HOSPITAL STAKEHOLDER ENGAGEMENT MEETING

Friday, January 14, 2022
1:00 PM - 4:00 PM

Location: Online Only

All Hospital Zoom Meeting: Dial Toll-free 1-877-853-5257 / Meeting ID: 870 4490 0719 / Passcode: 245046

Topic Suggestions, due by close of business two weeks prior to the meeting. Send suggestions to Jonathan.Rempfer@state.co.us.

Welcome & Introductions

- **Thank you for participating today!**
- We are counting on your participation to make these meetings successful

About this Zoom Meeting

- We will be recording this meeting.
- Please speak clearly when asking a question and give your name and hospital
- A recording of this meeting will be posted to the Hospital Engagement Meeting website for later viewing.
- **Hospital Generated Topics:** Please contact Jonathan Rempfer at Jonathan.Rempfer@state.co.us with requests to cover questions or topics in future hospital engagement meetings. Topics requested fewer than 2 weeks before the next meeting may need to be pushed to future meetings depending on availability of personnel with knowledge of those topics.

Thank you for your cooperation

Dates and Times for Future General Hospital Stakeholder Engagement Meetings in 2022

Dates of Meetings	Meeting Time
~~January 14, 2022~~	~~1:00pm-4:00pm~~
March 4, 2022	9:00am-12:00pm
May 6, 2022	9:00am-12:00pm
July 8, 2022	1:00pm-4:00pm
September 9, 2022	1:00pm-4:00pm
November 4, 2022	9:00am-12:00pm

The agenda for upcoming meetings will be available on our external website on a Monday the week of the meeting. https://www.colorado.gov/pacific/hcpf/hospital-engagement-meetings

Please note the offset dates and times to work around holidays AND Medical Services Board

AGENDA

January 2022 Hospital Stakeholder Engagement Meeting Topics
Rural Support Program Webinar for Program Year 2 – 03:52
HB21-1198: Hospital Discounted Care – 05:48
OPR Provider Regulations Update – 16:10
IHRP Update – 17:26
FY 22-23 State Budget Action Inpatient Base Rate Update – 18:40
Inpatient Base Rate Methodology discussions restart March 2022 – 20:14
EAPG Module Update – 21:30
EAPG 3.16 Base Rate Calculations – 23:00
EAPG Details Updated – 25:12
EAPG Transition Payment Authority – 30:38
Outpatient Claims Processing – 32:26
Drug Average Acquisition Cost – Long-term Solution – 38:24
– Timestamp - min : sec

Rural Support Program

- The Department will be hosting a webinar on **February 9, 2022** to go over the reporting of funds utilization during program year 1 and the attestation process and expectations for program year 2 which begins in October 2022

- Hospitals received program year 1 funding in August and September of 2021 (program year 1 started October 2021)

- The payments continue in equal monthly installments for the next 4 program years

HB21-1198: Hospital Discounted Care

- Applies to all acute general and critical access hospitals, all free standing emergency rooms, and all health care providers working within those settings
- Requires providers to limit charges to low-income patients and sets limits on payment plans
- Sets rules around when patients can be sent to collections
- Program begins on June 1, 2022

Today's Presentation

- Bill Overview
- Policy Development Team
- Next Steps, including Stakeholder Meetings
- Questions

What the Bill States

Patients who Qualify

- Patients with household income at or below 250% of the federal poverty level
- Providers are required to screen patients for all appropriate public health care options (Health First Colorado, Emergency Medicaid, CHP+, Medicare) and other discount programs (CICP, Hospital Discounted Care, etc.)
- Patients do not need to be lawfully present nor Colorado residents to be eligible for Hospital Discounted Care

Screening and Application

- Providers will be required to screen all uninsured patients for public health care coverage and discount program eligibility
  - Patients have the ability to opt out of screening and will need to sign the decline screening form
- Insured patients must be screened if they request a screening
- Providers are required to use the uniform application that is being developed by the Department

Limits on Charges

- Charges limited to the higher of the Medicare or Medicaid rate
  - These will be set by the Department for each provider and health care professional
- Rates will be published on the Department's website similar to how other rates are currently available

Payment Plans

- Patients eligible for the Hospital Discounted Care program must be offered payment plans for their medical bills
- Payment plans are capped
  - 4% of the monthly household income for facility charges
  - 2% of the monthly household income for each health care professional that bills separately from the facility

Payment Plans (cont.)

