

---

## Table of Contents

**State/Territory Name:** Colorado

**State Plan Amendment (SPA) #:** CO-15-0031

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  
1961 Stout Street, Room 08-148  
Denver, CO 80294



## Region VIII

---

September 28, 2015

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

RE: Colorado #15-0031

Dear Ms. Birch:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 15-0031. This State Plan Amendment revises the methods and standards for establishing payment rates for Mental Health and Substance Abuse Rehabilitation Services for Children. The proposed State Plan Amendment modifies Attachment 4.19-B Methods and Standards for Establishing Payment Rates – Other Types of Care – 13e. Mental Health and Substance Abuse Rehabilitation Services for Children. In addition this amendment revised the Mental Health and Substance Abuse Rehabilitations Services for Children benefit coverage pages to align with the payment methodology. This amendment would modify Supplement to Attachment 3.1-A: Limitations to Care and Services – 13e. Mental Health and Substance Abuse Rehabilitation Services for Children.

Please be informed that this State Plan Amendment was approved today with an effective date of July 1, 2015. 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 could affect expenditures reported on various lines of the Form CMS-64 dependent upon where the client receives services and the type of client.

- Line 6A-Outpatient Hospital Services
- Line 10-Clinic Services
- Line 15-EPSDT Screening
- Line 40-Rehabilitative Services



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

Sincerely,



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

cc: Gretchen Hammer    John Bartholomew  
Tess Ellis                Barb Prehmus  
Pat Connally             Amanda Forsythe

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER:  15-0031	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, 2015	
5. TYPE OF PLAN MATERIAL (Check One):  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 (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION  42 CFR 441.150-182, 42 CFR 483.350-376		7. FEDERAL BUDGET IMPACT a. FFY 2014-15: \$3,531 b. FFY 2015-16: \$14,255	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B: Methods and Standards for Establishing Payment Rates – Other Types of Care – 13.d. Rehabilitative Services: Mental Health and Substance Abuse Rehabilitation Services for Children; and  Supplement to Attachment 3.1-A: Limitations to Care and Services – 13.d. Rehabilitative Services: Mental Health and Substance Abuse Rehabilitation Services for Children		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B: Methods and Standards for Establishing Payment Rates – Other Types of Care – 13.e. Mental Health and Substance Abuse Rehabilitation Services for Children (CO 13-057); and  Supplement to Attachment 3.1-A: Limitations to Care and Services – 13.e. Mental Health and Substance Abuse Rehabilitation Services for Children (CO 06-009)	
10. SUBJECT OF AMENDMENT Methods and standards for establishing payment rates for Mental Health and Substance Abuse Rehabilitation Services for Children, reflecting the rate increases effective July 1, 2015. Additionally, this Amendment revises the coverage pages (Supplement to Attachment 3.1-A) to align with the methods and standards pages (Attachment 4.19-B) for Mental Health and Substance Abuse Rehabilitation Services for Children.			
11. GOVERNOR'S REVIEW (Check One)  GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED  COMMENTS OF GOVERNOR'S OFFICE ENCLOSED                      Governor's letter dated 15 January, 2015 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:  Gretchen Hammer		FOR REGIONAL OFFICE USE ONLY 17. DATE RECEIVED    7/16/15                      18. DATE APPROVED    9/28/15	
14. TITLE:  Medicaid Director			
15. DATE SUBMITTED: Original Submission: July 16, 2015 <i>Re-submission: 9/23/2015</i>			
19. EFFECTIVE DATE OF APPROVED MATERIAL  7/1/15		20. SIGNATURE OF REGIONAL OFFICIAL 	
21. TYPED NAME  Richard C. Allen		ARA, DMCHO	
23. REMARKS			

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

STATE OF COLORADO

Supplement to Attachment 3.1-A  
Page 1 of 4

LIMITATIONS TO CARE AND SERVICES

**13.d. Rehabilitative Services: Mental Health and Substance Abuse Rehabilitation Services or Children**

Mental health rehabilitative services treatment, including substance abuse treatment, are ordered by a licensed physician or licensed mental health provider in accordance with Colorado state laws governing their practice, and are for the maximum reduction of mental disability and restoration of function to the best possible level. All limitations on services may be exceeded based on medical necessity. Recipients of these services may reside in a congregate setting, however, these clients are not residents of an Institution for Mental Disease (IMD). The determination of individual recipient disability, treatment goals, care plan to achieve treatment goals, progress benchmarks and assessment of progress will be made by a licensed practitioner in keeping with accepted standards and/or best practices of mental health treatment and documented in the recipient's record. Licensed mental health providers include licensed psychologist, licensed psychiatrist, licensed clinical social worker, licensed marriage and family therapist, licensed professional counselor, and licensed social worker supervised by a licensed clinical social worker.

