



## OPERATIONAL MEMO

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<b>TITLE:</b>	<b>SINGLE ENTRY POINT (SEP) RATES</b>
<b>SUPERSEDES NUMBER:</b>	N/A
<b>EFFECTIVE DATE:</b>	<b>JULY 1, 2020</b>
<b>DIVISION AND OFFICE:</b>	<b>CASE MANAGEMENT AND QUALITY PERFORMANCE DIVISION, OFFICE OF COMMUNITY LIVING</b>
<b>PROGRAM AREA:</b>	<b>CASE MANAGEMENT</b>
<b>KEY WORDS:</b>	<b>SEP RATES</b>
<b>OPERATIONAL MEMO NUMBER: HCPF OM 20-010</b>	
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<b>APPROVED BY: BONNIE SILVA</b>	

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### **Purpose and Audience:**

The purpose of this Operational Memo is to notify SEP agencies of finalized rates which consist of Fee for Service (FFS) per deliverable payment and Per Member Per Month (PMPM) reimbursement for ongoing case management services effective on July 1, 2020.

### **Information:**

The Department of Health Care Policy & Financing (Department) contracts with SEP agencies for a one-year (1) term, with an option to extend the contract on a year for year basis not to exceed five (5) years from the contract's effective date. The rate methodology for the upcoming State Fiscal Year (SFY), differs from the previous payment model in that it incorporates both FFS per deliverable payment and PMPM reimbursement for ongoing case management services.

In August 2019, the Department sent notification to all SEP agencies that Request for Information (RFI) #202000005, SEP Rates and Methodology RFI, was posted to the CORE Web and released official RFI Responses to SEP inquiries, in October 2019. As a result, the Department will implement the FFS per deliverable and PMPM

reimbursement rates, indicated in the table below, starting with the SFY 2020-21 Contract effective July 1, 2020.

<b>Deliverable/Reimbursement Activity</b>	<b>Frequency of Payment</b>	<b>Final Rate</b>	<b>Dollar Change RFI to Final</b>
<b>Operations Guide</b>	One Time Payment Per Initial Guide – year 1 of Contract	\$7,197.33	\$129.96
<b>Operations Guide Update</b>	Each Annual Update – Years 2, 3 ,4, and 5 of the Contract	\$1,294.64	\$25.03
<b>Complaint Trend Analysis</b>	Per Quarterly Deliverable	\$3,511.49	\$81.77
<b>Critical Incident - Other</b>	Per Each Critical Incident	\$32.45	\$0.89
<b>Critical Incident – MANE</b>	Per Each Critical Incident	\$103.21	\$3.88
<b>Critical Incident Trend Analysis</b>	Per Quarterly Deliverable	\$1,292.71	\$28.95
<b>Training Deliverable</b>	Per Bi-Annual Deliverable	\$590.62	\$12.61
<b>Committee Updates</b>	Per Bi-Annual Deliverable	\$975.72	\$16.32
<b>Appeals – Creation of Packet</b>	Per Packet Created	\$488.87	\$216.46*
<b>Appeals – Attendance at Hearing</b>	Per Hearing Attended	\$277.56	

<b>Initial Functional Eligibility Assessment</b>	Per Assessment Completed	\$260.82	\$9.38
<b>Continued Stay Review – Functional Eligibility Assessment</b>	Per Assessment Completed	\$181.29	\$5.71
<b>Monitoring</b>	Payment Per In-Person Monitoring Visit  (One face to face visit per member per support plan year required and up to 2 Visits per Year based on member need)	\$82.23	\$(28.47)
<b>On-going Case Management PMPM Tier One (1-700 Members)</b>	Payment Per Member Per Month	\$83.47	\$8.85
<b>On-going Case Management PMPM Tier 2 (701-2750 Members)</b>	Payment Per Member Per Month	\$79.42	\$4.80
<b>On-going Case Management PMPM Tier 3 (2751+ Members)</b>	Payment Per Member Per Month	\$68.33	\$(6.29)
<b>Rural Travel Add-On for Rural and Frontier Counties</b>	Payment Per In-Person Visit- Applied Counties designated as Rural or Frontier on the Colorado Rural Health Center Map attached	\$34.45	New Rate

\*Appeals were split into two categories instead of one. The reimbursement amount for Appeals increased overall by this amount

As illustrated in the table below, the Department made the following substantive changes to the draft rates illustrated in the August 2019 RFI #202000005, based on SEP feedback:

Reimbursement Activity	Change from RFI #202000005
<b>Appeals</b>	Creation of two separate rates for Appeals to include FFS/deliverable based rates for the creation of the packet and attendance at the hearing.
<b>On-going Case Management PMPM</b>	Creation of a tiered On-going Case Management PMPM by small, medium and large agencies.
<b>Rural Travel Add-On for Rural and Frontier Counties</b>	<p>Creation of rural travel add-on reimbursement rate for those agencies performing SEP functions in counties identified as rural and/or frontier. This reimbursement rate will be added on top of the rate reimbursed when the following in-person case management activities are conducted:</p> <ul style="list-style-type: none"> <li>• Initial Functional Eligibility Assessment</li> <li>• Continued Stay Review (CSR) - Functional Eligibility Assessment</li> <li>• Monitoring</li> </ul>

### **Important Payment Methodology Change Information:**

Currently, County-based SEP agencies receive a per-agency annual allocation. The Department develops this allocation using the amount of funding the General Assembly allocates to SEP services statewide, coupled with a number of additional factors such as each individual SEP agency's client count from the previous year, and certain case mix factors to include but not limited to: area cost of living, population age, sparse population adjustment and case churn of the prior year. Each agency's allocation is then divided by twelve (12) and distributed each month by the Department.

