

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: <u>07-014</u>	2. STATE: CO
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2008 <u>7/16/08</u>	
5. TYPE OF PLAN MATERIAL (Check one): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS A NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 U.S.C. Section 1396a.		7. FEDERAL BUDGET IMPACT: a. FFY <u>07-08</u> \$ <u>1,505,000</u> b. FFY <u>08-09</u> \$ <u>1,505,000</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B Methods and Standards for establishing payment rates for the nurse home visitor program targeted case management services		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if applicable): Attachment 4.19-B Item #19	
10. SUBJECT OF AMENDMENT: Reimbursement for Targeted Case Management Services in the Nurse Home Visitation Program			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER AS SPECIFIED Governor's letter dated August 10, 2007 <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: Joan Henneberry		Colorado Department of Health Care Policy and Financing 1570 Grant Denver, Colorado 80203	
14. TITLE: Acting Director, Medical Assistance Office		Attn: Brian Zolynas	
15. DATE SUBMITTED: 11/13/07			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 11/13/07		18. DATE APPROVED: <u>6/8/09</u>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <u>7/16/08</u>		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: <u>Richard C. Allen</u>		22. TITLE: <u>Associate Regional Administrator</u>	
23. REMARKS: Received via e-mail 11/13/07			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

STATE OF COLORADO

Attachment 4.19-B

Page 6

Item # 19 Methods for Establishing Payment Rates for Nurse Home Visitor Program
Targeted Case Management Services

Reimbursement for Targeted Case Management (TCM) provided through the Nurse Home Visitor Program is made on a per-unit basis, where one (1) unit is equal to fifteen (15) minutes. A maximum of fifteen (15) units of service may be reimbursed in any calendar month per mother/child couple. The 15 units per month may be divided between the mother and child if both are Medicaid-eligible in the same month.

Each Nurse Home Visitor Program provider agency has two rates for TCM: The TCM Office Rate and the TCM Home Rate:

1. TCM Office Rate

This is a market-based rate. This rate may be billed for TCM services occurring away from the client's home/off-site location.

- a. Using the United States Bureau of Labor Statistics' State Occupational Employment and Wage Estimates for Colorado for the most recent month available, the mean hourly wage for the Standard Occupational Classification of Registered Nurses (29-1111) is determined.
- b. Using the United States Bureau of Labor Statistics' Employer Cost for Employee Compensation data for the most recent fiscal quarter available, the hourly cost for all fringe benefits for all occupations in the private industry is averaged with the hourly cost for all fringe benefits for all occupations in state and local government.
- c. The mean hourly wage for Registered Nurses from (a) is added to the hourly cost for fringe benefits from (b). The resulting figure is divided by four to arrive at a per-15-minute unit rate.

2. TCM Home Rate

This rate is based on the TCM Office Rate plus a reallocation of mileage costs. This rate may be billed for TCM services occurring in the client's home or off-site location.

- a. Documented mileage costs for a year (or half a year) are collected from the provider agency. These costs include travel to client visits only, excluding staff development/training travel costs.
- b. The number of minutes spent at home visits (visit-minutes) in a year (or half a year) is collected from the provider agency for all home visits to all program clients (Medicaid- and non-Medicaid-eligible) by all visiting nurses. Provider agencies are required to record this information in an electronic database.

TN No. 07-014
Supersedes TN No. 01-014

Approval Date 6/8/09
Effective Date 7/16/08

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STATE OF COLORADO

Attachment 4.19-B
Page 6a

Item # 19 Methods for Establishing Payment Rates for Nurse Home Visitor
Program Targeted Case Management Services – Continued

- c. Dividing the mileage costs by the total visit-minutes results in mileage costs per visit-minute. This figure is then multiplied by the provider agency-specific proportion of Medicaid clients to non-Medicaid clients in their caseload to account for only those mileage costs and visit-minutes associated with Medicaid clients.
- d. This figure is multiplied by 15, resulting in Medicaid mileage costs per 15 minutes of service.
- e. The resulting figure is added to the TCM Office Rate. The sum equals the TCM Home Rate.

All governmental and private Nurse Home Visitor Program providers will be reimbursed for Targeted Case Management services according to this same published methodology. The current Nurse Home Visitor Program provider reimbursement rates are effective for dates of service on or after July 16, 2008, and can be found on the official Web site of the Colorado Department of Health Care Policy and Financing at www.colorado.gov/hcpf. Medicaid will not reimburse Targeted Case Management services at a rate higher than Medicare payment rates, although this service is not currently a Medicare benefit.

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