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SECRETARY OF STATE
RULES ACTION SUMMARY AND FILING INSTRUCTIONS

SUMMARY OF ACTION ON RULE(S)

1. Department / Agency Name: Health Care Policy and Financing / Medical Services Board
2. Title of Rule: MSB 10-06-02-B, Ambulatory Surgery Centers. Section 8.570.6
3. This action is an adoption of: an amendment
4. Rule sections affected in this action (if existing rule, also give Code of Regulations number and page numbers affected):

   Sections(s) 8.570.6, Colorado Department of Health Care Policy and Financing, Staff Manual Volume 8, Medical Assistance (10 CCR 2505-10).
5. Does this action involve any temporary or emergency rule(s)? No
   If yes, state effective date:
   Is rule to be made permanent? (If yes, please attach notice of hearing). Yes

PUBLICATION INSTRUCTIONS*

At §8.570.6.B please change the existing text to the new text provided. (§8.570.6 REIMBURSEMENT is provided for instructional purposes only and not intended for publication)

This change is effective 08/30/2010

*to be completed by MSB Board Coordinator

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Ambulatory Surgery Centers. Section 8.570.6
Rule Number:	MSB 10-06-02-B
Division / Contact / Phone:	Medicaid Program Division / Jeanine Draut / x5942

STATEMENT OF BASIS AND PURPOSE

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

   The rule gives the reimbursement rate for ambulatory surgery services. To address the state budget shortfall, the proposed rule change reduces reimbursement rates for these services.

2. An emergency rule-making is imperatively necessary

   ☐ to comply with state or federal law or federal regulation and/or

   ☐ for the preservation of public health, safety and welfare.

   Explain:

3. Federal authority for the Rule, if any:

4. State Authority for the Rule:

   25.5-1-301 through 25.5-1-303, C.R.S. (2009);
   25.5-4-401, C.R.S (2009)

Initial Review — Final Adoption **07/09/2010**

Proposed Effective Date **08/30/2020** — Emergency Adoption

DOCUMENT #02

THIS PAGE NOT FOR PUBLICATION

Title of Rule: Ambulatory Surgery Centers. Section 8.570.6

Rule Number: MSB 10-06-02-B

Division / Contact / Phone: Medicaid Program Division / Jeanine Draut / x5942

REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

Ambulatory surgical centers will receive a lower reimbursement rate for ambulatory surgery services.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

The savings from this change are part of the estimated $1,681,000 reduction to outpatient hospital services.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

   None.

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

   The proposed rule change will help offset the projected state budget shortfall and allow the Department to provide benefits without any significant changes in coverage. The cost of this rule change is that providers will receive a lower reimbursement. If the Department does not make this reduction, the ambulatory surgery benefit, and other Medicaid benefits, may have to be reduced.

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

   A targeted reduction of provider reimbursement is one of the most effective ways to reduce expenditures, given the size of the forecasted state budget shortfall and the urgent need to offset it.

6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

   The Department is taking steps to make the Medicaid program more efficient and reduce expenditures by clearly defining the amount, scope, and duration or each benefit and by using other targeted provider rate reductions.

8.570.6 REIMBURSEMENT

8.570.6.B Reimbursement for approved surgical procedures shall be allowed only for the primary or most complex procedure. No reimbursement is allowed for multiple or subsequent procedures. Approved surgical procedures identified in one of the nine ASC groupers shall be reimbursed a facility fee at the lower of billed charges or ~~76.45~~75.69% of the 2007 Medicare-assigned rate. No reimbursement shall be allowed for services not included on the Department approved list for covered services.

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SECRETARY OF STATE
RULES ACTION SUMMARY AND FILING INSTRUCTIONS

SUMMARY OF ACTION ON RULE(S)

1. Department / Agency Name: Health Care Policy and Financing / Medical Services Board
2. Title of Rule: MSB 10-06-02-A, Durable Medical Equipment and Disposable Medical Supplies. Section 8.590
3. This action is an adoption of: an amendment
4. Rule sections affected in this action (if existing rule, also give Code of Regulations number and page numbers affected):

   Sections(s) 8.590.7,I.2 and 8.590.7.I.3, Colorado Department of Health Care Policy and Financing, Staff Manual Volume 8, Medical Assistance (10 CCR 2505-10).
5. Does this action involve any temporary or emergency rule(s)? No
   If yes, state effective date:
   Is rule to be made permanent? (If yes, please attach notice of hearing). Yes

PUBLICATION INSTRUCTIONS*

At §8.590.7.I.2 and 3 please replace current text with new text provided (Title §8.580.7 REIMBURSEMENT and 8.570.7.I Reimbursement rate. . . are provided for instructional purposes only and not intended for publication.)