Psychiatric diagnostic interview examination upon out-of-home placement including history, mental status, or disposition, provided by an individual licensed to practice medicine or mental health care; limited to one 60-minute unit upon admission into treatment, unless justification for additional units is documented in the recipient's plan of care and ordered by a licensed physician or licensed mental health provider.

The following benefits are limited to a maximum of two units per date of service, unless multiple units and/or procedures are ordered by a licensed physician or licensed mental health provider and documented in the recipient's plan of care:

- Individual psychotherapy (brief), insight oriented behavior modifying and/or supportive, including, when indicated, therapy for substance abuse, provided face-to-face in an office or outpatient clinic by an individual licensed to practice medicine or mental health care. One unit of individual psychotherapy (brief) service is 16–37 minutes.
- Individual psychotherapy (long), insight oriented behavior modifying and/or supportive, including, when indicated, therapy for substance abuse,

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

STATE OF COLORADO

Supplement to Attachment 3.1-A  
Page 2 of 4

provided face-to-face in an office or outpatient clinic by an individual licensed to practice medicine or mental health care. One unit of individual psychotherapy (long) is 38–60 minutes.

Psychotherapy for Crisis, including psychotherapy, mobilization of resources to defuse the crisis and restore safety, and implementation of psychotherapeutic interventions to minimize trauma, provided face-to-face by a licensed physician or licensed mental health provider, limited to one 74–minute unit per date of service. If needed, additional psychotherapy for crisis is limited to two 30–minute units per date of service.

Family psychotherapy (conjoint therapy) for the exclusive benefit of the child recipient and with the recipient present, unless recipient and family contact is contraindicated, including, when indicated, therapy for substance abuse, provided by a licensed physician or licensed mental health provider, limited to a maximum of one 60–minute unit per day, unless units in excess of one per day are ordered by a licensed physician or licensed mental health provider and documented in the recipient's plan of care.

Group psychotherapy, excluding a multifamily group, including, when indicated, therapy for substance abuse, provided by a physician, or licensed mental health provider, limited to eight 15–minute units per day, unless units in excess of eight per day are ordered by a licensed physician or licensed mental health provider and justification is documented in the recipient's plan of care.

The following benefits are limited to a maximum of one 60–minute unit per day, unless units in excess of one per day are ordered by a licensed physician or licensed mental health provider and documented in the recipient's plan of care:

- Psychological testing (professional) includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, (e.g., MMPI, Rorshach, WAIS), per hour of the psychologist's or physician's time, both face-to-face time with the patient and time interpreting test results and preparing the report, provided by a physician, or licensed mental health provider. Face-to-face with the patient time only; or
- Psychological testing (technician) includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, (e.g., MMPI and WAIS), with licensed mental health provider interpretation and report, administered by technician, per hour of technician time, under the

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

STATE OF COLORADO

Supplement to Attachment 3.1-A  
Page 3 of 4

supervision of a licensed physician or licensed mental health provider. Face-to-face with the patient time only.

Interactive group psychotherapy provided by a licensed physician or licensed mental health provider, including, when indicated, therapy for substance abuse, limited to a maximum of eight 15-minute units per day, unless units in excess of one per day are ordered by a licensed physician or licensed mental health provider as medically necessary and documented in the recipient's plan of care.

Pharmacologic management, including prescription, use, and review of medication with no more than minimal medical psychotherapy, provided by a licensed physician, licensed nurse practitioner or licensed physician assistant is limited to a maximum of one 60-minute unit per day, unless units in excess of one per day are ordered by a licensed physician, nurse practitioner, or physician assistant as medically necessary and documented in the recipient's plan of care.

