

## **Table of Contents**

**State/Territory Name: Colorado**

**State Plan Amendment (SPA) #: 21-0004**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Companion Letter
- 3) CMS 179 Form
- 4) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

---

January 6, 2022

Kim Bimestefer, Executive Director  
Department of Health Care Policy & Financing  
1570 Grant Street  
Denver, CO 80203

Re: Colorado State Plan Amendment (SPA) 21-0004

Dear Ms. Bimestefer:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 21-0004. This amendment proposes to add medication-assisted treatment (MAT) as a mandatory benefit in the Medicaid state plan. This letter is to inform you that Colorado's Medicaid SPA Transmittal Number 21-0004 is approved effective October 1, 2020 until September 30, 2025, pursuant to 1905(a)(29) of the Social Security Act and Section 1006(b) of the SUPPORT Act.

Section 1006(b) of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act ("SUPPORT Act"), signed into law on October 24, 2018, amended section 1902(a)(10)(A) of the Social Security Act (the Act) to require state Medicaid plans to include coverage of MAT for all individuals eligible to enroll in the state plan or waiver of the state plan. Section 1006(b) also added a new paragraph 1905(a)(29) to the Act to include the new required benefit in the definition of "medical assistance" and to specify that the new required benefit will be in effect for the period beginning October 1, 2020, and ending September 30, 2025.

Section 1006(b) of the SUPPORT Act also added section 1905(ee)(1) to the Act to define MAT, for purposes of the new required coverage, as:

. . . all drugs approved under section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355), including methadone, and all biological products licensed under section 351 of the Public Health Service Act (42 U.S.C. 262) to treat opioid use disorders; and[,] . . . with respect to the provision of such drugs and biological products, counseling services and behavioral therapy.

Pursuant to section 1135(b)(5) of the Act, due to the COVID-19 public health emergency (PHE), CMS issued an approval letter on January 6, 2022 allowing Colorado to modify the SPA submission requirements at 42 C.F.R. 430.20, to allow the state to submit a SPA implementing section 1905(a)(29) of the Act by March 31, 2021 that would take effect on October 1, 2020.

CMS conducted our review of your submittal according to statutory requirements in Title XIX of the Act and implementing regulations.

If you have any questions, please contact Curtis Volesky at 303-844-7033 or via email at [curtis.volesky@cms.hhs.gov](mailto:curtis.volesky@cms.hhs.gov).

Sincerely,

A black rectangular redaction box covering the signature of James G. Scott.

igned by James G.

.01.06 15:21:02

James G. Scott, Director  
Division of Program Operations

cc: Dr. Tracy Johnson, Colorado Medicaid  
[Tracy.Johnson@state.co.us](mailto:Tracy.Johnson@state.co.us)  
Russell Ziegler, Colorado Medicaid  
[Russ.Zigler@state.co.us](mailto:Russ.Zigler@state.co.us)  
Jami Gazano, Colorado Medicaid  
[Jami.Gazeno@state.co.us](mailto:Jami.Gazeno@state.co.us)

**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**

January 6, 2022

Tracy Johnson  
Medicaid Director  
Colorado Department of Health Care  
Policy and Financing  
Attn: Amy Winterfeld  
1570 Grant Street  
Denver, CO 80203-1818

**RE: Companion Letter for Transmittal Number CO-21-0004**

Dear Ms. Johnson:

This letter is being as a companion to the approval of transmittal number (TN) 21-0004, This State Plan Amendment (SPA) was for 1905(a)(29) Medication Assistance Treatment (MAT) services.

The State indicated that the Opioid Treatment Program (OTP) was a bundled methodology, and it was listed as a fee schedule on Attachment 4.19-B, Item 13.d Rehabilitative Services: Substance Use Disorder Treatment.

The proposed plan language in 21-0004 reads, *“All counseling and behavioral therapy services available for MAT for Opioid Use Disorder (OUD) services that are not specific to OUD shall be reimbursed using the same methodology as described in Attachment 4.19-B, item 13.d Rehabilitative Services: Substance Use Disorder Treatment.”* While this proposed plan language is acceptable, and so we are approving SPA 21-0004, CMS has determined the fee schedule language in Attachment 4.19-B, Item 13.d Rehabilitative Services: Substance Use Disorder Treatment is not comprehensive, and additional language is needed to describe any bundled payments. CMS expects that States will develop bundled rates based upon actual service data maintained by providers. In approving a bundled rate, CMS will require States to describe the development of the rates in the State plan. The State must:

1. Ensure that providers of a bundled service maintain data that supports a conclusion that the rate developed by the Medicaid agency is economic and efficient. That data normally consists of information:

- showing the provision by practitioner of the individual **covered** Medicaid services included in the bundled payment and;
  - the cost by practitioner and type of service actually delivered under the bundled rate.
2. 42 CFR 431.107 requires that each provider or organization furnishing services agree to keep any records necessary to disclose the extent of services the provider furnishes to beneficiaries and, on request, furnish the Medicaid agency any information maintained and any information regarding payments claimed by the provider for furnishing services under the plan.

