

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



FY 2010-11 STAFF BUDGET BRIEFING

**DEPARTMENT OF HEALTH CARE POLICY AND
FINANCING**

**(Includes information related to the Executive Director's Office, Medical Services
Premiums, Medicaid Mental Health Community Programs, Indigent Care Programs,
Other Medical Programs, and the Commission on Family Medicine)**

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

**Prepared By:
Melodie Beck, JBC Staff
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For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

**FY 2010-11 BUDGET BRIEFING
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

**(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
Community Programs, Indigent Care Programs, Other Medical Programs and
Commission on Family Medicine)**

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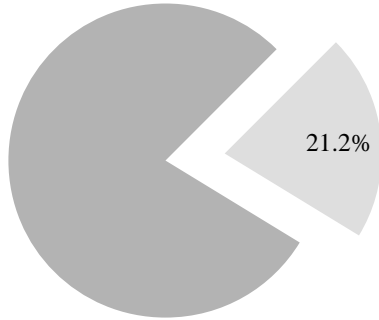
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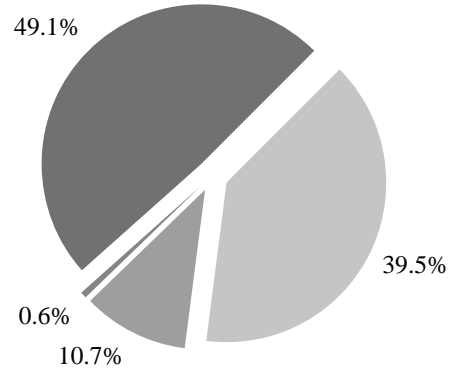
**FY 2010-11 Budget Committee Staff Budget Briefing
 Department of Health Care Policy and Financing
 GRAPHIC OVERVIEW**

**Department's Share of Statewide
 General Fund
 FY 2009-10 Appropriation**



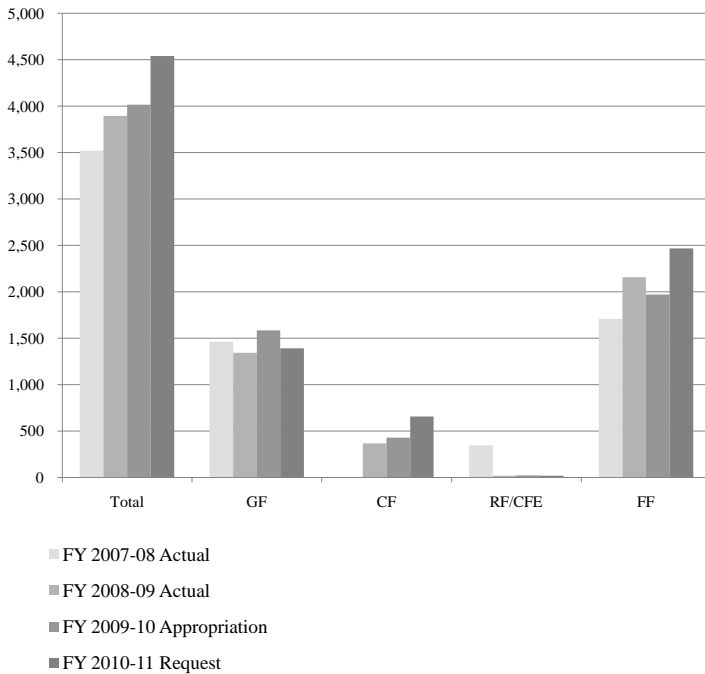
■ Department of Health Care Policy and Financing

**Department Funding Sources
 FY 2009-10 Appropriation**

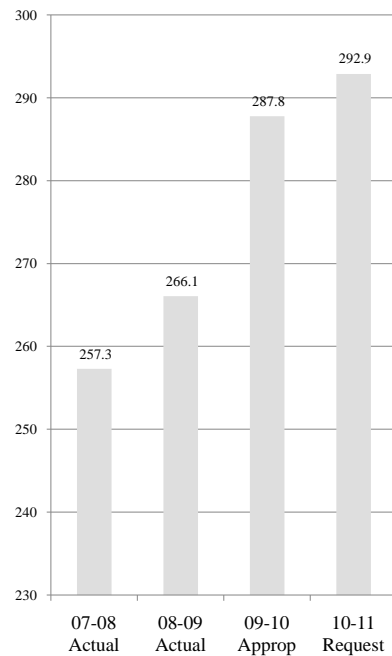


■ General Fund
 ■ Cash Funds
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 ■ Federal Funds

**Budget History
 (Millions of Dollars)**



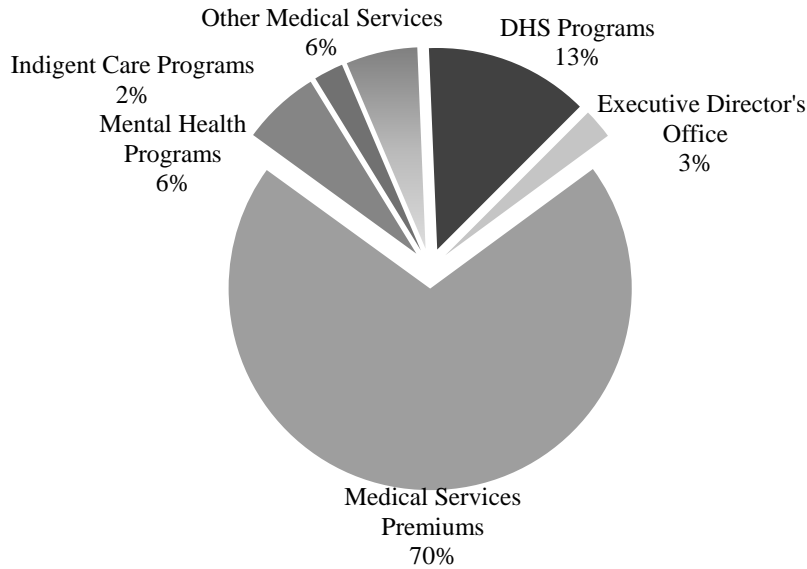
FTE History



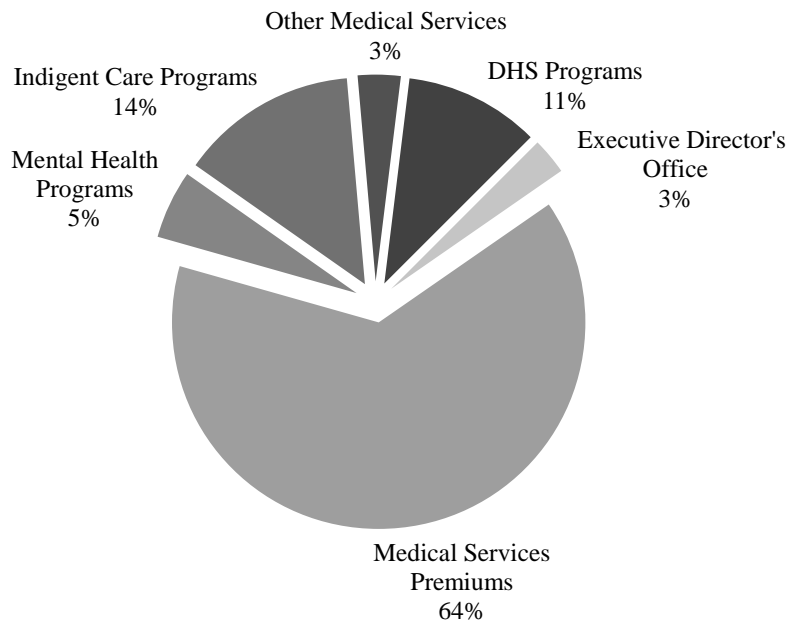
Unless otherwise noted, all charts are based on the FY 2009-10 appropriation.

