

Demonstration Payment Methodology Submission Template

States should fill out this template completely as part of the initial submission of new payment methodologies for Medicaid Section 1115 demonstration-authorized services, or when making significant changes to already approved payment methodologies. States must provide the same level of detail as required under the state plan or under 1915(c) waivers in order to receive CMS approval.

Alternatively, states may also choose to use this template to identify applicable approved waiver or approved state plan pages representing payment methodologies that would apply to the services listed in this template and attest to such. If those rate methods are updated, then the state could re-attest.

State Attestation and Re-Attestation
<p><u>Attestation</u></p> <p>If currently CMS-approved 1915(c) waiver or state plan pages represent the payment methodologies for Medicaid services that the state will also apply to the same or similar 1115-approved services as listed in this template, the state may attest here to this. All requested elements a. through d. must be completed:</p> <p>a. Provide SPA transmittal or waiver identification number representing applicable approved payment methodologies:</p> <ul style="list-style-type: none"> • One-time transition and moving costs other than rent, Utility Assistance (setup fees and deposits), and First month's rent (security deposits to obtain a lease or mortgage) [including set up and administration for all Transitional Set up services] <ul style="list-style-type: none"> ○ 1915(c) HCBS Waiver: CO.0007.R09.01 – Transition Setup ○ 1915(c)HCBS Waiver: CO.006.R09.09 – Transition Setup • Case Management for housing: <ul style="list-style-type: none"> ○ Targeted Case Management: Transition Services, SPA #23-0040, Effective 10/1/23, Attachment 4.19-B, Item 19.b Targeted Case Management Transition Services (page 1), Attachment 4.19-B Introduction Page (page 2 of 3) • Nutrition counseling and instruction: <ul style="list-style-type: none"> ○ Comprehensive Physician Services, Item 5.a.2.a, fee schedule (effective July 1, 2024), in State Plan Amendment Transmittal Number CO-24-0016. • Home Delivered meals: <ul style="list-style-type: none"> ○ 1915(c) HCBS Waiver: CO.0007.R09.01 - Home Delivered Meals ○ 1915(c) HCBS Waiver: CO.0006.R09.10 - Home Delivered Meals <p>b. Provide State Plan pages or waiver sections for applicable payment methodologies:</p> <ul style="list-style-type: none"> • One-time transition and moving costs other than rent, Utility Assistance (setup fees and deposits), and First month's rent, as a transitional service (security deposits to obtain a lease or mortgage) [including set up and administration for all Transitional Set up services] <ul style="list-style-type: none"> ○ CO.0007.R09.01 - Transition Setup (Optional pg.16, Appendix C-1/C-3 pgs. 125-127, Appendix I-2.a pgs. 257-260)

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- CO.006.R09.09 – Transition Setup (Optional page 16, Appendix C-1/C-3 pgs. 117-119, Appendix I-2.a pgs. 257-260)
 - Case Management for housing:
 - Targeted Case Management: Transition Services, SPA #23-0040, Effective 10/1/23, Attachment 4.19-B, Item 19.b Targeted Case Management Transition Services (page 1), Attachment 4.19-B Introduction Page (page 2 of 3)
 - Nutrition counseling and instruction:
 - Section IV Delivery System and Payment Rates (pg 17).; Nutritional Interventions without Food (see Attachment M: Colorado HRSN Services Matrix) fee schedule payment methodologies are found on page 1 of 3 of the Attachment 4.19-B Introduction Page (SPA transmittal number CO-24-0016) under the Comprehensive Physician Services, Item 5.a.2.a, fee schedule.
 - Home Delivered meals: 1915(c) HCBS Waiver
 - CO.0007.R09.01 - Home Delivered Meals (Optional pg. 16, Appendix C-1/C-3 pgs. 113-114, Appendix I-2.a pgs. 257-260)
 - CO.0006.R09.10 - Home Delivered Meals (Optional pg. 16, Appendix C-1/C-3 pgs. 88-89, Appendix I-2.a pgs. 271-274)].
- c. List 1115 approved services to which the currently CMS approved methodologies will apply:
- One-time transition and moving costs other than rent, [including set up and administration for all Transitional Set up services]
 - Utility Assistance (setup fees and deposits), [including set up and administration for all Transitional Set up services]
 - First month's rent, as a transitional service (security deposits to obtain a lease or mortgage) [including set up and administration for all Transitional Set up services]
 - Nutrition counseling and instruction
 - Home Delivered meals
- d. I, [insert name of SMD or CFO (or equivalent position)] [insert title], attest that the above information is complete and accurate in identifying currently CMS approved payment methodologies that the state will use for similar 1115 approved services as listed above in c.