- Payment plans can be a maximum of 36 months long
- Patient's bills are considered paid in full once they have made the equivalent of 36 payments

Collections

- Prior to selling patient debt to a collection agency or debt buyer, or before pursuing any extraordinary collection action:
  - Providers must screen patients for eligibility for public health care coverage and discount programs;
  - Discounted care must be provided to the patient under the Hospital Discounted Care program rules;
  - Patients must be provided a plain language explanation of their bill and be notified of potential collections actions; and
  - Providers must bill any third party payer that is responsible for providing health care coverage to the patient whether in- or out-of-network.

Patient Rights

- Patient rights under the Hospital Discounted Care program are being drafted
- Providers are required to post these patient rights in patient waiting areas, on the hospital's website, on the patient's billing statement, and make the information available verbally prior to the patient being discharged from the hospital in their primary language

Policy Development Team

Policy Development Team (PDT)

- Department has put together a team of stakeholders to assist in the development of policies, forms, and rules for the Hospital Discounted Care program
- Organizations represented include:
  - Colorado Hospital Association (CHA)
  - Colorado Rural Health Center (CRHC)
  - Colorado Consumer Health Initiative (CCHI)
  - Colorado Center on Law and Policy (CCLP)
  - Colorado Medical Society (CMS)
  - CU Medicine Physicians

Deliverables

- The PDT is in the process of drafting:
  - Rules
  - Uniform screening policy
  - Uniform application
  - Patient rights
  - Decline screening form
  - Complaint process
  - Appeals process

Next Steps

Stakeholder Meetings

- The Department is holding three stakeholder meetings next week, with the third being geared toward providers.
  - January 18, 3:30 – 5:00 p.m.
  - January 19, 3:30 – 5:00 p.m.
  - January 20, 3:30 – 5:00 p.m.
- If you would like to attend, you can register on the Hospital Discounted Care webpage.

Rules Reading

- The Department will be holding a presentation of the draft rules on February 16, 9:00 – 11:00 a.m.
- If you would like to attend, you can register on the Hospital Discounted Care webpage.
- Comments on the rules can be made either at the MSB Public Rule Review Meeting or by email to hcpf_HospDiscountCare@state.co.us.

Medical Services Board

- The Department will be presenting the rules to the Medical Services Board (MSB) on March 11. The MSB meeting begins at 9:00 a.m.
- A link to the meeting will be available on the MSB webpage the day of the meeting.

Program Go Live

- The Hospital Discounted Care program will begin on June 1, 2022
- All providers must be prepared to abide by the Hospital Discounted Care rules as of that date

Reporting

- Providers and health care professionals will be required to report on the Hospital Discounted Care program to HCPF annually
- The first report will be due in the second half of 2023
- Full data requirements are still being determined
  - Per the bill, the data will need to be disaggregated by race, ethnicity, age, and primary language spoken

Contact Info

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OPR Provider Regulations Update

- Beginning July 1, 2022, the Department will begin editing certain categories of claims for compliance with federal Ordering, Prescribing, and Referring (OPR) regulations (42 CFR § 455.440)

- Institutional claims for Outpatient Hospital must have NPI number listed in the Attending Provider Field

- The OPR Provider must be enrolled with Health First Colorado

For more information, please visit our OPR Claim Identifier Project website

https://hcpf.colorado.gov/opr-claims

Inpatient Hospital Review Program Update

- IHRP was created to fulfill a requirement of SB18-266 for HCPF to implement a comprehensive hospital review program.
- IHRP was suspended but HCPF is currently in the early planning stages of restarting the program.
- Stakeholder engagement coming soon.

Draft Inpatient Base Rate Methodology

Target implementation has been delayed until 7/1/2023 (SFY 23-24) in response to requests by various hospitals and The Colorado Hospital Association.

- In preparation for how rates will be updated for 7/1/2022 (SFY 22-23), the Department will again be applying the State Budget Action as set by Legislature to update Hospital Base Rates for next year.

- Managed Care GME payment rates will remain the same for SFY 22-23 as they were for SFY 20-21 since that was last year inpatient base rates were re-based.

- The Department is moving forward with amending rule to allow for this change, please contact Diana Lambe at diana.lambe@state.co.us if you have any concerns.

