

# 2015 Sunset Review: Teen Pregnancy and Dropout Prevention Program



October 15, 2015

Members of the Colorado General Assembly c/o the Office of Legislative Legal Services State Capitol Building Denver, Colorado 80203

Dear Members of the General Assembly:

The mission of the Department of Regulatory Agencies (DORA) is consumer protection. As a part of the Executive Director's Office within DORA, the Office of Policy, Research and Regulatory Reform seeks to fulfill its statutorily mandated responsibility to conduct sunset reviews with a focus on protecting the health, safety and welfare of all Coloradans.

Programs scheduled for sunset review receive a comprehensive analysis. The review includes a thorough dialogue with agency officials, representatives of the regulated profession and other stakeholders. Anyone can submit input on any upcoming sunrise or sunset review via DORA's website at: www.dora.colorado.gov/opr.

DORA has completed the evaluation of the Teen Pregnancy and Dropout Prevention Program. I am pleased to submit this written report, which will be the basis for my office's oral testimony before the 2016 legislative committee of reference. The report is submitted pursuant to section 24-34-104(8)(a), of the Colorado Revised Statutes (C.R.S.), which states in part:

The department of regulatory agencies shall conduct an analysis of the performance of each division, board or agency or each function scheduled for termination under this section...

The department of regulatory agencies shall submit a report and supporting materials to the office of legislative legal services no later than October 15 of the year preceding the date established for termination....

The report discusses the question of whether there is a need for the program created under Part 6 of Article 5 of Title 25.5, C.R.S. The report also discusses the effectiveness of the Department of Health Care Policy and Financing, in carrying out the intent of the statutes.

Sincerely,

Joe Neguse Executive Director





# COLORADO

# Department of Regulatory Agencies

#### 2015 Sunset Review Teen Pregnancy and Dropout Prevention Program

#### SUMMARY

#### What Is the Program?

The Teen Pregnancy and Dropout Prevention Program (Program) aims to reduce the incidence of teen pregnancies and school dropouts among Medicaid-eligible teenagers by providing support services such as counseling, education, and health guidance.

#### How Does the Program Work?

A provider interested in offering services under the Program must enter into a contract with the Department of Health Care Policy and Financing (HCPF) and secure funding that covers 10 percent of the annual estimated program costs. Once a provider begins to offer services to participants, it bills HCPF, and HCPF submits to the federal Centers for Medicare & Medicaid Services (CMS) a request for matching funds to cover the remaining 90 percent of costs. HCPF then reimburses the provider monthly on a per-client basis.

#### Who Does the Program Serve?

In fiscal year 13-14, Colorado had one provider that served 292 participants. As of July 2015, there were no contracted providers.

#### What Does It Cost?

No state General Fund dollars are appropriated to the Program. In fiscal year 13-14, the total federal expenditures for the Program were \$215,693.

#### Sunset the Teen Pregnancy and Dropout Prevention Program.

Since the Program's inception, providers have struggled to obtain the 10 percent local funding. Even if the funding problems were resolved, however, other issues—such as difficulty in recruiting and retaining Program participants and increased scrutiny of federal family planning dollars—have made the Program increasingly difficult to implement. While the intent behind the Program remains laudable, it makes more sense for HCPF to continue to work with CMS to find a means of providing services to Colorado's teens within the existing Medicaid framework. Therefore, the General Assembly should sunset the Program.

#### **METHODOLOGY**

As part of this review, staff of the Department of Regulatory Agencies met with HCPF staff and reviewed Colorado statutes, HCPF rules, federal laws, and the laws of other states.

MAJOR CONTACTS MADE DURING THIS REVIEW
Colorado Department of Health Care Policy and Financing

#### What is a Sunset Review?

A sunset review is a periodic assessment of state boards, programs, and functions to determine whether they should be continued by the legislature. Sunset reviews focus on creating the least restrictive form of regulation consistent with protecting the public. In formulating recommendations, sunset reviews consider the public's right to consistent, high quality professional or occupational services and the ability of businesses to exist and thrive in a competitive market, free from unnecessary regulation.

