### DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, MD 21244-1850



### Financial Management Group

September 27, 2022

Cristen Bates
Interim Medicaid Director
Colorado Department of Health Care
Policy and Financing
1570 Grant Street
Denver, CO 80203-1818

Re: Colorado 22-0030

Dear Ms. Bates,

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 22-0030. Effective for services on or after July 1, 2022, this amendment implements rate increases for Psychiatric Residential Treatment Facilities (PRTF).

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 22-0030 is approved effective July 1, 2022. The CMS-179 and the amended plan page are attached.

If you have any questions, please contact Christine Storey at <u>Christine.storey@cms.hhs.gov</u> or 303-844-7044.

Sincerely,

Rory Howe

Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
	SECURITY ACT XIX XXI
TO: CENTER DIRECTOR	4. PROPOSED EFFECTIVE DATE
CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	July 1, 2022
5. FEDERAL STATUTE/REGULATION CITATION	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
42 CFR 440.160	a FFY 2022 \$ 414 b. FFY 2023 \$ 1 243
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT	b. FFY 2023 \$ 1243 8.PAGENUMBER OF THE SUPERSEDED PLAN SECTION
Attachment 4.19-D – Methods and Standards for Establishing	OR ATTACHMENT (If Applicable)
Payment Rates - Other Types of Care - 16. Psychiatric Residentia	
Treatment Facilities, Page 64	Establishing Payment Rates – Other Types of Care – 16. Psychiatric Residential Treatment Facilities, Page 64 (TN
	21-0028)
9. SUBJECT OF AMENDMENT	
2.0% rate increase per state budget bill.	
10. GOVERNOR'S REVIEW (Check One)	
GOVERNOR'S OFFICE REPORTED NO COMMENT  COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	OTHER, AS SPECIFIED:
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	Governor's letter
	dated 14 July 2021 5. RETURN TO
by Bettina Schneider, CFO 27 15:56:38 -06'00'	olorado Department of Health Care Policy and Financing
12. TYPED NAME	570 Grant Street enver, CO 80203-1818
Betuna Schneider	CHVCI, OC 00203-1010
13. TITLE Chief Financial Officer	ttn: Amy Winterfeld
14. DATE SUBMITTED	
June 30, 2022	DE ONLY
16. DATE RECEIVED 1	7. DATE APPROVED
l 20 0000	September 27, 2022
PLAN APPROVED - ON	E COPY ATTACHED
	9. SIGNATURE OF APPROVING OFFICIAL
July 1, 2022	
	1. TITLE OF APPROVING OFFICIAL
Rory Howe	Director, Financial Management Group
22. REMARKS	

# TITLE XIX OF THE SOCIAL SECURITY ACT MEDICAL ASSISTANCE PROGRAM

State of Colorado

Attachment 4.19-D Page 64

# METHODS AND STANDARD FOR ESTABLISHING PAYMENT RATES OTHER TYPES OF CARE

16. Psychiatric Residential Treatment Facilities

#### UPPER PAYMENT LIMIT (UPL) CALCULATION

The Department conducts an analysis of the prevailing private-pay and commercial-insurance rates for PRTF-like services for the purposes of setting the Upper Payment Limit (UPL) for PRTF services according to 42 CFR 447.325.

#### **PAYMENT RATES**

The PRTF rate is set according to the methodology outlined in this document and is adjusted according to Colorado General Assembly appropriation.

PRTF services shall be reimbursed at the lower of the following:

- 1. Submitted charges, or
- 2. Fee schedule for PRTF services 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 reimbursement rates were set as of July 1, 2022 and are effective for services provided on or after that date. All rates can be found on the official website of the Department of Health Care Policy and Financing at <a href="https://www.colorado.gov/hcpf">www.colorado.gov/hcpf</a>.

TN No. 22-0030 Supersedes TN No. 21-0028 Approval Date September 27, 2022 Effective Date July 1, 2022