

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**SUPPLEMENTAL REQUESTS FOR FY 2014-15
DEPARTMENT OF HEALTH CARE POLICY
AND FINANCING**

(Behavioral Health Community Programs Only)

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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January 21, 2015**

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DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Department Overview

The Department of Health Care Policy and Financing (HCPF) helps pay health and long-term care expenses for low-income and vulnerable populations. The largest program administered by HCPF is the Medicaid program, which serves people with low income and people needing long-term care. The Department also performs functions related to improving the health care delivery system. The Department’s FY 2014-15 appropriation represents 32.0 percent of statewide operating appropriations and 25.4 percent of statewide General Fund appropriations.

This document concerns the behavioral health community programs administered by HCPF. Behavioral health services include both mental health and substance use disorder services. Most behavioral health services are provided to Medicaid-eligible clients through a statewide managed care or "capitated" program. The Department contracts with five regional entities, known as behavioral health organizations or BHOs, to provide or arrange for medically necessary behavioral health services for Medicaid-eligible clients. Each BHO receives a pre-determined monthly amount for each client who is eligible for Medicaid behavioral health services. In addition to funding for capitation payments to BHOs, a separate appropriation covers fee-for-service payments for behavioral health services provided to clients who are not enrolled in a BHO and for the provision of certain services that are not covered by the BHO contract.

Summary: FY 2014-15 Appropriation and Recommendation

Department of Health Care Policy and Financing: Recommended Changes for FY 2014-15						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2014-15 Appropriation						
HB 14-1336 (Long Bill)	\$550,715,017	\$172,504,409	\$4,489,831	\$0	\$373,720,777	0.0
Other legislation	<u>6,443,646</u>	<u>3,950,000</u>	<u>44,755</u>	<u>0</u>	<u>2,448,891</u>	<u>0.0</u>
Current FY 2014-15 Appropriation	\$557,158,663	\$176,454,409	\$4,534,586	\$0	\$376,169,668	0.0
Recommended Changes						
Current FY 2014-15 Appropriation	\$557,158,663	176,454,409	\$4,534,586	\$0	\$376,169,668	0.0
S2 Behavioral Health Request	(1,762,196)	7,307,764	(345,277)	0	(8,724,683)	0.0
S-STF1 SB 14-215 Appropriation Adjustment	(1,081,344)	(1,081,344)	0	0	0	0.0
S-STF2 Contract Reprocurement Payable	<u>203,752</u>	<u>101,876</u>	<u>0</u>	<u>0</u>	<u>101,876</u>	<u>0.0</u>
Recommended FY 2014-15 Appropriation	\$554,518,875	\$182,782,705	\$4,189,309	\$0	\$367,546,861	0.0

JBC Staff Supplemental Recommendations: FY 2014-15
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Department of Health Care Policy and Financing: Recommended Changes for FY 2014-15						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Recommended Increase/(Decrease)	(\$2,639,788)	\$6,328,296	(\$345,277)	\$0	(\$8,622,807)	0.0
Percentage Change	(0.5%)	3.6%	(7.6%)	0.0%	(2.3%)	0.0%
FY 2014-15 Executive Request	\$555,396,467	\$183,762,173	\$4,189,309	\$0	\$367,444,985	0.0
Request Above/(Below) Recommendation	\$877,592	\$979,468	\$0	\$0	(\$101,876)	0.0

Request/Recommendation Descriptions

S2 Behavioral Health Request: The request includes a reduction of \$1,762,196 total funds for Medicaid behavioral health community programs based on more recent caseload and expenditure estimates. The requested changes to individual funding sources reflect the state matching requirements associated with each eligibility category. The recommendation includes the requested adjustments.

S-STF1 SB 14-215 Appropriation Adjustment: The recommendation includes a \$1,081,344 reduction in the General Fund appropriation for the School-based Substance Abuse Prevention and Intervention Program to reflect actual grant awards. In connection with this reduction, staff recommends that the Committee carry legislation to reduce the associated transfer from the Marijuana Tax Cash Fund to the General Fund by \$1,151,631. This reduction in the transfer will reduce the \$6.4 million gap between actual marijuana tax revenues and FY 2014-15 appropriations.