Draft Inpatient Base Rate Methodology

- During the March 4th Hospital Engagement Meeting, we will restart the discussion of the new inpatient base rate methodology that will continue through 7/1/2023. We would like to ensure participation of all interested stakeholders during the next year.
- The parameters surrounding add-ons will be discussed one by one. As a reminder, the current list of add-ons are:

Color-Coded Add-On Template	CHA/Hospital Driven
	HCPF Exec Level Driven
	HCPF Driven
	Existing Add-Ons

CAH OR LOW DISCHARGE HOSPITAL ADD-ON
Independent (IF HOSPITAL SYSTEM = NULL, THEN X%)
Pediatric Add-On (If Digits 3-4 in Medicare ID=33 (Pediatric Hosp), then X% Add-On)
Medicare Readmission Reduction up to 3%
Medicare HAC Reduction = 1%
PAYER MIX ADD-ON
NET PATIENT REVENUE (NPR) ADD-ON
OPERATING EXPENSE ADD-ON
NET INCOME ADD-ON
GME COST ADD-ON (10% of Medicaid Cost Per Discharge) (FY20-21 Amounts)
Operating IME ADD-On for PPS Hospitals who Qualify
Capital IME ADD-On for PPS Hospitals who Qualify

EAPG Module Update

- 3M Released General Availability Version 2022.0.0 on 12/28/21
- Installed within interChange following week
- Still using version 3.10 of EAPGs
- Applies off-quarter CPT/HCPCS Updates
  - As a reminder, version 3.10 does not recognize codes effective 1/1/22 and beyond

EAPG Base Rate Calculations

- Process for 3.16 Hospital-specific Base Rates detailed in November 2021 Hospital Stakeholder Engagement Meeting

- Base rates and EAPG weights posted to the Outpatient Hospital Payment web page
  - Not in effect until 3.16 implementation

- For questions regarding base rate calculations, please contact Andrew Abalos and Tyler Samora

EAPG Billing Guidance Updated

- Version 3.16 updates inpatient-only list
  - 3M to eventually transition out of 3M developed list
  - Appendix O applies to claims with FDOS on or after 1/1/22
    - Claims still processed using 3.10 logic
  - CMS list still in effect, enforced through NCCI/MUE editing
- Unbundled DME List Updated
  - See points above
  - DME that is not bundled can be billed separately from institutional claim from DME supplier ID
  - Appendix G updated to accommodate 3.16 list of codes

EAPG Transition Payment Authority

- Base-rate setting methodology, scaled 3M weight list presented to Medical Services Board (MSB)
  - Approved for transition to take effect January 1, 2022
- State Plan Amendment submitted to Centers for Medicare and Medicaid Services in December
  - Approved for transition to take effect January 1, 2022
  - Anticipate February Approval
  - Rate load to occur first, then interChange to switch to 3.16

Outpatient Claims Processing

- As of today, still processing Outpatient Hospital claims with FDOS under version 3.10 of EAPG methodology
  - Base rates in effect immediately prior to 1/1/22 still in use

- Claims using any new CPT/HCPCS codes (effective 1/1/22 and beyond) in state of suspense
  - As of earlier this week, interChange reported 17 total suspended claims
  - Weekly reports delivered to HCPF

- User Acceptance Testing showing no issues

- Payment comparisons between 3.10 and 3.16 claims periodically performed – significant budgetary impacts monitored

Drug Average Acquisition Cost – Long-term Solution

- Problem – EAPG methodology does not adequately account for disparities in cost within EAPG Drug Bundles

- Short-term solution – drug re-weight implemented June 1, 2020 to help accommodate differences in cost profiles

- Hospitals have been surveyed for Average Acquisition Costs through Myers and Stauffer

- **GOAL:** Carveout drug payments for Outpatient Hospital from EAPG

Drug Average Acquisition Cost – Long-term Solution

- Method relies heavily on information obtained from hospitals

- **Budget Neutrality constraint – cannot implement without payment reduction to EAPG payment bundles**
  - **Reminder –** EAPG intends to pay for outpatient visits as unit of service
  - **Costs of bundled drugs included in payment for Significant Procedures and Medical Visits – therefore, these services will have EAPGs weights reduced to accommodate payment differential**

- **Date of proposed change –** No firm date
  - As early as January 2023
  - No later than July 1, 2023

- March 2022 Engagement Meeting for Fiscal Impacts

Questions, Comments, & Solutions

Thank You!

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