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State/Territory Name: Colorado

State Plan Amendment (SPA) #: 17-0045

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Denver Regional Office
1961 Stout Street, Room 08-148
Denver, CO 80294



REGION VIII - DENVER

January 29, 2018

Kim Bimestefer, Executive Director
Department of Health Care Policy & Financing
303 East 17th Avenue, 7th Floor
Denver, CO 80203

RE: Colorado #17-0045

Dear Ms. Bimestefer:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 17-0045. This Amendment would align the Targeted Case Management for Outpatient Substance Use Disorder and Mental Health and Substance Abuse Use Rehabilitative Service for Children service limits with changes recently made to the respective policy pages removing select service limitations in SPA 17-0002.

Please be informed that this State Plan Amendment was approved today with an effective date of October 1, 2017. We are enclosing the CMS-179 and the amended plan page(s).

In order to track expenditures associated with this amendment, Colorado should follow the CMS-64 reporting instructions outlined in Section 2500 of the State Medicaid Manual (SMM).

For those individuals whose expenditures qualify for the newly eligible federal medical assistance percentage, expenditures should be reported on the Form CMS-64.9 VIII; for those not enrolled in the new adult group, claims thereon should be reported on the Form CMS-64.9 Base.

This amendment could affect expenditures reported on various lines of the Form CMS-64, dependent upon where the services a client receives and type of client.

- Line 24A – Targeted Case Management
- Line 6A - Outpatient Hospital Services
- Line 10 - Clinic Services
- Line 15 - EPSDT Screening
- Line 40 - Rehabilitative Services



If you have any questions concerning this amendment, please contact Curtis Volesky at (303) 844-7033.

Sincerely,



Richard C. Allen
Associate Regional Administrator
Division for Medicaid & Children's Health Operations

cc: Gretchen Hammer
John Bartholomew
David DeNovellis
Russell Ziegler

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 17-0045	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: October 1, 2017	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS A NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: Social Security Act Section 1905(a)(13)(C) (42 USC 1396d(a)(13)(C)) / 42 CFR 440.130		7. FEDERAL BUDGET IMPACT: a. FFY 2017-18: \$ 0 b. FFY 2018-19: \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B – Methods and Standards for Establishing Payment Rates – Other Types of Care – 13.d. Rehabilitative Services: Mental Health and Substance Abuse Rehabilitation Services for Children, Pages 1-2 of 2 Attachment 4.19-B – Methods and Standards for Establishing Payment Rates – Other Types of Care – 19.a. Targeted Case Management: Outpatient Substance Use Disorder Treatment, Pages 1 of 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B – Methods and Standards for Establishing Payment Rates – Other Types of Care – 13.d. Rehabilitative Services: Mental Health and Substance Abuse Rehabilitation Services for Children, Page 1-2 of 2 (TN 17-0005) Attachment 4.19-B – Methods and Standards for Establishing Payment Rates – Other Types of Care – 19.a. Targeted Case Management: Outpatient Substance Use Disorder Treatment, Pages 1 of 2 (TN 17-0005)	
10. SUBJECT OF AMENDMENT: Aligns the Targeted Case Management for Outpatient Substance Use Disorder and Mental Health and Substance Abuse Use Rehabilitative Service for Children service limits with changes recently made to the respective policy pages removing select service limitations in SPA 17-0002.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor's letter dated 15 January, 2015 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: David DeNovellis	
13. TYPED NAME: Gretchen Hammer			
14. TITLE: Medicaid Director			
15. DATE SUBMITTED: <i>Initial: December 27, 2017</i> <i>Update #1: January 24, 2018</i> <i>Update #2: January 26, 2018</i>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED December 27, 2017		18. DATE APPROVED January 29, 2018	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL October 1, 2017		20. SIGNATURE OF REGIONAL OFFICIAL 	

21. TYPED NAME Richard C. Allen	22. TITLE ARA, DMCHO
23. REMARKS	

FORM CMS-179 (07/92)

Instructions on Back

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE

13.d. REHABILITATIVE SERVICES: MENTAL HEALTH AND SUBSTANCE ABUSE
REHABILITATION SERVICES FOR CHILDREN

Mental Health and Substance Abuse Rehabilitation Services for Children are reimbursed on a fee-for-service basis per units of service per practitioner. Rates for services include only Medicaid allowable costs. These services are only available for children ages 0 to 21 for whom the services are found to be medically necessary. Rates do not include the cost of any room and board. Applicable practitioner provider salaries were considered in developing payment fee schedules. Rates for these services were compared with rates for similar services provided by Community Mental Health Centers under cost-based payment methodologies to ensure that rates for mental health rehabilitative services are not greater than the estimated costs of providing services. Also, rates for these services were compared with Medicare rates for similar service. Rates for these services are less than that for comparable Medicare and cost-based services, thereby ensuring an economical and efficient fee schedule.

Mental Health Services units of service are as follows:

- A. Psychiatric diagnostic examination unit of service shall be one hour .
- B. Individual psychotherapy (brief) unit of service shall be 16-37 minutes, face-to-face.
- C. Individual psychotherapy (long) unit of service shall be 38-60 minutes, face-to-face.
- D. Psychotherapy for Crisis unit of service shall be 30-74 minutes, face-to-face.
- E. Family psychotherapy unit of service shall be one hour.
- F. Group psychotherapy unit of service shall be 15 minutes.
- G. Psychological testing (professional) unit of service shall be one hour, face-to-face, interpreting or preparing report.
- H. Psychological testing (technician) unit of service shall be one hour, face-to-face.

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- I. Interactive group psychotherapy unit of service shall be 15 minutes.
- J. Pharmacologic management unit of service shall be one hour.

The mental health services fee schedule is reviewed annually and published in the provider billing manual accessed through the Department's fiscal agent's web site.

Reimbursement for services shall be the lower of:

- 1. Submitted charges;
- 2. Fee schedule 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 rates are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE

19.a. TARGETED CASE MANAGEMENT: OUTPATIENT SUBSTANCE USE DISORDER
TREATMENT

Targeted case management for Outpatient Substance Use Disorder Treatment services are reimbursed on a fee-for-service basis per each 15-minute unit of service per practitioner, not to exceed four (4) units per day. A unit of service consists of at least one documented contact with a client or person acting on behalf of a client, identified during the case planning process.

The cost includes only Medicaid allowable costs. The costs used to derive the targeted case management rate are derived from the average annual salary of the applicable providers expressed in 15-minute increments.

Targeted case management for Outpatient Substance Use Treatment services are reimbursed at the lower of the following:

1. Submitted charges or
2. Market-based fee schedule as determined by the Department of Health Care Policy and Financing based on an analysis of private sector behavioral health care management corporation reimbursement rates and reimbursement rates of similar services covered by the Department.

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. The rates are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page.