



Falling Colors – An Overview



8/1/2024



Who is Falling Colors?



Founded in
New Mexico

Headquartered
in Santa Fe

Falling Colors
Foundation
supports
scholarships
and more

Public Benefit
Corporation
under New
Mexico Law

Support for
Local
Non-Profits

Certified B-
Corporation

**4th Highest Score in
the World!**

“Most Ethical
Business in New
Mexico”

Falling Colors
Bridge Fund
Supported
over 200 Small
Businesses
during Covid



Falling Colors is the ASO for the New Mexico Inter-Agency Behavioral Health purchasing Collaborative, which was established by this Legislature in 2004 to improve collaboration and delivery of behavioral health services in New Mexico.

Falling Colors first contracted to provide ASO services to the Collaborative in 2017.

The contract was renewed in 2023 following a public RFP process.


At present, Falling Colors supports HCA, CYFD, ECECD, DDC, NMDOH, and BHC

Before Falling Colors became the ASO in 2017, the provider network had been substantially disrupted and consisted of just over 100 providers.

Those providers typically waited 90-180 days to receive payment – a huge burden for small businesses.

The State paid about 12% for ASO services.

There was very little transparency as to where the funds were going or how much was spent on what services.



Falling Colors has rebuilt the behavioral healthcare provider network to over 800 providers today.

Falling Colors pays those providers in an industry-leading average of under six days from invoice approval.

And Falling Colors has reduced costs – from about 12% of pass-through dollars under the prior contractor, to 10.27% when Falling Colors first contracted, to 6.6% today – a drop of about 35% in our administrative rate.

During this period, as our rates have dropped by approximately 35%, inflation nationwide has raised prices across the board by over 25%.

Core
ASO
Services

Contracting

Training

Service
Entry

Service
Rules

Invoicing

Recoupments

Payments

Data
Analytics

What does Falling
Colors do?



CAT/CANS

Additional
Supported Data
Services

Consumer
Satisfaction
Survey

TEDS/GPRA

Critical
Incident
Reporting

Treat First

Methadone
Central
Registry

Carelink

SYNAR

Falling Colors as the ASO

New Mexico Behavioral Health Collaborative

- 15 state agencies and the Governor's office
- Includes CYFD, HSD, DOH, ALTSD, ECECD, DDC, and HED

Falling Colors as the ASO

- Serving as the NM BHC ASO since 2017
- Administering ~\$220 million annually in health and human service dollars
- Contracting with over 50 providers
- Tracking 2.8+ million encounters for over 37,000 participants annually
- Administering 60+ behavioral health programs; including integrated Substance Use Disorder and Mental Health programs
- Offering end-to-end behavioral health administrative management: Contracting, payment processing, participant data collection, outcome tracking, service and claims collection and validation, burn rate management, financial reporting
- An industry-leading provider payment average of six days from invoice approval

ASO Services

As the ASO, Falling Colors offers:



- 1) **Full service contracting, customer support, and training for vendors in the provider network**, including incorporating and integrating new providers as directed by all participating member agencies. Importantly, **the ASO never selects providers or defines their scope of work**, but only contracts on specific direction from member agencies.



- 2) **Payment processing and data collection.** The ASO processes payments as directed by member agencies to providers on confirmation that contracted services have been delivered, associated data collected, and eligibility requirements verified. Member agencies retain complete control over fees, payment schedules and billing windows, eligibility requirements, and data collection requirements, charging the ASO with accomplishing these elements as directed.



- 3) **Enforcement of service rules as defined by member agencies**, ensuring that specified services are time- or quantity controlled (e.g. one hour per visit, no more than two services per week, or similar limits) or meet other requirements as defined by member agencies.



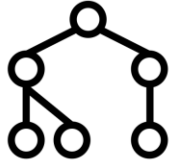
- 4) **Support of Federal and State data and assessment tools**, tying provider reimbursement to collection and delivery of mandated data points required by associated state or federal programs; and support of a robust set of surveys (standard, such as GPRA, CAT/CANS, and TEDS; as well as customizable) that can be made mandatory for specified clients or as precursors to billing.

ASO Services

As the ASO, the Falling Colors offers:



- 5) **Recoupment of funds paid for Medicaid-eligible services:** the ASO provides member agencies with the opportunity to identify services that are Medicaid eligible and facilitates recovery of those funds from already-paid providers. Through this process, Falling Colors has recovered over seven million dollars for member agencies and made that money available for services. (Falling Colors does not charge any fee on recouped funds).



- 6) **Support of a variety of reimbursement models,** accepting everything from Medicaid-style claims to custom services, and can support fee for service reimbursement, capitation, case rates, value-based purchasing, community services, shared fund pools, and more.



- 7) **Easy invoice creation and review,** allowing for rapid and transparent provider payments. All invoices are reviewed and approved both by Falling Colors and by Lead Agency staff, including additional levels of review for high-dollar invoices.



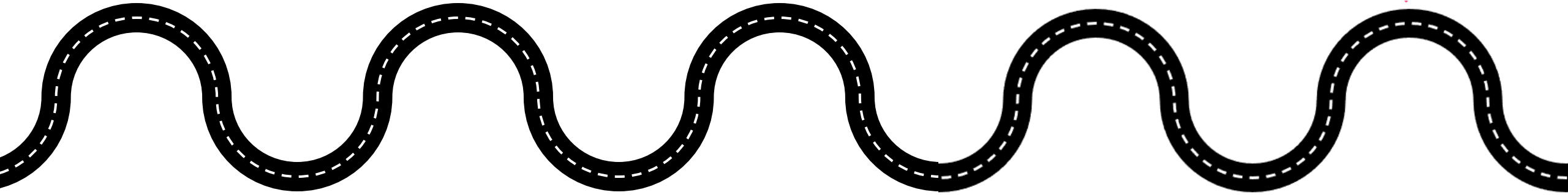
- 8) **Training and support of State and Provider staff** on invoice review, report utilization, and ASO software. We offer live onboardings, on-demand trainings, online videos and how-tos, and a fully staffed in-house support desk.