### Exclusions

Mental Health and Substance Abuse Rehabilitative Services for Children do not include the following:

- Room and board services;
- Educational, vocational and job training services;
- Recreational or social activities;
- Habilitative care for children who are developmentally disabled or individuals with intellectual disabilities
- Services provided to inmates of public institutions or residents of institutions for mental diseases; and
- Services that are covered elsewhere in the state Medicaid plan

### Provider Qualifications

Physicians and Osteopaths:

- Proof of graduation from medical school;
- Passage of national recognized examinations;
- Satisfactory completion of postgraduate education;
- Verification of Federation of State Medical Boards disciplinary history; and
- Submission of reference letters from previous practice locations

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

STATE OF COLORADO

Supplement to Attachment 3.1-A  
Page 4 of 4

Physician Assistants:

- Graduation from an NCCPA-approved physician assistance program;
- Verified practice history;
- Passage of the NCCPA National Board Exam; and
- Verification of Federation of State Medical Boards disciplinary history

Advance Practice Nurses:

- Graduate degree or higher as a nurse practitioner or graduate degree in nursing and post-graduate degree or post graduate certificate as a Nurse Practitioner; and
- Active, unencumbered Colorado Registered Nurse license or an active, unencumbered Multi-state Compact Registered Nurse license.

Licensed Psychologists:

- At least 21 years old
- Doctoral degree with a major in psychology from an APA-approved program or equivalent as approved by the Examiners Board;
- Passage of psychologist board exam;
- At least 1 year experience practicing under supervision; and
- Passage of an Examiner's Board developed mail-in jurisprudence law and ethics exam.

Master's Level Licensed Clinicians:

- Licensed Clinical Social Worker (LCSW). Master's degree from an accredited graduate program offering full time course work approved by the Council on Social Work Education, and licensed as a LCSW by DORA.
- Licensed Professional Counselor (LPC). Holds a master's degree or doctoral degree in professional counseling from an accredited college or university, and licensed by DORA.
- Marriage and Family Therapist. Master's degree from a graduate program with course study accredited by the Commission on Accreditation for Marriage and Family Therapy Education, and licensed by DORA.



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

STATE OF COLORADO

Attachment 4.19-B

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

13.d. REHABILITATIVE SERVICES: MENTAL HEALTH AND SUBSTANCE ABUSE  
REHABILITATION SERVICES FOR CHILDREN

Mental Health and Substance Abuse Rehabilitation Services for Children are reimbursed on a fee-for-service basis per units of service per practitioner. Rates for services include only Medicaid allowable costs. These services are available for all Medicaid clients for whom the services are found to be medically necessary. Rates do not include the cost of any room and board. Applicable practitioner provider salaries were considered in developing payment fee schedules. Rates for these services were compared with rates for similar services provided by Community Mental Health Centers under cost-based payment methodologies to ensure that rates for mental health rehabilitative services are not greater than the estimated costs of providing services. Also, rates for these services were compared with Medicare rates for similar service. Rates for these services are less than that for comparable Medicare and cost-based services, thereby ensuring an economical and efficient fee schedule.

Mental Health Services units of service are as follows:

- A. Psychiatric diagnostic examination unit of service shall be one hour per date of service.
- B. Individual psychotherapy (brief) unit of service shall be 16-37 minutes, face-to-face, per unit, up to two units per date of service.
- C. Individual psychotherapy (long) unit of service shall be 38-60 minutes, face-to-face, per unit, up to two units per date of service.
- D. Psychotherapy for Crisis unit of service shall be 30-74 minutes, face-to-face, one unit per date of service. If additional psychotherapy for crisis is needed, additional unit of service shall be 30 minutes, up to two units per date of service.
- E. Family psychotherapy unit of service shall be one hour per date of service.
- F. Group psychotherapy unit of service shall be 15 minutes, up to 8 units per date of service.
- G. Psychological testing (professional) unit of service shall be one hour, face-to-face, interpreting or preparing report.
- H. Psychological testing (technician) unit of service shall be one hour, face-to-face.

TN#: 15-0031

Supersedes TN#: 13-057

Effective Date: July 1, 2015

Approval Date: 9/28/15

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

STATE OF COLORADO

Attachment 4.19-B

- I. Interactive group psychotherapy unit of service shall be 15 minutes, up to 8 units per date of service.
- J. Pharmacologic management unit of service shall be one hour per date of service, which is to be completed in conjunction with an individual psychotherapy unit.

The mental health services fee schedule is reviewed annually and published in the provider billing manual accessed through the Department's fiscal agent's web site.

Reimbursement for services shall be the lower of:

- 1. Submitted charges;
- 2. Fee schedule as determined by the Department of Health Care Policy and Financing

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, 2015 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).

TN#: 15-0031

Supersedes TN#: 13-057

Effective Date: July 1, 2015

Approval Date: 9/28/15