



MINUTES OF THE MEDICAID PROVIDER RATE REVIEW ADVISORY COMMITTEE (MPRRAC)

The Colorado Department of Health Care
Policy and Financing
303 East 17th Avenue, 7th Floor Conference Room

Friday, September 15, 2017
9:00 AM – 12:00 PM

Audio from the full meeting can be accessed via <https://cohcpf.adobeconnect.com/paj2wkegau1j/>. This document contains a high-level summary of discussions during the meeting.

1. MPRRAC Members Present (in person or via phone)

Rob DeHerrera, Bruce Densley, Tim Dienst, Jennifer Dunn, Lisa Foster, Chris Hinds, Dixie Melton, Gretchen McGinnis, Wilson Pace, Jeff Perkins, Tom Rose, Tia Saucedo, Arthur Schut, Barbara Wilkins-Crowder, Murray Willis, Jody Wright

2. Agenda Review

Committee members approved meeting minutes from July 21, 2017.

3. Year Two Recommendations

Lila Cummings, the Department's Rate Review Stakeholder Relations Specialist, explained that she would read through the MPRRAC's year two recommendations (developed during the July 21, 2017 MPRRAC Meeting) and then provide an update regarding the Department's reactions to those recommendations. Stakeholders would then be invited to provide public comment. Tom Rose, MPRRAC Chair, said that, after Department updates and stakeholder comment, the MPRRAC could discuss potential changes or additions to the MPRRAC's year two recommendations.

Physician Services and Surgery

The two MPRRAC recommendations for physician services and surgeries were:

The optimal goal for physician services and surgery rates is parity with Medicare; however, given budgetary constraints, in the short term the MPRRAC recommends to rebalance rates at the budget-neutral benchmark and then adjust rates to 80% of Medicare.

Additionally, the Department should begin paying for physician services and surgery based on place of service, using Medicare as a model.

Lila explained that, while the Department agrees with the intent of the first MPRRAC recommendation, to bring logic to rates, the Department was not leaning towards supporting this MPRRAC recommendation for two main reasons: the Department would prefer to complete the rate review process for remaining physician services in year three; and the Department would like to incorporate more research from policy, rates, and clinical staff before moving rates to a percentage of a benchmark.

Lila then said that the Department agrees with and supports the MPRRAC's second recommendation, but still wants for the remaining physician services and surgeries to be reviewed in year three.

No stakeholders signed up to provide comment.

Committee members did not have any edits or additions to these recommendations.

Anesthesia Services

The MPRRAC recommendation for anesthesia services was:

The Department should bring anesthesia rates from 131.64% of the benchmark to 100% of the benchmark.

Lila shared that the Department was still evaluating this recommendation. She also noted that another MPRRAC recommendation was voted down, but this recommendation could be found in the July 21, 2017 Meeting Minutes. Jeff Perkins, a committee member, asked if this recommendation would be noted in the Department's 2017 Medicaid Provider Rate Review Recommendation Report (2017 Recommendation Report). Lila said that the Department planned to address that there was another, voted-down, MPRRAC recommendation somewhere in the 2017 Recommendation Report.

No stakeholders signed up to provide comment.

Committee members then mentioned that a conversation, and potential recommendation, regarding bundling obstetrical anesthesia services seemed to have gotten lost during recommendation development and should be revisited. Lila mentioned that this potential recommendation is outlined in the Workgroup Discussion Summary document, which had been distributed to committee members in July, but had not been posted on the Department's MPRRAC website. After further discussion and direction from committee members, Lila committed to posting the [MPRRAC Workgroup Discussion Summary](#) online.

Murray Willis, a committee member, was the Surgery & Anesthesia Workgroup lead and he offered further clarification regarding this recommendation. He said that, for obstetrical anesthesia services, commercial payers create a case-rate payment. Specifically, rather than base units plus time for obstetric anesthesia services, there is a fixed case rate that covered things such as an epidural for basic delivery, anesthesia during a C-section, as well as anesthesia during an emergency situation. This information informed the suggestion that the Department should consider a case-rate payment for obstetrical anesthesia services.

Committee members asked the Department if there were any concerns regarding this

recommendation. Lila said that the Department would need to evaluate any recommendation and that the Department would respond in the 2017 Recommendation Report.

Committee members then put forth, and voted for, the following additional recommendation for anesthesia services:

The Department should explore going to a case rate payment for certain obstetrical/labor anesthesia services.