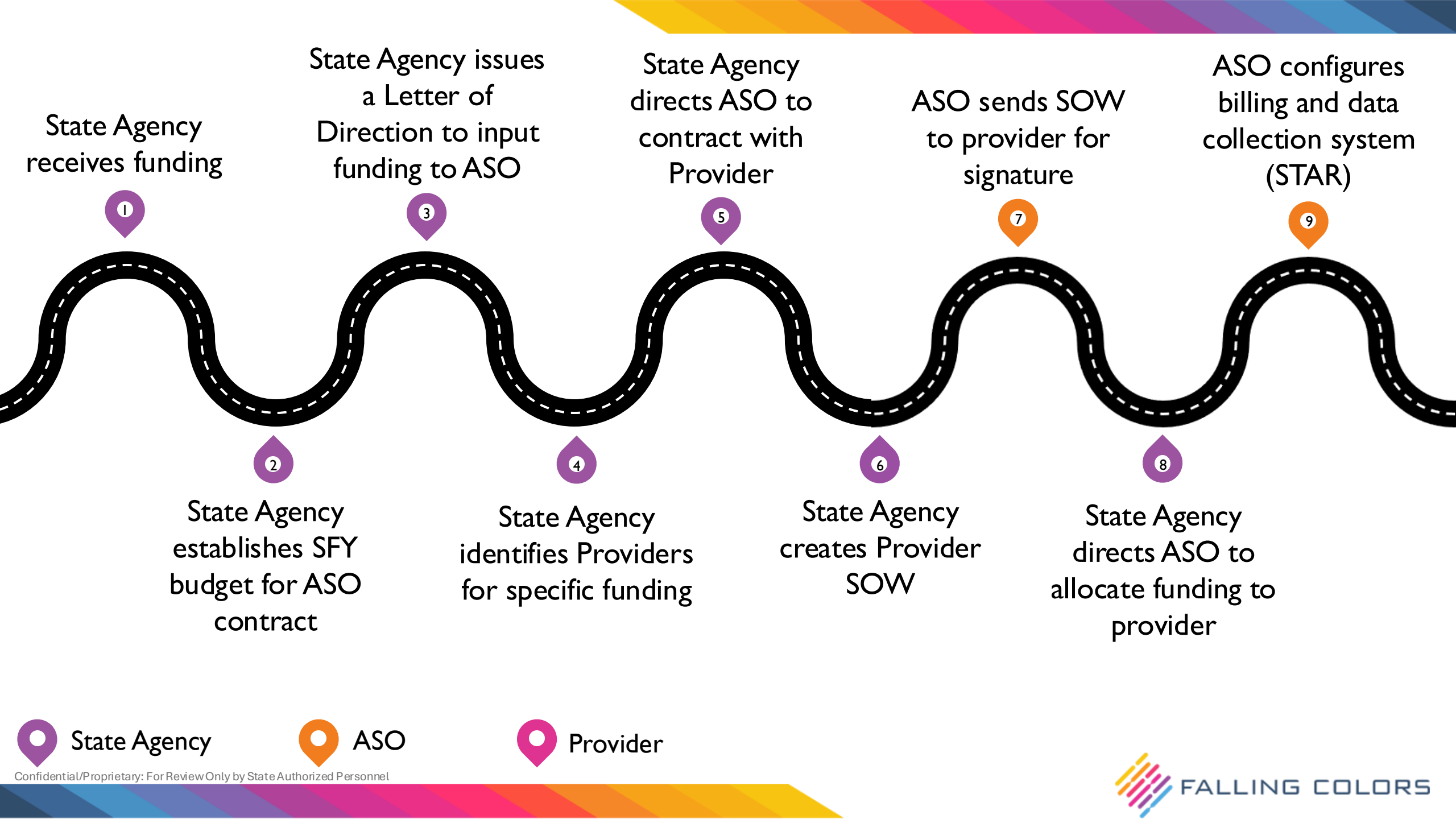
What is the ASO not?

The ASO never....

- 1) **Determines treatment plans.** Falling Colors does not offer clinical services or consultation, nor does it weigh in on appropriate treatment plans for clients.
- 2) **Denies claims based on clinical assessment.** All claims passed through the Falling Colors system are required to pass a set of State-determined rules (for example, checks around client diagnosis, maximum units per month, staff certification requirements, up-to-date client TEDs data, etc.). These checks are done automatically with a clearly defined and provider-accessible set of rules. If a claim is rejected due to a rule violation, the provider receives a detailed note explaining the reason for rejection and requirement for resubmission. Claims are never denied by Falling Colors due to case review or clinical assessment.
- 3) **Benefits from claims denial.** If any claim is denied or recouped (due, e.g., to Medicaid eligibility), those public funds are put back into the funding pool to pay for future services. The ASO does **not** retain those dollars, nor does it charge an administrative fee on returned funds.
- 4) **Sets costs.** The ASO follows the fee schedule for all services set by the Member Agencies.
- 5) **Selects Providers.** Falling Colors contracts with providers as directed by the BHC and Member Agencies; it does not participate in any selection process.
- 6) **Determines Provider or Project Scope of Works.** Falling Colors ensures that scopes of work are signed by providers as part of the contracting process at the direction of Member Agencies, after the SOW has been agreed on by the State PM and the provider, and checked for enforceability by the State.

The ASO Process





State Agency receives funding

1

State Agency issues a Letter of Direction to input funding to ASO

3

State Agency directs ASO to contract with Provider

5

ASO sends SOW to provider for signature

7

ASO configures billing and data collection system (STAR)

9

State Agency establishes SFY budget for ASO contract

2

State Agency identifies Providers for specific funding

4

State Agency creates Provider SOW

6

State Agency directs ASO to allocate funding to provider

8

State Agency

ASO

Provider

Confidential/Proprietary: For Review Only by State Authorized Personnel

ASO trains provider and answers billing related questions

10

State PMs review all invoices in STAR: approve, deny, mark for corrections

12

ASO support desk answers State and Provider questions

14

Provider provides services and bills in STAR system

11

ASO reviews and pays invoice, including check against Medicaid

13

ASO compiles client, service, and financial data and reports

15

 State Agency

 ASO

 Provider

Central to our ASO services is **STAR**, the Falling Colors service platform




NM Star

Sign in name

Password

[Forgot your password?](#)

Sign in

 Certified
B
Corporation

Falling Colors Corporation © 2024



STAR is: State Tracking And Reporting

bhsdstar Quality (QA) PROGRAM SETUP - USERS UTILITIES

Rules Engine Administration

Category	Name	Object Type	Conditions	Expression	Failure Text	Last Change
Validation	15 min services limit to 8 hours/day	ServiceDate	2	ANY	This service exceeds the maximum allowable units per day	Yes 09/14/2019
Validation	Amount Allowed	Service	3	1 or 2 or 3	The amount must be greater than \$0.00	Yes 09/14/2019
Validation	Approved Service	ServiceDate	3	ANY	This service is not on the approved fee schedule	Yes 09/14/2019
Validation	Billable Window	ServiceDate	4	ANY	This service date is outside of the billing window	Yes 09/14/2019
Validation	Billing limit per client	ServiceDate	1	ANY	This service is only billable once per client per provider per month	Yes 03/28/2019
Validation	Billing limit per provider	ServiceDate	1	ANY	Service only billable once per staff member per provider per month	Yes 03/28/2019

Rule Conditions

#	Name	Property / Static	Comparator	Value Type	Value	Last Change
1	Service Date must be before the billable start date	Static	=	Procedure	ServiceBillingTime	09/14/2019
2	Provider participation is not	ProcedureParticipation	!=	Single	0	09/14/2019
3	Needs assessment	Static	=	Procedure	FamilyEngagementAssessments	09/14/2019
4	Financial Project	Static	=	Procedure	InformanceProject	09/14/2019



QA REVIEW - PROGRAMS CLIENT -

Assure Tracking

- Corrections Required
- Pending Invoices
- Invoice History
- Client Pending Assessments
- Check Active In Projects

Fiscal Summary

Fiscal Year 2020 - ASSURE - New Detail

Service	Transaction	Status	Amount	Authorized
Staff Salaries	192281011CLN	12/15/2019	\$1,200,000.00	12/15/2019
Staff Salaries	1123841011CLN	10/15/2019	\$500,000.00	10/15/2019

bhsdstar Quality (QA) QA REVIEW - PROGRAMS CLIENT -

Susie UHeard - C00100000057779

WHILE YOU WERE GROWING UP, DURING YOUR FIRST 18 YEARS OF LIFE: Were your parents ever separated or divorced?

