

Rural Health Clinic Engagement Meeting

Thursday, November 6, 2025
1:00 PM - 2:00 PM

Location
Online Only

Rural Health Clinic Zoom Meeting

Conference Line: 1-877-853-5257

Meeting ID: 870 4490 0719

Passcode: 245046



COLORADO

Department of Health Care
Policy & Financing

Our Mission

Improving health care equity, access and outcomes for the people we serve while saving Coloradans money on health care and driving value for Colorado.

Bi-Monthly Rural Health Clinic Meetings

Today's Meeting: 1:00 - 2:00 P.M.

Next Meeting: January 8, 2026, 1:00 - 2:00 PM

Webinar Link:

<https://us06web.zoom.us/j/86828883009?pwd=ZmpsNWRUcG40ZGNVU0hKUmtOcnI4UT09>

Conference Line: 833-548-0282

Meeting ID: 868 2888 3009

Passcode: 848558



COLORADO

Department of Health Care
Policy & Financing

AGENDA

November 2025 Rural Health Clinic Engagement Meeting Topics - mm:ss

Staffing Update - 2:53

Rate Methodology Overview: Freestanding Rural Health Clinics - 3:28

Rate Methodology Overview: Hospital-based Rural Health Clinics - 5:37

Hospital-based RHC Reconciliation Schedules - 8:12

RHC Rates Posting - 9:32

2026 RHC Rates - 10:48

Scope of Service Rate Adjustments - 11:52

Managed Care Accuracy Audits - 12:49

Colorado Rural Health Transformation Program - 14:08

Future Meeting Topics - 15:38

Questions, Comments, Solutions - 16:37

Contact Info - 17:20



Staffing Update

- Susan Green no longer with HCPF as of August 1, 2025
- FQHC/RHC Rates Analyst position posted before hiring freeze on August 27, 2025 through December 31, 2025
- Please send all inquiries related to RHC rates to Andrew Abalos
- Attend future meetings for status of position, updated contact information

Rate Methodology Overview: Freestanding (Part 1)

- Defined in Code of Colorado Regulations: 8.740.7.B
- Encounter rates are the higher of:
 - The **Prospective Payment System (PPS)** as defined by Section 702 of the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act (BIPA) included in the Consolidated Appropriations Act of 2000, Public Law 106-554.
 - The **Alternative Payment Methodology (APM)** rate, which is the Medicare upper payment limit for Rural Health Clinics



Rate Methodology Overview: Freestanding (Part 2)

- Defined in Code of Colorado Regulations: 8.740.7.C-D
- **New** freestanding RHCs will receive an interim rate that is the average of other freestanding RHC's rates in the new RHC's Regional Accountable Entity
- **New** freestanding RHCs will have a PPS rate calculated as the average of other freestanding RHC's PPS rates in the new RHC's RAE



Medicare RHC UPL Rates

Year	RHC Payment Limit
2021	\$100
2022	\$113
2023	\$126
2024	\$139
2025	\$152
2026	\$165
2027	\$178
2028	\$190

Rate Methodology Overview: Hospital-based (Part 1)

- Defined in Code of Colorado Regulations: 8.740.7.B
- Encounter rates are the higher of:
 - The Prospective Payment System (PPS) (see previous slide)
 - The Alternative Payment Methodology (APM) rate, based on actual costs
 - Interim rate is the higher of the current year PPS rate and the most recent audited and finalized cost per visit from the Medicare Cost Report
 - After an RHC's Medicare cost report has been audited and finalized, the Department shall perform a reconciliation for the services provided by the RHC during the year the cost report covers



Rate Methodology Overview: Hospital-based (Part 2)

- Defined in Code of Colorado Regulations: 8.740.7.C-D
- New hospital-based RHC rates will have interim rates calculated based on either the per visit encounter rate established by a Medicare rate letter, or a sister clinic's per visit encounter rate (in that order)
- New hospital-based RHCs will have their PPS rate calculated based on the average of two year's audited cost and visit data from the RHC's Medicare cost report



COLORADO

Department of Health Care
Policy & Financing

Hospital-based RHC Reconciliation Schedules

- Reconciliations calculated based on historic claims data - letters sent describing one-time payments
 - 2024 RHC Reconciliation payments sent **September 11, 2025**
 - 2025 RHC Reconciliations being calculated

RHC Rates Posting

- Online posting of RHC rates by January 2026 for both freestanding and hospital-based RHCs
 - Transparency
 - Additional step to ensure RAEs are using updated rates
- Information publicly available (HCRIS cost report data, CMS RHC Medicaid UPLs)
- No feedback received in September meeting call to action, will move forward with RHC Rates posting



2026 RHC Rates

- Department sharing data with auditor for rates to be effective January 1, 2026
- Freestanding RHCs - see Slide 8
- Hospital-based RHCs - rates determined from hospital cost reports in HCRIS during final quarter of calendar year
- Implementation of rates in early January at latest to minimize claim adjustments



Scope of Service Rate Adjustments

- Complies with section 702(b) of Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA), which allows for an adjustment to the Prospective Payment (PPS) rate whenever an RHC experiences a valid change in scope of service.
- More information available on Rural Health Clinic Forms site:
- <https://hcpf.colorado.gov/rural-health-clinic-forms>



Managed Care Accuracy Audits

- Managed Care Entities are required to reimburse RHCs at an amount no less than the encounter rate set by Department of Health Care Policy & Financing
- Facilities can participate by:
 - Not submitting data (after which HCPF determines facility has been paid in full)
 - Submitting data indicating they have been paid in full
 - By submitting data which indicate that payment is still due
 - Recommended to reconcile data with relevant MCEs prior to submission
- More information on Rural Health Clinic forms site <https://hcpf.colorado.gov/rural-health-clinic-forms>
- Contact Kennedy Vance (kennedy.vance@state.co.us)



Colorado Rural Health Transformation Program

As of November 5, 2025, Health Care Policy and Financing has submitted its RHTP Grant Application to Centers for Medicare and Medicaid Services!

- For more information, please visit <https://hcpf.colorado.gov/rural-health-transformation-program>
- Or email: hcpf_rhtp@state.co.us



COLORADO

Department of Health Care
Policy & Financing

Future Meeting Topics

- Next meeting in January - what other topics to be discussed?
- Considerations around payment methodology, reconciliations, MCAAR, others?
- Email Andrew Abalos (andrew.abalos@state.co.us) and allow a couple week's notice prior to next meeting for preparation





Questions, Comments, Solutions?

Contact Info

Andrew Abalos

Facility Rates Section Manager

andrew.abalos@state.co.us

Morgan Anderson

Primary Care Unit Supervisor

morgan.anderson@state.co.us

Janelle Gonzalez

Benefits and Policy Specialist

janelle.gonzalez@state.co.us



COLORADO

Department of Health Care
Policy & Financing

Thank you!

