



## OPERATIONAL MEMO

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<b>Title:</b> Home and Community-Based Services (HCBS) Billing and Prior Authorization Request (PAR) Updates	<b>Topic:</b> HCBS Billing
<b>Audience:</b> Provider Agencies (PASA), Case Management Agencies (CMA)	<b>Sub-Topic:</b> HCBS
<b>Supersedes Number:</b> N/A	<b>Division:</b> Benefits and Services Management
<b>Effective Date:</b> Jan. 1, 2025	<b>Office:</b> Office of Community Living
<b>Expiration Date:</b> Jan. 1, 2027	<b>Program Area:</b> N/A
<b>Key Words:</b> Home and Community-Based Services (HCBS), Prior Authorization Request (PAR), Billing, Procedure Code, Denver Minimum Wage, Denver Minimum Wage Regional Pricing	
<b>Legal Authority:</b> C.R.S § 29-1-1401	
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<b>Issue Date:</b> Jan. 2, 2025	
<b>Approved By:</b> Candace Bailey	

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### **Purpose and Audience:**

The purpose of this Operational Memo is to provide new billing guidance to Home and Community-Based Services (HCBS) providers due to service code changes required to comply with Denver Minimum Wage Regional Pricing requirements. This Memo also provides guidance to case managers on updates to Prior Authorization Requests (PARs) in the Bridge system and updates to the Denver spending limit and total spend amounts.

### **Information:**

The Colorado General Assembly approved a rate increase for certain services provided to eligible and enrolled HCBS waiver members receiving services in the City and County of Denver, effective July 1, 2023. The Department of Health Care Policy and Financing (HCPF) has been working with its Fiscal Agent to make the necessary system changes to reimburse claims according to the recent changes.

### Home and Community Based Services (HCBS) Service Code Changes

Some Standard HCBS service codes are changing statewide effective Jan. 1, 2025 to ensure the Denver Regional Pricing policy can be effectively implemented in the system. As a result, Case Managers will use the new HCBS service codes when adding these services to PARs with start dates of Jan. 1, 2025 or later. Case Managers will see these new codes in the Bridge on Dec. 19, 2024. The codes will also be listed in the billing manuals and on the Rate Schedules for HCBS. HCBS Provider Agencies will need to use these new codes when billing for services provided for dates of service on or after Jan. 1, 2025 and forward. These changes will allow Provider Agencies to use the HX modifier when billing for services provided in Denver. Prior Authorization Requests (PARs) existing on Dec. 18, 2024, that are impacted by these changes will be electronically revised or “e-revised” by HCPF. These e-revised PARs will have the new standard HCBS Service Codes added as applicable. Lists of the new service codes are in the table on page three (3).

Once the e-revisions are done and the lines adjusted, Provider Agencies may begin to bill. The HX modifier will be required on HCBS claims billed for eligible services provided to Members when within the City and County of Denver. The HX modifier allows Provider Agencies to bill for HCBS services with Denver County rates approved on the HCBS Prior Authorization Request (PAR) without the need to add the HX modifier to the HCBS PAR.

For PARs created on or after Jan. 1, 2025, Case Managers do not need to add the HX modifier to the PAR, they only need to add the service codes without the HX modifier. For example, the Case Manager would add S5150 U1 to the PAR for Elderly, Blind, and Disabled (EBD) Waiver In-Home Respite and they would not add S5150 U1 HX. The Provider Agency would bill S5150 U1 HX if the service was provided in Denver County, and the Provider Agency would bill S5150 U1 if the service was provided outside of Denver County.

Provider Agencies are therefore advised that the HX modifier will not be present on PAR lines verified in the Provider Portal or provided on documentation from case managers, however this will still be required when submitted Denver specific claims.

The current process of submitting zip codes in the notes field along with code T2034 is no longer required effective Jan. 1, 2025. This update will allow for claims to be submitted without duplicate errors when services are provided both within and outside of Denver. The HX code changes are outlined in the tables below.

Provider Agencies billing procedure code and modifier combinations with the HX modifier for Members receiving services outside of the City and County of Denver are subject to claims review and/or audits.