Sunset Reviews are prepared by: Colorado Department of Regulatory Agencies Office of Policy, Research and Regulatory Reform 1560 Broadway, Suite 1550, Denver, CO 80202 www.dora.state.co.us/opr



# **Table of Contents**

Background	1
Introduction	1
Types of Regulation	2
Licensure	2
Certification	3
Registration	3
Title Protection	3
Regulation of Businesses	4
Sunset Process	4
Methodology	4
About Teen Pregnancy	5
_egal Framework	6
History of Regulation	6
Legal Summary	6
Program Description and Administration	9
Analysis and Recommendations	. 12
Recommendation 1 - Sunset the Teen Pregnancy and Dropout Prevention Program	

## Background

#### Introduction

Enacted in 1976, Colorado's sunset law was the first of its kind in the United States. A sunset provision repeals all or part of a law after a specific date, unless the legislature affirmatively acts to extend it. During the sunset review process, the Department of Regulatory Agencies (DORA) conducts a thorough evaluation of such programs based upon specific statutory criteria <sup>1</sup> and solicits diverse input from a broad spectrum of stakeholders including consumers, government agencies, public advocacy groups, and professional associations.

Sunset reviews are based on the following statutory criteria:

- Whether regulation by the agency is necessary to protect the public health, safety and welfare; whether the conditions which led to the initial regulation have changed; and whether other conditions have arisen which would warrant more, less or the same degree of regulation;
- If regulation is necessary, whether the existing statutes and regulations establish
  the least restrictive form of regulation consistent with the public interest,
  considering other available regulatory mechanisms and whether agency rules
  enhance the public interest and are within the scope of legislative intent;
- Whether the agency operates in the public interest and whether its operation is impeded or enhanced by existing statutes, rules, procedures and practices and any other circumstances, including budgetary, resource and personnel matters;
- Whether an analysis of agency operations indicates that the agency performs its statutory duties efficiently and effectively;
- Whether the composition of the agency's board or commission adequately represents the public interest and whether the agency encourages public participation in its decisions rather than participation only by the people it regulates;
- The economic impact of regulation and, if national economic information is not available, whether the agency stimulates or restricts competition;
- Whether complaint, investigation and disciplinary procedures adequately protect the public and whether final dispositions of complaints are in the public interest or self-serving to the profession;
- Whether the scope of practice of the regulated occupation contributes to the optimum utilization of personnel and whether entry requirements encourage affirmative action;

<sup>&</sup>lt;sup>1</sup> Criteria may be found at § 24-34-104, C.R.S.

- Whether the agency through its licensing or certification process imposes any
  disqualifications on applicants based on past criminal history and, if so, whether
  the disqualifications serve public safety or commercial or consumer protection
  interests. To assist in considering this factor, the analysis prepared pursuant to
  subparagraph (i) of paragraph (a) of subsection (8) of this section shall include
  data on the number of licenses or certifications that were denied, revoked, or
  suspended based on a disqualification and the basis for the disqualification; and
- Whether administrative and statutory changes are necessary to improve agency operations to enhance the public interest.

#### Types of Regulation

Consistent, flexible, and fair regulatory oversight assures consumers, professionals and businesses an equitable playing field. All Coloradans share a long-term, common interest in a fair marketplace where consumers are protected. Regulation, if done appropriately, should protect consumers. If consumers are not better protected and competition is hindered, then regulation may not be the answer.

As regulatory programs relate to individual professionals, such programs typically entail the establishment of minimum standards for initial entry and continued participation in a given profession or occupation. This serves to protect the public from incompetent practitioners. Similarly, such programs provide a vehicle for limiting or removing from practice those practitioners deemed to have harmed the public.

From a practitioner perspective, regulation can lead to increased prestige and higher income. Accordingly, regulatory programs are often championed by those who will be the subject of regulation.

On the other hand, by erecting barriers to entry into a given profession or occupation, even when justified, regulation can serve to restrict the supply of practitioners. This not only limits consumer choice, but can also lead to an increase in the cost of services.

There are also several levels of regulation.