S-STF2 Contract Reprocurement Payable: The recommendation includes an increase of \$203,752 total funds to allow the Department to satisfy a contractual obligation related to the Department's recent reprocurement of behavioral health organization (BHO) contracts. This recommendation addresses an accounting error that prevented the Department from using the FY 2013-14 appropriation that was designed to ensure that any transition to a new BHO contractor did not negatively impact Medicaid clients.

Prioritized Supplemental Requests

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #2 BEHAVIORAL HEALTH REQUEST

	Request	Recommendation
Total	<u>(\$1,762,196)</u>	<u>(\$1,762,196)</u>
FTE	0.0	0.0
General Fund	7,307,764	7,307,764
Cash Funds	(345,277)	(345,277)
Reappropriated Funds	0	0
Federal Funds	(8,724,683)	(8,724,683)

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
JBC staff and the Department agree that this request is the result of new data.	

Department Request: The request includes a reduction of \$1.8 million total funds (0.3 percent) for Medicaid behavioral health community programs based on more recent caseload and expenditure estimates. The requested changes to individual funding sources reflect the state matching requirements associated with each eligibility category.

Staff Recommendation: Staff recommends that the Committee approve the request.

Staff Analysis: The FY 2014-15 appropriation for Medicaid behavioral health community programs currently provides \$555.2 million total funds (including \$176.5 million General Fund) for the provision of services to a projected caseload of 976,687. The Department estimates that the current FY 2014-15 appropriation can be decreased by \$1,762,196 total funds based on more recent caseload and expenditure projections. This relatively minor adjustment is primarily related to two significant but offsetting dynamics:

- The numbers of low income children and low income adults (particularly among the newly eligible adults without dependent children, now called "MAGI Adults"¹) enrolling in Medicaid has been and is growing much faster than anticipated; but
- the average per-member-per-month rate paid to BHOs for MAGI Adults is significantly lower than anticipated last Spring.

¹ The Department recently renamed certain eligibility categories to be more consistent with terminology used in other states and to more accurately estimate expenditures by fund source. The term "MAGI" refers to the new federal Modified Adjusted Gross Income standard that states are required to use when determining income for purposes of Medicaid eligibility.

*JBC Staff Supplemental Recommendations: FY 2014-15
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The following table compares the caseload and expenditure data that correspond to the FY 2014-15 appropriation and those that correspond to the Department's most recent estimate

FY 2014-15 Medicaid Behavioral Health Community Programs Budget Overview						
Description	FY 2014-15 Appropriation		FY 2014-15 November 1 Estimate		Change Due to Revision	
	Caseload	Funding	Caseload	Funding	Caseload	Funding
Capitation Payments						
Eligibility Categories						
<i>Elderly adults (65 and older)</i>	43,419	\$7,895,282	41,932	\$6,965,269	(1,487)	(\$930,013)
<i>Adults:</i>						
MAGI Parents and Caretakers	210,629	70,367,103	237,121	78,096,424	26,492	7,729,321
MAGI Adults	163,808	166,746,721	223,775	154,577,629	59,967	(12,169,092)
Breast and Cervical Cancer Program	368	129,839	368	122,006	0	(7,833)
<i>Individuals with disabilities (under 65)</i>	81,878	156,614,647	81,186	144,865,782	(692)	(11,748,865)
<i>Children</i>	458,337	101,121,533	491,401	111,588,499	33,064	10,466,966
<i>Children/young adults in foster care</i>	<u>18,248</u>	<u>40,862,682</u>	<u>20,614</u>	<u>52,620,027</u>	<u>2,366</u>	<u>11,757,345</u>
Subtotal	976,687	543,737,807	1,096,397	548,835,636	119,710	5,097,829
Adjustments:						
Date of death retractions	n/a	0	n/a	(579,218)	n/a	(579,218)
MAGI Adults rate reconciliation	n/a	0	n/a	(6,403,063)	n/a	(6,403,063)
S.B. 14-215 (Disposition of Legal Marijuana Related Revenue)	n/a	<u>4,363,807</u>	n/a	<u>4,363,807</u>	n/a	0
Subtotal	n/a	4,363,807	n/a	(2,618,474)	n/a	(6,982,281)
Capitation Payments Total	976,687	\$548,101,614	1,096,397	\$546,217,162	119,710	(\$1,884,452)
Fee for Service						
Inpatient		\$1,514,407		\$1,743,174		\$228,767
Outpatient		5,464,724		5,399,954		(64,770)
Physician		<u>127,918</u>		<u>86,177</u>		(41,741)
Fee for Service Total		\$7,107,049		\$7,229,305		\$122,256
Total Behavioral Health Community Programs	976,687	\$555,208,663	1,096,397	\$553,446,467	119,710	(\$1,762,196)
Incremental Percentage Change					12.3%	-0.3%

