



Department of Health Care Policy and Financing

Hot Topics

Prepared for the Colorado General Assembly

JUNE 29, 2010

TO VIEW COPIES OF RECENT LEGISLATIVE REPORTS, PLEASE VISIT: [HCPF:LEGISLATIVE INFORMATION](#)

The Mission of the Department of Health Care Policy and Financing is to provide cost-effective, quality health care services for Coloradans.

Payment Delay

Due to the current fiscal emergency and pursuant to the authority set forth in 25.5-4-401(1)(c), C.R.S. (2009) and the state's obligation to maintain a 2% reserve, Medicaid will be delaying provider payments by two weeks. Providers will receive payments from the June 11, 2010 financial cycle on the normal pay date of June 18, 2010.

Claims not in the system by June 11, 2010 will not be paid until July 9, 2010.

If for any reason we reverse the decision to delay payments, we will post a notice on the Provider Claim Reports (PCRs) and on the Provider Services web page at colorado.gov/hcpf. An email notification will be sent to those who have a valid email address on file with the fiscal agent, ACS.

FY 2010-2011 Reimbursement Reductions

As part of the budget balancing effort, effective July 1, 2010, most fee-for-service (FFS) reimbursement rates will be reduced by 1%. Rates paid to physical health managed care organizations will also include a corresponding decrease as these provider payments are based on FFS expenditures. Affected services include:

- Physician and Clinic
- Early Periodic Screening, Diagnosis, and Treatment
- Emergency and Non-Emergent Transportation
- Dental
- Vision
- Occupational, Physical, and Speech Therapy
- Rehabilitative
- Outpatient Substance Abuse Treatment
- Ambulatory Surgery Center
- Dialysis
- Anesthesia
- Laboratory and Radiology
- Durable Medical Equipment and Supplies
- Drugs Administered in the Office Setting Including Vaccine Administration
- Family Planning
- Hospital

An updated fee schedule reflecting these rate changes will be posted in the Provider Services section of the Department of Health Care Policy and Financing's (the Department's) Web site at colorado.gov/hcpf in July 2010

State Maximum Allowable Cost (State MAC)

The State MAC list became effective on March 22, 2010. The State MAC rates are one of the pricing methodologies referenced when determining the Medicaid reimbursement rate paid to pharmacies for fee-for-service outpatient drugs. You may go to the [State Maximum Allowable Cost \(State MAC\)](#) section of

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the Department's Web site for the most recent State MAC list or refer to Attachment C of this bulletin.

Preferred Drug List

Effective July 1, 2010, the following medications will be preferred agents on the Colorado Medicaid PDL and will be covered without a prior authorization:

Antihistamines (newer generation):

cetirizine and loratadine in all dosage forms

Angiotensin Receptor Blockers:

Avapro, Diovan and losartan

Angiotensin Receptor Blocker Combinations:

Diovan-HCT

Anticholinergic Inhalants:

ipratropium nebulizer solution, Atrovent HFA and Spiriva

Anticholinergic and Short Acting Beta-2 Agonist Combinations:

albuterol/ipratropium nebulizer solution and Combivent inhaler

Corticosteroid Inhalants:

Asmanex, budesonide nebulizer solution, Flovent HFA and diskus and Qvar inhaler

Corticosteroid and Long-Acting Beta-2 Agonist Combinations:

Advair diskus and Symbicort Inhaler

Short-acting Beta-2 Agonists:

albuterol nebulizer solution, ProAir HFA and Ventolin HFA

Long-acting Oral Opiates:

methadone and morphine ER

Skeletal Muscle Relaxants:

baclofen, dantrolene, tizanidine, methocarbamol and cyclobenzaprine

The complete PDL and prior authorization criteria for non-preferred drugs are posted on the [Preferred Drug List](#) (PDL) web page.

For more information, please contact Jim.Leonard@state.co.us.

Hospital Provider Fee Board Chair Appointed by Governor

Ellen Robinson, COO, Scholar Centric, has been appointed chair of the Provider Fee Oversight and Advisory Board by Gov. Ritter. She replaces Bruce Alexander as the board's chair and representative of a business that purchases or provides health insurance for its employees as dictated by statute.

The Provider Fee Oversight and Advisory Board is responsible for working with the department to implement the historic [Colorado Health Care Affordability Act](#). The board monitors the implementation of the bill, helps with preparation of annual reports and ensures that the Medicaid and Child Health Plan *Plus* eligibility expansions are implemented as intended.

9 Colorado Hospitals Rated Tops in Patient Experience

Nine Colorado hospitals are rated as offering an "outstanding patient experience" in a report Wednesday by medical-rating service [Health Grades Inc.](#) The list includes hospitals that scored in the top 10 percent on patient surveys overseen by the Centers for Medicare and Medicaid Services. A total of 3,775 U.S. hospitals took part in the "Hospital Consumer Assessment of Healthcare Providers and Systems" survey. The Colorado hospitals recognized by Golden-based Health Grades are:

- Avista Adventist Hospital, Louisville.
- Exempla Good Samaritan Medical Center, Lafayette.
- Longmont United Hospital, Longmont.
- McKee Medical Center, Loveland.
- Medical Center of the Rockies, Loveland.
- Mercy Regional Medical Center, Durango.
- Poudre Valley Hospital, Fort Collins.
- Vail Valley Medical Center, Vail.
- Valley View Hospital Association, Glenwood Springs.

Those surveyed included patients discharged between July 2008 and June 2009. The survey covered 27 questions dealing with physician and nurse communication, hospital staff responsiveness, hospital cleanliness and noise levels, medication information, and post-discharge care instructions.

[Click here for the full Health Grades report.](#)

A Message from Ginny Brown

My last day at the Department of Health Care Policy and Financing is Friday, July 9th. I have really enjoyed working closely with the General Assembly over the last nine years, and I am sad to be leaving the state family. In my new role, I will still have interaction with the General Assembly but probably not as frequently as it has been. A great opportunity came along to work for the Colorado Hospital Association (CHA) as their Vice President of Government and Regulatory Affairs and I am very excited to begin this new adventure. While I am winding things down I will still be here to provide you with any assistance that you may need. However, after July 9th please direct any inquiries to Nicole Storm. Her phone number is 303.866.3180 and her email is nicole.storm@state.co.us

A New Health Care Options for those with Pre-existing Conditions

The federal government is allocating \$90 million dollars to Colorado through the year 2014 to create a new insurance program for individuals who have previously been denied health care coverage in the commercial market due to pre-existing conditions. Rocky Mountain Health Plans and CoverColorado are working with the State of Colorado and the US Department of Health and Human Services in a public/private partnership to launch and administer this new health plan. This plan will be for Coloradans with pre-existing medical conditions who have been uninsured for at least six months. Premiums for the new program will be set at 100% of the individual market rate. Colorado will be among the first states to open a state-run federal high-risk pool program. More details about the plan, its benefits and the number of people expected to be covered will be available at a press conference announcing the program launch on July 6. The new program is a temporary fix and will no longer be necessary once the new rules and provisions of health care reform are implemented starting in 2014, which will preclude insurers from denying coverage to individuals with pre-existing conditions as well as price controls on the cost of care. For more information, please visit:

<http://www.colorado.gov/cs/Satellite/HCPF/HCPF/1251573887522>

For more information on any of these topics, please contact Nicole Storm at 303-866-3180 or Nicole.Storm@state.co.us