

# JOINT BUDGET COMMITTEE



## INTERIM SUPPLEMENTAL BUDGET REQUESTS FY 2017-18

### DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

JBC WORKING DOCUMENT - SUBJECT TO CHANGE  
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

PREPARED BY:  
ERIC KURTZ, JBC STAFF  
JUNE 20, 2018

## INTERIM SUPPLEMENTAL REQUESTS

### COUNTY ADMINISTRATION OVEREXPENDITURE

	REQUEST	RECOMMENDATION
<b>TOTAL</b>	<b>\$4,781,810</b>	<b>\$4,781,810</b>
FTE	0.0	0.0
Cash Funds	1,833,037	1,833,037
Federal Funds	2,948,773	2,948,773

**Does JBC staff believe the request satisfies the interim supplemental criteria of Section 24-75-111, C.R.S.?** [The Controller may authorize an overexpenditure of the existing appropriation if it: (1) Is approved in whole or in part by the JBC; (2) Is necessary due to unforeseen circumstances arising while the General Assembly is not in session; (3) Is approved by the Office of State Planning and Budgeting (except for State, Law, Treasury, Judicial, and Legislative Departments); (4) Is approved by the Capital Development Committee, if a capital request; (5) Is consistent with all statutory provisions applicable to the program, function or purpose for which the overexpenditure is made; and (6) Does not exceed the unencumbered balance of the fund from which the overexpenditure is to be made.] **YES**

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?** [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.] **YES**

**Explanation:** JBC staff and the Department agree that this request meets the JBC's supplemental criteria as the result of data that was not available when the original appropriation was made.

**DEPARTMENT REQUEST:** The Department requests \$4.8 million total funds to reimburse counties for eligibility determination and related services for Medicaid and the Children's Basic Health Plan. Of the total, \$1.8 million cash funds is from counties and this will be matched by \$2.9 million federal funds.

A recent federally-required change to the process used for allocating county costs to the various programs administered by counties resulted in more costs allocated to Medicaid and CHP+. The proposed supplemental would allow counties to draw federal funds to partially offset these costs, without any increase in state General Fund expenditures.

**STAFF RECOMMENDATION:** Staff recommends approval of the request. The change in the share of county costs attributable to Medicaid and CHP+ as a result of the federally-required change to the process for allocating county costs was not anticipated. The proposed supplemental allows counties to receive additional federal funds to offset the cost of the work they are already performing at no cost to the state General Fund.

Alternatively, if the JBC wanted to fully reimburse counties for the additional costs attributable to Medicaid and CHP+, then the JBC would need to appropriate General Fund in place of the requested cash funds. Or, if the JBC wanted to maintain total funding for the counties at the current level, the JBC could decrease the General Fund and increase the cash funds with no change in the federal funds.