

Colorado has lost dozens of autism clinics as state struggles to shore up funding

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For the first time in years, Jay Ortengren has seen his 16-year-old son, Ethan, reach milestone after milestone as he lives with a severe form of autism.

Ortengren and his family uprooted their lives in search of the best treatment for Ethan after he was diagnosed as a young child. Finally, they seemed to find it when they moved to Jefferson County, Colorado, during the pandemic. At Seven Dimensions Behavioral Health, Ethan has benefited from true wrap-around services, with two-therapist teams helping him for 40 hours a week.

Ethan began hitting goals with his motor functions, social skills and sensory tolerances, his father said. His attention span grew from just one or two minutes to 30.

But the exodus of autism treatment clinics from Colorado in recent years have Ortengren worried that any progress might be fleeting. Reimbursement rates under the state's Medicaid program, or how much the state pays for treatments, continue to fall short of the cost of business, advocates say, raising worries the industry could soon fall into a spiral it can't escape.

A recent boost in funding has helped, though Ortengren still frets that the state support that's meant so much for his son will dry up.

Ethan's progress, and the level of treatment he qualified for in Colorado, were enough that Ortengren was able to start working full-time again.

"If you were to take (services) away tomorrow, Ethan would backslide and he would suffer, and the family would suffer," said Ortengren, whose family moved to Colorado from Virginia.

Since 2021, at least 13 companies—operating about 35 clinics of different sizes—have closed or left the state over [reimbursement rates](#) that haven't kept up with rising costs, according to research by the Colorado Association for Behavior Analysis. Those closures have affected treatment for some 1,380 patients, and an estimated 1,000

Coloradans lost their jobs, according to the group.

"Colorado is relatively unique in the Medicaid landscape right now because of the number of programs that have closed and/or exited the state," said Mariel Cremonie-Fernandez, the vice president of government affairs for the national Council of Autism Service Providers.

'Once they're gone, they're pretty much gone'

To stanch the flow, Colorado lawmakers boosted funding for those types of programs by about \$10 million, including federal matching dollars, through a midyear budget adjustment in February.

"When you lose those providers, it's not something that can just come back online easily," said state Sen. Rachel Zenzinger, an Arvada Democrat and member of the Joint Budget Committee. "Once they're gone, they're pretty much gone. ... We're trying to send a signal to hold on."

Losing providers means fewer people can access the services, she said. Treatment for autism can be a time-sensitive affair, Zenzinger said, and better treatment early on can help set children up to reach their full potential.

But missing that critical window means setting them up for "a lifetime of disadvantage."

Rebecca Urbano Powell, executive director of Seven Dimensions Behavioral Health, said she watched her waitlist balloon from two months to six months as the industry contracted in recent years. And with low reimbursement rates, she's lost entry-level staff to Starbucks and Walmart, she said, effectively cutting off entry into the behavioral

health workforce before workers can get their feet under them.

"They could choose to work with kids with very severe, dangerous behaviors, or go work at Starbucks as a barista, and make the same—if not more—as a barista," said Urbano Powell, who also is board president of the Colorado Association for Behavior Analysis.

Facing increasing business costs and limited growth in [state funding](#), Urbano Powell said she's had to reduce the number of Medicaid patients she sees just to make ends meet—even, she said, as it "violates my own personal values."

The association estimated a 42% increase in business costs in 2022 and 2023 alone, while reimbursement rates increased just 6.2% between 2019 and 2023, according to a survey of members.

Brian Lopez, founder of the JumpStart Autism Center in New Mexico and a Colorado native, opened a clinic in his home state in 2015. But he closed it about a year ago because, he said, he just couldn't make the math balance out to keep it open without cutting corners—no matter how he tried to scale up.

It simply cost more to provide appropriate treatments than he'd get reimbursed by the state, he said. While losing clinics has an immediate impact on patients and their families, Lopez worries about the downstream effects if it's not a sustainable business.

"It's not only for the autism services that I'm concerned about, it's for all behavioral health services," Lopez said. "For many in the autism field, (including) the paraprofessionals, it often acts as a gateway into the behavioral health profession. Unfortunately, as those jobs decrease, then it could have a bigger impact on the service of those who need a whole host of behavioral health services."

While overall funding is the bottom line, Lopez also lays blame on the Colorado Department of Health Care Policy and Financing.

The agency, known as HCPF, administers Medicaid in the state and sets reimbursement policy and billing codes. Lopez said he would be reimbursed less than half the dollar amount in Colorado as he'd get for similar work in New Mexico, even as the cost of living and the cost of doing business were higher here.

Providers end up taking the brunt of the increased costs, which then affects families, he said.

"My opinion is that this is a choice HCPF has made," Lopez said. "Over and over and over. Restrict practice, and reduce overall costs. That has a significant impact on families. Their story just isn't ever told, so it's just hidden."

State agency disputes impact of departures

The Denver Post made multiple requests for an interview with HCPF officials over several weeks. A scheduled interview was canceled, and HCPF did not respond to an attempt to reschedule.

Zenzinger, the senator on the powerful budget-writing committee, said lawmakers had also asked HCPF to bring a request to address funding for pediatric behavioral therapy, which covers autism therapy for children. But HCPF did not, instead offering a plan to expand who qualifies for services—which Zenzinger saw as only further burdening providers who were struggling to stay in the state.

She saw the proposal as "adding more people to the mix that are seeking services, without actually funding the services or the providers," Zenzinger said. "It's like you just gave us syrup when what we needed

are pancakes.

"It's very sweet, thank you very much—but it's not nutrition. It's not substantive."

Ahead of a December budget hearing, written responses from HCPF to lawmakers noted "well-publicized provider departures from the market" but disputed that there had been an overall decrease in providers. The department also said it was working on a "comprehensive review" of the benefits and market trends affecting provider costs.

The growing role of private equity investment firms also complicates matters, HCPF warned, as firms buy up providers and close down autism services when they don't hit profit goals.

HCPF cited a national report from the Center for Economic Policy and Research that found private equity firms "move in and skim funds to pay high salaries to executives and outsized returns to private equity partners." The study did not cite any Colorado-specific impacts but noted that many of the firms it looked at operate in dozens of states.

While some budget committee members were "agnostic" to ownership structures of autism providers, as one put it, Sen. Jeff Bridges was more skeptical. While the Arapahoe County Democrat ultimately voted to increase funding, he worried it would set a precedent that investment firms could demand money to pad profits to their liking—and hold autism services hostage to do so.

"To me, it feels like a monopoly," Bridges said. "There's a real problem here if private equity is coming in here and doing what they did to other markets to autism providers. If those folks are getting in the way, then we absolutely have to take the fight to them."

Trade groups—local and national, with some private equity businesses among their members—say it still comes down to sustainable funding for services, whether it's private equity firms that strive for scale or smaller operations.

Cremonie-Fernandez, from the national trade group, praised Colorado for pursuing a rate study.

With inadequate reimbursement rates, "there is a risk of smaller providers having to exit the network and larger multistate providers being able to remain," she said. "It's more concerning for small providers not to have adequate rates."

But Ortengren, Ethan's father, worries about people like his son who get caught in the middle.

Colorado has proven to be a game-changer for his family. He worries about what will happen to them—and families in similar situations—if funding isn't sustainable for providers.

"People like Ethan can't really advocate for themselves," Ortengren said. "It's up to the rest of us to do it for them. They don't have a voice like the rest of the population, and it makes them a target for cutting the budget."

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