As detailed in the above table (see the first set of highlighted cells), the Department now projects a MAGI Adult caseload in FY 2014-15 that is nearly 60,000 (36.6 percent) higher than anticipated last Spring. However, the estimated expenditures for this group are \$12.2 million (7.3 percent) lower than anticipated. Thus, even though the larger caseload will increase the number of per-member-per-month payments to BHOs, this increase is more than offset by the lower than anticipated per-member-per-month rates for MAGI Adults in FY 2014-15.

Due to the uncertainty of the costs of serving the MAGI Adult population, the Department placed a "risk corridor" on the MAGI Adult rates to protect both the State and BHOs from undue risk. Preliminary estimates indicate that while some BHOs will receive additional money from the State and other BHOs will be required to pay money back to the State, the overall impact will be a reduction in the average rates paid to BHOs for this population. Specifically, the average per-

member-per-month rate paid for MAGI adults from July 1, 2014, through June 30, 2015², is approximately \$24 lower than anticipated, based on utilization data from the last two quarters of FY 2013-14. *See Appendix B for the detailed caseload and rate data that underlies the Department's revised capitation payment estimates for FY 2014-15.*

In addition, the Department's request reflects a \$6.4 million reduction (see the third highlighted cell in the table on the previous page). This adjustment is necessary to correct a systems issue that caused some adults to be incorrectly categorized, resulting in BHO payments that were based on inappropriately high per-member-per-month rates.

Finally, please note that the requested changes to individual funding sources reflect the state matching requirements associated with each eligibility category. The significant reduction in estimated expenditures for newly eligible MAGI Adults results in a significant reduction in federal funds because MAGI Adults are currently funded with 100 percent federal funds. The increases in estimated expenditures for MAGI Parents/Caretakers and for Children results in offsetting increases in both state and federal funds.

Staff recommends that the Committee approve the requested adjustments to reflect more recent caseload and expenditure estimates for behavioral health programs.

Non-prioritized Supplemental Requests

NON-PRIORITIZED SUPPLEMENTAL #4 DHS MENTAL HEALTH INSTITUTES REVENUE ADJUSTMENT

	Request	Recommendation
Total	<u>\$974,131</u>	<u>\$1,002,255</u>
FTE	0.0	0.0
General Fund	477,227	491,005
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	496,904	511,250

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
JBC staff and the Department agree that this request is the result of new data.	

² New BHO contracts went into effect July 1, 2014, and the Department established actuarially sound capitation rates for the full 12 months of FY 2014-15. In January 2015, the Department will negotiate rates for the first six months of FY 2015-16. Beginning in January 2016, the Department will return to a calendar-year basis for establishing BHO rates.

Department Request: The Department submitted a non-prioritized request to increase the appropriation of Medicaid funds for the Colorado Mental Health Institute at Pueblo. This request accompanies the Department of Human Services' supplemental request #16.