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Adela Flores-Brennan

04/20/2025

Re-attestation

If changes are made to payment methodologies referenced in this re-attestation, the state is required to provide updated information and re-attest to this information using this same attestation form, and by also indicating that this is a re-attestation by completing the following information:

If currently CMS approved 1915(c) waiver or state plan pages represent the payment methodologies for Medicaid services that the state will also apply to the same or similar 1115 approved services as listed in this template, the state may attest here to this. All requested elements a. through d. must be completed:

a. Provide SPA transmittal or waiver identification number representing applicable approved payment methodologies: []

b. Provide State Plan pages or waiver section for applicable payment methodologies: [].

c. List 1115 approved services to which the currently CMS approved methodologies will apply: []

d. I, [insert name of SMD or CFO (or equivalent position)] [insert title], attest that the above information is complete and accurate in identifying currently CMS approved payment methodologies that the state will use for similar 1115 approved services as listed above in c.

[Provide signature_____]

[Provide printed name of signatory]

[Provide date_____]

Rate Determination Methods

Payment Methodology Overview:

Describe the methods that are employed to establish provider payment rates for services and the entity or entities that are responsible for rate determination. This description should include information for all demonstration-authorized services through fee-for-service payment methodologies. If different methods are employed for various types of services, the description may group services for which the same method is employed. State laws, regulations, and policies referenced in the description must be available upon request to CMS.
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Submission Question	State Input Field	Citation / Other Guidance
Please comprehensively describe the rate setting methods for each service.	<p>HRSN utilizes a Fee schedule methodology for the following services:</p> <ul style="list-style-type: none"> • Pre-tenancy navigation services (H0043 and H0044) • Tenancy and sustaining services (H0043 and H0044) • Nutritional Counseling and instruction codes not on FFS Fee-schedule (S9452 and G0447)- will be phase II of Colorado HRSN <p>Please review Appendix A: HRSN Fee Schedule for specific service details.</p> <p>Colorado's fee for service rate methodology incorporates the following factors:</p> <ul style="list-style-type: none"> • Salary expectations for direct and indirect care workers based on the Colorado BLS wage for each position variable based on level of education of provider, direct and indirect care hours for each position, the full-time equivalency required for the delivery of services to Medicaid members, and necessary staffing ratios. Wages are determined by the Bureau of Labor Statistics and are updated by the Bureau every two years. • Facility expense expectations which incorporate the facility type through the use of existing facility type property records listing square footage and actual cost. Facility expenses also include estimated repair and maintenance costs, utility expenses, phone, and internet expenses. • Repair and maintenance price per square foot are determined by industry standards and vary for facilities that are leased and facilities that are owned. • Utility pricing includes gas and electricity which are determined annually through the Public Utility Commission who provides summer and winter rates and thermostat conversions for appropriated pricing as well as water pricing available through Denver Water. Finally, internet and phone services are determined through the use of the Comcast Enterprise website. 	<p>§1902(a)(30)(A); 42 CFR §447.201; §430.10</p>

