

Title of Rule: Revision to the Medical Assistance Act Rule concerning Inpatient Hospital Co-payment, Section 8.754.1.H
Rule Number: MSB 23-02-01-A
Division / Contact / Phone: Health Policy / Russ Zigler / 303-866-5927

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).

Proposed rule aligns the Department's inpatient hospital co-payment amount with federal regulation and the State Plan.

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:

The proposed rule is imperatively necessary to comply with federal regulation.

3. Federal authority for the Rule, if any:

42 CFR 447.52(b)(1)

4. State Authority for the Rule:

Sections 25.5-1-301 through 25.5-1-303, C.R.S. (2022);

Initial Review
Proposed Effective Date

02/10/23

Final Adoption
Emergency Adoption

02/10/23
DOCUMENT #17

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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.

Members admitted to inpatient hospitals are affected by the proposed rule. Such members benefit from a single, predictable copayment amount for inpatient hospital admission that is known prior to admission, rather than the previous copayment calculation of \$10.00 per day up to 50% of the Medicaid rate for the first day of care in the hospital, which can only be calculated after discharge.

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

Members benefit from a single, predictable copayment amount for inpatient hospital admission that is known prior to admission, rather than the previous copayment calculation of \$10.00 per day up to 50% of the Medicaid rate for the first day of care in the hospital, which can only be calculated after discharge.

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.

The change to a \$25 copayment per inpatient hospital admission is anticipated by the Department to be fiscally neutral.

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

The cost of the proposed rule is \$25 member copayment per inpatient hospital admission. The benefit of the proposed rule is alignment with federal regulation and current Department policy in the State Plan. The cost of inaction is misalignment between Department rule and federal regulations, and misalignment between Department rule and current Department policy in the State Plan.

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

There are no less costly methods or less intrusive methods for aligning Department rule with federal regulation and with current Department policy in the State Plan.

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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.

There are no alternative methods for aligning Department rule with federal regulation and with current Department policy in the State Plan.

1 **8.754 CLIENT CO-PAYMENT**

2 **8.754.1 CLIENT RESPONSIBILITY**

3 Clients shall be responsible for the following co-payments:

4 ***[SECTIONS 8.754.1.A-G UNCHANGED AND UNAFFECTED BY THIS RULE CHANGE]***

5 8.754.1.H. Inpatient hospital, ~~\$25.00 per admission~~40.00 per day up to 50% of the Medicaid rate for
6 ~~the first day of care in the hospital.~~

7 ***[SECTIONS 8.754.A.I-M UNCHANGED AND UNAFFECTED BY THIS RULE CHANGE]***

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