Staff Recommendation: Consistent with staff's recommendation for the companion supplemental from the Department of Human Services, staff recommends increasing the HCPF appropriation by a total of \$1,002,255 in order to align appropriations with updated revenue estimates.

Staff Analysis: See staff's January 21, 2015, write-up concerning the Department of Human Services' supplemental requests for behavioral health services for a detailed explanation of the recommended revenue adjustments.

**JBC STAFF-INITIATED SUPPLEMENTAL #1
S.B. 14-215 APPROPRIATION ADJUSTMENT**

	Request	Recommendation
Total	N/A	<u>(\$1,081,344)</u>
FTE		0.0
General Fund		(1,081,344)
Cash Funds		0
Reappropriated Funds		0
Federal Funds		0

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
JBC staff is recommending this change due to new data.	

Department Request: The Department did not request this change. However, the Department is aware of and confirmed the anticipated FY 2014-15 reversion of at least \$1,081,344 General Fund.

Staff Recommendation: Staff recommends reducing the appropriation in S.B. 14-215 for the School-based Substance Abuse Prevention and Intervention Program by \$1,081,344 General Fund to reflect actual grant awards.

Staff Analysis:

Senate Bill 14-215

Senate Bill 14-215 creates the Marijuana Tax Cash Fund (MTCF) and directs that all sales tax moneys collected by the state starting in FY 2014-15 from retail and medical marijuana be deposited in the MTCF instead of the Marijuana Cash Fund. With respect to the Department of Health Care Policy and Financing (HCPF), the act specifies permissible uses of moneys in the MTCF, including increasing the "availability of school-based prevention, early intervention, and health care services and programs to reduce the risk of marijuana and other substance use and abuse by school-aged children" [see Section 39-28.8-501 (2) (b) (VIII), C.R.S.].

The act also created the School-based Substance Abuse Prevention and Intervention Program in HCPF. This is a competitive grant program for schools and community-based organizations to provide school-based prevention and intervention programs for youth (ages 12 to 19), primarily focused on reducing marijuana use, but including strategies and efforts to reduce alcohol use and prescription drug misuse [see Section 25.5-1-206, C.R.S.]. The grant program is subject to available appropriations. The grant award must be used to deliver programs and strategies to at-risk youth, regardless of the youths' eligibility for Colorado's medical assistance program. Further, a grant award must be used to implement evidence-based programs and strategies that are designed to achieve the following outcomes:

- An increase in the perceived risk of harm associated with marijuana use, prescription drug misuse, and underage alcohol use among youth;
- A decrease in the rates of youth marijuana use, alcohol use, and prescription drug misuse;
- A delay in the age of first use of marijuana, alcohol, or prescription drug misuse;
- A decrease in the rates of youth who have ever used marijuana or alcohol or misused prescription drugs in their lifetime; and
- A decrease in the number of drug- and alcohol-related violations on school property, suspensions, and expulsions reported by schools.

The act included an appropriation of \$2,000,000 General Fund to HCPF for FY 2014-15 for the new grant program. In addition, the act directs the State Treasurer to transfer moneys from the MTCF to the General Fund to offset the General Fund appropriations to HCPF. With respect to the grant program, the act requires a transfer of \$2,130,000 General Fund to cover the \$2,000,000 appropriation for the grant program plus \$130,000 to cover the associated 6.5 percent statutory reserve.

HCPF Implementation of Grant Program

The Department had a draft application out in August of 2014. An organization that believed it met the eligibility requirements could file a Request for Grant Proposals by September 15, 2014, and completed applications were due by November 3. The Department received 21 applications requesting a total of \$897,935. On December 3, the Department announced the following grant awards totaling \$868,656:

