Co-payment Policy Updates

1 Co-payment Policy Updates
2 Co-payment Increase for Health First Colorado Members Effective January 1, 2018

In accordance with state and federal law, 42 C.F.R. §5447.53, 447.56(f),(1),(2),(3), the Colorado Department of Health Care Policy and Financing (the Department) has made updates to the Health First Colorado (Colorado’s Medicaid Program) co-payment policies. These changes have been previously reflected in the Department’s Provider Bulletin. This Special Provider Bulletin reiterates the policy updates. The Department has also recorded a webinar for pharmacies and providers that discusses the updates to Health First Colorado co-payment policies.

Co-payment Increase for Health First Colorado Members Effective January 1, 2018

In accordance with SB17-267 and as stated in the Department’s Provider Bulletin, the Department plans to change the following co-payment policies effective January 1, 2018 for Health First Colorado members:

<table>
<thead>
<tr>
<th>Service</th>
<th>Dates of service on and prior to December 31, 2017</th>
<th>Dates of service on and after January 1, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outpatient hospital visit</td>
<td>$3</td>
<td>$4</td>
</tr>
<tr>
<td>Outpatient hospital non-emergent emergency room visit</td>
<td>$3</td>
<td>$6</td>
</tr>
<tr>
<td>Generic drug *</td>
<td>$1</td>
<td>$3</td>
</tr>
<tr>
<td>Brand name drug *</td>
<td>$3</td>
<td>$3</td>
</tr>
</tbody>
</table>

*Changes apply to all new and refill prescriptions.

The emergency status of an Emergency Department visit must be determined by the hospital/provider. The Colorado interChange will deduct a $6 co-payment amount, for all co-payment eligible members, from the UB-04 (837I) claim, based on the presence of Revenue Code 0456 or Revenue Code 0459 on the claim.

The Department’s Medical Services Board voted December 8, 2017 to adopt the Revision to the Medical Assistance Rule Concerning Client Co-Payment, Section 8.754, rule that supports the co-payment increase. For more information on the Medical Services Board, visit: CO.gov/hcpf/medical-services-board.

Improving health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.
Co-payment Limit for Health First Colorado Members

As previously stated in the Department’s Provider Bulletin, all providers should be aware that members are liable for no more than 5% of their monthly household income towards co-payments per month.

Health First Colorado notifies members by mail when their household has met its co-payment maximum for the month. The co-payment maximum is 5% of the household monthly income. The head of household will receive a letter showing the household has reached the monthly limit, and how the limit was calculated. Once a member has paid 5% of their monthly household income on co-pays in a month, no one in the household pays co-pays for the rest of that month. For more information, visit HealthFirstColorado.com/copay.

As with current practice, it is critical that providers verify a member’s eligibility and co-payment amount at each visit. The Colorado interChange Provider Web Portal will reflect the member’s current eligibility and co-payment amount known at the time of the visit. Due to the 5% co-payment maximum policy, a member’s co-payment amount may vary depending on the number and type of services a member receives in a given month and when a provider submits their claim.

Due to the timing of when claims are submitted and paid, it is possible that a member’s co-payment maximum will be met in-between the time the member sees the provider and when the provider is reimbursed for the visit. Providers must be prepared to refund a member’s co-payment if the co-payment amount is not deducted from the final Department reimbursement. Whether the co-payment amount is deducted can be seen in the remittance advice that accompanies each payment.

Example: On November 5, 2017, a Health First Colorado member visits their provider. The member’s co-payment is listed on the Provider Web Portal as $3 and the provider charges the member a $3 co-pay. The provider submits their claim on November 25, 2017. The member reaches their monthly co-payment maximum on November 15, 2017 based on claims submitted for other services provided to the member, rendering the member exempt from paying co-payments after November 15, 2017 for the month of November. Since the member reached their co-payment maximum between the date-of-service and the date the claim was submitted by the provider, the member’s co-payment is now $0 for the November 5, 2017 date-of-service. The provider will need to return the collected co-payment of $3 on November 5, 2017 to the member.

Resources on the Department’s interChange Resource Web Page

- A Quick Guide resource is available and provides step-by-step instructions for providers on how to verify a member’s eligibility and check a member’s co-payment amount.

- A Quick Guide resource is available and provides step-by-step instructions for providers on how to find a member’s co-payment amount on the provider’s remittance advice.

Additional Quick Guides can be found at CO.gov/hcpf/interchange-resources.
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