

Dear Stakeholders,

As you may be aware, as part of our FY2015-16 budget the Department requested a 0.5% provider rate increase that will apply to all eligible providers effective July 1, 2015, pending approval by the General Assembly. As part of that same request, the Department has requested an additional \$16.5M to address large inequities in rates and to focus on paying for services that provide high value and better access for our clients.

**We would like to have your input about how and which providers and services should be considered to receive part of that \$16.5M targeted rate increase. We need your responses by 5:00pm on Friday, January 2, 2015. It's a busy month, so please mark your calendars to make sure your voice is heard.**

While we recognize that across-the-board rate increases are important to our providers, they continue to incentivize volume over value—a trend we are trying to reverse. An increase of 0.5% is not a total solution, but it is another step towards paying for better value for our clients and improving access to care. If we spread out the 0.5% increase across-the-board to all providers, the impact per provider would be very small.

**That's why we are asking for your recommendations to help decide which services and specialties are most in need of rate adjustments.**

We want to ensure we are using our limited resources to accomplish two things:

- address serious inequities in rates, where they exist, and
- promote high quality, cost effective procedures that improve client outcomes and reduce expenditures for the State.

**Attached is a document outlining the process for submitting your response and the criteria for evaluating the responses submitted.** Within the next ten business days, we will also send you a framework of potential recommendations from the Department based on feedback received from you and other stakeholders over the past year. Your input will help us evaluate this initial set of recommendations, as well as identify additional ones. We will post these documents and any further notifications on our website at <https://www.colorado.gov/pacific/hcpf/provider-implementations> (Select "Targeted Rate Increase")

Responses are due to the Department by **5:00 pm on Friday, January 2, 2015**. Please submit all responses and questions to: [Medicaid2015@state.co.us](mailto:Medicaid2015@state.co.us). Responses received after this time will not be considered. You will receive email confirmation that we have received your input. Due to the anticipated volume of responses, we will not be able to respond to each proposal individually.

The targeted increase is dependent upon approval by the General Assembly. If we do not receive approval to move forward with this request, we plan to use the responses to inform future budget and policy requests.

We would like this message to reach all interested stakeholders. Please share this email with anyone who may be interested in submitting a proposal to the Department or participating in this process.

We value your input as partners and look forward to working with you.

Thank you!  
Judy

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