plans (PIHPs) that deliver only those services. There is one PIHP in each geographic area of the State.
- All beneficiaries may choose to obtain physical health care services from either a comprehensive managed care organization (MCO) or a primary care case management program (PCCM). Beneficiaries may also choose to remain in the fee-for-service system.

As of July 2003, there were 330,499 Medicaid beneficiaries in the Medicaid program, including—

- 274,174 enrollees in the PIHP
- 70,150 enrollees in comprehensive MCOs
- 82,488 enrollees in the PCCM program

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## Medicaid

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### ***Who Is Eligible for Medicaid?***

#### **Families and Children**

1. Low-income families that qualify for the Colorado Works program who are transitioning from that program to employment, or who have exceeded the time limit for receiving services from that program. The income limit for Colorado Works varies by family composition but is about 39 percent FPL.
2. Pregnant women and children under 6 from families with incomes of 133 percent FPL or less.
3. Children aged 6–19 from families with incomes less than 100 percent FPL.
4. Recipients of adoption assistance and foster care under Title IV-E of the Social Security Act.
5. Individuals under 21 for whom public agencies are assuming full or partial financial responsibility and who are either residing in a foster home, private institution, nursing home, or intermediate care facility for people with mental retardation (ICF/MR); or who are receiving active treatment as inpatients in a psychiatric facility or program.

#### **Aged, Blind, and Disabled**

1. Individuals receiving (or eligible to receive) Supplemental Security Insurance (SSI) or the Colorado Old Age Pension (OAP).
2. Persons who are residents of medical institutions (including nursing homes, hospitals, and ICFs-MR) for a period of 30 consecutive days, with incomes of 300 percent of the maximum SSI payment or less.
3. Individuals under the age of 21 who are receiving active treatment as inpatients in psychiatric facilities or programs.

#### **Medically Needy**

Colorado does not have a medically needy program.

#### **Waiver Populations**

Colorado does not have a §1115 waiver.

### ***What Mental Health/Substance Abuse Services Are Covered by Medicaid?***

Medicaid must cover some types of services (mandatory services) and may cover some other types of services (optional services). The information presented here identifies the types of services Colorado Medicaid covers, and the coverage requirements for those services. The services are presented as they are grouped in the Medicaid State plan that Colorado must maintain under Medicaid law. Only those types of services that include mental health or substance abuse services are discussed.

<b>Inpatient Hospital Services</b>		
Service	Description	Coverage Requirements
Inpatient hospital services	Services include those items and services that are ordinarily	<ul style="list-style-type: none"><li>• The Medicaid agency's designated agent must</li></ul>

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	furnished by a hospital for the care and treatment of inpatients, including— <ul style="list-style-type: none"> <li>• Acute inpatient hospital psychiatric services when provided as an integral service of a participating Medicaid general hospital.</li> <li>• Inpatient psychiatric care from a specialty hospital.</li> </ul>	approve all nonemergency psychiatric admissions and requests for continuation of stays for mental health treatment. <ul style="list-style-type: none"> <li>• Beneficiaries may receive no more than 45 days per fiscal year of mental health treatment.</li> <li>• Beneficiaries must have concurrent medical conditions to qualify for substance abuse treatment for detoxification or rehabilitation.</li> </ul>
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<b>Outpatient Hospital Including Rural Health Center and Federally Qualified Health Center Services</b>		
Service	Description	Coverage Requirements
Outpatient psychiatric hospital services	Outpatient psychiatric hospital services include preventive, diagnostic, therapeutic, rehabilitative, or palliative services that— <ul style="list-style-type: none"> <li>• Are furnished to outpatients</li> <li>• Are furnished by or under the direction of a physician</li> <li>• Are furnished by an institution that is licensed or formally approved as a hospital</li> </ul>	<ul style="list-style-type: none"> <li>• Services provided in an outpatient facility must meet the same requirements as those provided in another setting.</li> </ul>
Federally Qualified Health Centers (FQHCs)	Mental health and substance abuse services provided by a licensed physician, psychologist, or social worker, or that would be covered if provided in another setting.	<ul style="list-style-type: none"> <li>• Mental health and substance abuse services provided in an FQHC must meet the same requirements as services provided in another setting.</li> </ul>
Rural Health Clinics (RHCs)	Mental health and substance abuse services provided by a licensed physician, or that would be covered if provided in another setting.	<ul style="list-style-type: none"> <li>• Mental health and substance abuse services provided in an RHC must meet the same requirements as those provided in another setting.</li> </ul>