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	<ul style="list-style-type: none"> • Administrative expense expectations identify computer, software, office supply costs, and the total number of employees to determine administrative and operating costs per employee. • Capital overhead expense expectations identify and incorporate additional capital expenses such as medical equipment, supplies, and IT equipment directly related to providing the service to Medicaid clients. <p>The following services will utilize a negotiated market price methodology for services in which reimbursement will differ by client, by product, and frequency of use subject to the caps listed in Appendix A and the Services Protocol. The services utilizing the negotiated market price methodology include:</p> <ul style="list-style-type: none"> • One-time transition and moving costs other than rent not otherwise outlined in Transition setup service costs reimbursement methodology in the IDD waiver methodology • Utility assistance not otherwise outlined in Transition setup service costs reimbursement methodology in the IDD waiver methodology (i.e., on-going utility assistance) • First month's rent, as a transitional service not otherwise outlined in Transition setup service costs reimbursement methodology in the IDD waiver methodology (i.e., in circumstances not permissible under the IDD waiver) • Short term transitional housing rates with room and board • Short-term rental assistance not otherwise outlined in Transition setup service costs reimbursement methodology in the HCBS waiver methodology • Pantry stocking • Medically Tailored meals <p>For the above services, case managers coordinate with providers and determine a market price that incorporates the client's needs, products required, and frequency of use. The Department or its designee reviews and approves the market price determined and authorized by the case manager.</p>	
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Is it a fee schedule methodology? If so, outline the methodology.	Yes, please see the methodologies outlined above.	42 CFR §430.10
Is it an actual cost reimbursement methodology? If so, outline the methodology.	No, there are no actual cost reimbursement methodologies utilized for HRSN.	2 CFR §200; 45 CFR §75
If not following a fee schedule or actual cost, can the rate be determined from the language on the submission?	Not applicable except where there are negotiated fee schedules as noted above.	<u>Federal Requirements for Comprehensive State Plan Payment Methodologies</u>
Does the methodology include any bundled rates? If yes, see Bundled Rate guidance, including required plan language and administrative record information and include here.	No	<u>Bundled Rate Payment Methodology</u>
Does the methodology include quality incentive payments? If so, please outline the methodology, including quality metrics.	No	<u>Quality Incentive Payments in the State Plan</u>
Please provide documentation of public notice of the payment methodology.	<p>Public notice consistent with the Medicaid State Plan and HCBS requirements were provided for the following service methodologies with their approval by CMS:</p> <ul style="list-style-type: none"> One-time transition and moving costs other than rent, Utility Assistance (setup fees and deposits), First month's rent, as a transitional service (security deposits to obtain a lease or mortgage) <ul style="list-style-type: none"> 1915(c) HCBS Waiver: CO.0007.R09.01 – Transition Setup Case Management for housing: <ul style="list-style-type: none"> Targeted Case Management: Transition Services, SPA #23-0040, Effective 10/1/23, in State Plan Amendment Transmittal Number 	42 CFR §447.205

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	<ul style="list-style-type: none"> • Nutrition counseling and instruction: <ul style="list-style-type: none"> ○ Comprehensive Physician Services, Item 5.a.2.a, fee schedule (effective July 1, 2024), in State Plan Amendment Transmittal Number CO-24-0016. • Home Delivered meals/Pantry Stocking: <ul style="list-style-type: none"> ○ 1915(c) HCBS Waiver: CO.0007.R09.01 - Home Delivered Meals ○ 1915(c) HCBS Waiver: CO.0006.R09.10 - Home Delivered Meals <p>Documentation for public notice of payment methodology for the following services is on the <u>1115 SUD waiver website</u>:</p> <ul style="list-style-type: none"> • Pre-tenancy navigation services (H0043 and H0044) • Tenancy and sustaining services (H0043 and H0044) • Nutritional Counseling and instruction codes not on FFS Fee-schedule (S9452 and G0447) • One-time transition and moving costs other than rent not otherwise outlined in Transition setup service costs reimbursement methodology in the IDD waiver methodology • Utility assistance not otherwise outlined in Transition setup service costs reimbursement methodology in the IDD waiver methodology • First month's rent, as a transitional service not otherwise outlined in Transition setup service costs reimbursement methodology in the IDD waiver methodology • Short term transitional housing rates with room and board • Short-term rental assistance not otherwise outlined in Transition setup service costs reimbursement methodology in the HCBS waiver methodology • Pantry stocking • Medically Tailored meals <p>There are two federally recognized Tribes within the State of Colorado, the Southern Ute Indian Tribe and the Ute Mountain Ute Tribe. The State will solicit feedback and carry out recommendations from both Tribes by sending emails to the Tribal representatives and</p>	
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	pertinent program staff with a summary of the rate methodologies proposed.	
Are services subject to the UPL? Covered under the following section 1905(a) benefit categories: inpatient hospital services, outpatient hospital services, nursing facility services, institutions for mental diseases, clinic services, intermediate care facility for the individuals with intellectual disabilities (ICF/IDD) services, psychiatric residential treatment facility services, and qualified practitioner services (for states that pay targeted supplemental payments), durable medical equipment (DME).	No.	<u>Payment Limit Demonstrations</u> 1902(a)(30)(A) 1903(i)(27) 42 CFR §447.272 42 CFR §447.321 42 CFR §447.325
Is the rate setting method uniform across provider types? If no, describe the basis for variation in rate setting for provider types. Does the state employ multiple rate methods? If so, please identify them and what services they apply to.	The rate setting methodology is consistent across each provider type. There is no variation in rate methodology across service rates.	§1902(a)(30)(A); 42 CFR §447.201
Describe the rate setting methodology for self-directed services.	Not applicable.	§1902(a)(30)(A);

