

HCPF County Administration 2025 Proposed Rule Revisions

Partner Relations and Administration Division



COLORADO
Department of Health Care
Policy & Financing



Our Mission:

Improving health care equity, access and outcomes for the people we serve while saving Coloradans money on health care and driving value for Colorado.



What We Do

The Department of Health Care Policy & Financing administers Health First Colorado (Colorado's Medicaid program), Child Health Plan *Plus* (CHP+) and other health care programs for Coloradans who qualify.



Types of Sites

Type of Site	Discretion of Eligibility?	Merit-based, governmental employees?	Carries Ongoing Caseload?	# of Sites	Access to CBMS?
County	Yes	Yes	Yes	*59	Full Access
Medical Assistance Site	Yes	Yes	Limited	3	Limited Full Access
Eligibility Application Partner Site	No	No	No - Can only do initial application	8	Limited Access
Certified Application Assistance Site	No	No	No	222	No
Presumptive Eligibility Site	No	No	No	40	Limited to PE Access



*There are 64 counties, Rio Grande and Mineral, Gunnison and Hinsdale partner as eligibility sites.

State's Role in Medicaid



State Role in Medicaid

- Department of Health Care Policy and Financing (HCPF) is the single state Medicaid agency for Colorado per 42 CFR Part 431.10(b)
- Single state agencies are responsible for all duties relating to supervision and administration of the Medicaid State Plan, including eligibility determination
- In Colorado, the state has elected to delegate eligibility and enrollment activities to the state's 64 county departments of human/social services (counties), as allowed per 42 CFR Part 431.10(c)
- HCPF is then responsible for ensuring counties comply with all relevant laws, regulations and requirements per 42 CFR Part 431.10(c)(3)(i)



State's Responsibilities

- Establishes the policies, rules, and regulations that govern Medical Assistance Programs, including County Administration rules and contracts
- Sets administrative requirements for counties, who have been delegated eligibility and enrollment activities. This includes establishing training standards and expectations to ensure consistency across county staff.
- Administers Medical Assistance Programs to assure compliance with state and federal rules, guidelines and regulations. This includes the sole authority to interpret federal policy
- Establishes statewide policy to ensure equitable administration per 42 CFR Part 431.50(b)(1). This is done by:
 - Rulemaking through Medical Services Board and Executive Director Rules
 - Published guidance through the HCPF Memo Series
- Determines benefit and reimbursement levels for all medical assistance programs according to state and federal legislative intent
- Directs and monitors the activities of the fiscal agent (claims payments to providers)
- Reviews and monitors program utilization



Counties' Role in Medicaid



Colorado's State-Supervised, County-Administered Eligibility System

- In Colorado, the State has delegated eligibility and enrollment activities to each county. As such, the county is responsible for the eligibility determinations of its county residents
- As the supervisor of the counties and their Medical Assistance activities, HCPF has the sole role of enforcing performance and compliance standards and fiscal accountability
- Statute limits HCPF's ability to pass on federal sanctions to counties. Therefore, when federal non-compliance is identified, the State is responsible for those sanctions



County Roles and Responsibilities

Duties on behalf of the state (as agents of the state)

- Ensure ongoing compliance with all relevant federal and state laws, regulations and guidance
- Ensure ongoing operations of the county department, including hiring and staffing; budgeting and fiscal accountability; avoidance of conflicts-of-interest
- Comply with state and federal performance standards and compliance reviews, including quality assurance and customer service monitoring

Duties on behalf of applicants and members

- Determine initial and ongoing eligibility
- Advise members of Medical Assistance and other benefits
- Conduct program integrity activities for eligibility determination
- Coordinate with child welfare and adult protective services on applicants and members enrolled in Medical Assistance



County Financing

- Counties pay a portion of all costs for the administrative activities counties conduct under Roles and Responsibilities, including costs related to their operations for eligibility and enrollment.
- This is called the “local share.” Counties pay anywhere from 10-20% of the total costs for county administration.
- Local share typically comes from local property taxes or mill levies, which are subject to economic conditions, impacting the counties’ ability to fully fund their local share.
- If a county does not have the full local share available, it cannot pull down the federal and state dollars needed to fund its operations.



What counties don't do

Counties have a clearly defined role in the Medical Assistance eligibility and enrollment system. They do not:-

- Interpret federal or state policy for statewide implementation
- Implement or manage any state IT systems, including claims and eligibility
- Support providers or anything related to claims or provider payments
- Determine functional eligibility, unless they are a case management agency acting under contract (only 8 counties are CMAs)
- HCPF does not fund counties to do ongoing outreach



State Supervision

How HCPF conducts County Oversight



How HCPF monitors and advances county performance and compliance

- 42 CFR Part 431 and 2 CFR Part 200 are the primary federal regulations governing HCPF's oversight of counties
- Oversight is conducted through multiple programs tied to regulations and contracts
- Regulatory oversight is found 10 CCR 2505-5 1.010 and 1.020
- Contractual oversight is through the County Incentives Program contracts



