



2016 and 2017 Rate Review Recommendations - Update

February 16, 2018

Each November 1st, the Colorado Department of Health Care Policy & Financing (the Department) publishes recommendations, through the rate review process, for services under review that year. Recommendations for year one services are found in the [2016 Medicaid Provider Rate Review Recommendation Report](#). Recommendations for year two services are found in the [2017 Medicaid Provider Rate Review Recommendation Report](#).

This document serves as an update regarding progress on the Department's recommendations, as they relate to year one (2016) and year two (2017) services. More information regarding the rate review process, including the [2016 Rate Review Recommendations – Update document](#), is available on the Department's [Medicaid Provider Rate Review Advisory Committee website](#).

Department Recommendation Progress

Year One - 2016

- Laboratory & Pathology Services – Effective January 1, 2018, Medicare Clinical Laboratory Fee Schedule (CLFS) rates are based on weighted median private payor rates.¹ In accordance with the Department's and MPRRAC's recommendation from year one, the Department is conducting research to evaluate if Colorado Medicaid rates should be aligned with updated Medicare CLFS rates.
- Home Health Services – The Department is working to implement Electronic Visit Verification (EVV) pursuant to the 21st Century Cures Act mandate. The Department will use data acquired through EVV to inform an assessment of the visit-based payment methodology.
- Private Duty Nursing – Department staff continue to conduct research regarding licensed practical nurse (LPN) wages.
- Non-Emergent Medical Transportation (NEMT) and Emergency Medical Transportation (EMT) Services – On January 8, 2018, the Department hosted a benefits collaborative to discuss changes to NEMT and EMT service rules. For more information about the January 8th Benefits Collaborative, see the [Questions and Answers Document](#). The Department plans to host another benefits collaborative, on March 5, 2018, focused on the future NEMT broker Request for Proposals. Additionally, the Joint Budget Committee of the Colorado General Assembly approved the Department's supplemental budget request for additional funding to explore the feasibility of a supplemental payment program to reduce uncompensated costs for EMT services.
- Physician-Administered Drugs – The Department hired a policy specialist to oversee physician-administered drugs in early fall. The Department has implemented the new payment methodology as outlined in the 2016 Medicaid Provider Rate Review Recommendation Report.

¹ For more information, see the [Center for Medicare and Medicaid Services' Clinical Laboratory Fee Schedule website](#).



Year Two – 2017

- Physician Services and Surgery – Department staff continue to conduct research and planning related to the implementation of the three Physician Services and Surgery recommendations. Additionally, the Department is beginning necessary rate setting work to develop a payment methodology that differentiates rates based on place of service.
- Anesthesia Services – The Department will not have updates to the Anesthesia Services recommendation until the conclusion of the 2017-2018 Legislative Session.
- Home- and Community-Based Service (HCBS) Waivers – The Department will not have updates to the HCBS Waivers recommendations until the conclusion of the 2017-2018 Legislative Session.

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