Yes No

Family Neglect

Parents Separated/Divorced

Domestic Violence

Family Substance Use

Family Mental Health



bhsdstar Quality (QA) PROGRAM SETUP - USERS UTILITIES

Provider Update

Provider Name	Provider ID	Client Number	Federal Tax ID	Main Tax ID	Paper Check	Require QR
Top Provider	8C210111	00	2311410	13310100	Yes	Yes

Send New

bhsdstar Quality (QA) QA REVIEW - PROGRAMS CLIENT -

Overview Tracking

- Corrections Required
- Pending Invoices
- Invoice History
- Checkpoints for Clinicians
- Claims History

Client Tracking

- Active Clients
- Deactivated Clients
- Check-in Required



Invoice Management



Tracking



Corrections Required

View



Pending Approval

View



Pending Payment

View



Invoice History

View



RUN REPORTS FOR
Overview

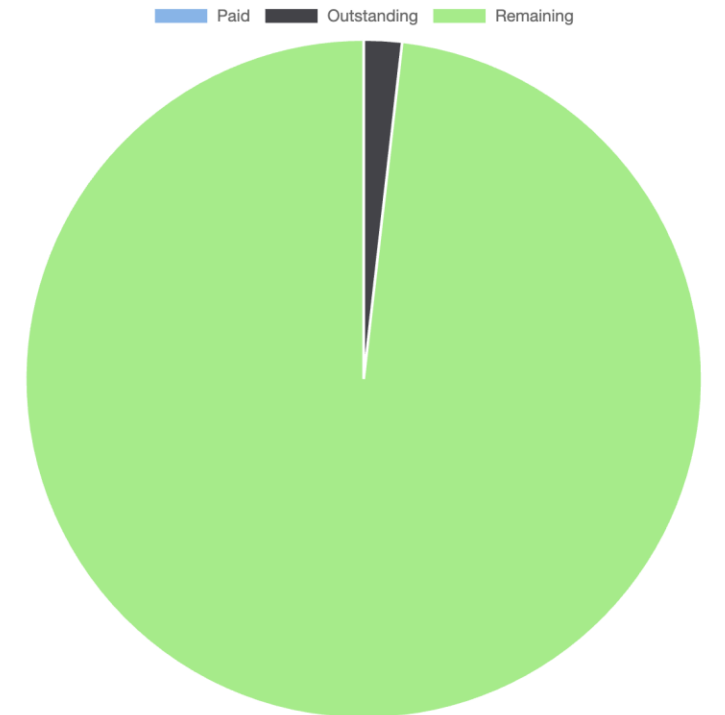
Run Report ▾

FY 2025

ALLOCATED	PAID	OUTSTANDING	REMAINING
\$34,158,015.14	\$0.00	\$620,530.85	\$33,537,484.29

Program	Provider Count	Allocated	Paid	Outstanding	Remaining
Claims	39	\$21,622,384.73	\$0.00	\$620,530.85	\$21,001,853.88
COVID-19 (BHSD)	5	\$655,144.00	\$0.00	\$0.00	\$655,144.00
Crisis Support	8	\$10,669,226.41	\$0.00	\$0.00	\$10,669,226.41
SAPT BG	4	\$97,750.00	\$0.00	\$0.00	\$97,750.00
Special Projects (BHSD)	1	\$1,113,510.00	\$0.00	\$0.00	\$1,113,510.00

Funding Summary



Fund Utilization Reporting

Burn Rate for All Programs for (FY 2024)

Fund Type	Fund	Project	Provider	Total Budget	Unallocated	Allocation	Paid	Outstanding	Remaining	Percent Utilization
Total				\$95,647,970.11	\$1,145,885.66	\$94,502,084.45	\$85,956,999.86	\$3,248,482.17	\$5,296,602.42	94.40%
<input checked="" type="checkbox"/> Federal				\$43,650,970.11	\$569,130.66	\$43,081,839.45	\$39,940,461.31	\$487,158.07	\$2,654,220.07	93.84%
	<input type="checkbox"/> 988 : 988 Suicide and Crisis Lifeline (HSDBLDG98801)			\$543,568.00	\$0.00	\$543,568.00	\$543,567.98	\$0.00	\$0.02	100.00%
	<input type="checkbox"/> B200 : Community MH Services Block (HSDCM03722)			\$1,914,169.55	\$0.00	\$1,914,169.55	\$1,914,013.76	\$0.00	\$155.79	99.99%
	<input type="checkbox"/> B200 : Community MH Services Block (HSDCM03723)			\$3,187,208.88	\$0.00	\$3,187,208.88	\$3,156,125.98	\$314.59	\$30,768.31	99.03%
	<input type="checkbox"/> B200 ARPA : MHBG ARPA (CMHS) (HSDCM03721)			\$374,975.00	\$50,000.00	\$324,975.00	\$107,906.25	\$194,212.50	\$22,856.25	92.97%
	<input checked="" type="checkbox"/> B290 : CMHS Covid Relief (HSDCMMCOVID01)			\$2,251,510.15	\$0.00	\$2,251,510.15	\$2,251,510.15	\$0.00	\$0.00	100.00%
		<input checked="" type="checkbox"/> Crisis Response				\$152,045.42	\$152,045.42	\$0.00	\$0.00	100.00%
		<input type="checkbox"/> Network Building				\$275,648.84	\$275,648.84	\$0.00	\$0.00	100.00%
						\$50,808.84	\$50,808.84	\$0.00	\$0.00	100.00%
						\$99,840.00	\$99,840.00	\$0.00	\$0.00	100.00%
						\$125,000.00	\$125,000.00	\$0.00	\$0.00	100.00%
		<input checked="" type="checkbox"/> Outcome Evaluation & Assessment				\$524,552.00	\$524,552.00	\$0.00	\$0.00	100.00%
		<input checked="" type="checkbox"/> Outreach and Education				\$44,000.00	\$44,000.00	\$0.00	\$0.00	100.00%
		<input checked="" type="checkbox"/> Training - COVID-Relief				\$1,209,263.89	\$1,209,263.89	\$0.00	\$0.00	100.00%