Murray commented that he could provide a list of specific service codes for this recommendation; committee members asked Murray to provide those numbers to the Department to add to this recommendation. Service codes provided after the meeting were: CPTs 01960, 01961, and 01968.

Home- and Community-Based Services (HCBS) Waivers

The MPRRAC recommendations for HCBS Waiver services were:

The Department should:

- *Aim to pay rates that are aligned with the Department's new rate setting methodology, with special attention to services:

 - *identified by stakeholders through the rate review process; and*
 - *with the biggest gaps between current rates and rates developed via the new rate setting methodology.**
- *Continue using robust stakeholder engagement in the new rate setting process.*
- *Create rates that take client acuity into account.*
- *Create rates that work towards providing services in the least-restrictive and most cost effective environment.*
- *Create rates that take into account which provider types are more subject to economic conditions, such as minimum wage.*

Lila stated that these recommendations were great principles and that the Department was still evaluating these recommendations in the context of the rate review process and other work related to waivers outside of the rate review process.

Tom Rose then stated that he had an addition to add to these recommendations, but that first we would take stakeholder comment. *Note: Tom's addition was printed and passed out to meeting participants at the beginning of the meeting, the text is copied below.

Josh Rael, the Executive Director of the nonprofit association Alliance, provided public comment and said that he was supportive of the additional recommendation regarding respite services. Josh said that he was aware of Alliance members who were not able to receive services. Josh mentioned that the state legislature and governor's office had worked to eliminate waitlists for respite services, but that people were still waiting for services.

Other stakeholders provided comment regarding staffing ratios for memory care clients. Specifically, they asked if the Department was going to change the staffing ratios or adjust rates to accurately reflect staffing ratios. Department staff responded that updated staffing ratios will be taken into account in the new rate setting methodology, which will examine rates in three

waivers in the next year (the Supported Living Services, Developmental Disabilities, and Children's Extended Services Waivers).

Tom Rose stated that his additional recommendation allowed for more specificity in a recommendation. Tom said this addition was motivated, in part, by the large number of stakeholders that had taken time to provide public comment during the February and March MPRRAC meetings. He also stated that this recommendation was meant to encourage the provision of services in the least-restrictive and most cost-effective environment. The proposed addition was:

Rates for Personal Care, Homemaker, and Respite for all waivers should be increased and encompass individual acuity levels for each service (i.e. SIS for the IDD Waivers). In addition to the Respite rate being based on acuity, the Department should look at changing the daily Respite unit of measure for In-home Respite for all Waivers to an hourly unit. This recommendation from the sub-committee accommodates much of the stakeholder feedback received during public testimony from not only providers, but more importantly those stakeholders who are trying to access these important services. In addition, the committee also encourages the Department to create rates that work towards creating a system that encourages the provision of services in the least-restrictive and most cost-effective environment. Furthermore, the committee encourages the Department to establish rates that fully consider the impact on providers by current economic conditions in Colorado, such as State minimum wage requirements.

Committee members discussed that this recommendation was generally encompassed in the original MPRRAC recommendation, but a new bullet point could be added regarding in-home respite services. Committee members then put forth, and voted for, the following additional recommendation for respite services:

The Department should investigate changing the 24-hour unit for in-home respite for all waivers to an hourly unit.

Like the anesthesia recommendation, Lila said that the Department would need to evaluate this recommendation and would respond in the 2017 Recommendation Report.

4. Year Three Schedule and Process Improvements

Committee members and the Department then discussed:

- adjustments to the year three rate review schedule;
- rate review process improvements;
- committee member expectations; and
- elected the 2017-18 MPRRAC Vice Chair.

Adjustments to the Year Three Schedule

Lila outlined changes to the rate review schedule. These changes included:

- review durable medical equipment (DME) in year four (instead of year three);
- review psychiatric treatment and Health and Behavior Assessment codes in year four (instead of year three);

- review all codes included in the Alternative Payment Methodology (APM) in year three (more information about APM can be found via the Department's [Primary Care Payment Reform website](#));
- review family planning services in year three (instead of year four); and
- work with DentaQuest, the Department's administrative service organization (ASO), to conduct dental analyses in year three.

