

---

## Table of Contents

**State/Territory Name:** Colorado

**State Plan Amendment (SPA) #:** CO-14-021

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

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



## **Region VIII**

---

September 4, 2014

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

RE: Colorado #14-021

Dear Ms. Birch:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 14-021. This amendment reflects methods and standards for establishing payment rates for clinic services, reflecting the rate increases effective July 1, 2014.

Please be informed that this State Plan Amendment was approved today with an effective date of July 1, 2014. We are enclosing the CMS-179 and the amended plan page(s).

In order to track expenditures associated with this amendment, Colorado should follow the CMS-64 reporting instructions outlined in Section 2500 of the State Medicaid Manual (SMM).

For those individuals whose expenditures qualify for the newly eligible federal medical assistance percentage report on the Form CMS-64.9 VIII and those not enrolled in the new adult group, claims should be reported on the Form CMS-64.9 Base.

This amendment would affect expenditures reported on Line 10-Clinic Services.

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

Sincerely,

/s/

Dzung Hoang  
Acting Associate Regional Administrator  
Division for Medicaid & Children's Health Operations

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

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER:  <b>14-021</b>	2. STATE:  <b>COLORADO</b>
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE  <b>July 1, 2014</b>	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):  NEW STATE PLAN                      AMENDMENT TO BE CONSIDERED AS A NEW PLAN <input checked="" type="checkbox"/> <b>AMENDMENT</b>		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate transmittal for each amendment</i> )		
6. FEDERAL STATUTE/REGULATION CITATION <b>Section 1905(a)(9) of the Social Security Act</b>	7. FEDERAL BUDGET IMPACT a. FFY <u>2014-15</u> \$ <u>72,703</u> b. FFY <u>2015-16</u> \$ <u>297,427</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  • <b>Attachment 4.19-B, Methods and Standards for Establishing Payment Rates – Other Types of Care: 9. Clinic Services</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> )  • <b>Attachment 4.19-B, Methods and Standards for Establishing Payment Rates – Other Types of Care: 9. Clinic Services, TN 13-021</b>	
10. SUBJECT OF AMENDMENT <b>Methods and standards for establishing payment rates for clinic services reflecting the rate increases effective July 1, 2014.</b>		
11. GOVERNOR'S REVIEW ( <i>Check One</i> )  GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> <b>OTHER, AS SPECIFIED</b>  COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <b>Governor's letter dated 01 September 2011</b> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		
12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO  <b>Colorado Department of Health Care Policy and Financing 1570 Grant Street Denver, CO 80203-1818</b>  <b>Attn: Barbara Prehmus</b>	
13. TYPED NAME  <b>Suzanne Brennan</b>		
14. TITLE  <b>Medicaid Director</b>		
15. DATE SUBMITTED <b>6/21/2014</b>		
<b>FOR REGIONAL OFFICE USE ONLY</b>		
17. DATE RECEIVED <b>6/21/14</b>	18. DATE APPROVED <b>9/4/14</b>	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>		
19. EFFECTIVE DATE OF APPROVED MATERIAL  <b>7/1/14</b>	20. SIGNATURE OF REGIONAL OFFICIAL  <b>/s/</b>	
21. TYPED NAME  <b>Dzung Hoang</b>	22. TITLE  <b>Acting ARA, DMCHO</b>	
23. REMARKS		

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

STATE OF COLORADO

Attachment 4.19-B

Page 1 of 3

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –  
OTHER TYPES OF CARE

9. CLINIC SERVICES – Continued

Ambulatory Surgical Centers

Ambulatory Surgical Center (ASC) reimbursement for select surgical procedures is the lower of the following:

1. Submitted charges or
2. ASC fee schedule as determined by the Department of Health Care Policy and Financing under the ASC grouper payment system which is set below the Medicare rates.

Services and items at minimum that are included in the ASC reimbursement are:

1. Use of the facility where the surgical procedure is performed
2. Nursing, technician, and related services
3. Drugs, biologicals, surgical dressings, supplies, splints, casts, appliances, and equipment directly related to the provision of the surgical procedure
4. Diagnostic and therapeutic items and services directly related to the provision of the surgical procedure
5. Administrative, record-keeping, and housekeeping items and services
6. All blood products (whole blood, plasma, platelets, etc.)
7. Materials for anesthesia
8. Intra-ocular lenses
9. Supervision of the services of an anesthetist by the operating surgeon

Services and items that are not included in the ASC reimbursement rate and may be billed separately by the actual provider of the service include:

1. Physician services
2. Anesthetist services
3. Laboratory, radiology, or diagnostic procedures other than those directly related to performance of the surgical procedure
4. Surgically implanted prosthetics (except intra-ocular lenses)
5. Ambulance services
6. Artificial limbs
7. Durable medical equipment for use in the client's home

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. The reimbursement rates were set as of July 1, 2014 and are effective for services provided on or after that date. All rates can be found on the official Web site of the Department of Health Care Policy and Financing at [www.colorado.gov/hcpf](http://www.colorado.gov/hcpf).

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

STATE OF COLORADO

Attachment 4.19-B

Page 2 of 3

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –  
OTHER TYPES OF CARE

9. CLINIC SERVICES – Continued

Dialysis Centers

Routine dialysis center services are reimbursed at the lower of the following:

1. Submitted charges;
2. Dialysis Center Fee Schedule as determined by the Department of Health Care Policy and Financing. The rates are subject to a wage index multiplier plus a non-wage component.

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. The reimbursement rates were set as of July 1, 2014 and are effective for services provided on or after that date.

Routine dialysis center services are all items and services necessary for delivering dialysis including routinely provided drugs, laboratory tests, and supplies for dialysis-related services.

Public Health Agencies

Services provided by public health agencies are reimbursed at the lower of the following:

1. Submitted charges or
2. Fee schedule as determined by the Department of Health Care Policy and Financing. Public health agencies are reimbursed for physician services, laboratory services, family planning services, services provided by non-physician practitioners, special programs, etc., using the same published methodologies for these services as described elsewhere in the State Plan.

Treatment Services for Pregnant Women with Substance Use Disorders

Treatment services for pregnant women with substance use disorders (Special Connections Program) are reimbursed at the lower of the following for dates of service on or after July 1, 2008:

1. Submitted charges or
2. Market-based fee schedule as determined by the Department of Health Care Policy and Financing and the Department of Human Services' Division of Behavioral Health based on an analysis of private sector behavioral health care management corporation reimbursement rates and substance abuse treatment reimbursement rates of other states' public medical assistance programs.

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

STATE OF COLORADO

Attachment 4.19-B

Page 3 of 3

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –  
OTHER TYPES OF CARE

Reimbursable treatment services for pregnant women with substance use disorders include the following:

1. Risk assessment where one unit of service equals one session
2. Individual counseling/therapy where one unit of service equals fifteen minutes
3. Group counseling/therapy where one unit of service equals fifteen minutes
4. Case management services where one unit of service equals fifteen minutes
5. Group health education/maintenance where one unit of service equals one hour
6. Residential services (excluding room and board) where one unit of service equals one day

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. Reimbursement rates for dates of service on or after July 1, 2008, for Special Connections Program services can be found on the official Web site of the Department of Health Care Policy and Financing at [www.colorado.gov/hcpf](http://www.colorado.gov/hcpf).