**FY 2010-11 Budget Committee Staff Budget Briefing
 Department of Health Care Policy and Financing
 GRAPHIC OVERVIEW**

**Distribution of General Fund by Division
 FY 2009-10 Appropriation**



**Distribution of Total Funds by Division
 FY 2009-10 Appropriation**



**FY 2009-10 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing**

DEPARTMENT OVERVIEW

Key Responsibilities

- ▶ Administers the State's Medicaid program which provides health care services to a forecasted 476,632 low-income people in FY 2009-10 (based on current appropriation).
- ▶ Administers the Children's Basic Health Plan, a health insurance program for a forecasted 67,152 low-income children and approximately 1,821 adult pregnant women in FY 2009-10 (based on current appropriation).
- ▶ Operates the Colorado Indigent Care Program to offset clinic and hospital provider costs for services to low-income and uninsured clients who are not Medicaid eligible. In FY 2007-08 (last year with data) this program served approximately 195,000 low-income individuals.
- ▶ Administers the Old Age Pension Health and Medical Fund which provides health care to a forecasted 4,517 elderly persons who do not qualify for Medicaid or Medicare in FY 2009-10.
- ▶ Administers the Primary Care Fund and the Comprehensive Primary and Preventive Care Grant Program.
- ▶ Acts as the single-state agency to receive Title XIX (Medicaid) funds from the federal government and therefore, passes these federal funds to other state agencies that have qualifying programs (mainly the Department of Human Services).

Factors Driving the Budget

The current FY 2009-10 appropriation for the Department consists of 39.5 percent General Fund, 49.1 percent federal funds, and 10.7 percent cash funds, and 0.6 percent reappropriated funds, before the impacts of the American Recovery and Reinvestment Act (ARRA). The FY 2009-10 State budget passed during the 2009 Session, assumed that ARRA would offset \$345.4 million in General Fund appropriations with federal funding. This ARRA impact is not included in the current appropriations for the Department. Rather, the ARRA impacts are currently shown in the State's General Fund Overview (i.e. income statement) as a General Fund offset for the original FY 2009-10 appropriations. The Governor's budget reduction options submitted on August 25, 2009 request that the ARRA funding be formally appropriated in FY 2009-10 and FY 2010-11.

Major sources for the cash funds and reappropriated funds include (1) the certification of expenditures from other government entities (mainly public hospitals, school districts, and regional centers) that qualify for matching federal funds from the Medicaid program; (2) the Health Care Expansion Fund; (3) the Primary Care Fund; (4) the Children's Basic Health Plan Trust Fund; (5)

the Old Age Pension Health and Medical Care Fund and Supplemental Fund; (6) the Health Care Services Fund; (7) the Comprehensive Primary and Preventive Care Grants Fund; and (7) various other cash funds. Federal Funds are appropriated as matching funds to the Medicaid program (through Title XIX of the Social Security Administration Act) and as matching funds to the Children's Basic Health Plan programs (through Title XXI of the Social Security Administration Act). Some of the most important factors driving the budget are reviewed below.

Factor 1: Medical Services Costs

The Medical Services Costs section provides funding for the health care services of individuals qualifying for the Medicaid program. Health care services include both acute care services (such as physician visits, prescription drugs, and hospital visits) and long-term care services (provided within nursing facilities and community settings). The Department contracts with health care providers through fee-for-service and managed care organization (MCO) arrangements in order to provide these services to eligible clients. Total costs for the program are driven by the number of clients, the costs of providing health care services, and utilization of health care services.

Medicaid Caseload Growth

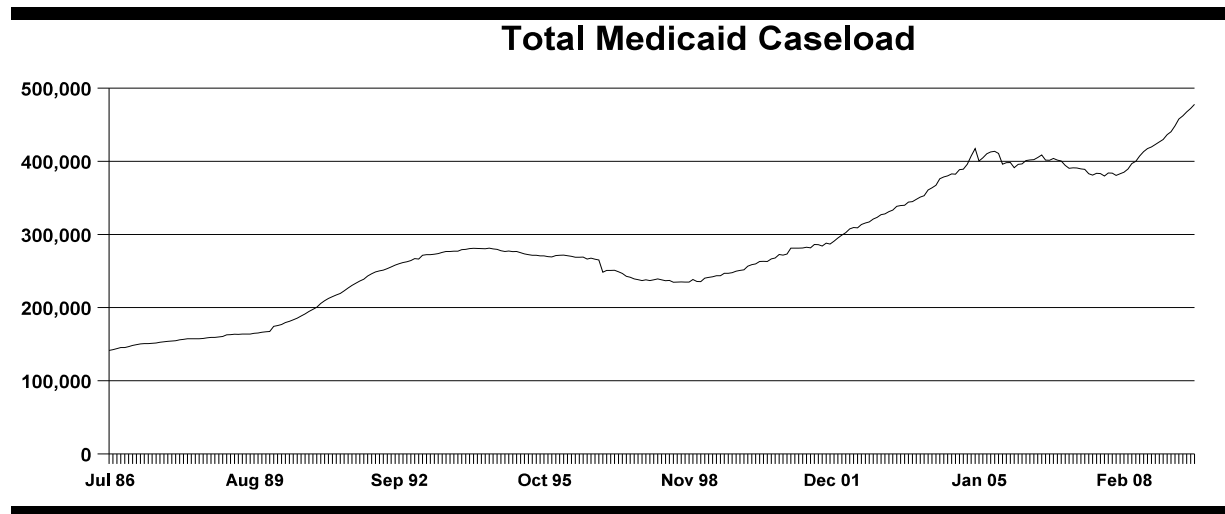
The following factors affect the number of clients participating in the Medicaid program: (1) general population growth; (2) policy changes at the state and federal level regarding who is eligible for services; and (3) economic cycles. The current FY 2009-10 appropriated Medicaid caseload is 476,632 average monthly clients. The following table shows the Medicaid caseload history by aid category from FY 2005-06 through the forecast period for FY 2009-10 (current appropriation).

Medicaid Caseload	FY 2005-06 Actual/1	FY 2006-07 Actual/1	FY 2007-08 Actual/1	FY 2008-09 Actual	FY 2009-10 Estimate/2
Elderly 65+	36,207	35,888	36,284	37,619	38,279
Disabled up to age 64	53,897	54,858	56,079	57,802	58,868
Adults	64,192	61,259	60,031	69,167	80,824
Children	230,618	222,114	221,163	253,162	278,077
Partial Dual Eligible (Medicare premium assistance)	11,092	12,908	14,214	15,075	16,329
Emergency Care for Non-Citizens	<u>6,212</u>	<u>5,201</u>	<u>4,191</u>	<u>3,987</u>	<u>4,255</u>
<i>Total Medicaid Caseload</i>	402,218	392,228	391,962	436,812	476,632
<i>Annual Percent Change</i>	(0.8)%	(2.5)%	(0.1)%	11.4%	9.1%

/1 In FY 2007-08, the Department rebased the monthly reported caseload to include caseload reported through the last day in the calendar month. Prior year data in this chart has been changed to reflect the new methodology and may not match actual caseload reports from that time period.

/2 This table includes the caseload estimates reflected in S.B. 09-259 (General Appropriation Act) only. If the Hospital Provider Fee Waiver program is approved by the Centers of Medicare and Medicaid Services (CMS) then an additional 12,900 low income adults would be added to the FY 2009-10 caseload above for a total of 489,532 clients.

The following graph provides a historical picture of the growth in the Medicaid program's caseload from FY 1986-87 through FY 2008-09.



The chart shows that there was a major increase in caseload in the early 1990s that coincided with major policy changes passed by Congress to cover additional children and pregnant adults and an economic recession. The caseload then leveled off during the mid-1990s, reflecting the impact of welfare reform and the economic boom during the mid and late 1990s. At the beginning of the 2000s, the caseload experienced high growth rates due to another economic recession. During the mid-2000s, the economic recovery resulted in a slight decline to the caseload. This decline was lessened somewhat by new populations becoming eligible due to the passage of Amendment 35 to the Colorado Constitution. Amendment 35 allowed the General Assembly to expand Medicaid eligibility by: (1) eliminating the Medicaid asset test for low-income adults and children, (2) reinstating Medicaid eligibility for optional Legal Immigrants, (3) expanding low-income categorically eligible adults to 60 percent of the federal poverty level (FPL), (4) adding additional waiver slots for disabled children, and (4) expanding eligibility to young adults who aged out of the foster children system. These expansions are funded with an increase in tobacco taxes. Finally, during the latter part of this decade the Medicaid caseload has expanded again due mainly to the economic recession that started in 2008.

