

## **Table of Contents**

**State/Territory Name: CO**

**State Plan Amendment (SPA) #: 24-0030**

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  
230 South Dearborn  
Chicago, Illinois 60604



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**Financial Management Group**

January 16, 2025

Adela Flores-Brennan  
State Medicaid Director  
Colorado Department of Health Care Policy and Financing  
303 E. 17th Avenue, Suite 1100  
Denver, CO 80203-1818

Dear Director Flores-Brennan,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Colorado State Plan Amendment (SPA) to Attachment 4.19-B TN: #24-0030, which was submitted to CMS on September 26, 2024. This plan amendment proposes to add Health Equity Payments to Medicaid Enrolled Primary Care Practices that Serve a High Proportion of Marginalized Patients.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2024. 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 Matthew Klein at 214-767-4625 or [matthew.klein@cms.hhs.gov](mailto:matthew.klein@cms.hhs.gov)

Sincerely,

A black rectangular box redacting the signature of Todd McMillion.

Todd McMillion  
Division of Reimbursement Review Director

Enclosures

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 3 0

2. STATE

CO3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL  
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID &amp; CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

Social Security Act, Section §1902(a)(30)(A)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 5,000,000b. FFY 2026 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B -- Methods and Standards for Establishing  
Payment Rates -- Other Types of Care -- Health Equity Payments  
to Medicaid Enrolled Primary Care Practices that Serve a High  
Proportion of Marginalized Patients -- Pages 1-2 of 2 (NEW)8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)

N/A

9. SUBJECT OF AMENDMENT

Adds a Health Equity Payments to Medicaid Enrolled Primary Care Practices that Serve a High Proportion of Marginalized  
Patients to Attachment 4.19-B.

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:

Governor's letter dated  
5 April 2023

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Bettina Schneider

13. TITLE

Chief Financial Officer

14. DATE SUBMITTED

15. RETURN TO

Colorado Department of Health Care Policy and Financing  
303 E. 17th Avenue, Suite 1100  
Denver, CO 80203

Attn: Erica Schaler

## FOR CMS USE ONLY

16. DATE RECEIVED

09/26/2024

17. DATE APPROVED

January 16, 2025

## PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

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

Per CMS' request, added "\$0" to the FFY 2026 impact in box 6 after the Department confirmed no fiscal impact in FFY 2026. RZ  
01/09/2025

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

STATE OF COLORADO

Attachment 4.19-B  
Page 1 of 2

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

**Health Equity Payments to Medicaid Enrolled Primary Care Practices that Serve a High Proportion of Marginalized Patients.**

This initiative ultimately aims to improve access to primary care and preventive services to marginalized communities served by Medicaid enrolled providers. This emphasis on improving equity and access to primary care will enable certain Medicaid enrolled primary care providers to maintain or expand their capacity to serve Medicaid beneficiaries who live in the most underserved communities in the State. Doing so will ultimately improve the health status of Medicaid beneficiaries and lower utilization at higher levels of care, especially hospital emergency rooms, thereby promoting a more efficient administration of the Medicaid program in Colorado.

This approach aligns with the CMS Framework for Health Equity, specifically Priority 3: “Build Capacity of Health Care Organizations and the Workforce to Reduce Health and Health Care Disparities”, as well as the HHS Equity Action Plan.

**Provider Qualifications**

An organization that provides Comprehensive Primary Care, as defined in state law, in Colorado and that:

1. Is an enrolled Medicaid provider;
2. Accepts all patients regardless of their ability to pay and uses a Sliding Fee Scale for payments or does not charge Medically Indigent Patients for services;
3. Serves a designated medically underserved area or population, as provided in section 330(b) of the federal "Public Health Service Act", 42 U.S.C. sec. 254b, or demonstrates to the state department that the entity serves a population or area that lacks adequate health-care services for low-income, uninsured persons;
4. Has a demonstrated track record of providing cost effective care;
5. Provides or arranges for the provision of comprehensive primary care to persons of all ages;
6. Completes initial screening for eligibility for the state medical assistance program, the children's basic health plan, and any other relevant government health-care program and referral to the appropriate agency for eligibility determination;
7. Completes and submits the specified application issued by Colorado Medicaid; and
8. Participates in a Quality Assurance Program.

**Payment Calculation and Reconciliation Process**

1. The total annual amount of funding available for this health equity payment will be appropriated by the Colorado Legislature each year and in accordance with Article X Section 21 of the Colorado State Constitution funding will include 19% of the tobacco tax collected by the state during the fiscal year. The initial appropriation and final funding based on actual tobacco tax revenue shall be annually published in the Department’s provider bulletin at [www.colorado.gov/hcpf/bulletins](http://www.colorado.gov/hcpf/bulletins).

TN No. 24-0030

Approval Date: January 16, 2025

Supersedes TN No. NEW

Effective Date: July 1, 2024

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

STATE OF COLORADO

Attachment 4.19-B  
Page 2 of 2

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

2. Pursuant to 10 C.C.R. 2505-10 §8.900, payments to qualified providers shall be based on the number of Medically Indigent Patients in each Eligible Qualified Provider's Unduplicated User/Patient Count in an amount proportionate to the total number of Medically Indigent Patients from all Eligible Qualified Providers' Unduplicated User/Patient Counts. The Department will use the number of uninsured or medically indigent patients served as a proxy for historically marginalized populations served by Eligible Medicaid providers.
3. The Department will periodically conduct audits and recoup any federal funds paid to providers in excess of what they should have received in a year.