<b>Physician Services</b>		
Service	Description	Coverage Requirements
Physician services	Physicians may provide Medicaid-covered mental health and substance abuse services that are within their scope of practice.	<ul style="list-style-type: none"> <li>• A mental health or substance abuse service provided in a physician's office must meet the same requirements as those provided in another setting.</li> <li>• All services must be within the physician's scope of practice as defined in State law.</li> </ul>

<b>Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Services for Children Under 21</b>		
Service	Description	Coverage Requirements
Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Mental Health Services	Colorado does not specify any mental health or substance abuse services that are covered under EPSDT; however, it is required to cover any service that could be covered under Federal Medicaid regulations that is needed to treat or ameliorate a condition identified in an EPSDT screen.	<ul style="list-style-type: none"> <li>• Service must be needed to ameliorate or treat a condition identified in an EPSDT screen.</li> <li>• The beneficiary must be under age 21.</li> <li>• Beneficiaries may not receive services that would not normally be covered by Medicaid without the approval of the Medicaid agency or its designated agent.</li> </ul>

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## Optional State Plan Services

Other Licensed Practitioners		
Service	Description	Coverage Requirements
Psychologists	Services provided by a licensed psychologist that are within the scope of the practice of the profession	<ul style="list-style-type: none"> <li>The psychologist must be State licensed.</li> <li>The services must be within the psychologist's scope of practice as defined in State law.</li> <li>Services provided by a psychologist must meet the same criteria as those provided by other providers described elsewhere in this section.</li> <li>Services may only be provided as part of an active individualized plan of care that must be prepared within the first 5 visits, or within 24 hours of an inpatient admission.</li> <li>Beneficiaries may receive no more than 35 sessions of mental health services per fiscal year without the authorization of the Medicaid agency.</li> </ul>

Clinic Services		
Service	Description	Coverage Requirements
Community mental health clinic or center services	<p>Medical or remedial services provided by a licensed community mental health center or clinic, including—</p> <ul style="list-style-type: none"> <li>Partial care</li> <li>Outpatient services, including therapy services</li> <li>24-hour emergency care and</li> <li>Case management</li> </ul>	<ul style="list-style-type: none"> <li>Services must be recommended by a physician to reduce physical or mental disability, or to improve functional level.</li> <li>Therapy services provided by a mental health clinic or center must meet the criteria described under Other Licensed Practitioners.</li> </ul>
Drug and alcohol treatment for pregnant women	<ul style="list-style-type: none"> <li>Services that may be provided under the clinic option include— <ul style="list-style-type: none"> <li>Risk assessment</li> <li>Case management</li> <li>Drug/alcohol individual and group therapy</li> <li>Health maintenance group</li> <li>Urine screening and monitoring related to alcohol and drug abuse treatment services</li> </ul> </li> <li>Opiate treatment with methadone maintenance is not covered for beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>To qualify for treatment, a beneficiary must be a substance-abusing pregnant woman who is at risk of a poor birth outcome, as determined by a screening and assessment conducted by the clinic.</li> <li>All services must be preapproved by the Alcohol and Drug Abuse Division of the Colorado Department of Health.</li> <li>Beneficiaries may only receive services from a freestanding alcohol or drug treatment program approved and certified by the Division of Alcohol and Drug Abuse.</li> </ul>

Inpatient Psychiatric Services (for persons under the age of 21)		
Service	Description	Coverage Requirements
Inpatient psychiatric services for persons under 21	Services provided in an inpatient psychiatric hospital facility or residential treatment facility devoted to the provision of inpatient psychiatric services for persons under age 21	<ul style="list-style-type: none"> <li>All admissions must be approved by the State's designated agent and the PIHP that serves the geographic area where the beneficiary lives.</li> <li>Services may only be provided by facilities that maintain a current license as a hospital or a residential treatment center and are accredited by the Joint Commission on Accreditation of Healthcare</li> </ul>