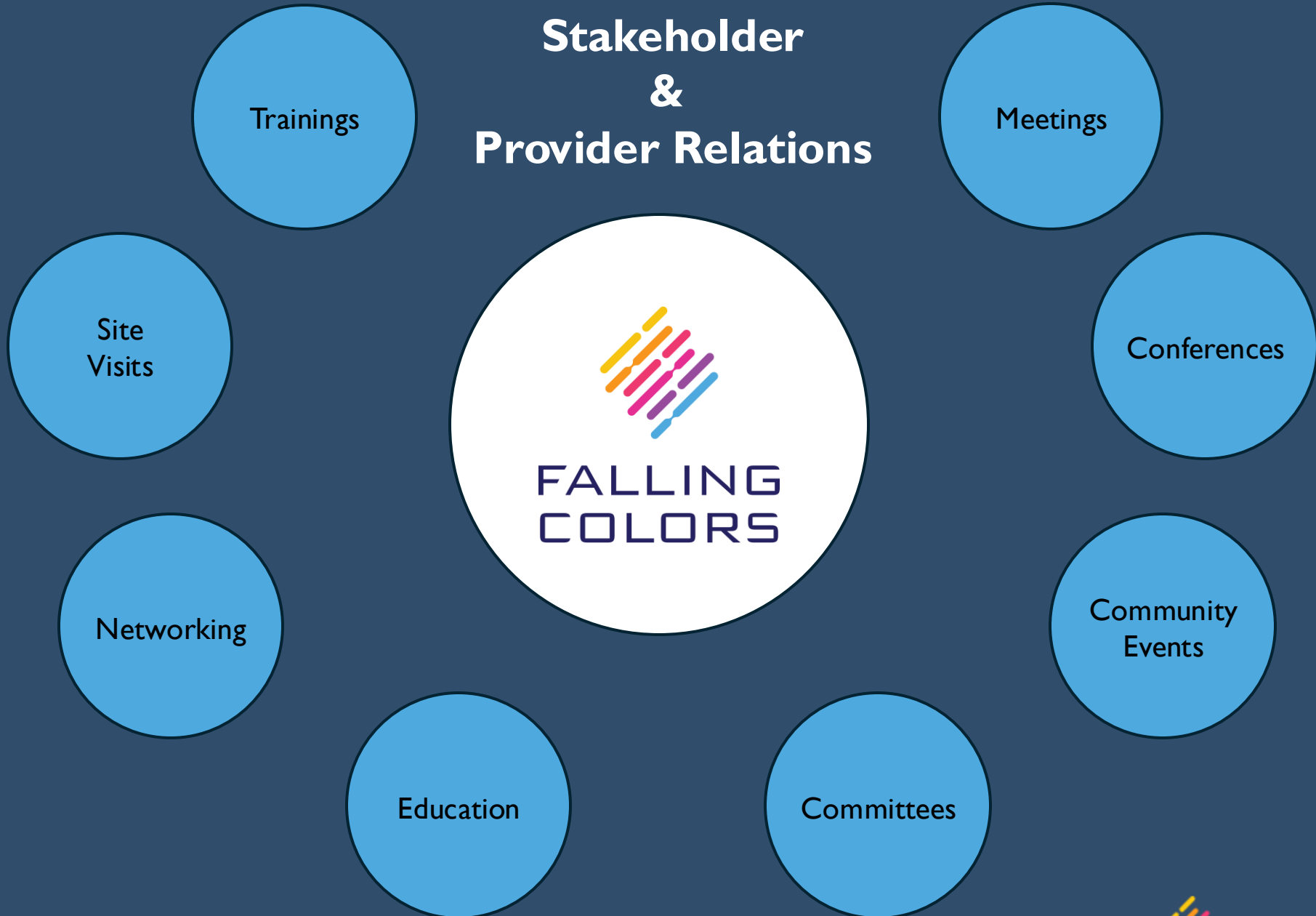
Industry-Standard Security



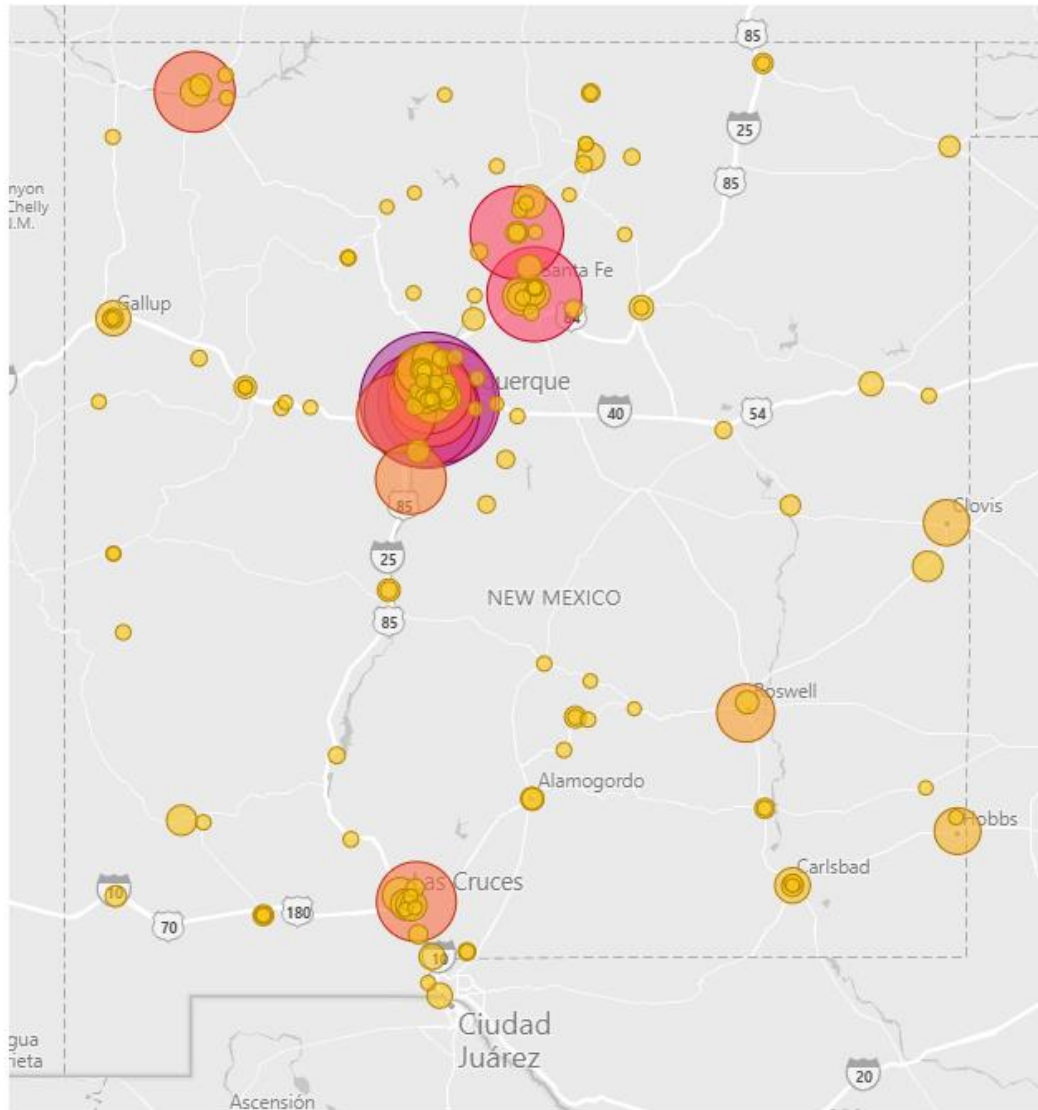
Core Infrastructure and Security

- Cloud-based
- HIPAA & 42-CFR Part 2 Compliant
- Proactive security monitoring
- Regression testing
- Hot-fixes for all critical errors and bugs

Stakeholder & Provider Relations

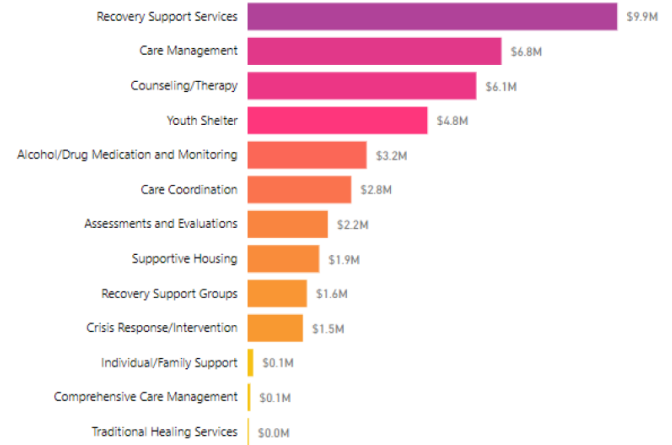


PROVIDER NETWORK BY SERVICES RENDERED

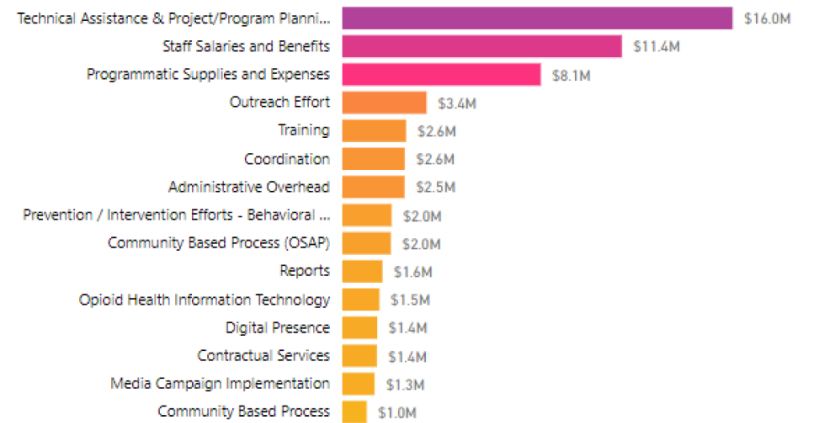


SERVICES BY EXPENDITURE

CLIENT BASED SERVICES



COMMUNITY BASED SERVICES



Customer Service and Support

Support Tickets

- 2023
 - 14,026 tickets addressed
 - averaged 1,169 tickets a month
- 2024 YTD
 - 8,156 tickets addressed
 - averaged 1,165 tickets a month