#### Licensure

Licensure is the most restrictive form of regulation, yet it provides the greatest level of public protection. Licensing programs typically involve the completion of a prescribed educational program (usually college level or higher) and the passage of an examination that is designed to measure a minimal level of competency. These types of programs usually entail title protection – only those individuals who are properly licensed may use a particular title(s) – and practice exclusivity – only those individuals who are properly licensed may engage in the particular practice. While these requirements can be viewed as barriers to entry, they also afford the highest level of consumer protection in that they ensure that only those who are deemed competent may practice and the public is alerted to those who may practice by the title(s) used.

#### Certification

Certification programs offer a level of consumer protection similar to licensing programs, but the barriers to entry are generally lower. The required educational program may be more vocational in nature, but the required examination should still measure a minimal level of competency. Additionally, certification programs typically involve a non-governmental entity that establishes the training requirements and owns and administers the examination. State certification is made conditional upon the individual practitioner obtaining and maintaining the relevant private credential. These types of programs also usually entail title protection and practice exclusivity.

While the aforementioned requirements can still be viewed as barriers to entry, they afford a level of consumer protection that is lower than a licensing program. They ensure that only those who are deemed competent may practice and the public is alerted to those who may practice by the title(s) used.

#### Registration

Registration programs can serve to protect the public with minimal barriers to entry. A typical registration program involves an individual satisfying certain prescribed requirements - typically non-practice related items, such as insurance or the use of a disclosure form - and the state, in turn, placing that individual on the pertinent registry. These types of programs can entail title protection and practice exclusivity. Since the barriers to entry in registration programs are relatively low, registration programs are generally best suited to those professions and occupations where the risk of public harm is relatively low, but nevertheless present. In short, registration programs serve to notify the state of which individuals are engaging in the relevant practice and to notify the public of those who may practice by the title(s) used.

#### Title Protection

Finally, title protection programs represent one of the lowest levels of regulation. Only those who satisfy certain prescribed requirements may use the relevant prescribed title(s). Practitioners need not register or otherwise notify the state that they are engaging in the relevant practice, and practice exclusivity does not attach. In other words, anyone may engage in the particular practice, but only those who satisfy the prescribed requirements may use the enumerated title(s). This serves to indirectly ensure a minimal level of competency - depending upon the prescribed preconditions for use of the protected title(s) - and the public is alerted to the qualifications of those who may use the particular title(s).

Licensing, certification and registration programs also typically involve some kind of mechanism for removing individuals from practice when such individuals engage in enumerated proscribed activities. This is generally not the case with title protection programs.

#### Regulation of Businesses

Regulatory programs involving businesses are typically in place to enhance public safety, as with a salon or pharmacy. These programs also help to ensure financial solvency and reliability of continued service for consumers, such as with a public utility, a bank or an insurance company.

Activities can involve auditing of certain capital, bookkeeping and other recordkeeping requirements, such as filing quarterly financial statements with the regulator. Other programs may require onsite examinations of financial records, safety features or service records.

Although these programs are intended to enhance public protection and reliability of service for consumers, costs of compliance are a factor. These administrative costs, if too burdensome, may be passed on to consumers.

#### **Sunset Process**

Regulatory programs scheduled for sunset review receive a comprehensive analysis. The review includes a thorough dialogue with agency officials, representatives of the regulated profession and other stakeholders. Anyone can submit input on any upcoming sunrise or sunset review via DORA's website at: www.dora.colorado.gov/opr.

The Teen Pregnancy and Dropout Prevention Program (Program) created pursuant to Part 6 of Article 5 of Title 25.5, Colorado Revised Statutes (C.R.S.), shall terminate on September 1, 2016, unless continued by the General Assembly. During the year prior to this date, it is the duty of DORA to conduct an analysis and evaluation of the Program pursuant to section 24-34-104, C.R.S.

The purpose of this review is to determine whether the Program should be continued in the interests of the public and to evaluate the performance of the Department of Health Care Policy and Financing (HCPF). During this review, HCPF must demonstrate that the Program serves the public interest. DORA's findings and recommendations are submitted via this report to the Office of Legislative Legal Services.

#### Methodology

As part of this review, DORA staff met with the HCPF staff and reviewed Colorado statutes, HCPF rules, federal laws, and the laws of other states.

