

# HB23-1295 RAC Provider Advisory Board Meeting

Colorado Department of Health Care Policy & Financing  
June 5, 2025

# Agenda

Upcoming RAC Meeting Dates

Senate Bill 25-314

Agenda and Administrative Structure

RAC Website Revamp



# Upcoming RAC Meeting Dates

# RAC Provider Advisory Board Meetings for 2025



Quarter 3 - Thursday, September 11, 2025  
1pm - Register in advance

Quarter 4 - Thursday, December 11, 2025  
1pm - Register in advance

# RAC Stakeholder Engagement Meetings for 2025

Wednesday, August 13, 2025 12pm-1pm MST

Thursday, November 13, 2025 12pm-1pm MST



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# Senate Bill 25-314

**(General Disclaimer-This does not include every provision. Not legal advice. Encourage everyone to read the Senate Bill.)**

# Effective Date August 6, 2025

Recovery Audit Contractor Program | Colorado General Assembly

Senate Bill 25-314

## GENERAL HIGHLIGHTS

Consolidates all RAC Provisions in new section 25.5-4-301(3.3)(a)

Provides language to address need to comply with any federal directives or unfavorable impact to the General Fund

Clear definitions

Specifies requirements in vendor contract to ensure fair and consistent audits



# General Highlights

Reduces provider administrative burden

Increases opportunity for early resolution of preliminary findings

New HCPF statutory requirements:

- Reporting to JBC, transparency and website

- Provider trainings

- Work with rural/smaller providers

- Engagement with Provider Advisory Group in audit scenario review

- Opportunity for additional feedback



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# Specific Highlights Summary

Contingency fee on recoveries, not to exceed 16% (once contract is re-procured)

Vendor staff must meet industry standards and federal requirements, appropriate training and competency

More customer service requirements

HCPF must approve, adjust or reject all audit types

If audit is inaccurate, allows repayments and return of contingency fee

# Specific Highlights Summary

Limits audits to three year look back (after expiration of timely filing period)

Three complex audits per year

Hospitals grouped for complex audits based on total Medicaid reimbursement in the previous year

Limits number of medical records per month - specifics in bill, ranges from 10 - 600

If audit is inaccurate, allows repayments and return of contingency fee

# Specific Highlights Summary

Four automated audits per year

Providers grouped for complex audits based on total Medicaid reimbursement in the previous year

Limits provider claims across all provider's locations for a calendar year - ranges from 2.92% - 1.67%

Increases if denial rate is 40% or higher, but no more than 25% more



# Specific Highlights Summary

New process has Increased opportunities for early resolution of findings

- **Notice of preliminary findings**
- **Optional Exit Conference (Complex Audits only)** - discuss preliminary findings, must request 30 days after receiving preliminary findings
  - 30 days after EC, HCPF must notify if findings will be dismissed or will issue **Notice of Informal Reconsideration**
- **Notice of Informal Reconsideration** - Mandatory BEFORE provider appeals unless preliminary findings 1) are accepted by provider, 2) dismissed by HCPF after EC, or 3) the period for a provider to request an EC has expired
- 60 days to submit all relevant medical records
- After Informal reconsideration, if claims remain in dispute, HCPF must issue a **Notice of Adverse Action**
- 30 days for provider to request a formal appeal
- Notice of Adverse Action must be issued 120 days after Informal Reconsideration, otherwise state waives right to recover state share.



# Agenda and Administrative Structure

# Provider Advisory Board Duties

(3.5) (c) (I) The state department shall create a provider advisory group for recovery audits consisting of employees of the state department and members from different provider groups TYPES, including physicians, hospitals, and any other provider types directly impacted by audits conducted pursuant to this section, appointed by the executive director. The provider advisory group shall meet at least quarterly to review quarterly activity reports required by subsection (3)(a)(IX) SUBSECTION (3.3)(n) of this section and advise the state department on issues providers experience with audits of the recovery audit contractors program.