Boulder Valley School District: \$50,000
Moffat Schools: \$11,951.50
Alternatives for Youth, INC: \$50,000
Colorado Association for School-Based Health Care: \$50,000
The YESS Institute: \$50,000
Mountain Valley School: \$12,408
Hilltop Health Services Corporation: \$ 25,388
Archuleta School District 50 Joint: \$49,063
Ouray County Schools Community Resource Consortium, Inc.: \$19,528
Mesa County Valley School District 51: \$64,400
Aurora Public Schools: \$49,998
Team Fort Collins: \$50,000
Cortez Addictions Recovery Services: \$48,375
“I Have a Dream” Foundation of Boulder County: \$50,000
Summit County Youth and Family Services: \$40,519
Gunnison Hinsdale Youth Services, Inc.: \$50,000
Generation Schools Network: \$47,025
Eagle River Youth Coalition: \$50,000
Partners Mentoring Youth: \$50,000
Mountain Resource Center: \$50,000

Grant awards must be expended by June 30, 2015.

Staff Recommendation

Of the \$2,000,000 appropriation for FY 2014-15, \$50,000 was designated for administrative expenses and \$1,950,000 was designated for grant awards. Thus, the maximum amount that HCPF will spend for the grant program is \$918,656 -- less than half of the amount appropriated for FY 2014-15. **Staff thus recommends reducing the FY 2014-15 General Fund appropriation for the new grant program by \$1,081,344 to reflect actual grant awards.** The calculation is detailed below:

Grant Program appropriation	\$2,000,000
Less: Administrative portion of appropriation	(50,000)
Less: Grant awards	<u>(868,656)</u>
Recommended mid-year reduction	\$1,081,344

In addition, staff recommends that the Committee carry legislation to reduce the associated statutory transfer from the MTCF to the General Fund by \$1,151,631 (from \$4,260,000 to \$3,108,369). [The recommended reduction includes \$70,287 for the associated 6.5% reserve.] The Governor's letter to the Committee, dated November 3, 2014, proposes using \$6.4 million of the revenue currently available in the MTCF to close the gap between actual FY 2013-14 tax revenues and appropriations for FY 2014-15. Staff's recommendation is designed to reduce the size of the gap between actual marijuana tax revenues and FY 2014-15 appropriations.

**JBC STAFF-INITIATED SUPPLEMENTAL #2
CONTRACT REPROCUREMENT PAYABLE**

	Request	Recommendation
Total	N/A	<u>\$203,752</u>
FTE		0.0
General Fund		101,876
Cash Funds		0
Reappropriated Funds		0
Federal Funds		101,876

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
JBC staff is recommending this change due to new data.	

Department Request: The Department did not officially request this change due to timing and logistical challenges. Specifically, the Department identified an accounting error that requires an adjustment to FY 2014-15 appropriations. However, this issue was not identified in time to submit a supplemental request within the required time frames. The Office of State Planning and Budgeting is aware of this issue and supports the recommended adjustment.

Staff Recommendation: Staff recommends adding an appropriation of \$203,752, including \$101,876 General Fund and \$101,876 federal funds, for "Contract Reprocurement". This appropriation will allow the Department to cover a contract payment that related to a FY 2013-14 appropriation but was not payable until after June 30, 2014.

Staff Analysis:

A line item was first included in H.B. 14-1236 (the FY 2013-14 supplemental bill for HCPF) to provide a one-time appropriation to ensure that the transition to the new behavioral health organization (BHO) contracts on July 1, 2014, did not affect service delivery for Medicaid clients. The \$1,000,000 appropriation provided an estimated \$200,000 per contract to cover administrative costs that would be incurred by an incoming vendor prior to the end-date of the current BHO contracts. In the event that all of the current BHO vendors are re-contracted by the Department, no transition funds would be utilized.

Only one contract was awarded to a new BHO. The Department contracted with Access Behavioral Healthcare for counties in the northeast part of the state. The contract included a required payment of \$203,752 for activities related to ensuring a smooth transition between contractors following the BHO reprocurement. This payment should have been booked as a payable in the State's accounting system so that the payment could be made in FY 2014-15 but the expense would be recorded against the FY 2013-14 appropriation. However, due to the workload associated with the transition to the new CORE system and staff turnover, the accounting staff neglected to book the payable. Thus, the full \$500,000 General Fund portion of

the appropriation reverted to the General Fund. The Department now requires a FY 2014-15 appropriation to satisfy contractual obligations related to the BHO reprourement. This expenditure will be booked as a FY 2014-15 expense.

