



INFORMATIONAL MEMO

TITLE:	COUNTY ADMINISTRATION RULE REVISIONS FOR CY 2021
SUPERSEDES NUMBER:	N/A
EFFECTIVE DATE:	MAY 25, 2021
DIVISION AND OFFICE:	COMMUNICATIONS AND GOVERNMENT RELATIONS; POLICY, COMMUNICATIONS AND ADMINISTRATION OFFICE
PROGRAM AREA:	COUNTY RELATIONS AND ADMINISTRATION
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APPROVED BY: JOSH MONTOYA	

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Purpose and Audience:

The purpose of this Informational Memo is to inform stakeholders of the opportunity to submit public comment on the Department of Health Care Policy and Financing's (the Department) proposed changes to the following rules, governing County Administration of Medical Assistance Programs:

- Finance and Accounting (10 CCR 2505-5 1.010)
- County Administrative (10 CCR 2505-5 1.020)

Public comment on these proposed rule changes will be collected ahead of the Executive Director rulemaking session.

Information:

Purpose of County Administration rules

The Finance and County Administrative rules provide guidance to county departments of human/social services on the local administration of Medical Assistance programs. This guidance includes requirements for finance and accounting internal controls required by federal and state regulations. The County Administration rules are the

groundwork for the Department's subrecipient monitoring of the fiscal and programmatic functions of county departments of human/social services, who receive federal funding to locally administer Medical Assistance programs.

Calendar Year 2021 Revisions

In 2020, HCPF completed a 6-month research project to review existing federal and state guidance, legislation, and requirements to ensure the Department captured the correct administrative oversight rules.

This research project consisted of a thorough review of multiple sources to determine if Colorado, through its state-supervised, county-administered system, had any gaps in oversight and service delivery. The Department identified that several changes and improvements were needed to bring the rules into compliance with state and federal requirements.

The gaps identified through the Department's research include:

- Lack of adequate policies to protect certain classes of people.
- Lack of guidance for compliance with the Department's Quality Assurance Program and general audit requirements.
- The need for guidance on the proper cyber/information security safeguards.
- Updates to requirements for initial and ongoing training for staff.
- The absence of State oversight on county-created forms and member communications.
- Disjointed and unclear process for notifying the county of non-compliance with specific requirements and lack of documentation to address non-compliance.
- Unclear steps for what can lead to fiscal sanctions that were previously included in the rule set.

Based on the information gathered during the research project, it was determined that the system would benefit from the proposed rule changes, as revisions would lead to:

- Improved functional support and guidance for county departments of human/social services.
- Reduced findings and errors on State and Federal audits.
- Improved oversight of county Medical Assistance operations.
- Improved applicant and member experience.

Finance and County Administrative rule revisions

The changes to section 1.010 Finance and Accounting include:

- Various citations in the existing rules were outdated or have been superseded and incorporation by reference language has been updated to align with current federal rule and statute.
- County Departments of Human Service are now referred to as the "County Department" and Health Care Policy and Financing (HCPF) is now referred to as the "State Department". Some section titles have been updated to align with the new verbiage.
- The largest change to this portion of the rule set includes a migration of sections to the Administrative portion of the rule including County Responsibility for Administration, County Boards and County Department Director Administrative Responsibilities.

The changes to section 1.020. County Administrative Rules include:

- Migration of certain sections from Finance and Accounting to County Administrative.
- Alignment with federal requirements pertaining to non-discrimination.
- Clarification of responsibility for accessibility.
- Additions and clarifications around information technology security.
- HCPF review of county-developed forms and communications.
- Compliance with HCPF Quality Assurance and federal and state audits.
- Processes for ongoing monitoring and corrective action plans.

How the rule-making process works

The authority to enter into Executive Director rulemaking is outlined in section [25.5-1-108, C.R.S.](#) Administrative rules that specify how the Department operates are implemented through a separate process, called Executive Director (ED) rulemaking. This includes County Administration and the All Payer Claims Database. The Executive Director of the Department of Health Care Policy and Financing presides over the Executive Director (ED) rulemaking process.

This process differs from the Department's standard Medical Services Board (MSB) rulemaking process, which consists of an 11 member board, tasked with passing rules over the course of two meetings where the rules are presented. The Executive Director rulemaking process consists of a single meeting where rules are presented and approved or declined in the same session. The Executive Director rulemaking will follow the Administrative Procedures Act and Notice rulemaking at least 20 days in advance. Each rule also goes to a Public Rule Review Meeting, which is a process particular to HCPF.

How to submit public comment

The Department invites all interested parties to submit public comments on the proposed rule changes by completing a [HCPF Public Comment Form](#) by 5:00 PM (MST), Friday, June 25, 2021. Public comments will be reviewed by the Department periodically throughout the public comment period. Each comment with proposed changes will be thoroughly evaluated and may be considered for potential inclusion or revision in the final draft of the rules presented during the Executive Director rulemaking session.

Please note that the Department will not provide a formal response to each public comment collected; however, each public comment will be included in the rulemaking packet presented at the Executive Director rulemaking session.

Timeline for rule revisions

The Department will be hosting a Public Noticing Meeting on Tuesday, May 25, 2021 at 10:00 AM. Following the Public Noticing Meeting, the proposed rules will be open for public comment through Friday, June 25, 2021. The Executive Director rulemaking session date will occur between July 11-20, 2021. If approved, the proposed rules would become effective August 2021.



Attachment(s):

CY 2021 County Administrative Rule Set Strikethrough

CY 2021 Rule Revisions Fact Sheet and Summary

Department Contact:

Public comments on the rule revisions should be submitted to the [Public Comment Form](#)

All questions should be in writing and emailed to HCPFCountyRelations@state.co.us