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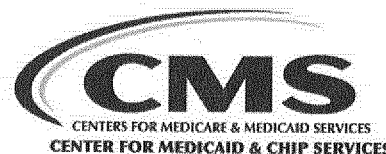
State/Territory Name: Colorado

State Plan Amendment (SPA) #: 18-0035

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

December 11, 2018

John Bartholomew
Finance Office Director
Colorado Department of Health Care
Policy and Financing
1570 Grant Street
Denver, Co 80203-1818

Re: Colorado: 18-0035

Dear Mr. Bartholomew:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 18-0035. Effective for services on or after July 1, 2018, this amendment updates the reimbursement methodology for Medicaid inpatient hospital supplemental Disproportionate Share Hospital payments.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 18-0035 is approved effective July 1, 2018. The CMS-179 and the plan page are attached.

If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,



Kristin Fan
Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 18-0035	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, 2018	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> 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 447.297		7. FEDERAL BUDGET IMPACT a. FFY_2017 -18 \$ 17,625,275 b. FFY_2018 -19 \$ 17,625,275	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19A – Pages 29c		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19A – Pages 29c (TN 17-0049)	
10. SUBJECT OF AMENDMENT Supplemental Disproportionate Share Hospital payments			
11. GOVERNOR'S REVIEW (Check One) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Governor's letter dated 29 March, 2018			
12. SENDER'S NAME [REDACTED]		16. RETURN TO	
13. TYPED NAME John Bartholomew		Colorado Department of Health Care Policy and Financing 1570 Grant Street Denver, CO 80203-1818 Attn: David DeNovellis	
14. TITLE Director, Finance Office			
15. DATE SUBMITTED Initial: September 28, 2018 Update: November 1, 2018			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED		18. DATE APPROVED DEC 11 2018	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL JUL 01 2018		20. [REDACTED]	
21. TYPED NAME Kristin Fan		22. TITLE Director, FMG	
23. REMARKS			

TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State of Colorado

ATTACHMENT 4.19A
Page 29C

Effective October 1, 2017, total funds for the Disproportionate Share Hospital (DSH) payment shall be \$172,633,510.

CICP-participating hospitals with CICP write-off costs, as published in the most recent CICP Annual Report, greater than or equal to 950% of the statewide average shall receive a payment equal to 85.5% to their estimated hospital-specific DSH limit. A Respiratory Hospital shall receive a payment equal to 45% of their estimated hospital-specific DSH limit.

A Respiratory Hospital is defined as a hospital primarily specializing in respiratory related diseases.

All remaining qualified hospitals shall receive a payment calculated as their percentage of uninsured costs to total uninsured costs for all remaining qualified hospitals, multiplied by the remaining DSH funds. A hospital's uninsured costs shall be for their Cost Report Year End 2015 period.

Effective July 1, 2018, an additional DSH payment shall be made such that Colorado will fully expend its final DSH allotment for federal fiscal year 2017-18.

The additional DSH payment shall be made only to qualified hospitals below 96% of their estimated hospital-specific DSH limit allocated such that hospitals with CICP write-off costs greater than 900% of the statewide average shall receive 92% of their estimated hospital-specific DSH limit, hospitals with CICP write-off costs greater than 400% of the statewide average and a Medicaid Inpatient Utilization Rate (MIUR) greater than 35% shall receive 92% of their estimated hospital-specific DSH limit, Pediatric Specialty Hospitals and hospitals with CICP write-off costs between 105% and 400% of the statewide average shall receive 30% of their estimated hospital-specific DSH limit, Critical Access Hospitals shall receive 96% of their estimated hospital-specific DSH limit, and Respiratory Hospitals shall receive 49.5% of their estimated hospital-specific DSH limit. Any remaining available DSH funds shall be allocated to qualified hospitals proportionate to their uninsured costs to total uninsured costs for all remaining qualified hospitals.

No hospital shall receive a payment exceeding their hospital-specific DSH limit as specified in federal regulation. If upon review, the DSH Supplemental payment exceeds the hospital-specific DSH limit for any qualified hospital, that hospital's payment shall be reduced to the hospital-specific DSH limit. The reduction shall then be redistributed to the other qualified hospitals not exceeding their hospital-specific DSH limit based on the percentage of uninsured costs to total uninsured costs for all qualified hospitals not exceeding their hospital-specific DSH Limit.

The state will not exceed the total of all the hospital-specific DSH Limits even if the total reimbursement is below the state's annual DSH allotment.

TN No. 18-0035
Supersedes
TN No. 17-0049

Approval Date DEC 11 2018 Effective Date 7/1/2018