This change is effective 08/30/2010

*to be completed by MSB Board Coordinator

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Durable Medical Equipment and Disposable Medical Supplies. Section 8.590
Rule Number:	MSB 10-06-02-A
Division / Contact / Phone:	Medicaid Program Division / Jeanine Draut / x5942

STATEMENT OF BASIS AND PURPOSE

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

   The rule gives the reimbursement rates for durable medical equipment and supplies. To address the state budget shortfall, the proposed rule change reduces reimbursement rates for durable medical equipment and supplies from the fee schedule, or calculated using invoiced costs or manufacturer suggested retail prices.

2. An emergency rule-making is imperatively necessary

   ☐ to comply with state or federal law or federal regulation and/or

   ☐ for the preservation of public health, safety and welfare.

   Explain:

3. Federal authority for the Rule, if any:

   Social Security Act, Section 1902(a)(30)(A)
   42CFR 440.70

4. State Authority for the Rule:

   25.5-1-301 through 25.5-1-303, C.R.S. (2009);
   25.5-5-4-416 C.R.S. (2009)

Initial Review — Final Adoption **07/09/2010**

Proposed Effective Date **08/30/2010** — Emergency Adoption

DOCUMENT #03

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Durable Medical Equipment and Disposable Medical Supplies. Section 8.590
Rule Number:	MSB 10-06-02-A
Division / Contact / Phone:	Medicaid Program Division / Jeanine Draut / x5942

REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

   Durable medical equipment and disposable medical supply providers will receive a lower reimbursement for services provided.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

   Total fund reduction for durable medical equipment and supplies for FY 2010-11 is $940,735.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

   None.

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

   The proposed rule change will help offset the projected state budget shortfall and allow the Department to provide benefits without any significant changes in coverage. The cost of this rule change is that providers will receive a lower reimbursement. If the Department does not make this reduction, the durable medical equipment and supply benefit, and other Medicaid benefits, may have to be reduced.

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

   A targeted reduction of provider reimbursement is one of the most effective ways to reduce expenditures, given the size of the forecasted state budget shortfall and the urgent need to offset it.

6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

   The Department is taking steps to make the Medicaid program more efficient and reduce expenditures by clearly defining the amount, scope, and duration or each benefit and by using other targeted provider rate reductions.

8.590.7 REIMBURSEMENT

8.590.7.I. Reimbursement rate for a purchased item shall be as follows:

2. Manually priced items that have no maximum allowable reimbursement rate assigned, but have a Manufacture Suggested Retail Price (MSRP) shall be reimbursed the MSRP less ~~21.61~~22.39 percent.

3. Manually priced items that have no maximum allowable reimbursement rate assigned, nor a MSRP shall be reimbursed at the lesser of the submitted charges or the sum of the manufacturers invoice cost, plus ~~14.71~~13.56 percent.

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SECRETARY OF STATE
RULES ACTION SUMMARY AND FILING INSTRUCTIONS

SUMMARY OF ACTION ON RULE(S)

1. Department / Agency Name: Health Care Policy and Financing / Medical Services Board
2. Title of Rule: MSB 10-05-25-A, Revision to the Medical Assistance Rule for Outpatient Hospital Reimbursement
3. This action is an adoption of: an amendment
4. Rule sections affected in this action (if existing rule, also give Code of Regulations number and page numbers affected):

   Sections(s) 8.300.6, Colorado Department of Health Care Policy and Financing, Staff Manual Volume 8, Medical Assistance (10 CCR 2505-10).
5. Does this action involve any temporary or emergency rule(s)? No
   If yes, state effective date:
   Is rule to be made permanent? (If yes, please attach notice of hearing). Yes

PUBLICATION INSTRUCTIONS*

At §8.300.6.A please add new text provided as unnumbered paragraph 4, immediately following the paragraph that begins with "Effective January 1, 2010 . . ." (Titles as §8.300.6 Payments For Outpatient Hospital Services §8.300.6.A Payments to DRG Hospitals for Outpatient Services 1. Payments to In-Network Colorado DRG Hospitals: are provided in instructional purposes only and not for publication.)

This change is effective 08/30/2010.

*to be completed by MSB Board Coordinator

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Revision to the Medical Assistance Rule for Outpatient Hospital Reimbursement
Rule Number:	MSB 10-05-25-A
Division / Contact / Phone:	Rates / Jeremy Tipton / 5466

STATEMENT OF BASIS AND PURPOSE

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

   The proposed rule change will reduce reimbursement to hospitals for outpatient services from 70% of cost to 69.3% of cost.

2. An emergency rule-making is imperatively necessary

   ☐ to comply with state or federal law or federal regulation and/or

   ☐ for the preservation of public health, safety and welfare.

