

Table of Contents

State/Territory Name: Colorado

State Plan Amendment (SPA) #: 20-0016

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
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

December 21, 2020

John Bartholomew, Chief Financial Officer
Attn: Lauren Reveley
Colorado Department of Health Care
Policy and Financing
1570 Grant Street
Denver, CO 80203-1818

RE: Colorado State Plan Amendment (SPA) Transmittal Number (TN#) 20-0016

Dear Mr Bartholomew:

We have reviewed the proposed Colorado State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 29, 2020. This plan amendment updates the payment amount for the University of Colorado School of Medicine Supplemental Payment for Physician and Professional Services at qualifying Colorado State-Owned or Operated Professional Services Practices.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 01, 2020. 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 LaJoshica (Josh) Smith at 214-767-6453 or lajoshica.smith@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

<p align="center">TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</p> <p>FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES</p>		1. TRANSMITTAL NUMBER: 20 – 0016	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, 2020	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS A NEW PLAN X AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a)(30)(A) of the Social Security Act		7. FEDERAL BUDGET IMPACT: a. FFY 2019-20: \$18,994,099 b. FFY 2020-21: \$67,736,945	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement to Attachment 4.19-B – Supplemental Payments for Physician and Professional Services at Qualifying Colorado State-Owned or Operated Professional Services Practices – Page 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Supplement to Attachment 4.19-B – Supplemental Payments for Physician and Professional Services at Qualifying Colorado State-Owned or Operated Professional Services Practices – Page 2 (TN 19-0013)	
10. SUBJECT OF AMENDMENT: Updating the payment amount for the University of Colorado School of Medicine Supplemental Payment for Physician and Professional Services at Qualifying Colorado State-Owned or Operated Professional Services Practices.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): GOVERNOR'S OFFICE REPORTED NO COMMENT X OTHER, AS SPECIFIED COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor's letter dated 11 October, 2019 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: Lauren Reveley	
13. TYPED NAME: John Bartholomew			
14. TITLE: Director, Finance Office [REDACTED] ohn			
15. DATE SUBMITTED: September 29, 2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED 09/29/2020		18. DATE APPROVED 12/21/2020	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL 07/01/2020		20. SIGNATURE OF REGIONAL OFFICIAL [REDACTED]	
21. TYPED NAME Todd McMillion		22. TITLE Director, Division of Reimbursement Review	
23. REMARKS			

TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

SUPPLEMENT TO ATTACHMENT 4.19-B

State of Colorado

Page 2

- b. The state will calculate the average commercial fee for each CPT code for qualifying provider types, as defined under "2." above, that are eligible in "1." above.
- c. The state will extract from its paid claims history file for the preceding fiscal year all paid claims for those qualifying provider types, as defined under "2." above, who will qualify for a supplemental payment. For each CPT code, the state will align the average commercial fee as determined in "b" above to Medicaid payments for qualifying provider types, as defined under "2." above and calculate the average commercial payments for the claims.
- d. The state will also align the same paid Medicaid claims with the Medicare fees for each CPT code for each qualifying provider type, as defined under "2." above and calculate the Medicare payment amounts for those claims. The Medicare fees will be the most currently available national non-facility fees.
- e. The state will then calculate an overall Medicare to commercial conversion factor by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims. The current Medicare to commercial ratio is 255.46% and will be re-determined at least every three years.
- f. For each quarter the state will query its MMIS system for paid Medicaid claims for qualifying provider types, as defined under "2." above for that quarter.
- g. The state will then calculate the amount Medicare would have paid for those claims by aligning the claims with the Medicare fee schedule by CPT code. The Medicare fees will be the most currently available Medicare Physician Fee Schedule for MAC Locality 0411201 - Colorado.
- h. The total amount that Medicare would have paid for those claims is then multiplied by the Medicare equivalent of the average commercial rate and the amount Medicaid actually paid for those claims is subtracted to establish the total allowable supplemental payment amount for the physician or physician practice plan for that quarter.
- i. In order to allow for adequate claims runout, the payment for Medicaid services in any given quarter will be made one year after the quarter in which the dates of service occurred.

4. Effective Date of Payment

The supplemental payment will be made effective for services provided on or after July 1 2016.

5. Payment Amount

State Fiscal Year	Payment (Total Funds)
SFY 2017-18	\$123,529,218
SFY 2018-19	\$136,577,576
SFY 2019-20	\$155,996,320
SFY 2020-21	\$162,707,438

TN No. 20-0016

Approval Date December 21, 2020

Supersedes TN No.19-0013

Effective Date July 1, 2020