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If not applicable (i.e., the state does not offer self-direction), no justification is necessary. Enter N/A.		42 CFR §447.201
<p>If the state is proposing a rate increase for HCBS, is the state also making proportionate increases to self-directed service offerings?</p> <p>If yes, the justification should include a description of the state's methodology to apply rate increases to self-directed services and/or budgets.</p> <p>If not applicable (i.e., the demonstration does not offer self-directed services or the state is not proposing a rate increase), no justification necessary. Enter N/A.</p>	Not applicable.	§1902(a)(30) (A)
Specify the entity (entities) responsible for rate determination.	Colorado Dept. of Health Care Policy & Financing	§1902(a)(30) (A); 42 CFR §447.201
Specify how the oversight of the rate determination process is conducted.	The rate setting process synthesizes federal and state regulations and statutes into established rate setting processes to ensure compliance. These rate setting processes are reviewed annually to ensure ongoing regulatory compliance as well as maintaining current rate setting practices established for all fee for service rates. Additionally, rates are reviewed by Policy staff to	§1902(a)(30) (A); 42 CFR §447.201

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	ensure all aspects of the service delivery rate are accounted for in rate setting based on new or established policy and provider feedback.	
Specify what year rates were last set and/or reviewed.	<p>These rates were set in CY 2024, they have not yet been reviewed by the Departments established rate review process as they were new to fee-for-service:</p> <ul style="list-style-type: none"> • Pre-tenancy navigation services • Tenancy and sustaining services • Transition setup (T2038) <p>Created in 2023, Phase II of HCPF's project have not yet been reviewed:</p> <ul style="list-style-type: none"> • Nutritional Counseling and instruction codes not on FFS Fee-schedule (S9452 and G0447) <p>These rates were reviewed in 2022 and are currently under review:</p> <ul style="list-style-type: none"> • Nutrition counseling and instruction: <ul style="list-style-type: none"> ○ Comprehensive Physician Services, Item 5.a.2.a, fee schedule (effective July 1, 2024), in State Plan Amendment Transmittal Number CO-24-0016. 97802, 97803, 97804 <p>The following rates were reviewed in 2021 and are covered in the 2025 review:</p> <ul style="list-style-type: none"> • Case management for housing: <ul style="list-style-type: none"> ○ Targeted Case Management: Transition Services, SPA #23-0040 (T1017, S5170) • One-time transition and moving costs other than rent, Utility Assistance (setup fees and deposits), First month's rent, as a transitional service (security deposits to obtain a lease or mortgage) <ul style="list-style-type: none"> ○ 1915(c) HCBS Waiver: CO.0007.R09.01 – Transition Setup ○ 1915(c) HCBS Waiver: CO.007.R09.09 – Transition Setup • Home Delivered meals/Pantry Stocking: <ul style="list-style-type: none"> ○ 1915(c) HCBS Waiver: CO.0007.R09.01 - Home Delivered Meals ○ 1915(c) HCBS Waiver: CO.0006.R09.10 - Home Delivered Meals 	§1902(a)(30) (A)