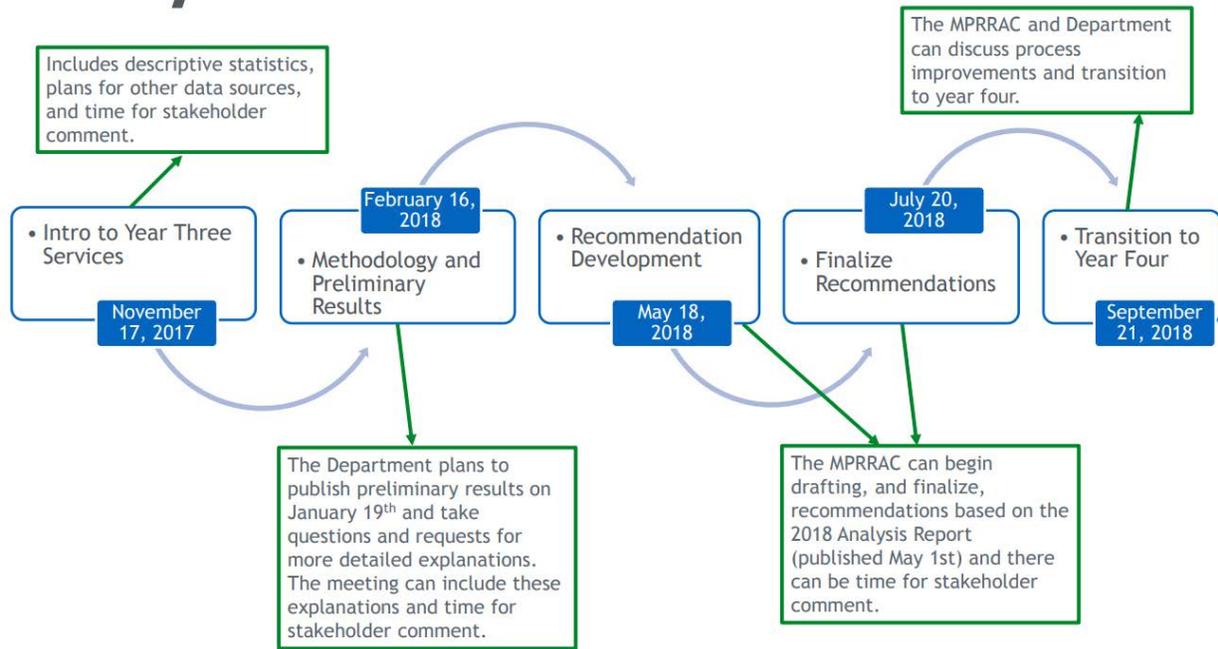
Jody Wright, a committee member who represents DME, voiced support for moving DME back to year four of the rate review process (after the MPRRAC had voted in November 2016 to move DME from year four to year three). Jody explained that there were changes happening at the federal level and that it made the most sense to review DME in year four of the rate review process.

Shane Mofford, the Department's Payment Reform Section Manager, gave a presentation regarding the Department's Primary Care APM. (Note - this eight-slide presentation is contained within the [July 21, 2017 MPRRAC Meeting Presentation](#).) Shane stated that the goal for this work was to provide sustainable, appropriate funding for primary care that rewards high-value and high-quality care. He also explained that the APM work was about, increasing risk and potential reward over time, for primary care services delivered through the Department's Accountable Care Collaborative delivery system. Shane said that the process of developing the APM involved a lot of stakeholder input. Specifically, stakeholders highlighted the need to align with similar programs administered by other payers, such as the State Innovation Model (SIM) work, and the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA); Shane said this feedback was incorporated to the Department's APM.

Committee members did not voice concern for these schedule changes.

[Year Three Process Improvements](#)

The Department proposed changing the schedule from six MPRRAC Meetings and three Rate Review Information Sharing Sessions (aka "Deep Dives") to five MPRRAC Meetings. Lila proposed that these changes could allow for: more efficient and effective use of MPRRAC and Department time and that this timeline would potentially allow for incorporating other data sources into the access analyses. The proposed schedule is:



Committee members did not voice concerns with this proposed schedule.

Committee Member Expectations

Tom Rose and Lisa Foster, Vice-Chair, then led a conversation regarding committee member participation. They, and other committee members, noted that some committee members have been absent from meetings. Lila said she did have an attendance record for committee members, and that she would reach out later to Lisa and the newly-elected vice-chair to discuss ways to engage those members. Some committee members also noted that committee members, if they are unable to regularly attend meetings, could reach out to the General Assembly leader who appointed them and request to step down.

2017-18 MPRRAC Vice-Chair Election

Committee members suggested Wilson Pace, a committee member, should serve as Vice-Chair. Wilson accepted this suggestion and was unanimously approved as MPRRAC Vice-Chair for year three of the rate review process.

5. Meeting Adjourned