(II) THE STATE DEPARTMENT AND THE RAC VENDOR SHALL PROVIDE THE PROVIDER ADVISORY GROUP WITH THE OPPORTUNITY TO REVIEW RAC AUDIT SCENARIOS DURING THE PROVIDER ADVISORY GROUP'S QUARTERLY MEETINGS.



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# Board willing to.....

Review scenarios for the upcoming audits

Review before the next quarterly meeting

Coordinate a special meeting to discuss the information



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# Structured Agenda

Draft agenda to use each quarter

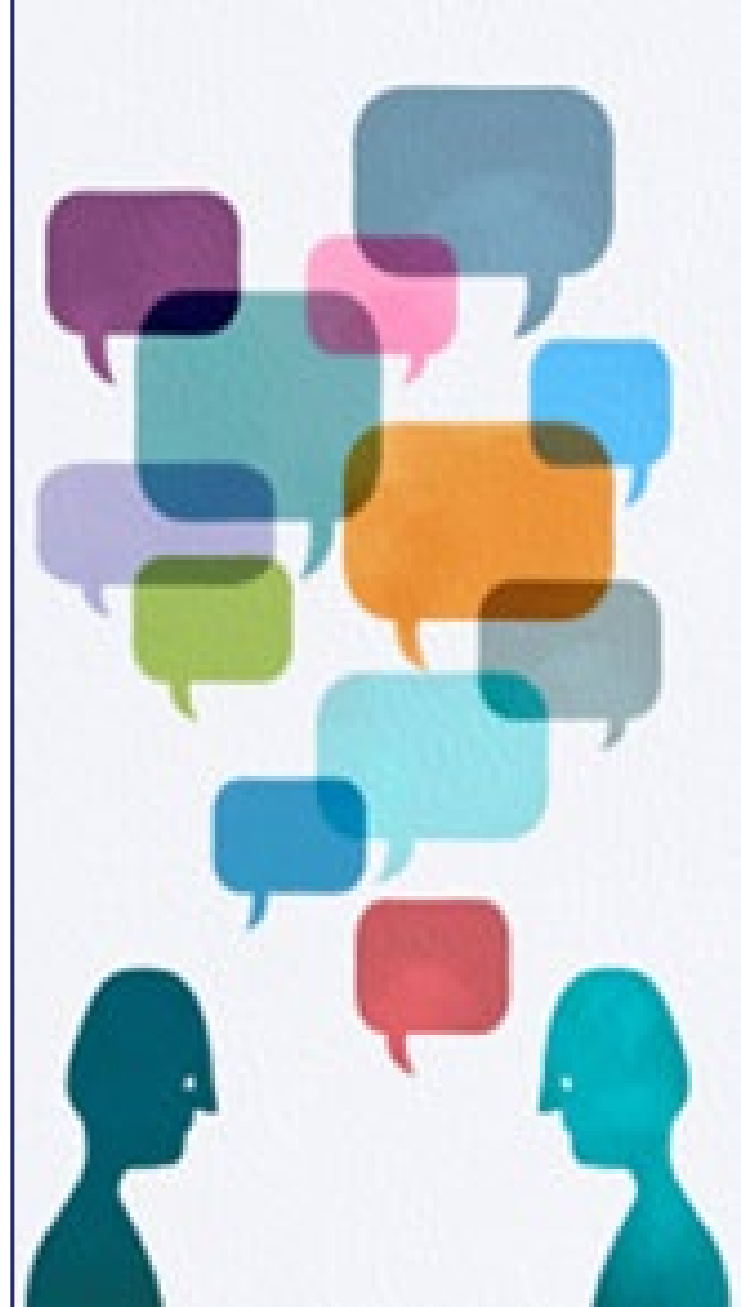
Review and provide feedback based on the  
Senate Bill 25-314 duties

Administrative structure needed

Possible terms

Who gets on the board

How to get on the board



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# RAC Website Revamp

HCPF and HMS need input as to what is of value to the provider community with regards to RAC

HCPF is working with HMS to align the websites per accessibility requirements

Implement Senate Bill 25-314 website requirements

