

Benchmark State Selection Rationale for 2025 MPRRAC Review

1. Dialysis and Dialysis-related Services

Benchmark states: Arizona, California, Michigan, Minnesota, Nebraska, Nevada, Oklahoma, and Oregon

Rational: The states chosen as benchmarks for the rate comparison analysis have comparable dialysis benefit packages and covered populations to Colorado. Additionally, most of the benchmark states are geographically close to Colorado and share provider operating groups and networks.

2. Dental DIDD

2.1 ADA adjusted data

Rational: The American Dental Association (ADA) survey data provides national average dental fees for over 200 commonly used dental procedure codes. In the 2023 Dental Review, ADA rates were used as the primary benchmarking source, and stakeholders have recommended continuing this approach for the current year. However, the ADA does not set or recommend fees for dental procedures, as federal law prohibits it from doing so. In 2023, the Council on Dental Practice decided to discontinue the Survey of Dental Fees. As a result, the projected ADA rates for 2025 were estimated by analyzing historical rate change patterns from 2013 to 2022 and applying these trends to the 2022 ADA survey data.

2.2 Benchmark state

Benchmark states: Louisiana, Nevada, New York, Oklahoma, and South Carolina

Rational: The states chosen as benchmarks for the rate comparison analysis either have separate Dental Fee Schedules, or additional coverage, or enhanced reimbursement rates for IDD population.

3. Durable Medical Equipment (DME)

Benchmark states: Arizona, California, Nebraska, Oklahoma, Oregon, and Wyoming

Rational: The states chosen as benchmarks for the rate comparison analysis collectively cover many of the same DME services. Additionally, most of the benchmark states are geographically close to Colorado and share provider operating groups and networks. Some of the states with higher amounts of covered populations in rural areas provide a rural and urban split for reimbursement similar to Colorado and the ability to review rate differential between geographics is beneficial for reviewing DME rates.

4. Prosthetics, Orthotics, and Disposable Supplies

Benchmark states: Arizona, California, Louisiana, Nebraska, Nevada, Ohio, Oklahoma, Oregon, Texas, and Wyoming

Rational: The states chosen as benchmarks for the rate comparison analysis collectively cover many of the same Prosthetics, Orthotics, and Disposable Supplies services. Additionally, most of the benchmark states are geographically close to Colorado and share provider operating groups and networks. Some of the states with higher amounts of covered populations in rural areas provide a rural and urban split for reimbursement similar to Colorado and the ability to review rate differential between geographics is beneficial for reviewing Prosthetics, Orthotics, and Disposable Supplies rates. With this service category spanning over one hundred unique services not covered by Medicare, having ten states across the country to benchmark to allow for a more complete analysis of the category.

5. Eyeglasses and Vision

Benchmark states: Arizona, California, Louisiana, Nevada, and Oklahoma

Rational: The states chosen as benchmarks for the rate comparison analysis have comparable dialysis benefit packages and covered populations to Colorado. Additionally, most of the benchmark states are geographically close to Colorado and share provider operating groups and networks. These states were also identified to be appropriate benchmarks in previous years of the rate review process and since have not significantly altered their payment levels or Medicaid program reimbursement policies.

6. Laboratory and Pathology Services

Benchmark states: Arizona, California, Nebraska, Nevada, Oklahoma, Oregon, and Utah

Rational: The states chosen as benchmarks for the rate comparison analysis have comparable dialysis benefit packages and covered populations to Colorado. Additionally, most of the benchmark states are geographically close to Colorado and share provider operating groups and networks. These states were also identified to be appropriate benchmarks in previous years of the rate review process and since have not significantly altered their payment levels or Medicaid program reimbursement policies.

7. Outpatient PT/OT/ST

Benchmark states: Arizona, California, Maine, Michigan, Minnesota, North Dakota, Oregon, and South Carolina

Rational: The states chosen as benchmarks for the rate comparison analysis have comparable dialysis benefit packages and covered populations to Colorado. Additionally, most of the benchmark states are geographically close to Colorado and share provider operating groups and networks. These states were also identified to be appropriate benchmarks in previous years of the

rate review process and since have not significantly altered their payment levels or Medicaid program reimbursement policies.

8. Physician Services

Benchmark states: Arizona, Nebraska, Nevada, Oklahoma, Oregon, and Utah

Rational: The states chosen as benchmarks for the rate comparison analysis have comparable dialysis benefit packages and covered populations to Colorado. Additionally, all of the benchmark states are geographically close to Colorado and share provider operating groups and networks. With some of the physician service subcategories, the primary providers are specialists and the other state benchmarks share economic and healthcare delivery characteristics with Colorado, including rural and frontier areas where physician access is a challenge. Many of the regions around Colorado tend to have lower physician-to-population ratios, making them relevant for assessing whether reimbursement rates impact workforce availability.

9. Specialty Care Services

Benchmark states: Arkansas, Georgia, Illinois, Maine, Nevada, New Mexico, Oklahoma, Oregon, and Washington

Rational: These states were chosen because they use a fee-for-service model for specialty care services with comparable service definitions and program requirements for procedure codes under the CO Medicaid program.

10. Early Intervention TCM

Benchmark states: Louisiana, Maine, Missouri, and North Carolina

Rational: A comprehensive analysis was conducted to identify appropriate state comparisons for Early Intervention services. This involved reviewing provider billing manuals and service descriptions from multiple states. Based on this research, Louisiana, Maine, Missouri, and North Carolina were identified as having comparable rates for Colorado's T1017+TL service. T1026+TL, which is an intensive, hourly service incorporating multidisciplinary care for children with complex needs, Missouri and North Carolina had comparable rates.

11. Targeted Case Management Services

11.1 TCM – Case Management

Benchmark states: Louisiana, Maine, Montana, and Massachusetts

Rational: Case Management services support members eligible for Colorado's waiver programs. Montana and Massachusetts offer monthly codes with descriptions that align with Colorado's T2023+HI code, covering multiple waiver beneficiaries. Similarly, Maine's 15-minute rate applies to multiple waiver groups. To facilitate comparison, Maine's rate was converted to a

monthly equivalent using an assumption from HCPF of 2.13 hours per month. Louisiana's service description closely aligns with Colorado's but combines Case Management and Monitoring into a single rate. To ensure an appropriate comparison, the actuary company Optumas separated Louisiana's rate based on the distribution of Colorado's Case Management and Monitoring rates.

11.2 TCM – Transition Coordination

Benchmark states: Minnesota, Missouri, and South Dakota

Rational: Transition Coordination supports members transitioning from institutional settings to community-based care. In Colorado, these services are funded through the Money Follows the Person (MFP) Grant. To identify appropriate comparisons, the actuary company Optumas analyzed states offering similar services under MFP funding. Based on this research, Idaho, Minnesota, Missouri, North Dakota, and South Dakota were identified as suitable benchmarks for Colorado's Transition Coordination services.