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State/Territory Name: Colorado

State Plan Amendment (SPA) #: 18-0008

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) 179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Denver Regional Office
1961 Stout Street, Room 08-148
Denver, CO 80294



REGION VIII - DENVER

June 11, 2018

Kim Bimestefer, Executive Director
Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

Dear Ms. Bimestefer:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 18-0008. This Amendment updates the Durable Medical Equipment benefit rate's effective date. The update is required to comply with Section 1903(i)(27) of the Social Security Act that limits Medicaid reimbursement to Medicare payment rates, in the aggregate.

Please be informed that this State Plan Amendment was approved today with an effective date of January 1, 2018. 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, expenditures should be reported on the Form CMS-64.9 VIII; for those not enrolled in the new adult group, claims thereon should be reported on the Form CMS-64.9 Base.

This amendment would affect expenditures reported on Line 12 - Home Health 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
David DeNovellis
Whitney McOwen

John Bartholomew
Russell Ziegler

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 18-0008	2. STATE: COLORADO
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		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: January 1, 2018	
5. TYPE OF PLAN MATERIAL (Check One): NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS A NEW PLAN X AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: Social Security Act Title XIX, Section 1903(i)(27) / 42 CFR 440.70, 440.120		7. FEDERAL BUDGET IMPACT: a. FFY 2017-18: -\$13,326,451 b. FFY 2018-19: -\$18,360,525	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B – Methods and Standards for Establishing Payment Rates – Other Types of Care – Introduction -- Page 1 of 3 Attachment 4.19-B – Methods and Standards for Establishing Payment Rates – Other Types of Care – 7. Home Health Care Services – Page 2a-2b of 7		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 – Introduction -- Page 1 of 3 (TN 17-0005) Attachment 4.19-B – Methods and Standards for Establishing Payment Rates – Other Types of Care – 7. Home Health Care Services – Page 2 of 7 (TN 17-0044)	
10. SUBJECT OF AMENDMENT: Update the Durable Medical Equipment benefit rate's effective date. The update is required to comply with Section 1903(i)(27) of the Social Security Act that limits Medicaid reimbursement to Medicare payment rates, in the aggregate.			
11. GOVERNOR'S REVIEW (Check One): GOVERNOR'S OFFICE REPORTED NO COMMENT X 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: David DeNovellis	
13. TYPED NAME: Gretchen Hammer			
14. TITLE: Medicaid Director			
15. DATE SUBMITTED: <u>Initial:</u> March 28, 2018 <u>Update #1:</u> May 3, 2018 <u>Update #2:</u> <i>June 11, 2018</i>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED March 28, 2018		18. DATE APPROVED June 11, 2018	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL		20. SIGNATURE OF REGIONAL OFFICIAL 	

January 1, 2018	
21. TYPED NAME Richard C. Allen	22. TITLE ARA, DMCHO
23. REMARKS	

FORM CMS-179 (07/92)

Instructions on Back

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

STATE OF COLORADO

Attachment 4.19-B
Introduction
Page 1 of 3

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

Effective Dates for Reimbursement Rates for Specified Services

Reimbursement rates for the services listed below on this Attachment 4.19-B introduction page are effective for services provided on or after the corresponding effective date. All payment rates can be found on the official website of the Department of Health Care Policy and Financing at <https://www.colorado.gov/hcpf/provider-rates-fee-schedule>.

Service	Attachment	Effective Date
3. Laboratory and Radiology Services	Attachment 4.19-B	July 1, 2017
4.b. Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services	Attachment 4.19-B, Page 1 of 1	July 1, 2017
4.c. Family Planning	Attachment 4.19-B	July 1, 2017
4.d. Tobacco Cessation Counseling for Pregnant Women	Attachment 4.19-B	July 1, 2017
5.a. Physician Services	Attachment 4.19-B	July 1, 2017
5.b. Medical and Surgical Services Furnished by a Dentist	Attachment 4.19-B, Page 1 of 1	July 1, 2017
6.d. Services Provided by Non-Physician Practitioners	Attachment 4.19-B	July 1, 2017
7.A.-B. Home Health Care Services	Attachment 4.19-B, Page 1 of 7	July 1, 2017
7.C. Durable Medical Equipment	Attachment 4.19-B, Pages 2a and 2b of 7	January 1, 2018
8. Private Duty Nursing Services	Attachment 4.19-B	July 1, 2017

TN No. 18-0008

Approval Date: June 11, 2018

Supersedes TN No. 17-0005

Effective Date: January 1, 2018

TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

42 CFR 440.70

State of Colorado

Attachment 4.19-B
Page 2a of 7

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

7. HOME HEALTH CARE SERVICES

C. Durable medical equipment (DME) and supplies are reimbursed at the following:

1. Those DME items not subject to section 1903(i)(27) of the Social Security Act, and supplies, are reimbursed at the lower of the following:
 - a) Submitted charges; or
 - b) Fee schedule for durable medical equipment and supplies as determined by the Department of Health Care Policy and Financing.

2. DME subject to the limit described in Section 1903(i)(27) of the Social Security Act, are reimbursed at 100% of the applicable Medicare rates as published by Medicare effective January of 2018, June of 2018, and then January of each year after starting in 2019.
 - a) For items of DME provided in Medicare Competitive Bidding Areas (CBAs) where rates for specific items have been competitively bid under the Medicare program, the rate is set at the lower of the following:
 - i. The Medicare single payment amount specific to the Colorado geographic area where the item is being provided; or
 - ii. The submitted charge.
 - b) Reimbursement for DME provided in rural areas, the rate is set at the lower of the following:
 - i. The Medicare DMEPOS fee schedule rate for Colorado geographic, rural areas; or
 - ii. The submitted charge.
 - c) Reimbursement for DME provided in non-rural areas, is set at the lower of the following:
 - i. The Medicare DMEPOS fee schedule rate for the Colorado geographic, non-rural areas; or

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- ii. The submitted charge.
3. DME and supplies that require manual pricing are reimbursed at the lower of the following:
- a) Submitted charges;
 - b) Manufacturer's suggested retail price (MSRP) less 18.33 percent;
 - c) Actual invoiced acquisition cost plus 19.50 percent when no MSRP is available.

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. The rates are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page.

TN# **18-0008**

SUPERSEDES TN# **17-0044**

APPROVAL DATE **June 11, 2018**

EFFECTIVE DATE: **January 1, 2018**