The State Medicaid Manual in Section 2500.2(A) requires that a State Medicaid agency report “only expenditures for which all supporting documentation is available, in readily reviewable form, which has been compiled and which is immediately available when the claim is filed” on the CMS-64. This section continues by stating that “... supporting documentation includes as a minimum the following: date of service; name of recipient; Medicaid identification number; name of provider agency and person providing the service; nature, extent or units of service; and the place of service.”

In accordance with these requirements, States must include language in the State plan identifying the data to be maintained by providers, assuring that the state will review that data in order to develop and revise as necessary, economic and efficient rates, and explaining how the data was used to develop the rates.

3. States must include language in the State plan assuring that rates do not include costs related to room and board (for bundled rates paid in residential settings) or other unallowable facility costs.
4. States must include in the State plan a description of the State’s proposal for monitoring the provision of services paid under a bundled rate to ensure that beneficiaries receive the types, quantity and intensity services required to meet their medical needs.

Please submit a State plan amendment that includes the above information no later than 90 days after receipt of this letter. 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](mailto:lajoshica.smith@cms.hhs.gov).

Sincerely,



Todd McMillion  
Director  
Division of Reimbursement Review

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER:  <b>21-0004</b>	2. STATE:  <b>COLORADO</b>
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
4. PROPOSED EFFECTIVE DATE:  <b>October 1, 2020</b>		5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):  NEW STATE PLAN                      AMENDMENT TO BE CONSIDERED AS A NEW PLAN <b>X AMENDMENT</b>	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION:  <b>SOCIAL SECURITY ACT Sections 1902(a)(10)(A) and 1905(a)(29)</b>	7. FEDERAL BUDGET IMPACT:  <b>a. FFY 2021: \$0</b> <b>b. FFY 2022: \$0</b>		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>Supplement to Attachment 3.1-A – 1905(a)(29) Medication-Assisted Treatment (MAT), pages 1-3 of 3 (NEW)</b>  <b>Attachment 4.19-B – Item 29 Medication-Assisted Treatment (MAT), page 1 of 1 (NEW)</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):		
10. SUBJECT OF AMENDMENT:  <b>Mandatory coverage for medication-assisted treatment for opioid use disorders in compliance with the SUPPORT Act, Section 1006(b).</b>			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ):  GOVERNOR'S OFFICE REPORTED NO COMMENT <b>X OTHER, AS SPECIFIED</b>  COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <b>Governor's letter dated 11 October, 2019</b>  NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:  	16. RETURN TO:  <b>Colorado Department of Health Care Policy and Financing</b> <b>1570 Grant Street</b> <b>Denver, CO 80203-1818</b>  <b>Attn: Amy Winterfeld</b>		
13. TYPED NAME:  <b>Tracy Johnson</b>			
14. TITLE:  <b>Medicaid Director</b>			
15. DATE SUBMITTED: <u>Initial</u> : February 22, 2021 <u>Update #1</u> : May 14, 2021			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED  February 22, 2021	18. DATE APPROVED  January 6, 2022		
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL  October 1, 2020	20. SIGNATURE OF REGIONAL OFFICIAL  <small>Digitally signed by James G. Scott -S Date: 2022.01.06 15:25:46 -06'00'</small>		
21. TYPED NAME  James G. Scott	22. TITLE  Director, Division of Program Operations		
23. REMARKS			

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

STATE OF COLORADO

Supplement to Attachment 3.1-A

**1905(a)(29) Medication-Assisted Treatment (MAT)**

Page 1 of 6

Citation: 3.1(a)(1) Amount, Duration, and Scope of Services: Categorically Needy  
(Continued)

1905(a)(29) X MAT as described and limited in Supplement to Attachment 3.1 A.

ATTACHMENT 3.1 A identifies the medical and remedial services provided to the categorically needy.

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

STATE OF COLORADO

Supplement to Attachment 3.1-A

LIMITATIONS TO CARE AND SERVICES

**1905(a)(29) Medication-Assisted Treatment (MAT)**

Amount, Duration, and Scope of Medical and Remedial Care Services Provided to the  
Categorically Needy (continued)

Page 2 of 6

i. General Assurance

MAT is covered under the Medicaid state plan for all Medicaid beneficiaries who meet the medical necessity criteria for receipt of the service for the period beginning October 1, 2020, and ending September 30, 2025.

ii. Assurances

- a. The state assures coverage of Naltrexone, Buprenorphine, and Methadone and all of the forms of these drugs for MAT that are approved under section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) and all biological products licensed under section 351 of the Public Health Service Act (42 U.S.C. 262).
- b. The state assures that Methadone for MAT is provided by Opioid Treatment Programs that meet the requirements in 42 C.F.R. Part 8.
- c. The state assures coverage for all formulations of MAT drugs and biologicals for OUD that are approved under section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) and all biological products licensed under section 351 of the Public Health Service Act (42 U.S.C. 262).

iii. Service Package

From October 1, 2020, through September 30, 2025, the state assures that MAT to treat OUD as defined at section 1905(ee)(1) of the Social Security Act (the Act) is covered exclusively under section 1905(a)(29) of the Act.