### **Automatic PAR Revisions**

HCPF will automatically e-revise all Prior Authorization Request (PAR) lines impacted by these Standard HCBS code changes, which will impact Members statewide. This revision process will occur before Dec. 31, 2024, and it will reduce the need for Case Managers to manually update PARs to ensure compliance with the new codes. PAR lines with outdated codes will be updated with an end date of Dec. 31, 2024, and PAR lines with new codes will be added with a start date of Jan. 1, 2025. The units on these revised PAR lines will be prorated based on the PAR line time span. Case Managers may need to manually revise PARs if the units need to be adjusted on these PAR lines based on service utilization, once the provider(s) bill. HCBS Provider Agencies must contact Case Managers if PAR revisions are required to adjust units based on service utilization.

### **HCBS Service Limit and Spend Calculations on Prior Authorization Requests (PARs)**

*PARs with effective dates on or after Jan. 1, 2025:*

Effective Jan. 1, 2025, the HCBS spending limits and total spend amounts on PARs will be calculated using Standard (non-Denver) rates for all Members, regardless of where they reside. The service rates used on HCBS PAR lines with start dates of Jan. 1, 2025 and later will be calculated using Standard rates, with the exception of Consumer-Directed Attendant Support Services (CDASS), Alternative Care Facility (ACF), and Supported Living Program (SLP). The Support Plan Authorization Limit (SPAL), Overall Waiver Limit and Total Spend on the PAR for all Members on the Supported Living Services (SLS) and Children's Extensive Supports (CES) waivers will be calculated using Standard rates on Jan. 1, 2025 and forward.

The system will ensure the total amount allowed for members in each geographic region is based on each Member's total approved units, not the rates used to reimburse for those services. A Member in Lakewood would have the same number of units as a Member in Denver, the difference would only be in the total amount reimbursed by the Department for the services provided to each Member, and will not affect a Member's allocation. This will be how all PARs function in the future.

*PARs with effective dates before Dec. 31, 2024:*

The "Total Spend" field in the Bridge is the sum of all the approved, countable services on the PAR. For PARs created before Jan. 1, 2025, the "Total Spend" amount

may be higher than the prorated SLS SPAL or CES Spending Limit when the cost of the PAR line starting prior to Jan. 1, 2025 has been calculated using the Denver rate, and the prorated SPAL has lowered due to the transition to the Standard SPAL on Jan. 1, 2025. Such issues may occur when Case Managers revise affected PARs after the changes go in on Dec. 18, 2024. Case Managers are to contact the Over Cost Containment (OCC) inbox to request PAR approval if this occurs.

*PARs for SLS Members receiving CDASS in Denver County*

SLS PARs for Members receiving CDASS in Denver County will also require HCPF approval if the calculated Denver CDASS rate raises the Total Spend over the Authorized SPAL. The Total Spend for SLS Members may be higher than the Standard SPAL by the dollar amount difference between the CDASS Denver and Standard costs for countable CDASS services with HCPF approval. Please contact the Over Cost Containment (OCC) inbox by emailing [ltssocc@state.co.us](mailto:ltssocc@state.co.us) regarding these requests.

These service code and PAR changes provide a uniform approach for Members residing inside and outside of Denver County. These changes will give Provider Agencies the ability to bill for Denver or Standard rates based on where the service is provided rather than where the Member resides. These updates also reduce the burden on Case Managers to manage both Denver and Standard budgets and spending for Members.

**New Standard (non-Denver) Codes - Changes Effective Jan. 1, 2025**

The following procedure codes and modifiers will change for services provided *outside* of Denver:

**Developmental Disabilities Waiver**

<u>Service Description</u>	<u>End Date</u> 12/31/2024	<u>Effective Date</u> 1/1/2025
Group Residential Services and Supports- Level 4	T2016 U3 TF 22 HQ	T2016 U3 TF ST
Group Residential Services and Supports- Level 6	T2016 U3 TG 22 HQ	T2016 U3 TG ST
Individual Residential Services and Supports/Host Home- Level 4	T2016 U3 TF 22 TT	T2016 U3 TF TU
Individual Residential Services and Supports/Host Home- Level 6	T2016 U3 TG 22 TT	T2016 U3 TG TU

Job Coaching, Group-Level 4	T2019 U3 TF 22 HQ	T2019 U3 TF 22
Job Coaching, Group-Level 6	T2019 U3 TG 22 HQ	T2019 U3 TG 22
Prevocational Services- Level 4	T2015 U3 TF 22 HQ	T2015 U3 TF 22
Prevocational Services- Level 6	T2015 U3 TG 22 HQ	T2015 U3 TG 22
Specialized Habilitation- Level 4	T2021 U3 TF 22 HQ	T2021 U3 TF ST
Specialized Habilitation- Level 6	T2021 U3 TG 22 HQ	T2021 U3 TG ST