In 2009, the General Assembly passed HB 09-1293 which will increase Medicaid eligibility in the future. Specifically, after the Centers for Medicare and Medicaid Services approves the hospital provider fee waiver, HB 09-1293 will expand Medicaid eligibility as follows:

- (1) Increase eligibility for parents of Medicaid eligible children from 60% FPL to 100% FPL;
- (2) Provide eligibility for childless adults up to 100% FPL;
- (3) Provide Medicaid Buy-In for disabled adults and children up to 450% FPL; and
- (4) Provide 12-month continuous eligibility for Medicaid children.

Lastly, if the recent health care reform efforts at the federal level are enacted, further Medicaid expansions are anticipated as a means of providing health insurance coverage for low-income uninsured individuals. While significant, these federal changes are not anticipated to impact the Medicaid caseload until approximately FY 2013-2014.

Medical Cost Increases

In addition to increased costs due to caseload growth, the Medicaid budget also grows as a result of higher medical costs and greater utilization of medical services. For FY 2009-10, the current appropriation contains a 4.9 projected decrease in the total average cost-per-client for medical services (excludes costs associated with Upper Payment Limit Financing offsets contained in the appropriation base). The table below shows a five year history for the overall average cost-per-client.

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation*
Total Medicaid Medical Cost Per Capita	\$4,928.66	\$5,222.57	\$5,681.77	\$5,742.83	\$5,464.21
Annual Percent Change	5.5%	6.0%	8.8%	1.1%	(4.9)%

*Excludes appropriations associated with Upper Payment Limit Financing and S.B. 09-265.

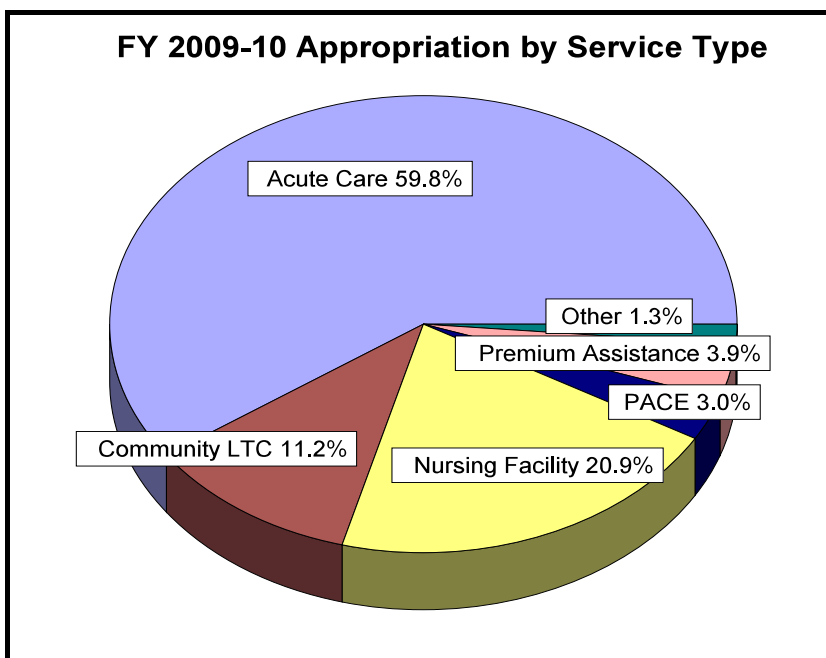
While the overall average cost per client is \$5,464.21, cost-per-client ranges from \$1,275.14 for partial dual eligibles clients to \$22,208.00 for clients eligible for the Breast and Cervical Cancer Treatment program. The table below compares the FY 2008-09 actual cost-per-client by aid category with current FY 2009-10 appropriated cost-per-client by aid category.

Medicaid Cost Per Client - By Aid Category	FY 2008-09 Actual	FY 2009-10 Current App.	Percent Change
Elderly 65+	\$20,680.18	\$21,044.69	1.76%
Disabled 60-64	\$17,708.89	\$17,574.80	(0.76)%
Disabled < 64	\$14,233.44	\$14,320.21	0.61%
Adults -- Categorically Eligible	\$4,244.04	\$4,050.67	(4.56)%
Adults -- Categorically Eligible Expansion	\$2,489.04	\$2,518.04	1.17%
Adults -- Pregnant Adults in Baby Care Program	\$8,654.00	\$8,742.41	1.02%
Adults -- Breast and Cervical Cancer Treatment	\$22,261.37	\$22,208.00	(0.24)%
Children	\$1,837.39	\$1,686.49	(8.21)%
Foster Children	\$3,747.29	\$3,693.08	(1.45)%
Partial Dual Eligibles	\$1,254.95	\$1,275.14	1.61%
Emergency Care for Non-Citizens	<u>\$14,858.01</u>	<u>\$14,975.64</u>	<u>0.79%</u>

Medicaid Cost Per Client - By Aid Category	FY 2008-09 Actual	FY 2009-10 Current App.	Percent Change
<i>Total Medicaid Caseload</i>	\$5,742.83	\$5,464.21	(4.85)%

For the most part, the decrease in per-client-costs projected in FY 2009-10 reflect budget reduction actions in FY 2009-10 as well as risk-adjustment decreases due to larger than normal caseload growth. It is also important to note that the per-client-cost forecast trends used in FY 2009-10 were on a slightly lower projected FY 2008-09 estimate than what actually occurred (i.e. FY 2008-09 expenditures were actually higher than anticipated in March 2009 when the FY 2009-10 appropriation was set).

Lastly, the chart below shows the percentage of Medical Services Premiums spent on the different services in FY 2009-10.



Factor 2: Medicaid Mental Health Services

Medicaid mental health community services are delivered through a managed care model. Under this model, the State pays a regional entity - a Behavioral Health Organization (BHO) - a contracted capitation rate (per member per month) for each Medicaid client eligible for mental health services in the BHO's geographic area. The BHO is then required to provide appropriate mental health services to all Medicaid-eligible persons needing such services.

The capitation rate paid to each BHO is based on Medicaid aid category (e.g., children in foster care, low-income children, elderly, disabled) in each geographic region. Therefore, Medicaid

mental health appropriation changes are driven mainly by the changes in capitation rates paid, caseload growth, and case-mix (mix of types of clients within the population).

The following table provides information on the recent expenditures and caseload for Medicaid mental health capitation.

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation
Medicaid Mental Health Capitation Funding /1	\$176,727,920	\$184,640,568	\$196,011,033	\$215,860,937	\$213,372,859
Annual Dollar Change	\$12,187,478	\$7,912,648	\$11,370,465	\$19,849,904	(\$2,488,078)
Annual Percent Change	7.4%	4.5%	6.2%	10.1%	(1.2)%
Individuals Eligible for Medicaid Mental Health Services (Caseload)/2	382,554	375,046	373,557	414,157	456,048
Annual Caseload Change	(5,520)	(7,508)	(1,489)	40,600	41,891
Annual Percent Change	(1.4)%	(2.0)%	(0.4)%	10.9%	10.1%

1/ Does not include the fee-for-service payments (non-capitation payments). The reason the FY 2009-10 appropriation is lower in FY 2009-10 than the FY 2008-09 amount is due to S.B. 09-265 which changed the timing of the capitation payment cycle for a one-time cost savings.

2/ Not all Medicaid caseload aid categories are eligible for mental health services. The caseload reported in this table does not reflect the partial dual eligible or non-citizen aid categories.

Factor 3: Indigent Care Programs

Safety Net Payments

The Safety Net Provider Payment, the Children's Hospital Clinic Based Indigent Care, and the Pediatric Speciality Hospital line items provide direct or indirect funding to hospitals and clinics that have uncompensated costs from treating approximately 195,000 under-insured or uninsured Coloradans through the Indigent Care Program. The Indigent Care Program is not an insurance program or an entitlement program. Funding for this program is based on policy decisions at the state and federal level and is not directly dependent on the number of individuals served or the cost of the services provided. The majority of the funding for this program is from federal sources. State funds for the program come from General Fund appropriations and from certifying qualifying expenditures at public hospitals.

In FY 2005-06, total funding for the program increased by \$28.7 million. The increase was due to restoring \$6.2 million for private hospitals that was cut in the prior year, increasing funding for pediatric specialty hospitals by \$5.5 million, and accessing an additional \$17 million in Medicare Upper Payment Limit (UPL) funding. For FY 2006-07, an additional \$9.9 million was expended for these programs due mainly to a \$15.0 million funding increase pursuant to S.B. 06-044, offset by a decrease of \$5.1 million in UPL financing. For FY 2007-08 a provider rate increase was

included for the pediatric speciality hospital line item and federal matching funds were obtained for the S.B. 06-044, for a total funding increase of \$27.9 million.