#### **About Teen Pregnancy**

Teen pregnancy has numerous economic and social costs. Teen childbearing—which research has linked to a heightened risk for lower birth weight, birth defects, and other health problems—cost Colorado taxpayers at least \$155 million in 2010.<sup>2</sup>

Teen pregnancy also contributes significantly to high school dropout rates among girls. A 2010 study found that only 51 percent of girls who had given birth as teens earned high school diplomas by the time they were 22 years old, compared with nearly 90 percent among girls who had not given birth.<sup>3</sup>

According to the Centers for Disease Control and Prevention (CDC), in 2013, a total of 273,015 babies were born to American teenagers aged 15 to 19 years old. This translates to a teen birth rate of 26.5 births for every 1,000 girls. The teen birth rate in Colorado was slightly lower during this time frame, at 23.4 births for every 1,000 girls in that age group. The state of 26.5 births for every 1,000 girls in that age group.

The number of teen births nationwide in 2013 represented a 10 percent drop from 2012 and a record low for that age group. While the CDC does not offer a conclusive reason for the decline, it cites decreased sexual activity among teens and increased use of birth control among sexually active teens as factors that contributed to the drop. The teen birth rate also has dropped in Colorado during this time frame.

Despite the drop, teen pregnancy remains a perennial public health concern in the United States, where the number of babies born to teen mothers remains considerably higher than in other western industrialized countries. Both the CDC and the state of Colorado have identified unintended pregnancy, which encompasses teen pregnancy, as a "winnable battle" in public health and devoted resources to addressing this issue.

<sup>&</sup>lt;sup>2</sup> Counting it Up: The Public Costs of Teen Childbearing in Colorado in 2010. The National Campaign to Prevent Teen and Unplanned Pregnancy (2014), p. 1.

<sup>&</sup>lt;sup>3</sup> Perper K, Peterson K, Manlove J. *Diploma Attainment Among Teen Mothers*. Child Trends, Fact Sheet Publication #2010-01: Washington, DC:Child Trends; 2010.

<sup>&</sup>lt;sup>4</sup> Centers for Disease Control and Prevention. *Reproductive Health: Teen Pregnancy*. Retrieved on July 27, 2015 from http://www.cdc.gov/teenpregnancy/about/index.htm

<sup>&</sup>lt;sup>5</sup> U. S. Department of Health and Human Services. *Trends in Teen Pregnancy and Childbearing*. Retrieved on August 31, 2015 from http://www.hhs.gov/ash/oah/adolescent-health-topics/reproductive-health/teen-pregnancy/trends.html

<sup>&</sup>lt;sup>6</sup> Centers for Disease Control and Prevention. *Reproductive Health: Teen Pregnancy*. Retrieved on July 27, 2015 from http://www.cdc.gov/teenpregnancy/about/index.htm

<sup>&</sup>lt;sup>7</sup> Centers for Disease Control and Prevention. *Reproductive Health: Teen Pregnancy*. Retrieved on July 27, 2015 from http://www.cdc.gov/teenpregnancy/about/index.htm

### Legal Framework

#### **History of Regulation**

The General Assembly authorized the creation of the Teen Pregnancy Prevention Pilot Program (Program) in 1995, when it passed Senate Bill 95-101. Acknowledging that teen pregnancies are associated with health complications and increased medical costs, the General Assembly directed the Department of Health Care Policy and Financing (HCPF) to develop a pilot program to reduce the incidence of teen pregnancy and school dropouts among teens enrolled in Medicaid. Under the bill, HCPF did not directly provide services to teens: rather, it entered into contracts with Medicaid providers, which offered services.

The General Assembly made the Program a permanent government program in 2006 when it passed House Bill 06-1351.

The Department of Regulatory Agencies conducted a sunset review of the Program in 2010, which culminated in the passage of Senate Bill 11-177. This bill directed HCPF to collaborate with the Colorado Department of Public Health and Environment, other public agencies, and non-profit organizations to expand provider participation in the Program and established reporting requirements for participating providers. The bill also allocated an additional full-time equivalent employee to HCPF to administer the Program.

In 2013, the General Assembly passed House Bill 13-1081, which enacted statewide standards for human sexuality education. This bill added a provision to the Program's statutes requiring participating providers to give medically accurate, evidence-based instruction concerning human sexuality, in accordance with the new standards.

