



INFORMATIONAL MEMO

Title: Direct Agency Payment for Targeted Case Management	Topic: HCBS
Audience: Case Management Agencies (CMAs)	Sub-Topic: Case Management
Supersedes Number: HCPF IM 24-030	Division: Case Management and Quality Performance (CMQP)
Effective Date: March 10, 2025	Office: Office of Community Living
Expiration Date: April 30, 2025	Program Area: Case Management
Key Words: Home and Community Based Services, HCBS, Case Management Agencies (CMAs), Provider Payment, Retroactive Rate Increase, Targeted Case Management (TCM), American Rescue Plan Act (ARPA)	
Legal Authority: N/A	
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Informational Memo Number: HCPF IM 25-010	
Issue Date: March 10, 2025	
Approved By: Colin Laughlin	

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Purpose and Audience:

The purpose of this informational memo is to inform Case Management Agencies (CMAs) that, as outlined in the Department of Health Care Policy & Financing's (the Department) supplemental budget request that was signed into effect on February 27, 2025, the Department is implementing an American Rescue Plan Act (ARPA) Targeted Case Management (TCM) direct provider payment. The Joint Budget Committee (JBC) has approved this payment which includes a TCM direct provider payment for CMAs.

Information:

Background

Funding has been made available to states through the American Rescue Plan Act (ARPA) so that states may improve Home and Community Based-Services (HCBS) programs and services. States were given authority to use funding to supplement their

efforts but not supplant current spending on HCBS. The Department has been working to implement sixty-one (61) initiatives based on these requirements since 2021 and will end all ARPA spending by March 31, 2025. See the [Department's ARPA webpage](#) for more information.

The Department is providing a final provider payment for select services, utilizing ARPA HCBS funding, because providers and Case Management Agencies (CMAs) have been, and continue to be, extremely valued partners in Colorado's efforts and mission to support people to receive services needed to remain living in the community of their choice.

In the Department's previous Informational Memo (IM) 24-030, CMAs were instructed to submit all claims for Targeted Case Management (TCM) for dates of service July 1, 2024 - September 30, 2024, quickly in order to be eligible for this retroactive rate increase. HCPF was able to accept claims for dates of service July 1, 2024 - September 30, 2024, through Thursday February 13, 2025.

Next Steps:

The Department was approved to apply a 17.07% rate increase to all paid TCM claims that have a date of service between July 1, 2024, to September 30, 2024. The Department has pulled all TCM claims for the date range specified and has calculated the 17.07% increase. These payments have been processed, and CMAs can expect to receive the funding through the Electronic Funds Transfer (EFT) on file with the Department. Please note, while the Department is processing these one-time payments, these should be treated as TCM service funding and not CMA Contract funding.

Definition(s):

None

Attachment(s):

None

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