Ticket - time to resolution

- average 30 minutes to 2 hours
- larger requests: 12-36 business hours

Trainings

- 50 formal webinars
- Numerous 1:1, adhoc, and on request



What kind of data does Falling Colors track?



Demographics

Services by region

Clients Served

Diagnoses

Service Groups

Burn Rates

Burn Rate Projections

Expenditures by Lead Agency

Services by Region

EXPENDITURES

HOME

EXPENDITURES

BUDGET UTILIZATION

SERVICE TRENDS

CLIENT DEMOGRPHICS

PROVIDERS

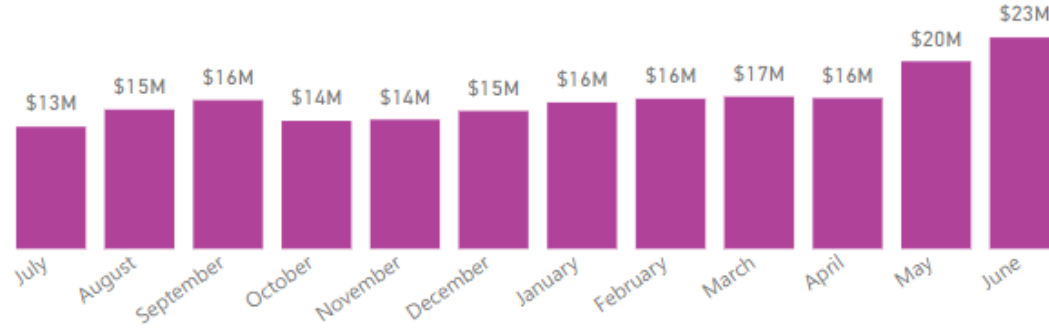
\$226,334,706.24
Total Budget

\$195,692,279.32
Total Expenditure

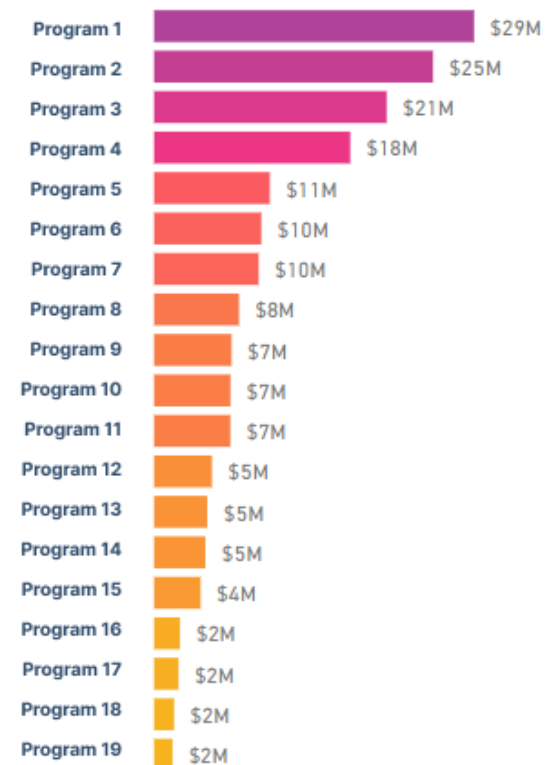
\$17,801,055.43
Total Remaining

86.5%
% Expended

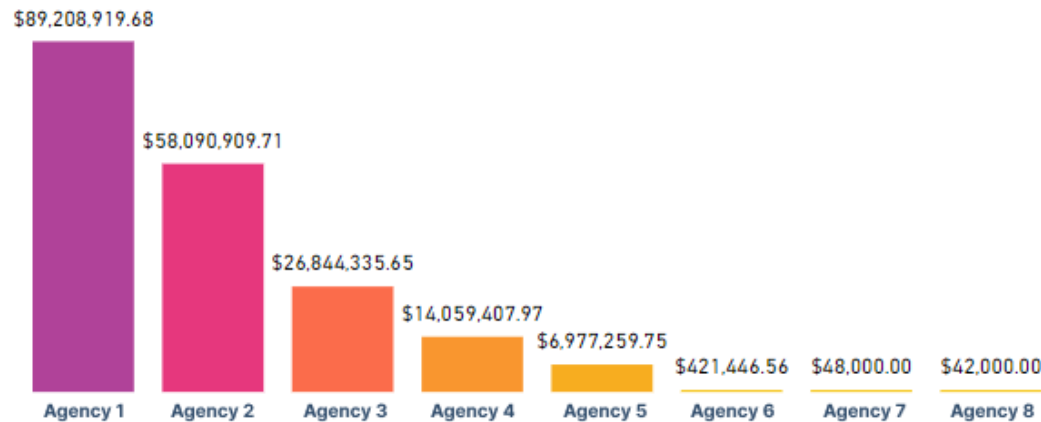
Expended Amount by Month



Expended Amount by Program



Expended Amount by Lead Agency



Program Fund Source

BUDGET UTILIZATION

HOME

EXPENDITURES

BUDGET UTILIZATION

SERVICE TRENDS

CLIENT DEMOGRPAHICS

PROVIDERS

\$226,334,706.24
Total Budget

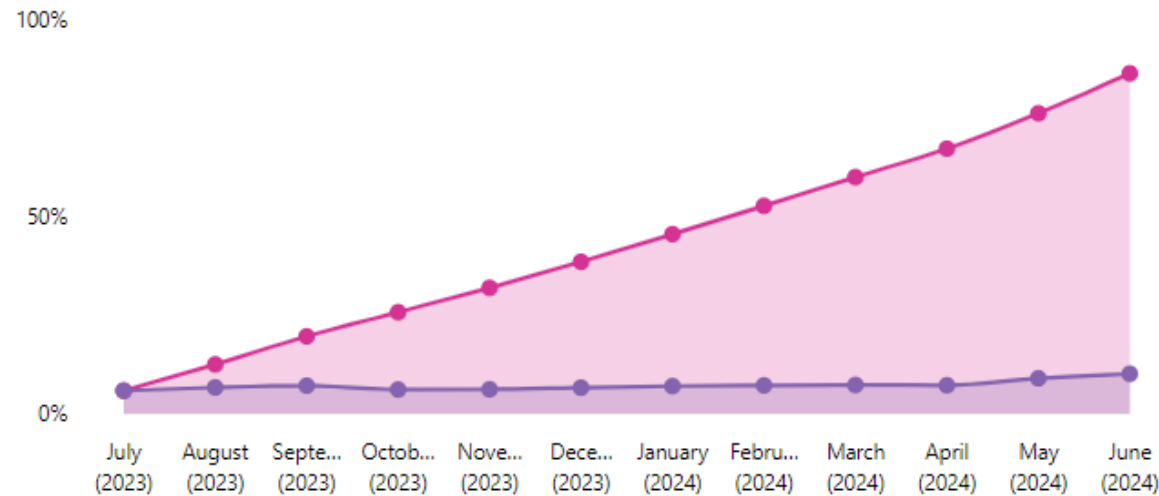
\$195,692,279.32
Total Expenditure

\$17,801,055.43
Total Remaining

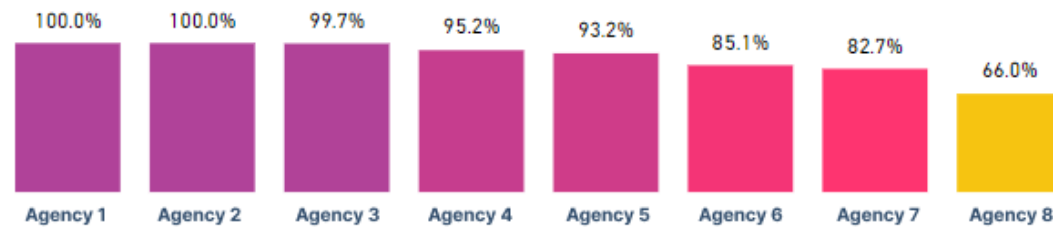
86.5%
% Expended

Budget Utilization by Month

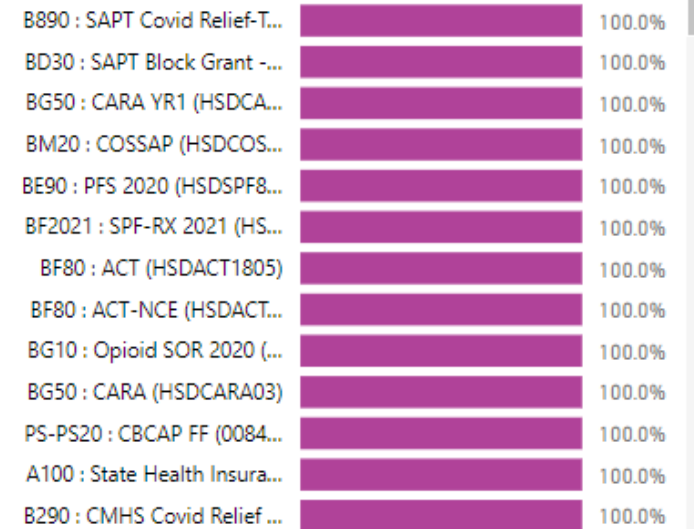
● Cumulative Utilization ● Monthly Utilization