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Appendix A: Number Pages

	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2014-15 Requested Change	FY 2014-15 Rec'd Change	FY 2014-15 Total W/ Rec'd Change
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DEPARTMENT OF HEALTH CARE POLICY AND FINANCING
Sue Birch, Executive Director

S2 Behavioral Health Request

(3) BEHAVIORAL HEALTH COMMUNITY PROGRAMS

Behavioral Health Capitation Payments	<u>415,933,333</u>	<u>543,737,807</u>	<u>(1,884,452)</u>	<u>(1,884,452)</u>	<u>541,853,355</u>
General Fund	151,532,141	169,004,720	8,423,143	8,423,143	177,427,863
Cash Funds	12,402,378	4,534,586	(422,628)	(422,628)	4,111,958
Reappropriated Funds	0	0	0	0	0
Federal Funds	251,998,814	370,198,501	(9,884,967)	(9,884,967)	360,313,534
Behavioral Health Fee-for-service Payments	<u>5,295,835</u>	<u>7,107,049</u>	<u>122,256</u>	<u>122,256</u>	<u>7,229,305</u>
General Fund	2,475,020	3,499,689	(1,115,379)	(1,115,379)	2,384,310
Cash Funds	6,385	0	77,351	77,351	77,351
Federal Funds	2,814,430	3,607,360	1,160,284	1,160,284	4,767,644

Total for S2 Behavioral Health Request	421,229,168	550,844,856	(1,762,196)	(1,762,196)	549,082,660
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	154,007,161	172,504,409	7,307,764	7,307,764	179,812,173
Cash Funds	12,408,763	4,534,586	(345,277)	(345,277)	4,189,309
Reappropriated Funds	0	0	0	0	0
Federal Funds	254,813,244	373,805,861	(8,724,683)	(8,724,683)	365,081,178

JBC Staff Supplemental Recommendations - FY 2014-15
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	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2014-15 Requested Change	FY 2014-15 Rec'd Change	FY 2014-15 Total W/ Rec'd Change
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S-STF1 SB 14-215 Appropriation Adjustment

(3) BEHAVIORAL HEALTH COMMUNITY PROGRAMS

School-based Substance Abuse Prevention and

Intervention Grant Program

General Fund

<u>0</u>	<u>1,950,000</u>	<u>0</u>	<u>(1,081,344)</u>	<u>868,656</u>
0	1,950,000	0	(1,081,344)	868,656

Total for S-STF1 SB 14-215 Appropriation					
Adjustment	0	1,950,000	0	(1,081,344)	868,656
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	1,950,000	0	(1,081,344)	868,656

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	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2014-15 Requested Change	FY 2014-15 Rec'd Change	FY 2014-15 Total W/ Rec'd Change
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S-STF2 Contract Reprocurement Payable

(3) BEHAVIORAL HEALTH COMMUNITY PROGRAMS

Contract Reprocurement	<u>0</u>	<u>0</u>	<u>0</u>	<u>203,752</u>	<u>203,752</u>
General Fund	0	0	0	101,876	101,876
Federal Funds	0	0	0	101,876	101,876

Total for S-STF2 Contract Reprocurement Payable	0	0	0	203,752	203,752
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	101,876	101,876
Federal Funds	0	0	0	101,876	101,876

