



COLORADO

Department of Health Care
Policy & Financing

Medical Services Board

JULY 2023 EMERGENCY JUSTIFICATION FOR MEDICAL ASSISTANCE RULES ADOPTED AT THE JULY 14, 2023 EMERGENCY MEDICAL SERVICES BOARD MEETING

MSB 23-07-05-A, Revisions to the Medicaid Assistance Rule Concerning the Health Care Affordability and Sustainability Fee, Section 8.3000

For the preservation of public health, safety and welfare

Emergency rule-making is imperatively necessary. Parkview Medical Center is the safety net in Pueblo County and southern Colorado as the region's largest Medicaid provider and only hospital participant in the Colorado Indigent Care Program. Parkview is also the top 6th hospital in the state in number of Medicaid-covered births, with 1,124 Medicaid-covered births in 2022, which was more than 2/3rds of the 1,703 total births in Pueblo County. Moreover, besides Colorado Springs 45 minutes to the north, the only other birthing hospitals within 1 hour of Pueblo are three critical access hospitals.

Parkview Medical Center is facing significant financial challenges: for FY 2022, Parkview recorded a net operating loss of (\$34.6 million) and is projecting similar losses in FY 2023 and beyond. Parkview approached UCHealth about an acquisition to ensure financial viability for this important safety net for the community. This acquisition has been approved by the Federal Trade Commission and the Colorado Attorney General's Office with stakeholder engagement. On January 24, 2023, Parkview and UCHealth entered into an Integration and Affiliation Agreement, which is currently on hold while this regulatory issue is resolved. This rule change will remove this regulatory barrier to ensure continuity of Parkview's CHASE provider fee-funded payments upon its expected acquisition by UCHealth.

Without this rule change, Pueblo residents' access to hospital care in the greater Pueblo region will be jeopardized because following acquisition, Parkview and UCHealth would realize a (\$26 million) net impact to their CHASE reimbursement. If the rule change is not made and therefore UCHealth acquisition is not finalized, Parkview Medical Center will be faced with difficult choices to reduce its losses to meet its debt obligations and is imperatively necessary for the preservation of public health safety, and welfare.

MSB 23-06-09-A, Revision to the Medical Assistance Rule Concerning Updates to the Agreement Not to Sponsor, Section 8.100.3.D.6

For the preservation of public health, safety and welfare



Emergency rule-making is imperatively necessary. It is necessary to enact an emergency rule change for Medical Assistance and initiate a CBMS project to implement the required adjustments and ensure alignment with Senate Bill 23-1117 and is imperatively necessary for the preservation of public health safety, and welfare.

MSB 23-06-20-A, Revision to the Medical Assistance Act Rule concerning Bariatric Surgery, Section 8.300.3.C

For the preservation of public health, safety and welfare

Emergency rule-making is imperatively necessary to align Department rule with C.R.S. § 25.5-5-336 and is imperatively necessary for the preservation of public health, safety, and welfare.