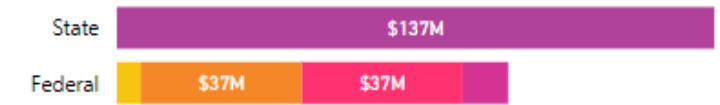
Budget Utilization by Lead Agency



Utilization by Fund Source



Expended Amount by Fund Type



Program Type ● CMHS ● Discretionary ● Other Feder... ● SAPT ● SGF

SERVICE TRENDS

HOME

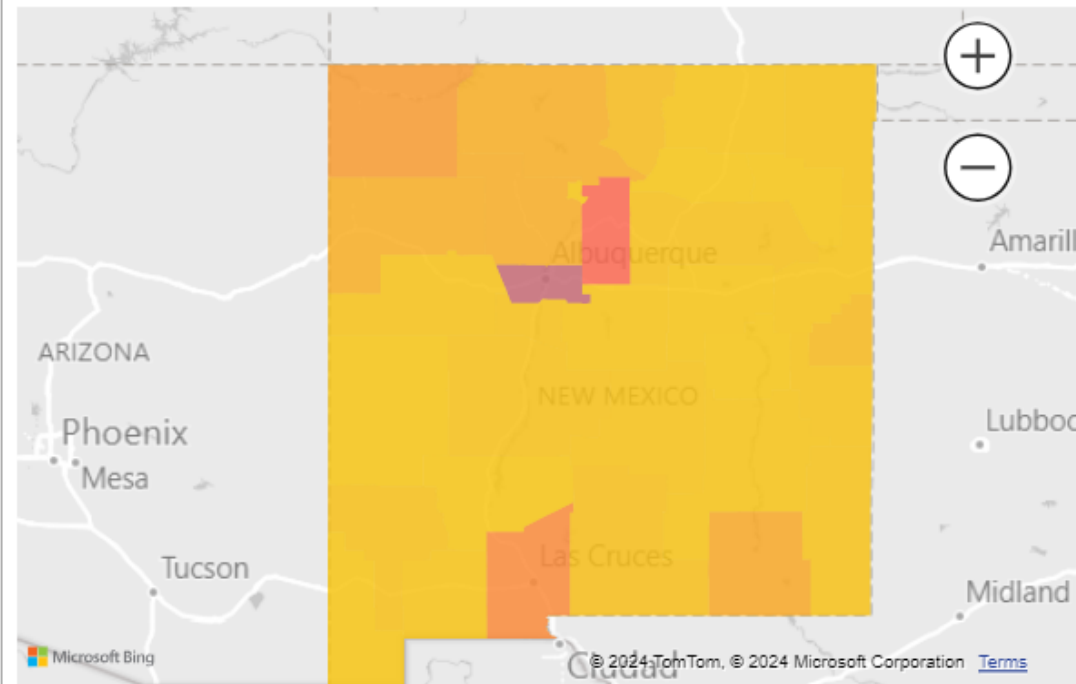
EXPENDITURES

BUDGET UTILIZATION

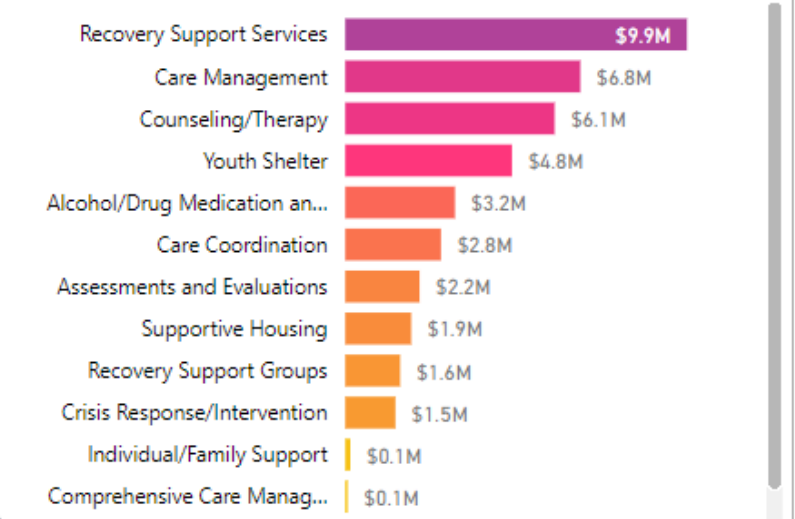
SERVICE TRENDS

CLIENT DEMOGRPAHICS

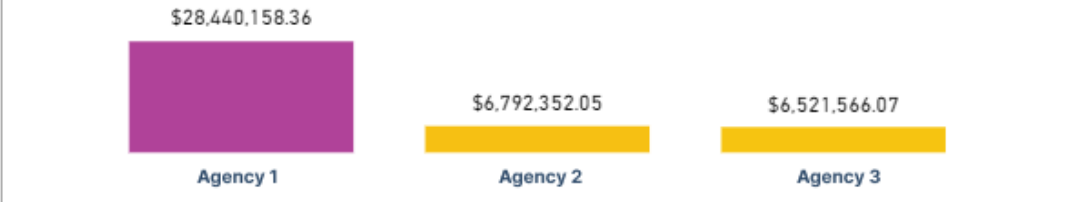
PROVIDERS



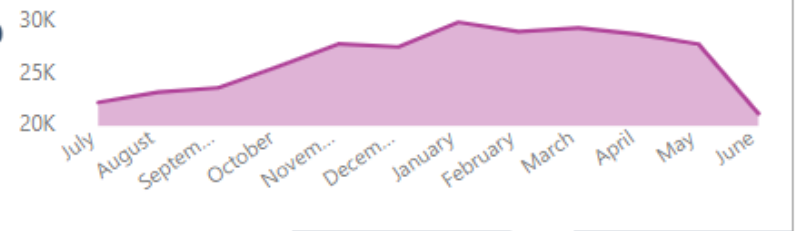
Expended Amount by Service



Expended Amount by Lead Agency



Service Count by Month



Client Community Workbook

SERVICE TRENDS

HOME

EXPENDITURES

BUDGET UTILIZATION

SERVICE TRENDS

CLIENT DEMOGRPHICS

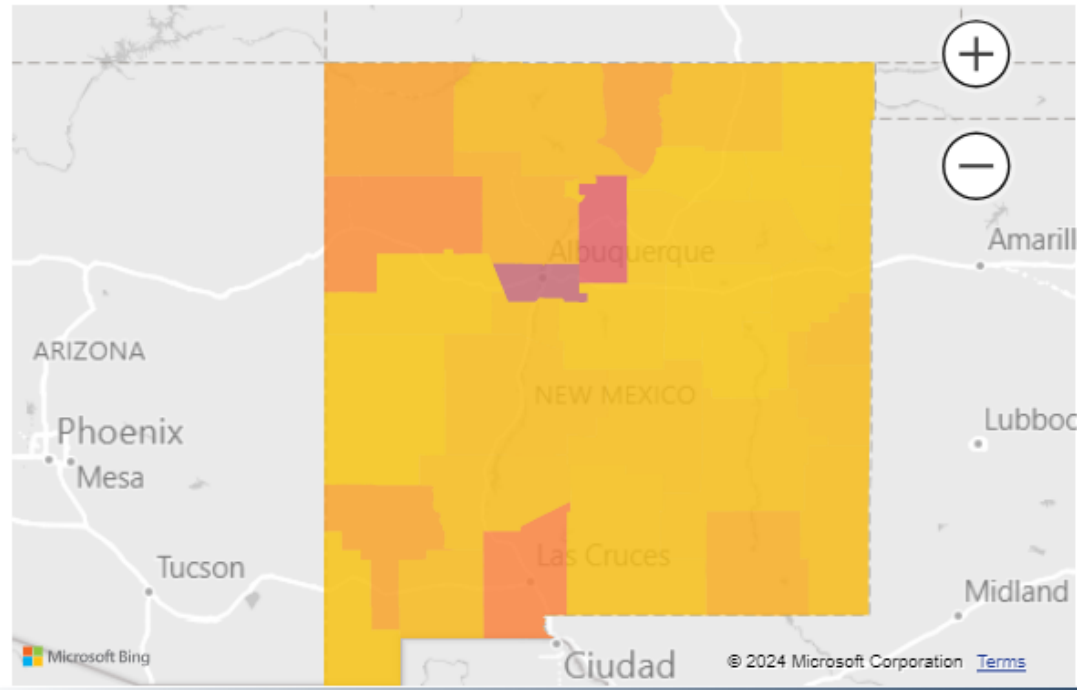
PROVIDERS

\$104,141,622.79
Total Expenditure

53.22%
Percent Overall

16,899
Services Rendered

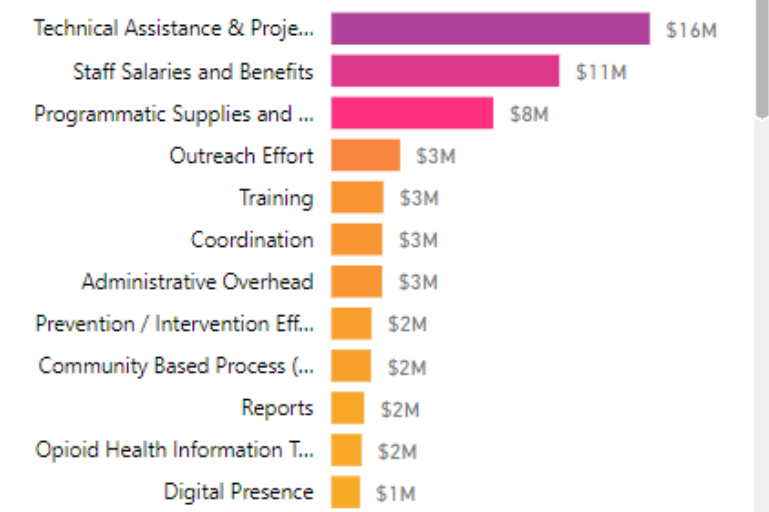
\$6,162.59
