



COLORADO

Department of Health Care
Policy & Financing

POLICY MEMO

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TITLE: THE ADMINISTRATOR OF MEDICAID

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DIVISION AND OFFICE: LEGAL DIVISION, POLICY, COMMUNICATIONS AND ADMINISTRATION OFFICE

PROGRAM AREA: LEGAL AND COUNTY RELATIONS AND ADMINISTRATION

APPROVED BY: PAUL RITZMA

KEY WORDS: ADMINISTRATOR, ADMINISTRATION

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Purpose and Audience:

The purpose of this Memo is to clarify that the Department of Health Care Policy and Financing ("Department") is the sole administrator of Health First Colorado/Medicaid ("HFC"), though it does delegate duties, as outlined in state statute, which are supervised by the Department, to county departments of human/social services. This Memo will be available to all county leadership and staff to enable them to unambiguously identify the Department as the single state administrator of HFC, a designation required by federal law. This will help counties to understand the meaning of references to "the administrator," or similar variations thereof, which appear in federal and state statutes and rules relating to HFC, and to appreciate the general allocation of HFC responsibilities between the Department and the counties.

Background:

On the federal level, 42 C.F.R. § 431.10(b)(1) explains that in reference to the separate Medicaid plans the states have been tasked to create, each such state plan must: "[s]pecify a single State agency established or designated to administer or supervise the administration of the plan." Thus, federal statutes referring to the single state agencies, or to the state administrators of Medicaid, collectively refer to each single state agency

formally designated in accordance with 42 C.F.R. § 431.10(b)(1). As further discussed below, the Department is Colorado's designated single state agency.

State law listing the specific programs to be administered by the Department is found in § 25.5-1-201 of the Colorado Revised Statutes. In C.R.S. § 25.5-1-201, subsection (1)(a) specifically identifies the "Colorado Medical Assistance Act" as one of the programs to be administered by the Department. The Colorado Medical Assistance Act is found in articles 4, 5, and 6 of Title 25.5.

C.R.S. § 25.5-4-104(1), specifically mandates that the state department (the Department), "establish a program of medical assistance to provide necessary medical care for the categorically needy," and specifies that "the state department is hereby designated as the single state agency to administer such program[...]". Further, C.R.S. § 25.5-4-104(2) specifically gives the Department the authority to review the propriety of an action or failure to take an action regarding an application for medical assistance, and to conduct additional investigation as necessary.

In accordance with the State law explained above, § 10 C.C.R 2505-3(50)(50.5) of the Medical Assistance Staff Manual Volume 8 states that: "Department' shall mean the Colorado Department of Health Care Policy and Financing which is responsible for administering the Colorado Medical Assistance Program and Children's Basic Health Plan as well as other State-funded health care programs."

Information/Policy:

The Department is the Sole Administrator of HFC

In accordance with the clear directives of 42 C.F.R. § 431.10(b)(1), C.R.S. § 25.5-1-201, C.R.S. § 25.5-4-104, and § 10 C.C.R 2505-3(50)(50.5), the Department is the single state agency established to administer HFC. As the sole administrator of HFC and of the other programs listed in C.R.S. § 255-1-201, any and all references in any relevant statute or rule made to "the administrator", or to the "single state agency", or to similar variations thereof, are legal references to the Department. This means that all responsibility, authority, and discretion of the administrator or single state agency of HFC, appearing in any relevant codified statute or rule, are the exclusive responsibility, authority, and discretion of the Department.

Relationship to the Counties

Pursuant to C.R.S. 25.5-1-117, the county departments of human/social services or other state-designated agencies, where applicable, shall serve as agents of the Department and shall be charged with the administration of medical assistance and related activities in their respective counties, in accordance with the rules of the Department. So, while the Department is the single state administrator of HFC,

individual counties play a critical role, on the behalf of the Department, in managing medical assistance benefits at the local level as the Department's agents. The Department delegates important related functions that are paramount to the day to day operations of HFC. For example, while member eligibility is determined at the county level, pursuant to C.R.S. § 25.5-4-104(2), the Department reserves the administrative right to review the propriety of certain county actions or inactions related to HFC eligibility applications.

As the sole, single state administrator of HFC, the Department is the financial steward of HFC resources and will continue to work closely with the counties to fulfill its obligation to responsibly account for these resources in a manner that ensures the best and most effective, efficient, and equitable treatment of HFC members.

Attachments:

None

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