The FY 2008-09 increase included, \$8.2 million for additional disproportionate share (DSH) funding, \$4.4 million for additional funding for the pediatric speciality hospital line item and \$ 3.8 million for additional UPL financing than was available in FY 2007-08. The FY 2009-10 appropriation increases included \$8.3 million in expenditure authority for possible UPL financing, \$6.3 million in additional DSH funding, and a transfer of \$2.2 million from the Medical Services Premiums line item into the Pediatric Speciality Hospital line item for programs provided by The Children's Hospital.

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation*
Safety Net Provider Payments	\$287,296,074	\$279,933,040	\$282,893,182	\$296,092,630	\$310,715,422
Children's Hospital Clinic Based Indigent Care	6,119,760	6,119,760	6,119,760	6,119,760	6,119,760
Pediatric Speciality Hospital	5,452,134	7,732,072	8,439,487	12,829,721	15,026,796
S.B. 06-044 Funding Available for Service Expenditure	<u>0</u>	<u>14,962,408</u>	<u>31,225,421</u>	<u>30,000,000</u>	<u>30,000,000</u>
Total	\$298,867,968	\$308,747,280	\$328,677,850	\$345,042,111	\$361,861,978
General Fund/ General Fund Exempt	18,362,593	19,500,662	19,701,662	16,791,732	22,807,659
Cash Funds & Cash Funds Exempt/Reappropriated Funds	131,071,391	142,354,182	144,020,395	139,404,821	154,888,570
Federal Funds	149,433,984	146,892,436	164,955,793	188,845,558	184,165,749
Total funding percent change	10.6%	3.3%	6.5%	5.0%	4.9%

*Does not reflect the impact of H.B. 09-1293 since the waiver has not yet been approved. Shows current appropriation -- has not been adjusted to reflect the Governor's budget reduction items.

Comprehensive Primary Care Program

In November 2004, the voters passed Amendment 35 to the Colorado Constitution which increased the taxes on tobacco products in order to expand several health care programs. During the 2005 Legislative Session, the General Assembly passed H.B. 05-1262 to implement the provisions of Amendment 35. Specifically, H.B. 05-1262 created the Comprehensive Primary Care program. This program provides additional funding to qualifying providers with patient caseloads that are at least 50 percent uninsured, indigent, or enrolled in the Medicaid or Children's Basic Health Plan programs. For FY 2005-06, the amount of funding available for this program was \$44.1 million. Funding in FY 2005-06 included tobacco tax revenues that were collected in both FY 2004-05 and FY 2005-06. In FY 2006-07 and FY 2007-08, funding for this program was \$32.0 million and \$31.0 million, respectively. During this time period, the decrease in funding resulted directly to decreases in tobacco tax revenues available.

The FY 2008-09 appropriation for this program is \$31.3 million. The FY 2009-10 appropriation is \$24.5 million. The FY 2009-10 appropriation reflects a transfer of \$7.4 million from this program into the General Fund due to the economic conditions the state is currently facing. There are no matching federal funds available for this program.

Children's Basic Health Plan

The Children's Basic Health Plan (CBHP) was implemented in 1997 to provide health care insurance to children from families with incomes at or below 185 percent of the federal poverty level (FPL). A 65 percent federal match is available for the program. Since its passage in 1997, a number of expansions to the program have occurred. In FY 2002-03, the program was expanded to include adult pregnant women up to 185 percent FPL. However, due to budget constraints in FY 2003-04, the adult prenatal program was suspended for the entire year and no new enrollment was accepted into the children's program beginning in November 2003. In FY 2004-05, the cap was lifted on the children's caseload and the adult prenatal program was reinstated.

In November 2004 the voters approved Amendment 35 to the Colorado Constitution, which increased the taxes on tobacco products in order to expand several health care programs. During the 2005 legislative session, the General Assembly passed H.B. 05-1262 to implement the provisions of Amendment 35. Among other changes, H.B. 05-1262 increased eligibility for the CBHP for both children and women up to 200 percent of the FPL. During the 2007 legislative session, S.B. 07-097 expanded the program's eligibility to 205 percent FPL for FY 2007-08. During the 2008 legislative session, the program's eligibility was expanded to 225 percent FPL for children beginning in April 2009 and for pregnant women beginning in October 2009. Due to the current economic situation, S.B. 09-211 repealed the expansion to 225 percent FPL in FY 2008-09 and FY 2009-10. House Bill 09-1293 reinstates the expansion of CBHP to 250 percent FPL beginning in April 2010 if the Centers for Medicare and Medicaid Services (CMS) approve a hospital provider fee waiver. In 2009, the General Assembly also approved providing CBHP benefits to legal immigrants without the five-year wait residency period, if funding becomes available for this expansion. The following table provides a five-year funding history for the CBHP medical and dental costs.

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Appropriation
Medical Services	\$65,919,891	\$89,657,433	\$104,684,790	\$120,809,604	\$133,438,868
Dental Services	<u>5,368,921</u>	<u>6,834,843</u>	<u>8,715,754</u>	<u>9,876,754</u>	<u>10,062,349</u>
Total Service Costs	\$71,288,812	\$96,492,276	\$113,400,544	\$130,686,358	\$143,501,217
Cash Fund Exempt/Cash Funds	25,305,261	33,923,185	39,874,379	46,115,911	47,939,304
Reappropriated Funds*	0	0	0	0	2,500,000
Federal Funds	45,983,551	62,569,091	73,526,165	84,570,447	93,061,913
Total funding percent increase	24.9%	35.4%	17.5%	15.2%	9.8%

*Represents the appropriation of General Fund into the Children's Basic Health Plan Trust Fund.

The following table provides a five-year history of the caseload served by the Children's Basic Health Plan.

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Approp./1
Children Caseload	44,177	47,047	57,795	61,582	67,152
Percent Change	7.48%	6.50%	22.85%	6.55%	9.04%
Adult Pregnant Women Average Monthly Caseload	1,204	1,170	1,570	1,665	1,821
Percent Change	116.14%	(2.82)%	34.19%	6.05%	9.37%

/1 Does not include the caseload increase from H.B. 09-1293. That caseload impact will be added once the Centers for Medicare and Medicaid Services approve the waiver.