   Explain:

3. Federal authority for the Rule, if any:

   Social Security Act, Section 1902(a)(30)(A)

4. State Authority for the Rule:

   25.5-1-301 through 25.5-1-303, C.R.S. (2009);
   24-4-103(6), C.R.S., (2008)
   HB 10-1376

Initial Review — Final Adoption **07/09/2010**

Proposed Effective Date **08/30/2010** — Emergency Adoption

DOCUMENT #04

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Revision to the Medical Assistance Rule for Outpatient Hospital Reimbursement
Rule Number:	MSB 10-05-25-A
Division / Contact / Phone:	Rates / Jeremy Tipton / 5466

REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

   Hospitals in Colorado will receive reduced reimbursement for outpatient hospital services.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

   Reimbursement to hospitals for outpatient services is estimated to be reduced by $1,681,424 for FY 10-11 as a result of the 1% reduction.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

   None

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

   The benefit of the proposed rule revision is a reduction in outpatient hospital expenditures, which will help offset the projected state budget shortfall and allow the Department to provide outpatient hospital benefits without significant changes in coverage. The cost is that hospitals will generally receive less reimbursement for outpatient treatment.

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

   The targeted reduction of provider reimbursement rates, including those for outpatient hospital services, is one of the most effective means to reduce expenditures.

6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

   House Bill 10-1376 signed by the Governor includes a 1%, across-the-board, reduction in reimbursement to Medicaid providers.

8.300.6 Payments For Outpatient Hospital Services

8.300.6.A Payments to DRG Hospitals for Outpatient Services

1. Payments to In-Network Colorado DRG Hospitals

Effective July 1, 2010, Outpatient Hospital Services are reimbursed on an interim basis at actual billed charges times the Medicare cost-to-charge ratio less 30.7 percent (30.7%). When the Department determines that the Medicare cost-to-charge ratio is not representative of a hospital's outpatient costs, the cost-to-charge ratio may be calculated using historical data. A periodic cost audit is done and any necessary retrospective adjustment is made to bring reimbursement to the lower of actual audited cost less 30.7 percent (30.7%) or billed charges less 30.7 percent (30.7%).

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SECRETARY OF STATE
RULES ACTION SUMMARY AND FILING INSTRUCTIONS

SUMMARY OF ACTION ON RULE(S)

1. Department / Agency Name: Health Care Policy and Financing / Medical Services Board
2. Title of Rule: MSB 10-04-23-A , Revision to the Medical Assistance Rule Concerning Medicaid Redeterminations §8.100.3.Q.
3. This action is an adoption of: new rules
4. Rule sections affected in this action (if existing rule, also give Code of Regulations number and page numbers affected):

   Sections(s) 8.100.3.Q., Colorado Department of Health Care Policy and Financing, Staff Manual Volume 8, Medical Assistance (10 CCR 2505-10).
5. Does this action involve any temporary or emergency rule(s)? No
   If yes, state effective date:
   Is rule to be made permanent? (If yes, please attach notice of hearing). Yes

PUBLICATION INSTRUCTIONS*

At §8.100.3.Q.1 and §8.100.3.Q.4 please add to current text new text provided.

This change is effective 08/30/2010.

*to be completed by MSB Board Coordinator

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Revision to the Medical Assistance Rule Concerning Medicaid Redeterminations §8.100.3.Q.
Rule Number:	MSB 10-04-23-A
Division / Contact / Phone:	CCR / Ann Clemens / 6115

STATEMENT OF BASIS AND PURPOSE

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

   Telephone and/or electronic renewals are needed to ease the administrative burden of the paper redetermination process for eligibility sites and clients. Eligibility sites will have the authority to create a redetermination process in accordance with their eligibility site needs.

2. An emergency rule-making is imperatively necessary

   ☐ to comply with state or federal law or federal regulation and/or

   ☐ for the preservation of public health, safety and welfare.

   Explain:

   .

3. Federal authority for the Rule, if any:

   42 CFR Part 435.916

4. State Authority for the Rule:

   25.5-1-301 through 25.5-1-303, C.R.S. (2009);
   25.5-4-205(1)(e)(II)(A)

Initial Review — Final Adoption **07/09/2010**

Proposed Effective Date **08/30/2010** — Emergency Adoption

DOCUMENT #06

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Revision to the Medical Assistance Rule Concerning Medicaid Redeterminations §8.100.3.Q.
Rule Number:	MSB 10-04-23-A
Division / Contact / Phone:	CCR / Ann Clemens / 6115

REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

   Medicaid clients that reside in a county that will participate in telephone or electronic renewals will benefit from this proposed rule because they will have the opportunity to have their eligibility redetermined without completing a redetermination packet.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

   The proposed rule will ease the administrative burden of paper redeteminations for eligibility sites and clients. Eligibility sites will have the authority to create a redetermination process in accordance with their eligibility site needs.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

   There are no probable costs associated with the proposed rule.

