



Dear Durable Medical Equipment (DME) Provider,

In accordance with House Bill (HB) 18-1329, the Department of Health Care Policy & Financing (the Department) is allowing qualified providers to examine the calculation of the DME supplemental payments and will consider feedback from qualified providers prior to finalizing the distribution. You are receiving this message because you have been identified as a qualified provider.

The Department used the following steps for payment calculations:

1. Identified procedure codes relevant to HB18-1329: Found on the [DME Fee Schedule](#).
2. Reviewed utilization from January 1, 2018, to March 15, 2018, for these codes.
3. Used Colorado pricing logic to estimate difference between old rates and new rates.
4. Used the paid amount for manually priced codes as the old rates estimate.
5. Calculated the change between the new and old rates by each provider and procedure code and modifier.
6. Removed providers that experienced an increase in payment.
7. Appropriated the amount of \$7,591,815.00.
8. Distributed this amount by the proportion of each change in old rates to new rates.
9. Created a total amount due to each provider
10. Deleted rows from the 'Filtered Data' tab that have <30 units, for HIPAA privacy purposes (Safe Harbor Provision).

As a qualified provider, you may request that the Department recalculate the supplemental payment amount within 30 days after this notification. If you are requesting a re-calculation, please identify the portion of HB-1329 utilization that the current calculation does not include. To request a re-calculation, provide these details in an email to Sam Gosney at Sam.Gosney@state.co.us.

The Department will distribute supplemental payments to qualified providers following the 30-day provider feedback period described above. Once payments have been distributed, the Department will not recalculate or re-estimate the payments for the purpose of changing the distribution. The Department may recover payments made to a qualified provider if it is determined that the payments were materially affected by fraudulent claims submissions made by a qualified provider under the Medical Assistance Program.

Refer to the [HB18-1329 Distribution spreadsheet](#) for more details.

On September 7, 2018, DXC Technology (DXC) adjusted claims which were paid at the old rates between January 1, 2018, and April 27, 2018, which resulted in recoupment of funds.

Moving forward, the Department will not apply the outstanding accounts receivable (AR) balance to any new claim payments until after the supplemental payments have been distributed. Once the supplemental payments are released, the AR balance will then be calculated again on future Remittance Advice (RA) reports.

Contact Sam Gosney at Sam.Gosney@state.co.us with any questions.

Thank you,

Department of Health Care Policy & Financing

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