

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
1600 Broadway, Suite 700
Denver, CO 80202-4967



Region VIII

September 12, 2013

Susan E. Birch, MBA, BSN, RN, Executive Director
Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203-1818

RE: Colorado #13-009

Dear Ms. Birch:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 13-009. This amendment is requesting a temporary exemption for the Recovery Audit Contractor (RAC) program in order to procure a new contractor. The exemption would cover a lapse while the State seeks to enter into a new formal agreement for its RAC program.

Please be informed that this State Plan Amendment was approved today with an effective date of July 1, 2013. We are enclosing the CMS-179 and the amended plan page(s).

We recognize the amount effort it make take to fully resolve the problems and deficiencies you have identified in the performance audit of your former RAC vendor however, please ensure that these Medicaid overpayments are reported as follows: RAC collections recovered within 365 days should be reported on the Form 64.9S9 RAC which pre-fills Line 9E of the CMS 64-Summary and RAC collections not recovered and due because of the expiration of time (i.e. 365 days) are reported on the Form CMS 64.9O RAC which prefills the Line 10E of the CMS-64 Summary. Additionally, the state staff time spent carrying out the administration, operation and maintenance of the RAC program need to be reported on the Form CMS-64.10 Base, Line 27 and is reimbursed at the 50 percent administrative claiming rate.

If you have any questions concerning this amendment, please contact Curtis Volesky at (303) 844-7033.

Sincerely,

/s/

Richard C. Allen
Associate Regional Administrator
Division for Medicaid & Children's Health Operations

cc: Suzanne Brennan, Barb Prehmus
Pat Connally, Max Salazar
John Bartholomew

