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State/Territory Name: CO

State Plan Amendment (SPA) CO: 23-0029

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

November 15, 2023

Bettina Schneider, Chief Financial Officer
Attn: Alex Lyons
Colorado Department of Health Care Policy and Financing
1570 Grant Street
Denver, CO 80203-1818

RE: Colorado State Plan Amendment (SPA) Transmittal Number 23-0029

Dear Ms. Schneider:

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 August 18, 2023. This plan amendment updates the payment amount for the University of Colorado School of Medicine Supplemental Payment for Physicians and Professional Services rendered to Health First Colorado beneficiaries.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 01, 2023. 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 via 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

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 3</u> — <u>0 0 2 9</u>	2. STATE <u>CO</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2023
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5. FEDERAL STATUTE/REGULATION CITATION Social Security Act, Section 1902(a)(30)(A)	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>2,444,125</u> b. FFY <u>2024</u> \$ <u>6,729,377</u>
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7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Supp to Att 4.19-B – Suppl Payments for Phys and Prof Services – Page 2 Supp to Att 4.19-B – Suppl Payments for Phys and Prof Services – Page 3 NEW	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Supp to Att 4.19-B – Suppl Payments for Phys and Prof Services – Page 2 (TN 22-0035) TN 22-0035-A
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9. SUBJECT OF AMENDMENT
Updating payment amount for Univ of Colo School of Medicine Supplemental Payment for Physician and Professional Services at Qualifying Colorado State-Owned or Operated Professional Services Practices.

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Colorado Department of Health Care Policy and Financing 1570 Grant Street Denver, CO 80203-1818 Attn: Alex Lyons
12. TYPED NAME Bettina Schneider	
13. TITLE Chief Financial Officer	
14. DATE SUBMITTED 8-15-2023	

FOR CMS USE ONLY

16. DATE RECEIVED 08/15/2023	17. DATE APPROVED November 15, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL 07/01/2023	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS

TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

SUPPLEMENT TO ATTACHMENT 4.19-B

State of Colorado

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- 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 255.59% 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

Effective July 1, 2023, the total payment amount for the University of Colorado School of Medicine Supplemental Payment of Physicians and Professional Services shall equal an amount published in the provider bulletin each year.

TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

SUPPLEMENT TO ATTACHMENT 4.19-B

State of Colorado

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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
SFY 2021-22	\$189,648,800
SFY 2022-23	\$ 183,603,554
SFY 2023-2024	\$ 200,999,462

TN No. 23-0029

Approval Date: November 15, 2023

Supersedes TN No: NEW

Effective Date: July 1, 2023