Avg. Cost per Service



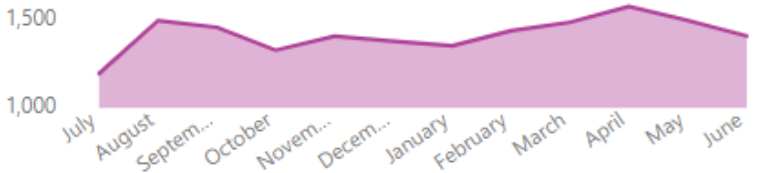
Expended Amount by Lead Agency



Expended Amount by Service



Service Count by Month



Client

Community

Workbook

CLIENT DEMOGRAPHICS

HOME

EXPENDITURES

BUDGET UTILIZATION

SERVICE TRENDS

CLIENT DEMOGRPAHICS

PROVIDERS

\$41,754,076.48
Total Expenditure

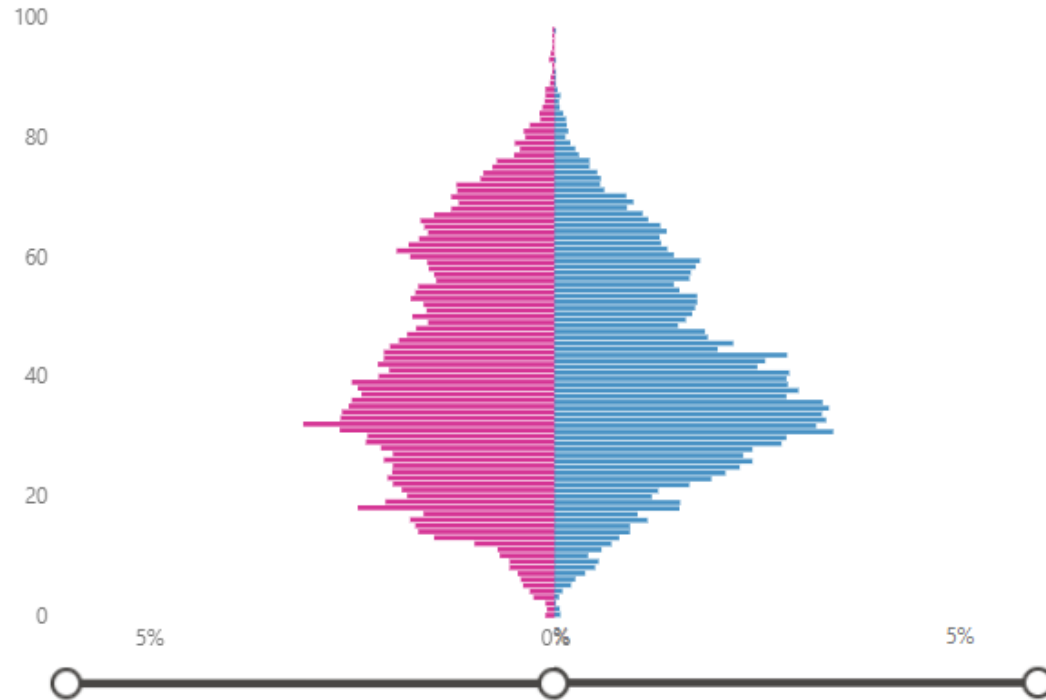
22,569
Clients Served

313,648
Services Rendered

\$1,850.06
Avg. Cost per Client

Age and Gender

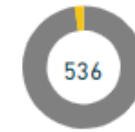
Women



Underserved Populations

Men

LGBTQ+



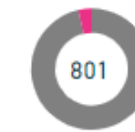
Tribal Affiliated



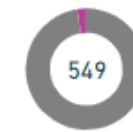
Homeless



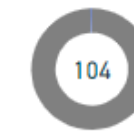
Veteran



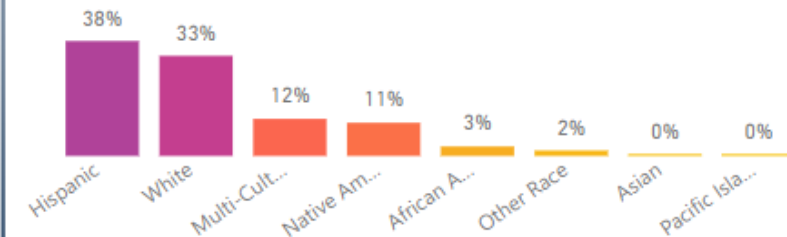
IV Drug Use



Pregnant



Race/Ethnicity



Top 10 Diagnoses



PROVIDERS

HOME

EXPENDITURES

BUDGET UTILIZATION

SERVICE TRENDS

