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State/Territory Name: Colorado

State Plan Amendment (SPA) #: CO-14-033

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

January 22, 2015

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

RE: Colorado #14-033

Dear Ms. Birch:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 14-033. This amendment requests an extension to the Medicaid Recovery Audit Contract from 7/1/14 to 12/31/15 to cover the lapse until a RAC is re-procured and a formal contract has been executed. During this time, the State will consult with CMS and seek other interim solutions of conducting post-payment compliance reviews and audits on Medicaid providers.

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).


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: Gretchen Hammer John Bartholomew
Tess Ellis Barb Prehmus
Pat Connally Frank Herbst

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: <u> 1 </u> <u> 4 </u> -- <u> 0 </u> <u> 3 </u> <u> 3 </u>	2. STATE: COLORADO
		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 July 1, 2014	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS A NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION Section 1902(a)(42)(B)(i) of the Social Security Act		7. FEDERAL BUDGET IMPACT a. FFY_2014 _____ Approximate \$ <u> 0 </u> b. FFY_2014 _____ \$ <u> 0 </u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Section 4.5		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Section 4.5, 13-009	
10. SUBJECT OF AMENDMENT Medicaid Recovery Audit Contract Exemption			
11. GOVERNOR'S REVIEW (<i>Check One</i>) GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor's letter dated 01 September 2011 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL 		16. RETURN TO Colorado Department of Health Care Policy and Financing 1570 Grant Street Denver, CO 80203-1818 Attn: Barbara Prehmus	
13. TYPED NAME John Bartholomew			
14. TITLE Deputy Executive Director			
15. DATE SUBMITTED June 30, 2014			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED 6/30/14		18. DATE APPROVED 1/22/15	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL 7/1/14		20. SIGNATURE OF REGIONAL OFFICIAL /s/	
21. TYPED NAME Richard C. Allen		22. TITLE ARA, DMCHO	
23. REMARKS			

<p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act</p>	<p>The following payment methodology shall be used to determine State payments to Medicaid RACs for recovered overpayments (e.g., the percentage of the contingency fee):</p> <p>_____ The State attests that if the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register, the State will only submit for FFP up to the amount equivalent to that published rate.</p> <p>_____ The following payment methodology shall be used to determine State payments to Medicaid RACs for underpayments:</p> <p>_____ The State will submit a justification seeking to pay the Medicaid RAC(s) a contingency fee higher than the highest contingency fee rate paid to Medicare RACs as published in the Federal Register.</p>
<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</p>	<p>_____ The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p>
<p>Section 1902 (a)(42)(B)(ii)(III) of the Act</p>	<p>_____ The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State plan or a waiver of the plan.</p>
<p>Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act</p>	<p>_____ The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share.</p>

No. 14-033
 Supersedes _____
 No. 13-009

Approval Date: 01/22/15 Effective Date: 7/1/2014

Section 1902 (a)(42)(B)(ii)(IV)(bb)
of the Act

_____ Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, and/or State and Federal law enforcement entities and the CMS Medicaid Integrity Program.

Section 1902 (a)(42)(B)(ii)(IV)(cc)
of the Act

No. 14-033
Supersedes
No. 13-009

Approval Date: 01/22/15 Effective Date: 7/1/2014