#### Legal Summary

The laws relating to the Program are housed in Part 6 of Article 5 of Title 25.5, Colorado Revised Statutes (C.R.S.). The law authorizes HCPF to implement a statewide program for teen pregnancy and dropout prevention to serve teenagers who are Medicaid recipients. In developing the Program, HCPF must consider the level of community support, the percentage of births in the community that were paid for with Medicaid funds, and the availability of additional federal funds and local or private funding. The Program design must include accurate methods for measuring the effectiveness of the Program. HCPF may seek any necessary federal waivers to implement the Program.

<sup>&</sup>lt;sup>8</sup> § 25.5-5-603(1)(a), C.R.S.

The Program is intended to reduce the incidences of teen pregnancy and school dropouts by providing support services to teen parents and at-risk teenagers—defined as people under 19 years of age who live in neighborhoods where conditions such as poverty, unemployment, substance abuse, crime, or a preponderance of teen parents put families at risk. Support services provided under the Program may include: 10

- Intensive individual or group counseling, which includes a component on sexual abstinence and delayed parenting;
- Vocational, health, and educational guidance;
- Public health services such as home visits or visiting nurse services; and
- Instruction concerning human sexuality, provided that HCPF ensures such instruction complies with the standards for human sexuality education established in section 22-1-128(6), C.R.S.

HCPF may also develop incentives for teen parents on public assistance to become selfsufficient and delay further pregnancies. 11

HCPF contracts with Medicaid providers to offer services. Program providers must collect data measuring the effectiveness of the educational programs they offer. Such data must be collected before, during, and after the programs, and address—among each program's participants—behaviors known to decrease the likelihood of teen pregnancy, including: 12

- Postponing the first sexual encounter,
- Reducing the frequency of sexual intercourse,
- Reducing the number of sexual partners or maintaining monogamous relationships,
- Increasing the effective use of contraception, and
- Reducing the incidence of unprotected sex.

Providers must also track the number of participants who—while enrolled in or after leaving the program-drop out of school, or, as teens, either become pregnant or impregnate someone. 13 Providers must submit a summary of the collected data to HCPF. 14

The Program is financed with a combination of federal and local funds, as well as grants and donations from private entities. Although General Fund dollars may not be used to finance the Program, the General Assembly may appropriate enough to cover HCPF's costs associated with expanding and overseeing the Program. 15

<sup>10</sup> § 25.5-5-603(2)(b), C.R.S.

<sup>&</sup>lt;sup>9</sup> § 25.5-5-602(1), C.R.S.

<sup>&</sup>lt;sup>11</sup> § 25.5-5-603(2)(c), C.R.S.

<sup>&</sup>lt;sup>12</sup> § 25.5-5-603(2.5)(a), C.R.S.

<sup>&</sup>lt;sup>13</sup> § 25.5-5-603(2.5)(b), C.R.S.

<sup>&</sup>lt;sup>14</sup> § 25.5-5-603(2.5)(b), C.R.S.

<sup>&</sup>lt;sup>15</sup> § 25.5-5-603(3), C.R.S.

Every year, HCPF must report on the Program's effectiveness to the Joint Budget Committee, as well as the health committees in the House of Representatives and the Senate. The report must include: 16

- The number of new providers participating in the Program,
- The number of additional program participants,
- The pregnancy rate for program participants as compared to the pregnancy rate for Medicaid clients of the same age group in the same geographic area, and
- A summary of the information collected from providers as described above.

8 | Page

<sup>&</sup>lt;sup>16</sup> § 25-5-604, C.R.S.

# **Program Description and Administration**

The Health Programs Benefits and Operations Division within the Colorado Department of Health Care Policy and Financing (HCPF) administers the Teen Pregnancy and Dropout Prevention Program (Program).

The General Assembly allocated one full-time equivalent employee to the Program in 2011. In addition to overseeing the Program, this employee oversees other services devoted to decreasing unintended pregnancies among teens and women, as well as women's health and maternity services.

HCPF does not directly provide services to teens. Rather, it enters into contracts with providers in local communities that provide services. At the beginning of the sunset review period, there were two providers: Hilltop Health Services Corporation (Hilltop), which provided services in Grand Junction, and Montrose County Nursing Services (Montrose), which provided services in Montrose and Delta counties.