CLIENT DEMOGRPHICS

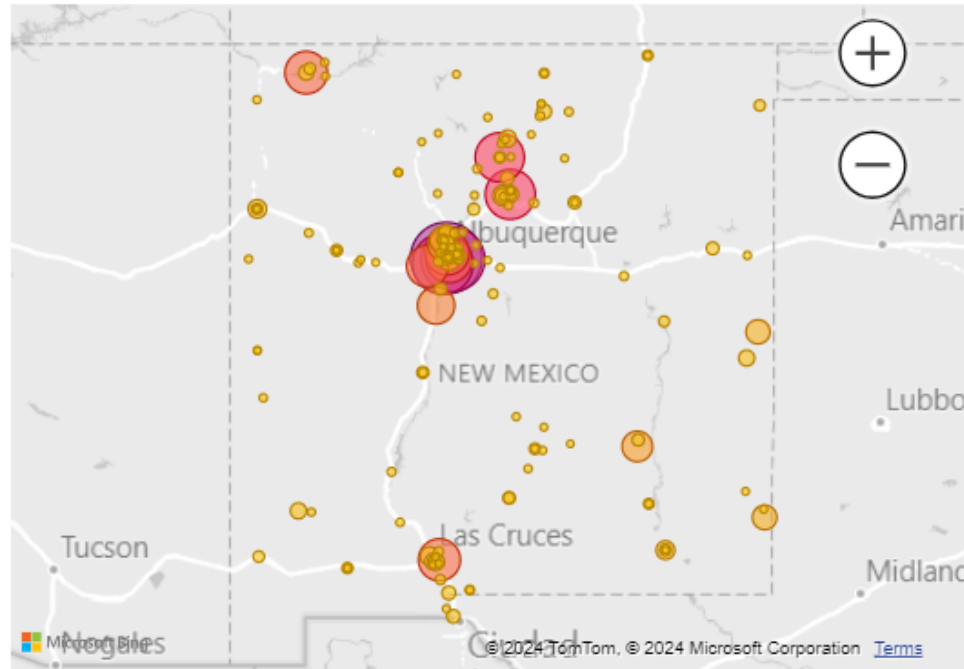
PROVIDERS

\$195,692,279.32
Total Expenditure

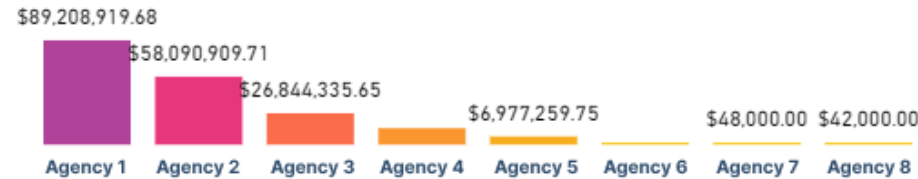
557
Active Providers

2,545,895
Services Rendered

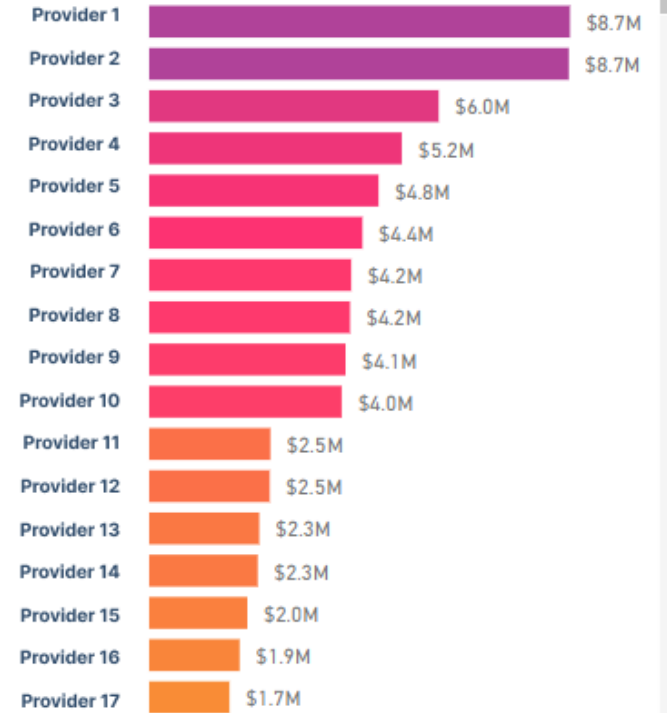
\$76.87
Avg. Cost per Service



Expended Amount by Lead Agency



Expended Amount by Provider



Provider Speciality

All

How much does Falling Colors Charge?



Flat rate of dollars processed for core ASO services

Contracting

Training

Service Entry

Service Rules

Invoicing

Recoupments

Payments

Data Analytics

CAT/CANS

Additional data services supported at no cost to New Mexico

Consumer Satisfaction Survey

TEDS/GPRA

Critical Incident Reporting

Treat First

Methadone Central Registry

Carelink

SYNAR

Thank you!



Any questions?
support@fallingcolors.com

Jorie Koster-Hale, Sam Wolf, Reba Serafin, Tim Harville, Kyle Kleisinger