Rule Timeline



Important Dates

Goal: July 1, 2025 Effective Date

Fall 2024

- County fiscal rule committee

January 2025

- Bi-weekly walk throughs with counties on program and fiscal rules

March

- File Rulemaking Notice

May 2025

- Adopt Rules

December 2024

- 12/10 Rule overview
- Begin collecting written rule comments

February 2025

- Continue rule walk throughs
- Advocate, Provider, & Public meetings

April

- April 30th Hearing Date

July

- Rules effective



Written Comment Period

- Written comments are the best way to provide direct feedback on the rules. You can submit written comments via the [rule comment google form](#)
- We are asking for initial comments by Jan 11th, this allows us to incorporate comments in to bi-weekly meeting
- Please submit final rule comments by COB April 15, 2025



HCPF's County Administration 2025 Proposed Rule Revisions

**1.010 Fiscal
1.020 Programmatic**



What they are

1.010 - Fiscal

These rules govern financial operations at the county and ensure compliance with federal and state requirements and general fiscal standards

- These rules were last updated about 12+ years ago

1.020 - Programmatic

These rules govern the daily operations of how the counties administer medical assistance, including administrative requirements, but separate from eligibility determination rules

- These rules were last updated 3 years ago



2025 Rulemaking

- Considerations from SB 22-235
- Align with HCPF's FY 2025-26 R-07 Decision Item, so counties have resources to implement
- April 30th rulemaking leaves time to update rules if resources the JBC approves look different
- Community/provider feedback on PHE Unwind
- Encourage greater investment in counties to facilitate eligibility and enrollment



Guiding Principles

1. Improving Member Experience
2. Addressing federal non-compliance
3. Incorporating lessons learned from the Public Health Emergency (PHE) and PHE Unwind
4. Modernizing fiscal rules
5. Improving state compliance and oversight
Streamlining administrative requirements and processes and incorporating subregulatory guidance

Each rule update is mapped back to these Guiding Principles

GP = 1, 2, 3, 4 or 5 can be found on each slide



1.010 County Administration Fiscal Rules



1.010 General Fiscal Updates

- Removes redundant requirements that were found in both commissioner and director responsibilities
- Updates email addresses, HCPF physical address, statutory cross references.
- Updates for 2 CFR 200 guidance (HHS officially adopted 9/27/24)
- Replaces FASB (for-profit) with GASB (state/local government) pronouncements
- Removes requirements that counties submit unaudited annual financial statements (we receive audited financials)



1.010 Updates

- 1.010.3 Moves approval of Merit Plan to the Admin Rules (1.020)
- 1.010.3 Includes crime insurance in lieu of surety bond (30-10-311(2))
- 1.010.3 Clarifies the county directors are responsible for administering the program while minimizing over expenditure to the allocated appropriation
- 1.010.3 Approved budget is submitted to DOLA by Jan 30 instead of HCPF by Feb 15 (29-1-108)

GP = 2,4 and 5



1.010 Updates

- 1.010.4 Clarifies the county directors are responsible for activities/functions performed by county-wide staff such as property management/physical inventory
- 1.010.4-1.010.5 Delegates some county director or treasurer duty to designee
- 1.010.9 Expands procurement cards program to include credit cards
- 1.010.10 Removes unnecessary administrative burden like submitting a cash reconciliation in March when cash from the prior year is still moving

GP = 2,4 and 5



1.010 Updates

- 1.010.12 Removes trust responsibilities (under 10 CCR 2505-10, section 8)
- 1.010.14 Prior approval for expenses needing HCPF written approval
- 1.010.14 Includes allowable versus unallowable costs guidance, including clearly specifying client-related costs as unallowable
- 1.010.14 Includes a process for hospital cost-sharing related to eligibility determination agreements with counties

GP = 2,4 and 5



1.010 Updates

- 1.010.15 Includes procurement section including subrecipient responsibilities
- 1.010.23 Moves Audits by HCPF to the Admin Rules (1.020)

GP = 2,4 and 5



Sections with no changes in 1.010

- 1.010.6 Chart of Accounts
- 1.010.7 General Ledger
- 1.010.8 Financial Statement Reporting
- 1.010.11 Accounts Receivable
- 1.010.13 Revenue
- 1.010.16 Contracts
- 1.010.17 Travel
- 1.010.18 Office Space



1.020 County Administration Programmatic Rules



1.020: Clarifying Roles and Responsibilities

- Clarifies HCPF's status as the single state agency
- Clarifies HCPF is the only entity that can set statewide policies and systems and that those authorities cannot be delegated
- Clarifies that HCPF has delegated specific duties to counties and only those duties
- Clarifies that counties are bound by the rules and regulations of HCPF

GP = 2 and 5



1.020.2 County Board Administrative Responsibilities

- Modifies our current intergovernmental agreement between the state and the county to meet federal requirements (42 CFR Part 431.10):
 - Responsibilities of the County and State, including the requirement for fair hearings
 - Quality control and oversight by the State Department
 - Assurances that the County Department will conduct fair hearings, comply with the State oversight and compliance requirements
 - Business process standards as dictated by the State (SB 22-235)
 - Performance metrics, targets and deliverables for the county's share reimbursements as provided by the State related to those performance metrics, targets, and deliverables

GP: 2 and 5



Implementation of 1.020.2

Delayed implementation - July 1, 2026 and will then be on a 3 Year Cycle

- Allows for a full year of engagement on what the new agreement will look like
- Aims to have a final draft completed by Dec 2025
- Will replace the Incentives contract signatures on the new 3 year cycle



1.020.2 (Cont.)