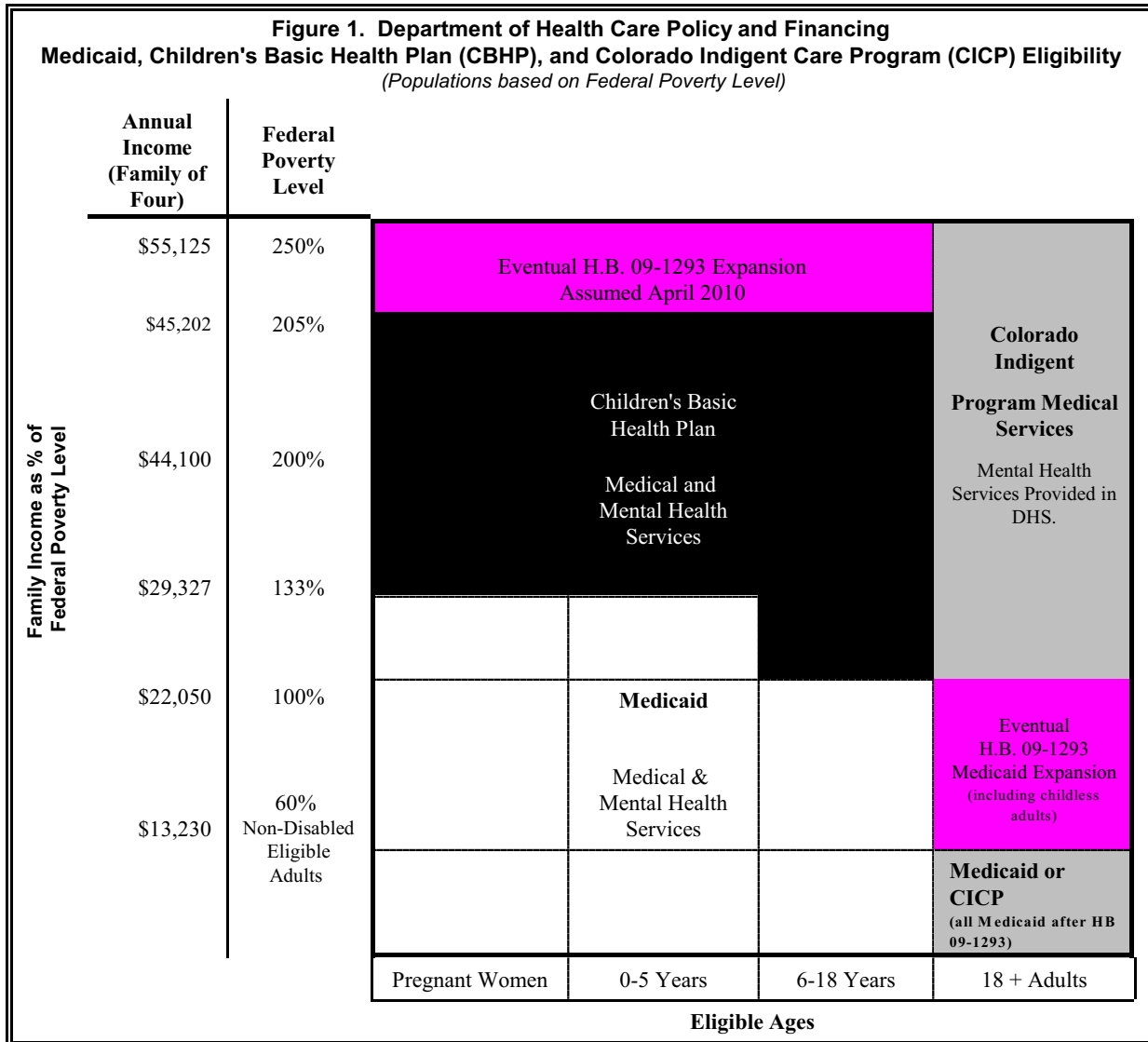
Factor 4: Department of Human Services Medicaid-Funded Programs

Many programs administered by the Department of Human Services (DHS) qualify for Medicaid funding. The federal government requires that one state agency receive all federal Medicaid funding. Therefore, the state and federal funding for all DHS programs that qualify for Medicaid funding is first appropriated in the Department of Health Care Policy and Financing and then transferred to the Department of Human Services (as reappropriated funds). A five-year funding history for the DHS Medicaid-funded programs is provided in the table below.

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Approp.
Expenditures	\$429,305,626	\$333,128,748	\$351,308,449	\$398,390,163	\$423,478,391
Annual percent change	6.0%	(22.4)%	5.5%	13.4%	6.3%

For detail regarding the changes in the Department of Human Services Medicaid-Funded programs, please see the Department of Human Services.

Figure 1 below summarizes the eligibility for the Medicaid, CBHP, and CICIP programs for the populations based on federal poverty guidelines.



*In addition, Medicaid coverage is available to children and adults who qualify because of a disability up to 300% of the Social Security Income level -- which is approximately 240% of the federal poverty level and is not shown in the chart above. Additionally, H.B. 09-1293 will allow a Medicaid Buy-In Option up to 450% of the federal poverty level for certain disabled adults.

For reference:

The two-year-average median household income for 2007 and 2008 was \$62,217 for Colorado and \$51,233 for the United States (source: U.S. Census Bureau, Current Population Survey, 2006 to 2009 Annual Social and Economic Supplements).

Based on the 2000 census, 32.8 percent of Colorado's population (children and adults) were living in a family with income below 250 percent of the federal poverty level (Colorado Health Institute).

Review of FY 2009-10 Budget Balancing Actions from the 2009 Legislative Session

Department of Health Care Policy and Financing						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2008-09 Final Appropriation (2009 Session):	\$3,881,177,546	\$1,567,671,367	\$389,157,525	\$22,770,129	\$1,901,578,525	269.2
Breakdown of Appropriation Change by Administrative Section						
Executive Director's Office	11,320,245	3,456,622	737,614	5,367	7,120,642	18.6
Medical Services Premiums	75,672,929	(10,034,905)	46,104,864	115,261	39,487,709	0.0
Medicaid Mental Health Community Programs	(1,226,407)	(1,962,221)	1,347,463	670	(612,319)	0.0
Indigent Care Program	12,701,239	2,604,247	(4,509,327)	1,498,250	13,108,069	0.0
Other Medical Services	14,471,654	14,602,700	56,768	45,000	(232,814)	0.0
Department of Human Services Medicaid-Funded Programs	<u>21,672,725</u>	<u>11,565,354</u>	<u>(2,085,151)</u>	<u>1,111,462</u>	<u>11,081,060</u>	<u>0.0</u>
FY 2009-10 Appropriation (2009 Session):	4,015,789,931	1,587,903,164	430,809,756	25,546,139	1,971,530,872	287.8
Increase/(Decrease)	134,612,385	20,231,797	41,652,231	2,776,010	69,952,347	18.6
Percentage Change	3.5%	1.3%	10.7%	12.2%	3.7%	6.9%

*Does not show the impact of the American Recovery and Reinvestment Act of 2009 (ARRA) and does not reflect contingent appropriation in HB 09-1293.

Executive Director's Office: The General Fund increase included: (1) \$1.8 million (\$5.2 million total funds) for administrative expenses to implement H.B. 09-1293 until the waiver is approved; (2) \$1.3 million (\$4.2 million total funds) for administrative costs associated with other budget actions elsewhere in the Department; (3) \$1.0 million (\$3.0 million total funds) for IT enhancements and the CBMS realignment project; (4) \$293,000 (\$575,000 total funds) for additional county administration for increased eligibility determination workloads; and (5) \$246,000 (\$403,000 total funds) for employee-related benefits and centrally appropriated line items.

These General Fund increases were partially offset with the following: (1) \$978,000 (\$1.9 million total funds) to eliminate one-time funding associated with prior year legislation and budget actions; (2) \$183,000 (\$456,000 total funds) to reduce the personal services and contract services base by 1.82 percent; and (3) \$12,000 (\$0 total funds) to refinance administrative costs for the Breast and Cervical Cancer Treatment Program.

Additional legislation (HB 09-1047, HB 09-1073, HB 09-1073, and HB 09-1196) added \$306,000 total funds to the total appropriation but had no General Fund impact.

Medical Services Premiums: The General Fund included an increase of \$98.6 million (\$220.2 million total funds) for base caseload and cost increases.

This increase was offset by the following decreases: (1) \$34.3 million (\$0 total fund impact) to refinance General Fund with Amendment 35 tobacco tax funds and various other cash funds; (2) \$27.3 million (\$57.4 million total funds) to delay the last week of Medicaid payments and to permanently change the payment of managed care capitation to not before the first day of the month following enrollment; (3) \$26.3 million (\$54.0 million total funds) for provider rate reductions and utilization control; (4) \$17.1 million (\$26.5 million total funds) to change the reimbursement methodology for nursing facilities; and (5) \$3.6 million (\$7.1 million total funds) for various other cost reduction items.

Additionally, 500,000 total funds (\$0 General Fund impact) was added to fund the costs associated with implementing the coordinated care for people with disabilities pilot program that was authorized under S.B. 06-128.

Medicaid Mental Health Program: The General Fund included an increase of \$6.3 million (\$16.4 million total funds) for base caseload and cost increases. This increase was offset \$8.3 million (\$17.7 million total funds) to delay the last week of Medicaid payments and to permanently change the payment of managed care capitation to not before the first day of the month following enrollment.

Indigent Care Program: The General Fund included the following increases: (1) \$2.5 million (\$27.3 million total funds) for caseload and cost increase for the Children's Basic Health Plan; (3) \$2.1 million (\$2.1 million total funds) to restore one-time funding adjustments made in FY 2008-09; and (4) \$1.1 million (\$2.2 million total funds) to transfer funding to the Pediatric Specialty Hospital line item from the Medical Services Premiums line item.

These General Fund increases were partially offset by \$3.1 million (\$4.2 million total funds) from maximizing General Fund savings under the American Recovery and Reinvestment Act (ARRA) with other fund transfers or decreases.

