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State/Territory Name: Colorado

State Plan Amendment (SPA) #: 24-0019

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
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

September 12, 2024

Adela Flores-Brennan
State Medicaid Director
Colorado Department of Health Care
Policy and Financing
1570 Grant Street
Denver, CO 80203-1818

RE: TN 24-0019

Dear Adela Flores-Brennan:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Colorado state plan amendment (SPA) to Attachment 4.19-D, CO 24-0019, which was submitted to CMS on June 25, 2024. This plan amendment updates the plan by providing for a two percent rate increase for Psychiatric Residential Treatment Facilities (PRTF) services.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of July 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Christine Storey at Christine.storey@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 4 — 0 0 1 9</u>	2. STATE <u>CO</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 440.160

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2024 \$ 68,535
b. FFY 2025 \$ 274,140

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-D – Methods and Standards for Establishing Payment Rates – Other Types of Care – 16. Psychiatric Residential Treatment Facilities, Page 64

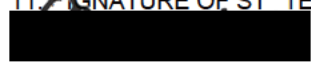
8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 4.19-D – Methods and Standards for Establishing Payment Rates – Other Types of Care – 16. Psychiatric Residential Treatment Facilities, Page 64 (TN 23-0022)

9. SUBJECT OF AMENDMENT
2.0% rate increase per state budget bill.

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
Governor's letter dated 5 April 2023

11. SIGNATURE OF STATE AGENCY OFFICIAL


12. TYPED NAME
Bettina Schneider

13. TITLE
Chief Financial Officer

14. DATE SUBMITTED
June 25, 2024

15. RETURN TO
Colorado Department of Health Care Policy and Financing
303 E. 17th Avenue, Suite 1100
Denver, CO 80203

Attn: Alex Lyons


FOR CMS USE ONLY

16. DATE RECEIVED: **June 25, 2024**

17. DATE APPROVED
September 12, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL: **July 1, 2024**

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL: **Rory Howe**

21. TITLE OF APPROVING OFFICIAL: **Director, Financial Management Group (FMG)**

22. REMARKS

TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State of Colorado

Attachment 4.19-D
Page 64

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

16. Psychiatric Residential Treatment Facilities

UPPER PAYMENT LIMIT (UPL) CALCULATION

The Department conducts an analysis of the prevailing private-pay and commercial-insurance rates for PRTF-like services for the purposes of setting the Upper Payment Limit (UPL) for PRTF services according to 42 CFR 447.325.

PAYMENT RATES

The PRTF rate is set according to the methodology outlined in this document and is adjusted according to Colorado General Assembly appropriation.

PRTF services shall be reimbursed at the lower of the following:

1. Submitted charges, or
2. Fee schedule for PRTF services 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, 2024 and are effective for services provided on or after that date. All rates can be found on the official website of the Department of Health Care Policy and Financing at www.colorado.gov/hcpf.

TN No. 24-0019
Supersedes TN No. 23-0022

Approval Date September 12, 2024
Effective Date July 1, 2024