

Regional Accountable Entity Behavioral Health Incentive Program Operations Guide Calendar Year 2026



COLORADO

Department of Health Care
Policy & Financing

This document includes the details for calculations of Behavioral Health Incentive Program performance measures for the four Regional Accountable Entities.

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Section 1: Introduction

Overview

The Department of Health Care Policy and Financing (HCPF) administers Health First Colorado (Colorado’s Medicaid program) and other health care programs for Coloradans who qualify. The Behavioral Health Incentive Program (BHIP) is a quality program within the Accountable Care Collaborative (ACC) comprised of federally appropriated administrative funds specifically designed as incentives. The funds allow for Regional Accountable Entities (RAEs) to earn up to 5% of their total capitation payments, subject to available funding, in additional dollars outside of their capitations. These incentive measures are intended to place greater emphasis on health outcomes and cost containment.

Purpose

The purpose of this document is to describe the methodologies used to calculate BHIP payments for RAEs in calendar year (CY) 2026.

Scope

This document addresses only the methodology utilized to calculate the ACC BHIP performance measures.

Document Maintenance

This document will be reviewed annually at the start of the new calendar year and updated as necessary. This document contains a Revision History log on the Document Information page. When changes occur, the version number will be updated to the next increment as well as the revision date and change description. Unless otherwise noted, the author of the revision will be the document’s author, as identified in the Document Identification table.

Revision History

Table 1. Document Revision History

Document Date	Version	Change Description
Dec. 5, 2025	Draft	First Draft
April 7, 2026	Final	Final First Draft

Acronyms and Definitions

Table 2. Acronyms and Definitions Used

Term	Definition
ACC	Accountable Care Collaborative
BHIP	Behavioral Health Incentive Program
CAP	Corrective Action Plan
CHP+	Child Health Plan <i>Plus</i>
CMS	Centers for Medicare and Medicaid Services
CY	Calendar Year
Denominator	The population or subset of individuals being measured.
ED	Emergency Department
EHR	Electronic Health Record
Encounter data	Capitated behavioral health data submitted via the Medicaid Management Information System (MMIS)
Fee-for-Service claims	Physical health data submitted on a claim via MMIS.
Flat file data	Capitated behavioral health data submitted via flat file.
HCPF	Department of Health Care Policy and Financing
Health First Colorado	Colorado's Medicaid Program
MCO	Managed Care Organization
Measure Steward	An organization or individual that owns, maintains, and manages the lifecycle of a performance measure, ensuring it remains valid, reliable, and evidence based.
MMIS	Medicaid Management Information System
Numerator	The target population, subset of unique individuals, condition or event that is being measured.
PACE	Program of All-Inclusive Care for the Elderly
Payout	Financial incentive dollars that are paid to RAEs when performance measure targets are reached.
Performance period	The time period during which performance is evaluated.
RAE	Regional Accountable Entity
SUD	Substance Use Disorder

Section 2: Data Requirements

Data Requirements

The BHIP measures are calculated for RAEs participating in the ACC program based on the members' utilization of services.

Background

Each BHIP measure calculation is based on the utilization of services by the population enrolled in the ACC. The following sections describe the differences in the methodologies used to calculate and evaluate these measures.

Note: Performance measures will be based on Centers for Medicare and Medicaid Services (CMS) Core Measure Technical Specifications. Telemedicine visits and services are included in calculations if specifications allow. See the CMS Core Measure Reporting Resources for more details.

Evaluation and Baseline Period

Each evaluation period is 12 calendar months of data based on service/eligibility dates allowing for three months of claims runout.

Evaluation Population

All full-benefit Health First Colorado members are mandatorily enrolled into the ACC program except for members enrolled in the Program of All-Inclusive Care for the Elderly (PACE). All baseline and evaluation period populations are specified under each measure specification.