Table 1 illustrates, for the five fiscal years indicated, the number of participants in each provider's program.

Table 1
Number of Participants by Provider

Program Name	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
Hilltop	175	149	204	278	292
Montrose	137	113	57	Not applicable	Not applicable

HCPF canceled its contract with Montrose in 2011, due to funding challenges. Following the cancelation of this contract, Montrose contracted with Hilltop to provide services to the Delta and Montrose communities. Consequently, the number of participants in Hilltop's program increased considerably in the period from fiscal year 11-12 to 13-14.

Due to ongoing funding and programmatic issues, HCPF did not renew Hilltop's contract in June of 2015. As of July 2015, there were no providers under contract with HCPF.

The federal Centers for Medicare & Medicaid Services (CMS) matches state funds dollar-for-dollar for most Medicaid services. For services categorized as "family planning," however—meaning services that prevent, delay, or plan a pregnancy—CMS offers a 90/10 match. Typically, this means that CMS covers 90 percent of the projected costs of a family planning service and the state covers the remaining 10 percent. However, because Colorado law prohibits the Program from using state General Fund dollars, local or community sources must independently obtain funding to cover the remaining 10 percent.

At the beginning of each contract year, providers remit to HCPF 10 percent of the estimated costs to deliver program services in the coming year. Once the provider begins to provide services to participants, it bills HCPF, and HCPF submits a request to CMS for the 90 percent federal matching funds to cover services provided. HCPF then reimburses the provider monthly on a per-client basis.

Table 2 illustrates, for the five fiscal years indicated, the Program's total yearly costs by provider.

Table 2 Program Costs

Program Name	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
Hilltop	\$583,019	\$452,220	\$332,622	\$198,972	\$215,693
Montrose	\$328,053	\$253,145	\$161,978	Not applicable	Not applicable

The cost per participant for the Montrose program remained fairly stable for the three fiscal years indicated, ranging from \$2,240 in fiscal year 10-11 to \$2,842 in fiscal year 11-12. The cost per participant for the Hilltop program dropped significantly over the five-year reporting period, from \$3,332 in fiscal year 09-10 to \$739 in fiscal year 13-14. This drop in costs correlates with a rise in the number of participants. HCPF staff offered two possible reasons for this decrease: more services might have been eligible for reimbursement in prior fiscal years or providers may have changed or reduced the services offered, thereby reducing costs.

Until the non-renewal of the contract in July 2015, Hilltop offered the Get Real program, which focused on helping young people make responsible life choices by building self-esteem, promoting success in school, preventing teen pregnancies, and enhancing communication between parents and children. This confidential, non-residential program targeted boys and girls between the ages of 10 and 19 and offered weekly group meetings, individual counseling for teenagers and their parents, and family visits.

There are several reasons Hilltop's contract was not renewed.

When the General Assembly created the pilot program in 1995, it was understood that providers under the Program would be eligible for federal family planning dollars. However, when the Program moved past the pilot stage in 2006, its eligibility for federal funding became less certain. First, CMS typically funds services, rather than programs. Second, any permanent Medicaid program must be offered on a statewide basis. The original legislation forbade the use of General Fund dollars, compelling potential providers to obtain funding from local sources. Not all areas are able to secure such funding, which effectively prevented the Program from being implemented statewide. CMS expressed its concerns in this area.

In the 2015 legislative session, HCPF supported House Bill 15-1079 (HB 1079), which would have allowed the General Assembly to appropriate General Fund monies to administer the Program and extended the sunset repeal date to September 1, 2020. In supporting this legislation, HCPF sought to address CMS's concerns about requiring 10 percent matching funds to come from local or community sources. Once the funding was stabilized, HCPF would have gone about addressing the statewide access needs and content concerns among the providers. However, HB 1079 was postponed indefinitely, so the funding problems remain.

In 2013, the General Assembly passed House Bill 13-1081, which established uniform standards for planned curricula regarding human sexuality. The bill added a provision requiring all content provided under the Program be medically accurate, evidence-based, and consistent with the standards for content provided via schools. Hilltop's curriculum was not entirely consistent with the new standards. Had HB 1079 passed, HCPF would have worked with Hilltop to implement one of three evidence-based curricula that met the state's standards. In light of the bill's failure, HCPF chose not to renew the contract.

