



Department of Health Care Policy and Financing

PUBLIC NOTICE

June 10, 2013

The Department of Health Care Policy and Financing (the Department) intends to make the following Medicaid reimbursement rate changes:

Medicaid Fee-for-Service Provider Rate Increases

The Department intends to increase certain provider rates by two percent (2%) for services that were impacted by rate reductions in recent years. Among the affected benefit categories are: physician and clinic services; Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services; emergency transportation services; non-brokered non-emergent medical transportation services; inpatient hospital services; outpatient hospital services; laboratory & x-ray services; durable medical equipment, supplies, and prosthetics; federally-qualified health centers, mental health fee-for-service; non-physician practitioner services; tobacco cessation counseling for pregnant women; ambulatory surgery center services; dialysis center services; physical, occupational, and speech therapy, and audiology services; screening, brief intervention, and referral to treatment (SBIRT) services; rehabilitation/behavioral health services; mental health and substance use disorder rehabilitation services for children; psychiatric residential treatment facilities; outpatient substance abuse services; vision services; extended services for pregnant women; and drugs administered in the office setting including vaccine administration. These changes are effective July 1, 2013 and are expected to result in an aggregate increase in expenditures in FY 2013-14 of approximately \$25,700,000. The estimated increases by major service category are as follows:

Estimated Increase in Expenditure by Major Service Category	
Physician, Clinic & EPSDT Services	\$4,181,134
Emergency Transportation Services	\$142,560
Non-emergency Medical Transportation	\$121,671
Health Maintenance Organizations	\$2,705,407
Inpatient Hospitals Services	\$8,124,176
Outpatient Hospitals Services	\$5,210,189
Lab & X-Ray Services	\$895,961
Durable Medical Equipment Services	\$2,100,089
Federally Qualified Health Centers	\$2,124,383
Mental Health Fee-For-Service	\$82,953

Rates paid to certain managed care organizations may also include corresponding increases, as the Department pays these rates based on fee-for-

service expenditures. Any managed care rates which fall outside the current actuarially sound rate ranges may require additional actuarial certification.

As applicable, an updated fee schedule reflecting these rate changes will be posted on the Department's Web site at Colorado.gov/hcpf in July 2013.

Home Health, Private Duty Nursing, Hospice, and Home and Community-Based Services

The Department intends to increase certain provider rates by 8.26% for services that were impacted by rate reductions in recent years. Among the affected benefit categories are: some home and community-based services, private duty nursing, home health, and hospice. Please note that the room and board portion of hospice rates is not impacted by this rate increase and will continue to be indexed to the nursing facility rate where services were rendered. These changes will be effective July 1, 2013 and are expected to result in an aggregate increase in expenditures in FY 2013-14 of approximately \$43,200,000. The estimated increases by major service category are as follows:

Estimated Increase in Expenditure by Major Service Category	
HCBS - Elderly, Blind, and Disabled	\$20,325,645
HCBS - Mental Illness	\$2,340,870
HCBS - Disabled Children	\$282,526
HCBS - Persons Living with AIDS	\$46,578
HCBS - Consumer Directed Attendant Support	\$312,457
HCBS - Brain Injury	\$1,136,136
HCBS - Pediatric Hospice	\$15,427
Private Duty Nursing	\$2,811,124
Home Health	\$14,958,235
Hospice	\$978,719

Dental Services

The Department intends to increase provider rates by 4.5% for dental services that were impacted by rate reductions in recent years. These changes will be effective July 1, 2013 and are expected to result in increased reimbursements in FY 2013-14 of approximately \$5,239,810.

Family Planning Services

The Department intends to increase provider rates for certain family planning services that were impacted by rate reductions in recent years. The increase will be the greater of current rates or 105% of Medicare rates for family planning services. These changes will be effective July 1, 2013 and are expected to result in increased reimbursement in FY 2013-14 of approximately \$500,000.

Single Entry Point Service Management and Prepaid Inpatient Health Plan Administration

The Department intends to increase Single Entry Point Service Management and Prepaid Inpatient Health Plan Administration by 2%. These changes will be effective July 1, 2013 and are expected to result in an aggregate increase in expenditures in FY2013-14 of approximately \$681,000.

Estimated Increase in Expenditure by Major Service Category	
Prepaid Inpatient Health Plan Administration	\$149,385
Single Entry Point Service Management	\$531,650

Class I Nursing Facilities

The final FY 2013-14 MMIS-loaded nursing facility per diem rates will be reduced by 1.50% in compliance with HB-1152. Under the Class I Nursing Facility reimbursement methodology, MMIS-loaded rates are anticipated to increase by 3% in aggregate rather than the 4.5% that would have occurred absent the legislation. The Department anticipates that both Hospice room and board and Program of All Inclusive Care for the Elderly (PACE) rates will be affected by this reduction, as these rates are tied to the nursing facility rates. These changes will be effective July 1, 2013 and are expected to result in an aggregate decrease in expenditures in FY2013-14 of approximately \$9,683,084 relative to what would have been incurred without the reduction. Please contact Xerox State Healthcare at 1-800-237-0044 or 1-800-237-0757 with questions.

General Information

A link to this notice will be posted on the Department's Web site, Colorado.gov/hcpf, on May 10, 2013. Written comments may be addressed to: Director, Health Programs Office, Department of Health Care Policy and Financing, 1570 Grant Street, Denver, CO 80203.