Claims Selection Criteria

The following criteria are used to select the claims to calculate the indicators:

- Both facility and professional claims
- Paid claims and encounters (with three months runout)
- Only current records
- Last claim (after all adjustments have been made)
- Behavioral health encounter data submitted through interChange

Exclude:

- Deleted records
- Flat file data
- Managed Care Organization (MCO) and Child Health Plan *Plus* (CHP+) flat file data

Supplemental Data

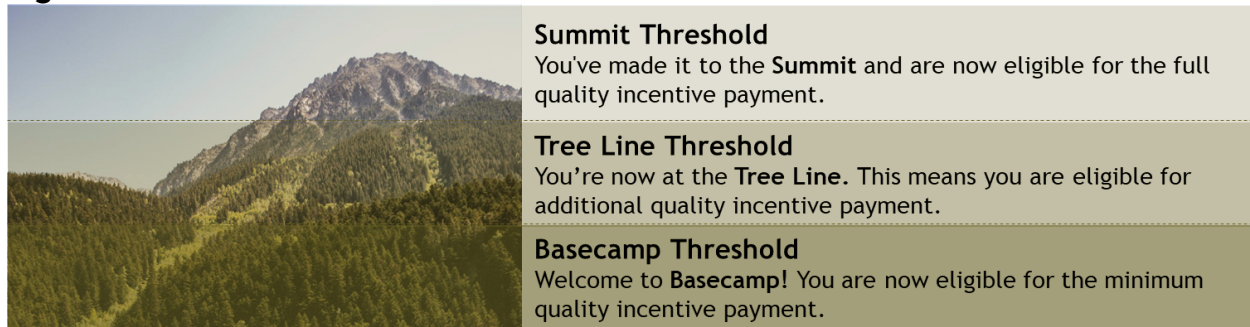
The following data may be incorporated into measures where available and appropriate:

- Clinical/Electronic Health Record (EHR) data

Section 3: Performance Baselines and Thresholds

In ACC Phase III, we are climbing to new heights in our BHIP measure performance. RAEs are responsible for performing at or above one of three different performance thresholds, each of which is tied to a different level of payment for all five measures during the performance period.

Figure 1. BHIP Performance Threshold Overview



Performance and Baseline Periods

Each performance period is based on a calendar year (12 months of data), as defined by the Measure Steward. Each of the measure reporting periods allow for three months of claims run out as defined by the Measure Steward.

- Performance Period: CY 2026
- Baseline Period: CY 2024

Threshold Setting Methodology

The three thresholds are set using the following methodology:

1. **Basecamp:** This is the minimum performance threshold that RAEs must meet to be eligible for a minimum incentive payment. This threshold will not exceed the 50th percentile of national benchmarks.
 - Measures 1 to 5: Set at the next highest percentile from current statewide performance.
 - First, will be set using Colorado performance against the Healthcare Effectiveness Data and Information Set (HEDIS). If not available, then will be set using CMS Core Measures performance. If CMS is unavailable, use HCPF-defined methodology.
2. **Tree Line:** This threshold is the halfway point between Basecamp and the Summit (rounded up to the nearest whole number). RAEs that meet this threshold are eligible for an **additional** incentive payment.
3. **Summit:** This is the highest performance threshold that RAEs must meet to be eligible for the **full** incentive payment. This threshold will not exceed the 75th percentile of national benchmarks.
 - Based on Colorado performance, this threshold is set at either the 50th or 75th percentile of national performance.

- If statewide average performance is below the 50th percentile, the Summit threshold is set at the national 50th percentile.
- If statewide average performance is above the 50th percentile, the Summit threshold is set at the national 75th percentile.
- First, review Colorado performance against HEDIS. If not available, use CMS. If CMS is unavailable, use HCPF-defined methodology.

Regional and Statewide Baselines

Table 3. Regional and Statewide Baselines Using CY 2024 Performance

RAE	Measure 1	Measure 2	Measure 3	Measure 4	Measure 5a*	Measure 5b*
1	43.20%	33.33%	33.03%	52.19%	36.27%	22.80%
2	42.72%	29.25%	27.48%	40.81%	32.95%	30.20%
3	43.02%	32.18%	29.01%	49.67%	39.39%	25.07%
4	53.41%	36.53%	32.83%	50.69%	50.13%	27.86%
State Average	47.49%	33.42%	31.09%	49.28%	42.32%	26.65%

**Measures 5a and 5b must both be met to achieve payment for Measure 5.*

Section 4: Payment Information

Payment Tiers

Each BHIP measure is worth 20% of available BHIP dollars. The following amounts will be paid out at each tier for each measure:

- Basecamp: 33% of available BHIP dollars will be paid out if this tier is met.
- Tree Line: 66% of available BHIP dollars will be paid out if this tier is met.
- Summit: 100% of available BHIP dollars will be paid out if this tier is met.