### Supported Living Services Waiver

<u>Service Description</u>	<u>End Date</u> 12/31/2024	<u>Effective Date</u> 1/1/2025
Job Coaching, Group-Level 4	T2019 U8 TF 22 HQ	T2019 U8 TF 22
Job Coaching, Group-Level 6	T2019 U8 TG 22 HQ	T2019 U8 TG 22
Prevocational Services- Level 4	T2015 U8 TF 22 HQ	T2015 U8 TF 22
Prevocational Services- Level 6	T2015 U8 TG 22 HQ	T2015 U8 TG 22
Specialized Habilitation- Level 4	T2021 U8 TF 22 HQ	T2021 U8 TF TU
Specialized Habilitation- Level 6	T2021 U8 TG 22 HQ	T2021 U8 TG TU

### Complementary and Integrative Health Waiver

<u>Service Description</u>	<u>End Date</u> 12/31/2024	<u>Effective Date</u> 1/1/2025
IHSS Relative Personal Care	T1019 U1 SC HR KX	T1019 U1 SC TF

### New Denver County Codes - Effective January 1, 2025

The following HCBS procedure codes and modifiers will use HX to price with the Denver County rates:

### Developmental Disabilities Waiver

<u>Service Description</u>	<u>Effective Date 1/1/2025</u>
Group Residential Services and Supports- Level 1	T2016 U3 HQ HX
Group Residential Services and Supports- Level 2	T2016 U3 22 HQ HX
Group Residential Services and Supports- Level 3	T2016 U3 TF HQ HX
Group Residential Services and Supports- Level 4	T2016 U3 TF ST HX
Group Residential Services and Supports- Level 5	T2016 U3 TG HQ HX
Group Residential Services and Supports- Level 6	T2016 U3 TG ST HX
Individual Residential Services and Supports- Level 1	T2016 U3 HX
Individual Residential Services and Supports- Level 2	T2016 U3 22 HX
Individual Residential Services and Supports- Level 3	T2016 U3 TF HX
Individual Residential Services and Supports- Level 4	T2016 U3 TF 22 HX
Individual Residential Services and Supports- Level 5	T2016 U3 TG HX
Individual Residential Services and Supports- Level 6	T2016 U3 TG 22 HX
Individual Residential Services and Supports/Host Home- Level 1	T2016 U3 TT HX
Individual Residential Services and Supports/Host Home- Level 2	T2016 U3 22 TT HX
Individual Residential Services and Supports/Host Home- Level 3	T2016 U3 TF TT HX
Individual Residential Services and Supports/Host Home- Level 4	T2016 U3 TF TU HX
Individual Residential Services and Supports/Host Home- Level 5	T2016 U3 TG TT HX
Individual Residential Services and Supports/Host Home- Level 6	T2016 U3 TG TU HX
Job Coaching, Group-Level 1	T2019 U3 HQ HX

Job Coaching, Group-Level 2	T2019 U3 22 HQ HX
Job Coaching, Group-Level 3	T2019 U3 TF HQ HX
Job Coaching, Group-Level 4	T2019 U3 TF 22 HX
Job Coaching, Group-Level 5	T2019 U3 TG HQ HX
Job Coaching, Group-Level 6	T2019 U3 TG 22 HX
Job Coaching-Individual	T2019 U3 SC HX
Prevocational Services- Level 1	T2015 U3 HQ HX
Prevocational Services- Level 2	T2015 U3 22 HQ HX
Prevocational Services- Level 3	T2015 U3 TF HQ HX
Prevocational Services- Level 4	T2015 U3 TF 22 HX
Prevocational Services- Level 5	T2015 U3 TG HQ HX
Prevocational Services- Level 6	T2015 U3 TG 22 HX
Specialized Habilitation- Level 1	T2021 U3 HQ HX
Specialized Habilitation- Level 2	T2021 U3 22 HQ HX
Specialized Habilitation- Level 3	T2021 U3 TF HQ HX
Specialized Habilitation Level 4	T2021 U3 TF ST HX
Specialized Habilitation- Level 5	T2021 U3 TG HQ HX
Specialized Habilitation- Level 6	T2021 U3 TG ST HX
Specialized Habilitation- Level 7	T2021 U3 SC HQ HX
Supported Community Connections- Level 1	T2021 U3 HX
Supported Community Connections- Level 2	T2021 U3 22 HX
Supported Community Connections- Level 3	T2021 U3 TF HX
Supported Community Connections- Level 4	T2021 U3 TF 22 HX