Effective July 1, 2020, the Department will not be developing a per-agency allocation. Instead, each SEP agency's contract will include a contract not to exceed maximum equal to the amount payable statewide for all SEP agencies for all deliverable-based and

ongoing Case Management FFS and PMPM activities. Thus, each agency's contract will reflect the maximum amount payable by the Department statewide for all SEP agencies and will be inclusive of the total amount of funding appropriated by the General Assembly for Fiscal Year 2020-21.

Likewise, the Department will issue a monthly payment to each SEP agency based on the number of submitted and approved deliverables due from the previous month, and the number of reimbursable activities from the previous month. The Department will use data from the Business Utilization System (BUS) to generate payment and provide each SEP with individual monthly Financial Summary Reports, to include raw data, and to inform agencies of their monthly reimbursement amount, by activity. The Fiscal Year 2020-21 Contract will also allow each agency ten (10) days to review the data and submit any payment corrections to the Department. Financial Summary Reports and raw data will be provided for the following activities conducted for the previous month:

<b>Reimbursement Activity</b>	<b>Frequency of Payment</b>	<b>Department Data Source Details</b>
<b>Critical Incident - MANE</b>	Each Critical Incident	BUS
<b>Critical Incident - Other</b>	Each Critical Incident	BUS
<b>Appeals – Creation of Packet</b>	Per Packet Created	BUS
<b>Appeals – Attendance at Hearing</b>	Per Hearing Attended	BUS
<b>Initial Functional Eligibility Assessment</b>	Per Assessment Completed	BUS
<b>Continued Stay Review – Functional Eligibility Assessment</b>	Per Assessment Completed	BUS
<b>Monitoring</b>	Reimbursement Per In-Person Monitoring Visit	BUS - One face to face visit per member per Support Plan year required; and up to 2 visits per year will be

		reimbursed based on member need.
<b>On-going Case Management PMPM Tier One (1-700 Members)</b>	Reimbursement Per Member Per Month	BUS – includes # of Members with a Prior Authorization Request (PAR) and documented case management activity.
<b>On-going Case Management PMPM Tier 2 (701-2750 Members)</b>	Reimbursement Per Member Per Month	Same as Above
<b>On-going Case Management PMPM Tier 3 (2751+ Members)</b>	Reimbursement Per Member Per Month	Same as Above
<b>Rural Travel Add-On for Rural and Frontier Counties</b>	Reimbursement Per In-Person Visit	BUS – added in addition to the reimbursement rate for all Initial Functional Eligibility Assessments, Continued Stay Review Functional Eligibility Assessments and Monitoring visits conducted by agencies designated as Rural/Frontier.

**Attachment(s):**

Colorado County Designations, 2018 - Colorado Rural Health Center

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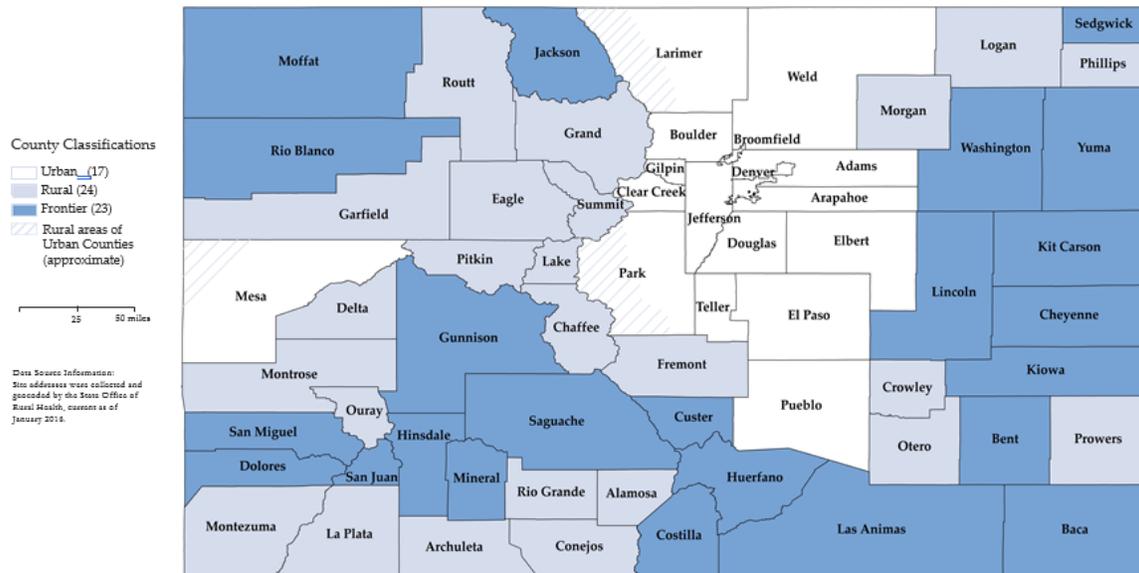
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## Colorado: County Designations, 2018



The definition of rural and frontier varies depending on the purpose of the program or policy in which they are used. Therefore, these are referred to as programmatic designations, rather than definitions. One designation commonly used to determine geographic eligibility for federal grant programs is based on information obtained through the Office of Management and Budget. All counties that are not designated as parts of Metropolitan Areas (MAs) are considered rural. The Colorado Rural Health Center frequently assumes this designation, as well as further classifies frontier counties as those counties with a population density of six or fewer persons per square mile. You may visit the Rural Health Grants Eligibility Advisor to determine if a county or address is designated rural, or contact the Office of Rural Health Policy at (301) 443-0835.

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*The State Office of Rural Health*