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		<p>Organizations.</p> <ul style="list-style-type: none"> <li>The beneficiary must be under age 21.</li> </ul>
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<b>Rehabilitative Services</b>		
Service	Description	Coverage Requirements
Community Mental Health Centers	Services limited to those described under Clinic Services	<ul style="list-style-type: none"> <li>Coverage requirements are discussed under Clinic Services.</li> <li>Services must meet the coverage criteria established by the PIHP that serves the geographic area where the beneficiary lives.</li> </ul>
Partial day care	<p>Services include—</p> <ul style="list-style-type: none"> <li>Long partial day care services (4–24 hours of contact per day)</li> <li>Short partial day care services (less than 4 hours per day)</li> </ul>	Services must meet the coverage criteria established by the PIHP that serves the geographic area where the beneficiary lives.
Group and individual therapy	<p>Therapy services provided in an office or in the beneficiary's school or home, including the following:</p> <ul style="list-style-type: none"> <li>Therapeutic contact with more than one consumer of up to, and including, 2 hours</li> <li>Therapeutic contact with one consumer of no more than 2 hours; visits of 30 minutes or less are considered individual brief therapy</li> </ul>	Services must meet the coverage criteria established by the PIHP that serves the geographic area where the beneficiary lives.
Psychosocial rehabilitation	<ul style="list-style-type: none"> <li>A broad array of services to maximize a consumer's ability to live and participate in the community and to function independently</li> <li>Service options include, but are not limited to—                             <ul style="list-style-type: none"> <li>Assessment of interests and abilities</li> <li>Development of individualized goals and timelines</li> <li>Assistance in understanding and coping with one's illness</li> <li>Crisis planning</li> <li>Recognition of and skill development to offset the realities of stigma and feelings of lack of control over one's life</li> <li>Daily living skills</li> <li>Education</li> <li>Recreation/leisure time use</li> <li>Social interactions</li> <li>Providing information and assisting in accessing peer-oriented groups</li> </ul> </li> </ul>	Services must meet the coverage criteria established by the PIHP that serves the geographic area where the beneficiary lives.

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Targeted Case Management		
Service	Description	Coverage Requirements
Case management	<p>Those services that assist mentally ill individuals eligible under the State plan to gain access to needed medical, social, educational, and other services, including—</p> <ul style="list-style-type: none"> <li>• Service planning</li> <li>• Outreach</li> <li>• Referral</li> <li>• Supportive interventions</li> <li>• Crisis management</li> <li>• Linkage</li> <li>• Service coordination and continuity of care</li> <li>• Monitoring and follow-up</li> <li>• Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>• Services must meet the coverage criteria established by the PIHP that serves the geographic area where the beneficiary lives.</li> <li>• Beneficiaries must be determined by the community mental health centers to be mentally ill and in need of case management services as defined here.</li> </ul>

Home and Community-Based Waiver Services		
Service	Description	Coverage Requirements
Home and Community-Based Services for Persons With Mental Illness (HCBS-MI)	<p>HCBS-MI services provided as an alternative to nursing facility placement include—</p> <ul style="list-style-type: none"> <li>• Adult day services</li> <li>• Alternative care facility services, including homemaker and personal care services in a residential setting</li> <li>• Electronic monitoring</li> <li>• Home modification</li> <li>• Homemaker services</li> <li>• Nonmedical transportation</li> <li>• Personal care</li> <li>• Respite care</li> </ul>	<ul style="list-style-type: none"> <li>• To participate in this program, participants must— <ul style="list-style-type: none"> <li>– Have an adjusted income of no more than 300 percent of the maximum SSI cash benefit.</li> <li>– Require a level of care that would require nursing home placement without the waiver services</li> <li>– Have a current primary or secondary diagnosis of a major mental disorder</li> <li>– Be assessed to be a person with mental illness as defined by State Mental Health Services</li> </ul> </li> <li>• Beneficiaries must be approved by the State for participation in the program.</li> <li>• Participation in this program is capped. If there are no openings for the program when the beneficiary is found eligible for the program, the beneficiary will be placed on a waiting list for services.</li> </ul>

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## SCHIP Medicaid Expansion Program

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**Colorado Does Not Have A SCHIP Medicaid Expansion Program.**

## Separate SCHIP Program

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### **Who Is Eligible for the Separate SCHIP Program?**

The separate SCHIP program expands the eligibility of two groups of children:

- Uninsured children aged 0–5 from families with incomes between 133 and 185 percent FPL.
- Uninsured children aged 6–18 from families with incomes between 100 and 185 percent FPL.

### **What Mental Health/Substance Abuse Services Are Covered by the Separate SCHIP Program?**

<b>Hospital</b>		
Service	Description	Coverage Requirements
Mental health	Covered and treated the same as any other health condition (i.e., there are no limits on the number of hospital days covered)	Limited coverage; 45 days of inpatient coverage with the option of converting 45 inpatient days into 90 days of day treatment services. <sup>1</sup>
Substance abuse	Not covered except for acute detoxification; maximum 5 days per episode	

<b>Office Visits</b>		
Service	Description	Coverage Requirements
Mental health services	Mental health services delivered in a setting other than inpatient hospital	<ul style="list-style-type: none"><li>• Enrollees may receive no more than 20 outpatient visits per year.</li><li>• Neurobiological illnesses are treated as any other illness and not subject to limit.</li></ul>
Substance abuse services	Substance abuse services delivered in a setting other than inpatient hospital	<ul style="list-style-type: none"><li>• Enrollees may receive no more than 20 outpatient visits per year.</li></ul>

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<sup>1</sup> This recognizes that as in all HMOs, the HMO has the right to exempt members from this limit.