Payment Schedule

HCPF will calculate final performance for all measures to determine payout in May of each year.

Once final performance is calculated, HCPF will notify RAEs of their draft performance and their forthcoming payments. HCPF will make final payments by the end of September each year starting in 2027. As described in the contract, all payments are contingent on available funding.

Section 5: BHIP Participation Qualifiers

To qualify for participation in the BHIP Program, RAEs must meet the following:

The Contractor must manage the program such that the weighted average per-member-per-month trend is 6% or less from CY 2025 to CY 2026. The Department may, at its discretion, and with contractor consent, modify the target trend to account for underlying changes in the program's risk structure or population.

To qualify for incentive payments, RAEs must meet the following minimum performance requirements during the contract year:

1. Sustainable rate of growth at or below 6%
2. Timely submission and completion of a corrective action plan submissions and activities

Qualifier 1: Sustainable Rate of Growth At or Below 6% (50%)

Description: The sustainable rate of growth is the annual aggregate premium change for each RAE (premium growth rate). The RAE must manage their population and maintain a sustainable premium growth rate defined as anything less than or equal to the sustainable rate of growth of 6%.

The premium growth rate will be measured by comparing the year-over-year premium change, net of material policy change impacts. Policy change impacts will be evaluated consistent to rate development and may include impacts to covered populations and/or services, as well as changes to payment rates for services.

Qualifier 2: Corrective Action Plans (50%)

Description: All corrective action plan submissions and activities shall be in accordance with the provisions of the contract, for the duration of the contract term.

To qualify for the portion of the overall incentive funds allocated for this participation measure, the RAE shall demonstrate 100% compliance.

According to the corrective action plan (CAP) process, which is coordinated by HCPF's External Quality Review Organization (EQRO), RAEs must complete the following to ensure 100% compliance:

- The RAE must submit the CAP within the timeframe given (30 days).
- The CAP must be approved by HCPF.
- The CAP must be completed within the allowed timeframe, as outlined in the CAP.

Section 6: BHIP Measures

Measure 1: Initiation and Engagement of Substance Use Disorder Treatment

[CMS Core Measure]

Measure Description

Percentage of new substance use disorder (SUD) episodes that result in treatment initiation and engagement. Two rates are reported:

- Initiation of SUD Treatment. The percentage of new SUD episodes that result in treatment initiation through an inpatient SUD admission, outpatient visit, intensive outpatient encounter, partial hospitalization, telehealth visit, or medication treatment within 14 days.
- Engagement of SUD Treatment. The percentage of new SUD episodes that have evidence of treatment engagement within 34 days of initiation.

Payment will be based on the Engagement of SUD Treatment Rate.

Measurement Period

Jan. 1, 2026, to Dec. 31, 2026

Data Source

All RAE claims, encounter systems, fee-for-service (FFS) claims, and Pharmacy data.

Measure Calculation

This measure will be calculated by HCPF.

Measure Reporting Details

This measure will be calculated using both the Adult Core Set Specifications. Please see Appendix A for links to detailed measure information and value sets.

Measure 2: Follow-Up after Hospitalization for Mental Illness

[CMS Core Measure]

Measure Description

Percentage of discharges for beneficiaries age 6 and older who were hospitalized for treatment of selected mental illness or intentional self-harm diagnoses and who had a follow-up visit with a mental health provider. Two rates are reported:

- Percentage of discharges for which the beneficiary received follow-up within 30 days after discharge
- Percentage of discharges for which the beneficiary received follow-up within 7 days after discharge.
- Payment will be based on the **7-day** follow-up, total rate.

Measurement Period

Jan. 1, 2026, to Dec. 31, 2026

Data Source

All RAE claims, encounter systems, FFS claims

Measure Calculation

This measure will be calculated by HCPF.

Measure Reporting *Details*

This measure will be calculated using both the Adult and Child Core Set Specifications. Please see Appendix A for links to detailed measure information and value sets.