- Requires the county to inform HCPF when a new director is appointed within 5 business days
 - Also includes a new requirement that the new director complete orientation with HCPF within 6 months
 - Requires HCPF to reach out to the new director with 5 business days

GP = 5



1.020.4 Staffing Standards and Requirements

- Counties may contract with other County Departments for the term-limited assignments
 - Must have signed agreement in place between those County Departments, and those staff under contract are merit-based, governmental employees
 - Any signed agreement must include record retention requirements, cost-sharing, and quality assurance expectations
- New requirements for Personnel screenings
 - Must include criminal background checks on all staff with access to any State-owned Information Technology System
- Clarifies county staff must be trained using training that is provided by or approved by SDD

GP = 1,2 and 5



1.020.5 and 1.020.6 Statewide Automated Systems and Confidentiality

- Adds a requirement that counties must seek permission from the State to grant access to any individual outside of the County Department
 - This includes other entities within the county that act independently of the County Department.
- Adds new language around member opt-out for encrypted emails

GP = 1,2 and 5



1.020.8 Civil Rights Procedures

- Clarifies the requirement for language translation services into rule (previously in memo)
 - Clarifies the counties to inform individuals that language services are available and how individuals can access services
 - Clarifies the language services must be free of charge

GP = 1, 2 and 5



1.020.9 Customer Service

- Clarifies the State can set Customer Service Standards
- Clarifies expectations for modalities of member engagement (in-person, phone, mail, fax, etc.) and public posting of office hours and closure dates
- Adds the requirement for counties to appoint a Customer Relations Coordinator
 - Advocates frequently request counties provide a direct contact so they can resolve outstanding issues
- Adds the requirement for counties to meet expectations and remain in compliance with State Department Complaints and Escalations Process

GP = 1,2,3 and 5



Implementation of 1.020.9

Implementation date of July 1, 2025

Customer Service Standards

- Will promulgate standards for county call centers and non-county call center operations for customer service
- Need to partner with counties to set those standards

Customer Relations Coordinator

- Additional guidance to come Q1 2025
- Should leverage existing county process; may be an existing staff or new staff
- HCPF to provide new public postings
- See Arapahoe County's [example](#)



1.020.11 County Department Collaboration with External Entities to Facilitate Eligibility and Enrollment (new section)

County Department shall be directed to enter into formal agreements with hospitals within the county. The agreements must include:

- Contacts specific to the parties of the agreement
- Defined roles and responsibilities
- Workload and performance expectations
- If the hospital opts-in, mechanisms for cost-sharing between the State Department, County Department and the Hospital System(s) that facilitate onsite placement of County Department staff in Hospital System(s)

Requires collaboration with nursing facilities and case management agencies (CMAs)

- Through internal controls on what collaboration should look like with these entities

GP = 1,3 and 5



Implementation of 1.020.11

Delayed implementation - January 1, 2026

- HCPF will provide support to counties attempting to collaborate with hospitals
- HCPF may give additional time through June 2026 if needed

NEW! FY 2025-26 Collaboration Incentive

- This Incentive will provide funding if the county is successful in signing agreements by June 2026 or hospitals have opted out
- Also includes CMA/NF collaboration



1.020.13 Audits, Quality Assurance, and Reviews by the State Department

- Adds new Review types to allow HCPF to conduct reviews on specific issues
 - Performance Reviews (MAP)
 - Review of Training across counties to ensure all employees are consistently up to date on processing guidance and rules
 - Review of all escalations to identify patterns and areas, both across the state as well as within counties, where there may be areas for improvement

GP = 1,2,4 and 5



1.020.14 Non-Compliance Findings and Action Plan Processes

- Adds a new type of informal non-compliance notice that can be issued prior to a Management Decision Letter, in specific circumstances
- This new type of notification, called a “Notice of Compliance Concerns” is intended to be used where a formal notice is not necessary
- The informal notice is intended to be less punitive, but still allow for compliance issues to be addressed
- Added based on county feedback

GP = 5



1.020.14 Sanctions

Allows HCPF to delay payment of local share reimbursement (County Incentives) if a county remains out of compliance

- Scenario: county earns 75% of their County Incentives payment for meeting benchmarks/deliverables, but is on a non-compliance notice for program integrity activities HCPF would withhold a portion or all of that payment until county gains compliance
- HCPF would not retain any portion of the payment, just delay payment until compliance is achieved
- Addresses an inequity issue in current fiscal sanctions (county director salary)

GP = 2 and 5





Questions?

Thank You



Contact Information

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[County Relations Webform](#)

[County Administration Webpage](#)

[County Administration Rulemaking Webpage](#)