Additionally, the following increases with no General Fund impacts were included: (1) an increase of \$6.3 million total funds for the Disproportionate Share Program due to ARRA; and (2) an increase of \$1.5 million (\$1.7 million total funds) to restore a one-time reduction in FY 2008-09 to the Comprehensive Primary and Preventative Care Grant Program and to increase funding based on available revenue for the Primary Care Fund. These increases were offset by the following reductions: (1) \$13.1 million total funds to delay the last week of Children's Basic Health Plan payments and to permanently change the payment of managed care capitation to not before the first day of the month following enrollment; (2) \$7.4 million cash funds reduction to the Primary Care

Program (this funding was used to offset General Fund in the Medical Services Premiums section); and (3) \$105,000 cash funds to change disbursements from the Master Tobacco Settlement Agreement.

Other Medical Services: The General Fund included an increase of \$14.6 million (\$14.6 million total funds) for the Medicare Modernization Act (MMA) State Contribution Payment. Of this amount, \$7.3 million was to reverse one-time savings in FY 2008-09 related to delaying the May 2009 payment until July 2009. Another \$7.3 million was added for current caseload and cost estimates. The rest of the changes in this division related to technical and administrative adjustments.

Department of Human Services Medicaid-Funded Programs: The General Fund increase of \$11.6 million (\$21.7 million total funds) related mainly to program increases in the Services for People with Disabilities programs in the Department of Human Services. This division is not part of this budget briefing but was included in the table in order to summarize the entire Department of Health Care Policy and Financing appropriations. Please see the staff briefings for the Department of Human Services for Medicaid funding detail.

During the 2009 Session, the Joint Budget Committee members sponsored seven budget bills, in addition to the Long Bill, in order to make the budget changes to the Department of Health Care Policy and Financing as summarized above.

Overview of Governor's Emergency Supplementals for FY 2009-10

Due to FY 2009-10 revenue being below the March 2009 forecast, the Governor took action in August 2009 and October 2009 to reduce expenditures in the Department of Health Care Policy and Financing beyond what was originally appropriated. This section of the Department Overview summarizes those actions. Some of the specific issues are discussed in greater detail in the Issue Section of this briefing document.

Department of Health Care Policy and Financing						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2009-10 Appropriation (2009 Session):	\$4,015,789,931	\$1,587,903,164	\$430,809,756	\$25,546,139	\$1,971,530,872	287.8
<u>Breakdown of Governor's Proposal by Issue -- Includes Officially Received Supplemental Requests ONLY and Base Issues Contained in November Request (Does Not Represent Final Supplementals)</u>						
Technical-- Recognize Contingent HB 09-1293 Appropriation /1	376,689,131	0	184,306,484	0	192,382,647	0.0

	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Base Change-- Medicaid Medical Program	86,404,006	48,486,520	(7,272,461)	219,526	44,970,421	0.0
Base Change-- Medicaid Mental Health Program	4,051,232	2,977,075	(956,302)	1,377	2,029,082	0.0
ES #1--"Recognize ARRA Funding for H.B. 09-1293"	0	(41,415,100)	41,415,100	0	0	0.0
ES #2-- "Medicaid Program Reductions"	(38,590,574)	(20,938,539)	516,393	(7,002)	(18,161,426)	0.0
ES #3-- "Department Administrative Reductions"	(1,166,768)	(2,151,651)	1,736,356	0	(751,473)	0.0
ES #4-- "Reduce Funding for Indigent Care Program"	(62,219,107)	(22,422,017)	0	(11,956,827)	(27,840,263)	(0.2)
ES #6 -- "Additional Provider Rate Reductions"	(8,332,713)	(3,974,214)	(189,315)	0	(4,169,184)	0.0
ES #7 -- "Additional Payment Delay"	(44,704,311)	(21,217,605)	(1,094,276)	(20,388)	(22,372,042)	0.0
NP ES-- EDO Division	(86,505)	(43,252)	0	0	(43,253)	0.0
NP ES-- MSP Division	1,098,410	(14,482,686)	15,031,891	0	549,205	0.0
NP ES-- MH Division	582,420	291,210	0	0	291,210	0.0
NP ES-- OMS Division	(241,508)	(120,754)	0	0	(120,754)	0.0
NP ES-- DHS Division	<u>(13,209,405)</u>	<u>(6,477,448)</u>	<u>(10,873)</u>	<u>(116,380)</u>	<u>(6,604,704)</u>	<u>0.0</u>
FY 2009-10 Revised Appropriation Before ARRA	\$4,316,064,239	\$1,506,414,703	\$664,292,753	\$13,666,445	\$2,131,690,338	287.6
ES #5-- Appropriate ARRA Impact (Adjusted to Total)	<u>0</u>	<u>(351,230,107)</u>	<u>(82,477,626)</u>	<u>(833,989)</u>	<u>434,541,722</u>	<u>0.0</u>
FY 2009-10 Revised Appropriation Requested by Governor	\$4,316,064,239	\$1,155,184,596	\$581,815,127	\$12,832,456	\$2,566,232,060	287.6
Increase/(Decrease)	\$300,274,308	(\$432,718,568)	\$151,005,371	(\$12,713,683)	\$594,701,188	(0.2)
Percentage Change	7.5%	(27.3)%	35.1%	(49.8)%	30.2%	0.0%
Increase/(Decrease) without ARRA & HB 09-1293 impacts	(\$76,414,823)	(\$40,073,361)	\$7,761,413	(\$11,879,694)	(\$32,223,181)	(0.2)
Percentage Change	(1.9)%	(2.5)%	1.8%	(46.5)%	(1.6)%	0.0%

/1 Reflects appropriation clause in H.B. 09-1293 as adjusted by the Department's November 6, 2009 request for the Medical Services Premiums and Mental Health Divisions.

Technical-- Recognize Contingent HB 09-1293 Appropriation: The table shows the impact HB 09-1293 will have if the federal waiver is approved before April 1, 2009. Because this appropriation clause is not yet law, it is not in the FY 2009-10 appropriation base. This bill contains a contingent appropriation clause to automatically appropriate additional funding if the waiver is approved. Staff has modified the original HB 09-1293 contingent appropriation impact to reflect current information contained in the Department's November 6, 2009 request.

Base Change-- Medicaid Medical Program: This issue indicates the possible Medicaid caseload and base cost supplemental for the Medical Services Premiums line item. This is not an official supplemental request but represents the base that the Department used when developing their FY 2010-11 request. This issue is discussed in greater detail in a later issue in this briefing packet.

Base Change-- Medicaid Mental Health Program: This issue indicates the possible Medicaid caseload and cost supplemental for the Medicaid Mental Health program. This is not an official supplemental request but represents the base that the Department used when developing their FY 2010-11 request. This issue is discussed in greater detail in a later issue in this briefing packet.

ES #1--"Recognize ARRA Funding for H.B. 09-1293": If HB 09-1293 is approved by CMS, the Department proposes to hold the Hospital Fee at the original level that would be needed to raise the revenue for the HB 09-1293 costs assuming no ARRA impact. Because ARRA reduces the state funding needed by increasing the federal match, the difference between the original fee and the amount needed after ARRA impacts would be used to offset General Fund expenditures.

Originally, this supplemental request also reduced FY 2009-10 General Fund appropriations by \$11.1 million to account for additional ARRA funds received in FY 2008-09 because the State reached the 3rd Tier ARRA adjustment due to higher than anticipated unemployment rates. The State received notice of this enhanced federal match after the close of the FY 2008-09 year. The Controller's Office has booked this "additional revenue" to FY 2008-09 as a post-close adjustment. Therefore, no FY 2009-10 adjustment is necessary for this issue and the Department's November 6, 2009 request reflects that this funding was recognized in FY 2008-09 instead of FY 2009-10.

ES #2-- "Medicaid Program Reductions": This issue has the following components: (1) 1.5 percent provider rate reduction on most of the Department's providers; (2) a reduction to FQHC rates; (3) a reduction to the Home and Community Based Services (HCBS) Waiver Transportation Benefit; (4) a limit to personal care and homemaker in HCBS Waivers; (5) granting state-only prenatal clients Medicaid eligibility; (6) eliminating the telehealth disease management program; (7) reducing pharmacy reimbursement rates; (8) expanding the preferred drug list; (9) eliminating General Fund outstationing payments; (10) reducing Mental Health capitation rates; and (11) recognizing additional recoupment payments in the Mental Health program.