# **Analysis and Recommendations**

# Recommendation 1 – Sunset the Teen Pregnancy and Dropout Prevention Program.

The General Assembly authorizes the Colorado Department of Health Care Policy and Financing (HCPF) to implement a Teen Pregnancy and Dropout Prevention Program (Program). The statutes governing the Program are housed in Part 6 of Article 5 of Title 25.5, Colorado Revised Statutes (C.R.S.).

The central question of this sunset review is whether the Program serves to protect the public health, safety, and welfare.

The General Assembly created the Program in 1995. Stating that teen pregnancies had a significant effect on the state's Medicaid budget and that teen parents are more likely to drop out of school and potentially require public assistance, the General Assembly directed HCPF to analyze the feasibility of a program to promote self-sufficiency among teens and help them make appropriate family planning decisions.

When the Program was in its pilot stage, communities had wide latitude in developing the content for teen participants. Further, because there were multiple providers, the Centers for Medicare & Medicaid Services (CMS) did not express concerns that the Program was not offered statewide.

In 2010, the Department of Regulatory Agencies (DORA) conducted a sunset review of the Program. DORA recommended continuing it and providing it with additional resources to allow for its expansion. When the General Assembly passed the sunset bill, Senate Bill 11-177, the Program seemed poised to contract with more providers and expand its reach to teenagers across the state.

Unfortunately, this has not come to pass.

The first challenge the Program faces is the educational content providers offer to participating teens. Prior to 2013, providers had considerable discretion in formulating content. In 2013, the General Assembly passed House Bill 13-1081, which requires HCPF to ensure that the educational content providers offer be medically accurate and evidence-based, and meet statewide standards for education on human sexuality. While some content met the new standards, some did not. Further, HCPF is responsible for assuring that the content and its method of delivery remains eligible for federal family planning dollars.

The second challenge is enrollment. When the Program was early in its pilot phase, it had six contracted providers. According to HCPF, ongoing problems with recruiting and retaining eligible teen participants for the Program was a reason most of these providers ceased operations.

The last—and most vexing—challenge is funding.

As articulated above, CMS has had ongoing concerns with the Program's funding mechanism. Shortly after the last sunset review, in 2010, CMS began planning for the expansion of Medicaid under the Affordable Care Act. Accordingly, CMS ramped up its scrutiny of states' use of federal family planning dollars. CMS questioned the requirement that local communities provide 10 percent funding, which effectively prevented the Program from being offered statewide, a mandate of all Medicaid programs.

CMS's concerns seem well founded. Program providers have struggled to come up with the 10 percent matching funds. In the first few years of the Program's history, there were six contracted providers. Since then, the number of providers has diminished steadily. By the time the Program had moved past the pilot phase and became permanent, there were just two providers. Even following the 2010 addition of a full-time equivalent employee who could work with CMS on shaping the Program, help conduct outreach, and recruit providers, the number of contracted providers has continued to dwindle. By July 2015, HCPF had no providers.

HCPF has been diligent in trying to forge an agreement with CMS to allow for the continued funding of the Program. In 2015, HCPF sought to provide a long-term solution to the Program's funding woes by supporting House Bill 15-1079, which would have given the Program access to General Fund dollars. The bill was postponed indefinitely.

Since its inception, the Program has benefited about 300 teens per year. This is a worthy achievement, but this number represents only a small fraction of eligible teens statewide. There are other places, most notably schools, where teens may obtain similar education; teens may also obtain services similar to those offered under the Program, such as one-on-one and family counseling, via Medicaid's established delivery systems.

While it would be within the scope of this review to recommend changes that might ease implementation, the Program has shown only marginal growth over the course of its 20-year existence. Even if providers no longer had to come up with 10 percent of the funding for the Program, there still could be issues with enrollment, educational content, and eligibility for use of federal family planning funds. The intent behind the Program remains laudable, but so many changes have occurred at the state and federal levels that the Program has become increasingly difficult to implement. It makes more sense for HCPF to continue to work with CMS to find a means of providing services to Colorado's teens within the existing Medicaid framework.

Therefore, the General Assembly should allow the Program to sunset.