The state covers the following counseling services and behavioral health therapies as part of MAT:

- a. Covered services.
  1. Individual Counseling
  2. Group Counseling

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

STATE OF COLORADO

Supplement to Attachment 3.1-A

LIMITATIONS TO CARE AND SERVICES

**1905(a)(29) Medication-Assisted Treatment (MAT)**

Amount, Duration, and Scope of Medical and Remedial Care Services Provided to the Categorically Needy (continued)

Page 3 of 6

3. Family Counseling is covered only where the primary purpose of such counseling is the treatment of the patient's condition. Family counseling that involves the participation of a non-Medicaid eligible is for the direct benefit of the beneficiary. The service must actively involve the beneficiary in the sense of being tailored to the beneficiary's individual needs. There may be times when, based on clinical judgement, the beneficiary is not present during the delivery of the service, but remains the focus of the service.

b. Providers

1. Licensed Marriage and Family Therapist (LMFT)
2. Licensed Clinical Social Worker (LCSW)
3. Licensed Professional Counselor
4. Licensed Clinical Alcohol and Drug Counselor (LAC)
5. Licensed Addiction Counselor
6. Licensed Psychologist
7. Psychiatrist/Physician

c. Provider qualifications.

Licensed Professionals	
Provider Type/Qualifications	Services Provided
<ul style="list-style-type: none"><li>• Licensed Marriage and Family Therapist (LMFT)</li><li>• Licensed Clinical Social Worker (LCSW)</li><li>• Licensed Professional Counselor</li><li>• Licensed Clinical Alcohol and Drug Counselor (LAC)</li><li>• Licensed Addiction Counselor</li><li>• Licensed Psychologist</li></ul>	<ul style="list-style-type: none"><li>• Individual and family therapy</li><li>• Group therapy</li></ul>
<ul style="list-style-type: none"><li>• Licensed Psychiatrist/Physician</li></ul>	<ul style="list-style-type: none"><li>• Individual and family therapy</li><li>• Group therapy</li></ul>

TN No. 21-0004  
Supersedes  
TN No. NEW

Approval Date: January 6, 2022

Effective Date: October 1, 2020

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

STATE OF COLORADO

Supplement to Attachment 3.1-A

LIMITATIONS TO CARE AND SERVICES

**1905(a)(29) Medication-Assisted Treatment (MAT)**

Amount, Duration, and Scope of Medical and Remedial Care Services Provided to the  
Categorically Needy (continued)

Page 4 of 6

iv. Utilization Controls

  X   The state has drug utilization controls in place. (Check each of the  
following that apply)

  X   Generic first policy

  X   Preferred drug lists

  X   Clinical criteria

  X   Quantity limits

       The state does not have drug utilization controls in place.

v. Limitations

1. MAT Drugs: N/A

2. Counseling and Behavioral Therapies:

Services are subject to prior authorization, must be medically necessary and must be recommended by a licensed practitioner or physician, who is acting within the scope of his/her professional license and applicable state law.

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

STATE OF COLORADO

Supplement to Attachment 3.1-A

LIMITATIONS TO CARE AND SERVICES

**1905(a)(29) Medication-Assisted Treatment (MAT)**

Amount, Duration, and Scope of Medical and Remedial Care Services Provided to the  
Categorically Needy (continued)

Page 5 of 6

PRA Disclosure Statement - This information is being collected to assist the Centers for Medicare & Medicaid Services in implementing section 1006(b) of the SUPPORT for Patients and Communities Act (P.L. 115-271) enacted on October 24, 2018. Section 1006(b) requires state Medicaid plans to provide coverage of Medication-Assisted Treatment (MAT) for all Medicaid enrollees as a mandatory Medicaid state plan benefit for the period beginning October 1, 2020, and ending September 30, 2025. Under the Privacy Act of 1974 any personally identifying information obtained will be kept private to the extent of the law. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The OMB control number for this project is 0938-1148 (CMS-10398 # 60). Public burden for all of the collection of information requirements under this control number is estimated to take about 80 hours per response. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to CMS, 7500 Security Boulevard, Attn: Paperwork Reduction Act Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

TN No. 21-0004  
Supersedes  
TN No. NEW

Approval Date: January 6, 2022  
Effective Date: October 1, 2020

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

STATE OF COLORADO

Attachment 4.19-B

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

29. MEDICATION-ASSISTED TREATMENT (MAT)

Unbundled prescribed drugs for MAT shall be reimbursed using the same methodology as described in Attachment 4.19-B, item 12.a, for covered outpatient drugs.

All counseling and behavioral therapy services available for MAT for Opioid Use Disorder (OUD) services that are not specific to OUD shall be reimbursed using the same methodology as described in Attachment 4.19-B, item 13.d Rehabilitative Services: Substance Use Disorder Treatment.