ES #3--"Department Administrative Reductions": This issue has the following major components: (1) reduce legal services and third party recovery legal payments; (2) reduce operating expenditures to only the most essential expenditures; (3) reduce costs within the Medicaid

Management Information System contract; (4) eliminate the school-based Medical Assistance Sites pilot program; (5) refinance HB 09-1293 General Fund with the Hospital Provider Fee Cash Fund assuming that CMS approves the waiver program; and (6) Reduce the Children's Basic Health Plan outreach funding.

ES #4-- "Reduce Funding for Indigent Care Program": This issue eliminates certain supplemental payments made to providers participating in the Indigent Care Programs and the associated administrative expenses. The cash fund reductions to the ICP line items will be used to refinance General Fund appropriations in the Medical Services Premiums line item. In addition, the proposal reduces (and eliminates in FY 2010-11) payments to private hospitals that receive their state match through the General Fund. The Department anticipates that the Hospital Provider Fee will alleviate some of the impact from this reduction. This supplemental is discussed in greater detail in a later issue in this briefing packet.

ES #6-- "Additional Provider Rate Reductions": This issue is part of the budget actions the Governor proposed in October 2009 to reduce expenditures based on the September revenue forecast. This issue reduces the provider rates paid to most Medicaid physical health fee-for-service and managed care providers by 1.0 percent effective December 1, 2009. The exceptions from this provider rate reduction are as follows: prescription drugs; federally qualified health centers; rural health centers; hospice care; Class I and II nursing facilities; and prepaid inpatient health plan (PIHP) administration. This supplemental is discussed in greater detail in a later issue in this briefing packet.

ES #7 -- "Additional Payment Delay": This issue is part of the budget actions the Governor proposed in October 2009 to reduce expenditures based on the September revenue forecast. This issue delays one additional week of provider payments in FY 2009-10 (with SB 09-265 the number of provider payment delayed is 2 weeks). This supplemental is discussed in greater detail in a later issue in this briefing packet.

NP ES-- EDO Division: This issue represents the Department's reductions from common policy and centrally appropriated line items. Most of these non-prioritized items are from corresponding budget reductions in the Department of Personnel and Administration.

NP ES-- MSP Division: The majority of these non-prioritized items relate to increasing the amount of the Amendment 35 Tobacco Tax funding used to offset General Fund appropriations in the Medical Services Premiums line item. This issue also contains the costs to the Medical Services Premiums line item due to closing beds at Fort Logan and at the Grand Junction Regional Center.

NP ES-- MH Division: This issue contains the estimated costs to the Mental Health Capitation program due to closing beds at Fort Logan.

NP ES-- OMS Division: This issue reduces funding to the Commission on Family Medicine line item by 10 percent in FY 2009-10. This reduction carries forward into FY 2010-11.

NP ES-- DHS Division: This issue contains the summation of all of the DHS supplemental reductions that have Medicaid funded impacts. These issues are discussed in the staff briefings for the Department of Human Services and are shown here only to help provide a total funding request for the Department of Health Care Policy and Financing.

ES #5-- Appropriate ARRA Impacts: This issue requests that the impacts of the increased federal match under the American Recovery and Reinvestment Act (ARRA) be formally appropriated. Currently, this ARRA impact is shown in the JBC Staff Director's General Fund Overview as an appropriation offset but is not formally appropriated. By formally adjusting the General Fund appropriation, the Governor's Office calculates that the amount of funding needed to maintain a 2.0 percent General Fund reserve is lowered by \$7.0 million. This item is discussed in greater detail in Issue #2 of this briefing packet.

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
 Department of Department of Health Care Policy and Financing
 (Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
 Community Programs, Indigent Care Programs, and Other Medical Services)**

DECISION ITEM PRIORITY LIST

Decision Item	GF	CF	RF	FF	Total	FTE
1	134,715,479	(29,498,967)	390,381	101,716,676	207,323,569	0.0
<p>Request for FY 2010-11 Medical Services Premiums (Base Caseload & Cost Forecast)</p> <p>Medical Services Premiums. Estimated base increase to the Medical Services Premiums line item based on the anticipated number of clients who will be served in FY 2010-11 and the cost of providing medical services to those clients. The Department currently projects an increase in caseload of 10.96 percent over their <i>revised</i> FY 2009-10 estimate. The Department is also forecasting an increase in overall per-capita spending of 0.12 percent over their <i>revised</i> FY 2009-10 estimate. The overall total increase projected for the <i>base</i> changes to the Medical Service Premiums is 24.7 percent over the <i>current</i> appropriation. This decision item is discussed in greater detail in a separate issue. <i>Statutory authority: Sections 25.5-4 et al, 25.5-5-et al, and 25.5-6 et al C.R.S. (2009).</i></p>						
2	10,807,345	(75,390)	4,338	10,645,511	21,381,804	0.0
<p>Request for FY 2010-11 Medicaid Mental Health Community Programs (Base Caseload & Cost Forecast)</p> <p>Medicaid Mental Health Community Programs. Estimated base increase to the Medicaid Community Mental Health line items. The request is based on the anticipated growth in the Medicaid caseload described above as well as a decrease in the overall weighted capitation rate change of 2.51 percent. This decision item is discussed in greater detail in a separate issue. <i>Statutory authority: Sections 25.5-308, 25.5-5-408, and 25.5-5-411, C.R.S. (2008).</i></p>						
3	9,435,683	(3,287,635)	9,435,683	11,482,595	27,066,326	0.0
<p>Children's Basic Health Plan Medical Premium and Dental Costs (Base Caseload & Cost Forecast)</p> <p>Indigent Care Programs. Estimated increase based on forecasted caseload and cost-per-client estimates for the Children's Basic Health Plan. The Department is forecasting a 16.3 percent increase to the children's caseload in FY 2010-11 over their current FY 2009-10 estimate. The Department is also forecasting that the adult pregnant women caseload will increase by 44.3 percent in FY 2010-11. Medical costs for children are anticipated to increase from \$1,931.91 to \$2,074.10. The dental costs for children are anticipated to increase from \$162.35 to \$164.35. Finally, medical costs of adult pregnant women are anticipated to increase from \$10,552.63 to \$11,006.39. This decision item is discussed in greater detail in a later issue in this briefing packet. <i>Statutory authority: Sections 25.5-8 et al, C.R.S. (2008).</i></p>						
4	1,727,607	0	0	0	1,727,607	0.0
<p>Medicare Modernization Act State Contribution Payment (Base Caseload & Cost Forecast)</p>						

Decision Item	GF	CF	RF	FF	Total	FTE
<p>Other Medical Programs. Estimated increase for the Medicare Modernization Act (MMA) State Contribution Payment based on projected caseload of dual eligible individuals and a projected increase in the per-client per-month rate paid by the State, per federal regulation. <i>Statutory authority: Section 25-5-4-105 and Section 25.5-5-503, C.R.S. (2009) and 42 CFR 423.910 (g).</i></p>						
5	65,361	2,830	0	201,337	269,528	0.0
<p>Medicaid Management Information System Cost Adjustment</p> <p>Executive Director's Office. This request is for \$269,528 total funds for the annual cost adjustment and increase for the fixed price portion of the Medicaid Management Information System (MMIS) contract. <i>Statutory authority: Sections 25.5-4-204 (3), C.R.S. (2009) and Section 1903 (a) of the Social Security Act [42 U.S.C. 1396b] (a).</i></p>						
6	50,000	0	0	50,000	100,000	0.0
<p>Funding for Federally Mandated Audit of Disproportionate Share Hospital Expenditures</p> <p>Executive Director's Office. The Department requests \$100,000 total funds in FY 2010-11 in order to contract with a certified independent auditor to audit the Department's Disproportionate Share Hospital (DSH) expenditures in compliance with federal regulations. <i>Statutory authority: Section 1923 of the Social Security Act [42 U.S.C. 1396r-4].</i></p>						
Total	156,801,475	(32,859,162)	9,830,402	124,096,119	257,868,834	0.0

FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
Community Programs, Indigent Care Programs, and Other Medical Services)