Measure 3: Follow-Up after Emergency Department Visit for Substance Use

[CMS Core Measure]

Measure Description

Percentage of emergency department (ED) visits for beneficiaries age 13 and older with a principal SUD diagnosis, or any diagnosis of drug overdose, for which there was follow-up. Two rates are reported:

- Percentage of ED visits for which the beneficiary received follow-up within 30 days of the ED visit (31 total days)
- Percentage of ED visits for which the beneficiary received follow-up within 7 days of the ED visit (8 total days)
- Payment will be based on the **7-day** follow-up, total rate.

Measurement Period

Jan. 1, 2026, to Dec. 31, 2026

Data Source

All RAE claims, encounter systems, FFS claims, and Pharmacy data.

Measure Calculation

This measure will be calculated by HCPF.

Measure Reporting Details

This measure will be calculated using both the Adult and Child Core Set Specifications. Please see Appendix A for links to detailed measure information and value sets.

Measure 4: Follow-Up After Emergency Department Visit for Mental Illness

[Core Measure - Measure Steward - NCQA]

Measure Description

The percentage of ED visits for beneficiaries age 6 and older with a principal diagnosis of mental illness, or any diagnosis of intentional self-harm, and had a mental health follow-up service. Two rates are reported.

- Percentage of discharges for which the beneficiary received follow-up within 30 days after discharge. (31 total days)
- Percentage of discharges for which the beneficiary received follow-up within 7 days after discharge. (8 total days)
- Payment will be based on the **7-day** follow-up, total rate.

Measurement Period

Jan. 1, 2026, to Dec. 31, 2026

Data Source

All RAE claims, encounter systems, FFS claims

Measure Reporting Details

This measure will be calculated using both the Adult and Child Core Set Specifications. Please see Appendix A for links to detailed measure information and value sets.

Measure 5: Screening for Depression and Follow-up Plan

[Core Measure - Measure Steward - CMS]

Measure Description

Percentage of beneficiaries ages 12 to 17 and 18 and older screened for depression on the date of the encounter or 14 days prior to the date of the encounter using an age-appropriate standardized depression screening tool, and if positive, a follow-up plan is documented on the date of the eligible encounter.

The denominator for this measure includes beneficiaries ages 12 to 17 and 18 and older with an outpatient visit during the measurement year. The numerator for this measure includes the following two groups:

- Those beneficiaries with a positive screen for depression during an outpatient visit using a standardized tool with a follow-up plan documented.
- Those beneficiaries with a negative screen for depression during an outpatient visit using a standardized tool.
- **Goals for both age breakouts of this measure must be met in order to achieve payment.**

Measurement Period

Jan. 1, 2026, to Dec. 31, 2026

Data Source

All RAE claims, encounter systems, FFS claims

Measure Reporting Details

This measure will be calculated using both the Adult and Child Core Set Specifications. Please see Appendix A for links to detailed measure information and value sets.

Appendix A: Measure Technical Specifications

The following measures are defined using the 2026 CMS Core Measure Set Technical Specifications and Value Set Directories. You can find the Reporting Resources at the links below for each of the following measures.

[2026 CMS Adult Core Measure Set Reporting Resources](#)

[2026 CMS Child Core Measure Set Reporting Resources](#)

Appendix B: Covered Behavioral Health Diagnosis

Table 4. ICD-10-CM Code Ranges for Covered Mental Health Diagnosis:

Start Value	End Value
F20.0	F69
F90.0	F98.4
F98.8	F99
R45.1	R45.2
R45.5	R45.82

Table 5. ICD-10-CM Code Ranges for Covered SUD Diagnosis:

Start Value	End Value
F10.10	F19.99

Appendix C: Performance Thresholds

Table 6. CY 2026 BHIP Measure Performance Thresholds

Measure	Basecamp	Tree Line	Summit
Measure 1: Initiation and Engagement of SUD treatment	15%	18%	20%
Measure 2: Follow-Up after Hospitalization for Mental Illness	40%	44%	47%
Measure 3: Follow-Up after ED Visit for Substance Use	27%	30%	33%
Measure 4: Follow-Up after ED Visit for Mental Illness	42%	47%	51%
Measure 5a: Screening for Depression and Follow-Up Plan (ages 12 to 17)	28%	44%	60%
Measure 5b: Screening for Depression and Follow-Up Plan (ages 18 and older)	11%	25%	38%