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

   N/A

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

   N/A

6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

   N/A

8.100.3.Q. Redetermination of Eligibility

1. A redetermination of eligibility shall mean a case review and necessary verification to determine whether the Medical Assistance Program client continues to be eligible to receive Medical Assistance. Beginning as of the case approval date, a redetermination shall be accomplished each 12 months for Title XIX Medical Assistance only cases. An eligibility site may redetermine eligibility through telephone, mail, or electronic means. The use of telephone or electronic redeterminations should be noted in the case record and in CBMS case comments.

4. A redetermination form, approved by the Department, shall be mailed to the person at least 30 days prior to the first of the month in which completion of eligibility redetermination is due. The redetermination form shall be used to inform the client of the redetermination and verification needed, but the form itself cannot be required to be returned. The only verification that can be required at redetermination is the minimum verification needed to complete a redetermination of eligibility. If no documentation is required, a written declaration from the client is sufficient verification for redetermination. If the redetermination is performed by phone and no documentation is required, a verbal statement from the client is sufficient verification for redetermination and should be noted in the case record and in CBMS case comments. The following procedures relate to mail-out redetermination:

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SECRETARY OF STATE
RULES ACTION SUMMARY AND FILING INSTRUCTIONS

SUMMARY OF ACTION ON RULE(S)

1. Department / Agency Name: Health Care Policy and Financing / Medical Services Board
2. Title of Rule: MSB **Error! Reference source not found.**, **Error! Reference source not found.**
3. This action is an adoption of: new rules
4. Rule sections affected in this action (if existing rule, also give Code of Regulations number and page numbers affected):

   Sections(s) 8.100.5.M, Colorado Department of Health Care Policy and Financing, Staff Manual Volume 8, Medical Assistance (10 CCR 2505-10).
5. Does this action involve any temporary or emergency rule(s)? No
   If yes, state effective date:
   Is rule to be made permanent? (If yes, please attach notice of hearing). Yes

PUBLICATION INSTRUCTIONS*

Please replace current text at §8.100.5.M. (Resource Requirements) 1. with new text provided.

This change is effective 8/30/2010.

*to be completed by MSB Board Coordinator

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Revision to the Medical Assistance Eligibility Rule Concerning Increase in Resource Limits for Medicare Savings Plan Programs
Rule Number:	MSB 10-04-08-A
Division / Contact / Phone:	Client and Community Relations / Shawn Bodiker / 3584

STATEMENT OF BASIS AND PURPOSE

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

   The proposed rule amends 10 CCR 2505-10, Section 8.100.5.M to add language to increase the resource limits for Medicare Savings Programs. The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), P.L. 110-275, amends the resource limit for Qualified Medicare Beneficiaries (QMB), Special Low-Income Medicare Beneficiaries (SLMB), and Qualified Individuals (QI) conform to the resource limit for individuals of $8,100 and $12,910 for a couple. This change in resource limit does not apply to Qualified Disabled Working Individuals (QDWI).

2. An emergency rule-making is imperatively necessary

   ☐ to comply with state or federal law or federal regulation and/or

   ☐ for the preservation of public health, safety and welfare.

   Explain:

3. Federal authority for the Rule, if any:

   Medicare Improvements for Patients and Providers Act 2008, P.L. 110-275, Section 112

4. State Authority for the Rule:

   25.5-1-301 through 25.5-1-303, C.R.S. (2009);

Initial Review	**06/11/2010**	Final Adoption	**07/09/2010**
Proposed Effective Date	**08/30/2010**	Emergency Adoption	

DOCUMENT # 07

THIS PAGE NOT FOR PUBLICATION

Title of Rule:	Revision to the Medical Assistance Eligibility Rule Concerning Increase in Resource Limits for Medicare Savings Plan Programs
Rule Number:	MSB 10-04-08-A
Division / Contact / Phone:	Client and Community Relations / Shawn Bodiker / 3584

REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

   The proposed rule will affect individuals eligible for Medicare Saving Programs.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

   The qualitative impact of the proposed rule impacts individuals with higher resources. The rule allows for an increase in the resource limit for Medicare Savings Programs. Therefore allowing additional beneficiaries to be eligible for these programs.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

   Indeterminate as the Department does not know at this time how many more individuals may be eligible for the programs. .

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

   N/A The rules are necessary to be in conformity with current federal law.

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

   N/A

6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

   N/A

8.100.5.M. Resource Requirements

1. Consideration of resources: Resources are defined as cash or other assets or any real or personal property that an individual or spouse owns. The resource limit for an individual is $2000. For a married couple, the resource limit is $3000. The resource limits for the QMB, SLMB, and QI programs are $8,100 for a single individual and $12,910 for a married individual living with a spouse and no other dependents. If one spouse is institutionalized, refer to Spousal Protection-Treatment of Income and Resources for Institutionalized Spouses.