Supported Community Connections- Level 5	T2021 U3 TG HX
Supported Community Connections- Level 6	T2021 U3 TG 22 HX
Supported Community Connections- Level 7	T2021 U3 SC HX

### Supported Living Services Waiver

Job Coaching, Group-Level 1	T2019 U8 HQ HX
Job Coaching, Group-Level 2	T2019 U8 22 HQ HX
Job Coaching, Group-Level 3	T2019 U8 TF HQ HX
Job Coaching, Group-Level 4	T2019 U8 TF 22 HX
Job Coaching, Group-Level 5	T2019 U8 TG HQ HX
Job Coaching, Group-Level 6	T2019 U8 TG 22 HX
Job Coaching-Individual	T2019 U8 SC HX
Prevocational Services-Level 1	T2015 U8 HQ HX
Prevocational Services-Level 2	T2015 U8 22 HQ HX
Prevocational Services-Level 3	T2015 U8 TF HQ HX
Prevocational Services-Level 4	T2015 U8 TF 22 HX
Prevocational Services-Level 5	T2015 U8 TG HQ HX
Prevocational Services-Level 6	T2015 U8 TG 22 HX
Specialized Habilitation- Level 1	T2021 U8 HQ HX
Specialized Habilitation- Level 2	T2021 U8 22 HQ HX
Specialized Habilitation- Level 3	T2021 U8 TF HQ HX
Specialized Habilitation- Level 4	T2021 U8 TF TU HX
Specialized Habilitation- Level 5	T2021 U8 TG HQ HX



Specialized Habilitation- Level 6	T2021 U8 TG TU HX
Supported Community Connections- Level 1	T2021 U8 HX
Supported Community Connections- Level 2	T2021 U8 22 HX
Supported Community Connections- Level 3	T2021 U8 TF HX
Supported Community Connections- Level 4	T2021 U8 TF 22 HX
Supported Community Connections- Level 5	T2021 U8 TG HX
Supported Community Connections- Level 6	T2021 U8 TG 22 HX
Personal Care	T1019 U8 HX

#### Complementary and Integrative Health Waiver

IHSS Personal Care	T1019 U1 SC KX HX
IHSS Relative Personal Care	T1019 U1 SC TF HX
Personal Care	T1019 U1 SC HX
Relative Personal Care	T1019 U1 SC HR HX

#### Community Mental Health Supports Waiver

Personal Care	T1019 UA HX
Relative Personal Care	T1019 UA HR HX

#### Brain Injury Waiver

Personal Care	T1019 U6 HX
Relative Personal Care	T1019 U6 HR HX

Transitional Living Program	T2016 U6 HX
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#### Children's Habilitation Residential Program Waiver

Group Home - Level 1	T2016 U9 HX
Group Home - Level 2	T2016 U9 22 HX
Group Home - Level 3	T2016 U9 TF HX
Group Home - Level 4	T2016 U9 TF 22 HX
Group Home - Level 5	T2016 U9 TG HX
Group Home - Level 6	T2016 U9 TG 22 HX

#### Elderly, Blind and Disabled Waiver

Personal Care	T1019 U1 HX
Relative Personal Care	T1019 U1 HR HX
IHSS Personal Care	T1019 U1 KX HX
IHSS Relative Personal Care	T1019 U1 HR KX HX

The complete list of the rates and services eligible for Denver County Rates can be found on the [Provider Rates and Fee Schedule Page](#).

#### Upcoming Office Hours Opportunity

HCPF will provide an opportunity for Case Management Agencies to bring any questions they have about the above changes to Department staff for support. These Office Hours are specifically for Case Management Agency staff only. Please register for these Zoom Sessions scheduled for Jan. 7, 2025, 2 to 3 p.m. and Jan. 9, 2025, 9 to 10 a.m.

#### Action To Be Taken:

A new modifier (HX) will be required on HCBS claims when services are delivered to Members while they are in the City and County of Denver.

**Attachment(s):**

None

**HCPF Contact:**

[HCPF\\_HCBS\\_Questions@state.co.us](mailto:HCPF_HCBS_Questions@state.co.us)