



# COLORADO

Department of Health Care  
Policy & Financing

Medical Services Board

## NOTICE OF PROPOSED RULES

The Medical Services Board of the Colorado Department of Health Care Policy and Financing will hold a public meeting on Friday, February 9, 2024, beginning at 9:00 a.m., in the eleventh floor conference room at 303 E 17<sup>th</sup> Avenue, Denver, CO 80203. Reasonable accommodations will be provided upon request for persons with disabilities. Please notify the Board Coordinator at 303-866-4416 or [chris.sykes@state.co.us](mailto:chris.sykes@state.co.us) or the 504/ADA Coordinator [hcpf504ada@state.co.us](mailto:hcpf504ada@state.co.us) at least one week prior to the meeting.

A copy of the full text of these proposed rule changes is available for review from the Medical Services Board Office, 1570 Grant Street, Denver, Colorado 80203, (303) 866-4416, fax (303) 866-4411. Written comments may be submitted to the Medical Services Board Office on or before close of business the Wednesday prior to the meeting. Additionally, the full text of all proposed changes will be available approximately one week prior to the meeting on the Department's website at [www.colorado.gov/hcpf/medical-services-board](http://www.colorado.gov/hcpf/medical-services-board).

This notice is submitted pursuant to § 24-4-103(3)(a) and (11)(a), C.R.S.

### **MSB 23-10-25-C, Revision to the Medical Assistance Rule concerning Transition Coordination Services & Targeted Case Management – Transition Coordination (TCM-TC), Sections 8.519.27 and 8.763 (Nora Brahe, Office of Community Living)**

Medical Assistance. The purpose of the proposed these rule revisions is to expand eligibility for the Targeted

Case Management Transition Coordination (TCM-TC) benefit and to describe new quality assurance processes to monitor compliance with all required transition coordination service standards and training guidelines. The standard to maintain TCM-TC provider approval in accordance with the quality assurance standards and requirements is established in the rule revision.

A change in service eligibility will increase the number of members that transition from institutional settings. Transition coordination quality and performance standards will increase the probability of successful transitions and sustained community-based living.

The authority for this rule is contained in 42 U.S.C. §1396n(c) and The Social Security Act, §1915(c) and Sections 25.5-1-301 through 25.5-1-303 (2023).

### **MSB 23-12-26-A, Revision to the Medical Assistance Act Rule Concerning Specialty Drug Carveout from DRG Payments, Section 8.300.5 (Andrew Abalos, Rates Section)**

Medical Assistance. Currently, the Department of Health Care Policy and Financing reimburses hospitals for the provision of inpatient services to Health First Colorado members using the All-Patient Refined Diagnosis Related Groups (APR DRG) methodology, which is a prospective payment system developed by 3M which relies on statistical and clinical analysis of historic data to prospectively determine reimbursement for inpatient hospital stays. As this method relies on historic

data, it does not consider hospital charge data for new-to-market specialty drugs in its reimbursement calculations. The purpose of this rule change is to allow for the reimbursement of these drugs outside of the APR DRG methodology to reduce barriers to care.

The authority for this rule is contained in Sections 25.5-1-301 through 25.5-1-303 (2023).

**MSB 23-12-26-B, Revision to the Medical Assistance Act Rule concerning Habilitative Services, Section 8.017.F.1-2 (Erica Schaler, Operations Section)**

Medical Assistance. The proposed rule removes the 5-unit daily limit and the 48 unit per fiscal year limit from Habilitative Physical or Habilitative Occupational Therapy. Additionally, the proposed rule removes the 5 unit per date of service limit from Habilitative Speech Language Pathology services. The current rule will not align with the State Plan nor the Alternative Benefit Plan as these limits have been removed from both the State Plan and the Alternative Benefit Plan.

The authority for this rule is contained in 42 CFR 440.110 and Sections 25.5-1-301 through 25.5-1-303 (2023).

**MSB 23-12-26-C, Revisions to the Medicaid Assistance Rule Concerning the Hospital Expenditure Report Data Collection, 8.4000 (James Johnston, Special Financing)**

Medical Assistance. The proposed rule adds a new section to Medicaid Assistance Rule Concerning Hospital Expenditure Report Data Collection, Section 8.4000. With recently enacted legislation, House Bill 23-1226: Hospital Transparency and Reporting Requirements, hospitals are required to submit quarterly financial data to the Colorado Department of Health Care Policy & Financing (HCPF) beginning with the last quarter of calendar year 2023. This rule will outline requirements and parameters for hospitals to submit quarterly financial information to HCPF, and in doing so, HCPF will reduce administrative burden for both hospitals and HCPF.

The authority for this rule is contained in Section 25.5-4-402.8(2)(b)(IV)(A) and Sections 25.5-1-301 through 25.5-1-303 (2023).