Totals Excluding Pending Items					
HEALTH CARE POLICY AND FINANCING					
TOTALS for ALL Departmental line items	6,380,769,096	7,876,855,463	(1,762,196)	(2,639,788)	7,874,215,675
<i>FTE</i>	<u>363.7</u>	<u>390.9</u>	<u>0.0</u>	<u>0.0</u>	<u>390.9</u>
General Fund	1,441,811,987	1,553,211,706	7,307,764	6,328,296	1,559,540,002
General Fund Exempt	642,674,257	711,259,557	0	0	711,259,557
Cash Funds	883,457,087	952,277,490	(345,277)	(345,277)	951,932,213
Reappropriated Funds	7,232,284	7,782,578	0	0	7,782,578
Federal Funds	3,405,593,481	4,652,324,132	(8,724,683)	(8,622,807)	4,643,701,325

*JBC Staff Supplemental Recommendations: FY 2014-15
Staff Working Document – Does Not Represent Committee Decision*

Appendix B: FY 2014-15 Behavioral Health Capitation Payments Calculations

Description	Eligibility Category							Total
	Adults 65 and Older	Disabled Through 64	MAGI Parents and Caretakers	MAGI Adults	Eligible Children	Children and Young Adults in Foster Care	Breast and Cervical Cancer Program	
Estimated Weighted Capitation Rate (per member, per month):								
First 6 months	\$13.85	\$149.05	\$27.59	\$57.99	\$18.96	\$212.92	\$27.59	
Second 6 months	\$13.85	\$149.05	\$27.59	\$57.99	\$18.96	\$212.92	\$27.59	
Estimated Monthly Caseload:								
First 6 months	41,761	79,891	231,294	212,704	479,792	20,453	413	1,066,308
Second 6 months	42,102	82,479	242,946	234,845	503,009	20,775	322	1,126,478
Full year	41,932	81,186	237,121	223,775	491,401	20,614	368	1,096,395
Total Capitated Payments (per member, per month rate X monthly caseload):								
First 6 months	\$3,470,339	\$71,446,521	\$38,288,409	\$74,008,230	\$54,581,138	\$26,129,117	\$68,368	\$267,992,121
Second 6 months	<u>3,498,676</u>	<u>73,760,970</u>	<u>40,217,281</u>	<u>81,711,969</u>	<u>57,222,304</u>	<u>26,540,478</u>	<u>53,304</u>	<u>283,004,982</u>
Full year	\$6,969,015	\$145,207,491	\$78,505,690	\$155,720,199	\$111,803,442	\$52,669,595	\$121,672	\$550,997,103
Estimated Expenditures:								
<u>First 6 months</u>								
Claims paid in current period	\$3,430,777	\$70,103,326	\$37,434,577	\$72,883,305	\$53,887,958	\$25,998,471	\$67,602	\$263,806,016
Claims from prior periods	36,405	1,090,439	492,440	99,452	514,589	87,837	915	2,322,077
<u>Second 6 months</u>								
Claims paid in current period	3,458,791	72,374,264	39,320,436	80,469,947	56,495,581	26,407,776	52,707	278,579,502
Claims from prior periods	<u>39,296</u>	<u>1,297,753</u>	<u>848,971</u>	<u>1,124,925</u>	<u>690,371</u>	<u>125,943</u>	<u>782</u>	<u>4,128,041</u>
Total Estimated Expenditures	\$6,965,269	\$144,865,782	\$78,096,424	\$154,577,629	\$111,588,499	\$52,620,027	\$122,006	\$548,835,636
Estimated date of death retractions	(99,949)	(405,336)	(13,076)	(46,662)	(5,177)	(8,150)	(868)	(579,218)
Subtotal: Expenditures including date of death retractions	\$6,865,320	\$144,460,446	\$78,083,348	\$154,530,967	\$111,583,322	\$52,611,877	\$121,138	\$548,256,418
Adjustments:								
MAGI Adults Rate Reconciliation (adjustment to correct systems issue that incorrectly categorized some adults)								(6,403,063)
Subtotal: Revised Estimate of Behavioral Health Capitation Payments								\$541,853,355
S.B. 14-215 (Disposition of Legal Marijuana Related Revenue)								4,363,807
Total Revised Estimate of Behavioral Health Capitation Payments With S.B. 14-215 Funding								\$546,217,162