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Does the state have a rate review process that is conducted at least every 5 years? Please describe the process.	The state does have a three-year review process for all fee for service rates on the State Plan involving a utilization and access to care analysis, incorporation of provider feedback and a published analysis report published on the Department's website.	§1902(a)(30) (A)
Explain how information about payment rates are made available to HCBS participants.	Information is made available to HCBS participants through provider bulletins, online fee schedules, and stakeholder newsletters.	42 CFR § 447.203 & 205
Does the state offer PMPM or other monthly rates? If not applicable, no justification necessary. Enter N/A.	The state offers unbundled monthly FFS rates (rent, utility assistance, pre-tenancy navigation, tenancy sustaining).	<u>Bundled Rate Payment Methodology</u>
<p>Identify source(s) of state share:</p> <p><input checked="" type="checkbox"/> State general revenue</p> <p><input type="checkbox"/> Provider tax</p> <p><input type="checkbox"/> Intergovernmental transfers (IGT)</p> <p><input type="checkbox"/> Certified public expenditures (CPE)</p> <p>If CPE selected, the state must submit its cost allocation methodology.</p> <p>If IGT and/or CPE selected, complete the below IGT/CPE attestation.</p>	State general fund	
State Attestation for IGT/CPE		
If IGT and/or CPE have been selected as a source of state share, please attest to the following statements:		

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- a. The state attests that the sources of non-federal share used to fund payments under the demonstration are consistent with section 1903(w) of the Act and implementing regulations at 42 CFR 433.51. []
- b. The state attests that only units of government may provide the non-federal share of demonstration payments using an IGT or a CPE. []
- c. The state attests that providers that receive payments under the proposal keep and retain all payment amounts that are paid to them for approved services and activities described within the demonstration. []
- d. The state attests that the amounts paid to units of government that participate in the non-federal share through CPEs represent no more than the total amount, consistent with 45 CFR Part 75 for determining allowable costs, expended by the unit of government for providing approved Medicaid services and activities under the demonstration. []
- e. I, [insert name of SMD or CFO (or equivalent position)] [insert title], attest that the above information is complete and accurate in identifying IGT and/or CPE as a source of state share funding.

[Provide signature_____]

[Provide printed name of signatory]

[Provide date_____]

*If changes are made to payment methodologies referenced in this attestation, the state is required to provide updated information about sources of state share and attest or re-attest to the statements above if IGT and/or CPE are selected.

Supplemental or Enhanced Payments

Supplemental or Enhanced Payments. Section 1902(a)(30)(A) requires that payments for services be consistent with efficiency, economy, and quality of care. Section 1903(a)(1) provides for federal financial participation to states for expenditures for services under an approved state plan/demonstration. Specify whether supplemental or enhanced payments are made. Indicate one:

- No. The state does not make supplemental or enhanced payments for demonstration services.
- Yes. The state makes supplemental or enhanced payments for demonstration services.

Describe: (a) the nature of the supplemental or enhanced payments that are made and the 1915(c)-like services for which these payments are made; (b) the types of providers to which such payments are made; and (c) whether providers eligible to receive the supplemental or enhanced payment retain 100% of the total computable expenditure claimed by the state to CMS. Upon request, the state will furnish CMS with detailed information about the total amount of supplemental or enhanced payments to each provider type in the demonstration.

Submission Question

State Input Field

Citation

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Does the state make supplemental or enhanced payments for demonstration services?	No	N/A
If supplemental or enhanced payments are made, please specify the nature of the payments made.	N/A	§1902(a)(30)(A)
If supplemental or enhanced payments are made, please specify the types of providers that received these payments.	N/A	§1902(a)(30)(A)
If supplemental or enhanced payments are made, specify whether providers are eligible to retain 100% of the expenditure.	N/A	§1902(a)(30)(A)
If supplemental or enhanced payments are made, specify if the payments are transparent to the public?	N/A	§1902(a)(30)(A)

GENERAL GUIDANCE ON BUNDLED SERVICES: 42 CFR §441.301(b)(4) also provides that “multiple services that are generally considered to be separate services may not be consolidated under a single definition.”

States with bundled payment methodologies should consult the following guidance on Medicaid.gov when filling out this template: <https://www.medicaid.gov/state-resource-center/downloads/spa-and-1915-waiver-processing/bundled-rate-payment-methodology.pdf>

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