DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12

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Center for Medicaid and State Operations CMSO



FM 12 20

Dr. Sandeep Wadhwa, MD, MBA Medicaid Director Department of Health Care Policy & Financing 1570 Grant Street Denver, CO 80203-1818

MAR 2 6 2009

Re: Colorado 08-007

Dear Dr. Wadhwa:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 08-007. Effective for services on or after July 1, 2008, this amendment incorporates changes to the nursing facility reimbursement methodology. Specifically, the amendment provides for an additional payment for quality performance measures; cognitive loss or acquired brain injury; residents who have severe mental health conditions; reasonable price for administrative and general costs; and, eliminates the eight percent grown limitation on health care costs.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment 08-007 is approved effective July 1, 2008. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,

Jackie Garner
Acting Director

Center for Medicaid and State Operations

cc: Diane Taylor, CO HCPF