BASE REDUCTION ITEM PRIORITY LIST

Base Reduction	GF	CF	RF	FF	Total	FTE
1	(11,201)	(1,672)	0	131,232	118,359	0.0
<p>Prevention and Benefits for Enhanced Value (P-BEV)</p> <p>Executive Director's Office and Medical Service Premiums. The Department's request is for the following: (1) consolidate utilization review contracts; (2) expand the set of dental procedures that may be performed by dental hygienists; and, (3) improve non-emergency medical transportation policies. <i>Statutory authority: Section 25.5-4-104, C.R.S. (2009) and Section 12-35-128, C.R.S. (2009).</i></p>						
2	(454,577)	(219,260)	0	(1,858,847)	(2,532,684)	0.9
<p>Coordinated Payment and Payment Reform</p> <p>Executive Director's Office, Medical Services Premiums, and Other Medical Services. The Department's request has two major components: (1) payment coordination and (2) payment reform. The payment coordination piece involves consolidating payment and billing processes, expanding audits conducted by the Nursing Facility Section, initiating a pilot audit of a Community Mental Health Center, and increasing enrollment of Medicare-eligible clients into Medicare. The payment reform would be a first step in trying to align economic incentives with desired outcomes. Under this proposal the Department would target three areas for rate reform: Home and Community-Based waiver programs, physician rate payments, and rates paid to Federally Qualified Health Centers. <i>Statutory authority: Sections 25.5-5-411, 25.5-4-401, 25.5-4-403, 25.5-4-301, and 25.5-6-206, C.R.S. (2009).</i></p>						
3	(443,253)	0	0	(517,429)	(960,682)	0.0
<p>Expansion of State Maximum Allowable Cost Pharmacy Rate Methodology</p> <p>Executive Director's Office and Medical Services Premiums. This request reduces expenditures by \$960,682 total funds by including more drugs in the State Maximum Allowable Cost methodology. This issue expands upon an issue approved last year which allowed the Department to implement a State Maximum Allowable Cost methodology for 97 drugs. The Department believes that this program can be expanded in FY 2010-11 for even greater cost savings. <i>Statutory authority: Sections 25.5-4-204 (3), C.R.S. (2009) and Section 1903 (a) of the Social Security Act [42 U.S.C. 1396b] (a).</i></p>						
4	(4,463,448)	0	0	(5,633,714)	(10,097,162)	0.0
<p>Medicaid Program Efficiencies</p>						

Base Reduction	GF	CF	RF	FF	Total	FTE
<p>Medical Services Premiums. Under this proposal, the Department will reduce expenditures by \$10.1 million by changing the billing methodology for home health services for nursing, physical therapy, occupational therapy, speech therapy, and assessment and teaching visits. Under the Department's current billing methodology, providers bill for a single unit of service for every visit, regardless of the time spent with the client up to 2.5 hours of care per day. Under the Department's proposed change, the Department would require providers to bill in half hour increments based on actual time spent with the client. <i>Statutory authority: Section 25.5-5-102, C.R.S. (2009).</i></p>						
5	(93,822,636)	(5,227,680)	(77,508)	(88,973,696)	(188,101,520)	0.0
<p>Medicaid Payment Timing</p> <p>Medical Services Premiums and Mental Health Community Programs. The Department requests a reduction of \$188.1 million total funds in FY 2010-11 by shifting 4 weeks of provider payments into FY 2011-12. In order to reduce the impact of the out-year expenditure due to the payment delays, the Department also proposes to delay the final three weeks of payments in FY 2011-12, the final two weeks of payments in FY 2012-13, and the final week of payments in FY 2013-14. This decision item is discussed in greater detail in a separate issue later in this briefing packet. <i>Statutory authority: Section 25.5-4-401, C.R.S. (2009) gives authority for a one week payment delay in FY 2009-10. This statute would need to be change to enable the Department's proposed payment delay schedule through FY 2013-14.</i></p>						
6	(27,963,869)	11,350,706	(214)	(18,620,663)	(35,234,040)	0.0
<p>Medicaid Program Reductions</p> <p>Medical Services Premiums and Mental Health Community Programs. The Department's request would reduce Medicaid physical health provider rates by 1.0 percent, reduce capitation rates paid to behavioral health organizations, reduce reimbursement to mid-level practitioners, impose restrictions on certain durable medical equipment; restrict nursing facility per diem growth to 0.0 percent in FY 2010-11; and, refinance a portion of Medical Services Premiums with an existing cash fund appropriation. These provider rate reductions would be effective July 1, 2010 and are in addition to other provider rate reductions already proposed or enacted in FY 2009-10. Portions of this issue are discussed in greater detail in separate issue in this briefing packet. <i>Statutory authority: Section 25.5-4-401 (1) (a), Section 25.5-6-202, and 24-22-117, C.R.S. (2009). This issue would require a statutory change regarding the nursing facility rates reductions.</i></p>						
7	0	0	0	0	0	0.0
<p>Intentionally Left Blank</p>						
8	(192,399,664)	(30,506,863)	(440,258)	223,346,785	0	0.0
<p>Adjust Department Appropriations to Reflect Enhanced Federal Medicaid Assistance Percentage</p> <p>Medical Services Premiums, Medicaid Mental Health Community Programs, Indigent Care Programs, Other Medical Services, Department of Human Services Medicaid-Funded Programs. The Department's budget request reflects the enhanced Federal Medicaid Assistance Percentage (FMAP) that the State is receiving as a result of the American Recovery and Reinvestment Act of 2009 (ARRA). This item is discussed in greater detail in a separate issue in this briefing packet. <i>Statutory authority: Section 25.5-1-104 (2) (4), C.R.S. (2009).</i></p>						
Total	(319,558,648)	(24,604,769)	(517,980)	107,873,668	(236,807,729)	0.9

FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
Community Programs, Indigent Care Programs, and Other Medical Services)

NON-PRIORITIZED ITEM LIST

Non-Prioritized Item List	GF	CF	RF	FF	Total	FTE
1 DHS - Office of Information Technology Services - Medicaid Funding, Colorado Benefits Management System.	229,803	948	1,108	231,563	463,422	0.0
2 Statewide Information Technology Staff Consolidation	(46,405)	0	(103,363)	(46,404)	(196,172)	(25.0)
3 DHS - Enforcing Sponsorship Commitment for Applicants and Recipients of Adult Financial Programs	(124,325)	35	41	(124,261)	(248,510)	0.0
4 DPHE - Amendment 35 Funding Reduction	(25,691,418)	25,691,418	0	0	0	0.0
5 DHS - Annual Fleet Vehicle Replacement	8,138	0	0	8,137	16,275	0.0
6 DHS - Two Percent Community Provider Rate Base Decrease	(2,881,495)	(11,789)	0	(3,651,851)	(6,545,135)	0.0
7 DHS - Statewide Information Technology Staff Consolidation	(77,387)	1	1	(85,956)	(163,341)	0.0
8 DPHE - Statewide Information Technology Staff Consolidation	(4,758)	0	0	(9,620)	(14,378)	0.0
Total	(28,587,847)	25,680,613	(102,213)	(3,678,392)	(6,687,839)	(25.0)

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
 Department of Health Care Policy and Financing
 (Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
 Community Programs, Indigent Care Programs, and Other Medical Services)**

OVERVIEW OF NUMBERS PAGES

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2009-10 appropriation and its FY 2010-11 request.

Table 1: Total Requested Change, FY 2009-10 to FY 2010-11 (millions of dollars)

Category	GF	CF	RF	FF	Total	FTE
FY 2009-10 Appropriation*	\$1,587.9	\$430.8	\$25.5	\$1,971.5	\$4,015.7	287.8
FY 2010-11 Request	1,385.1	657.9	20.3	2,459.5	4,522.8	292.9
Increase / (Decrease)	(\$202.8)	\$227.1	(\$5.2)	\$488.0	\$507.1	5.1
Percentage Change	(12.8)%	52.7%	(20.4)%	24.8%	12.6%	1.8%

*Current Appropriation. Does not reflect budget reduction items until acted upon.

As shown in Table 1 above, the Department's FY 2010-11 budget request includes a total General Fund decrease of \$202.8 million (12.8 percent) from the current FY 2009-10 appropriation. The Department's request includes the following significant General Fund increases: (1) \$145.5 million for forecasted caseload and cost growth for the Medicaid medical and mental health programs; (2) \$9.4 million for caseload and cost growth in the Children's Basic Health Plan; and (3) \$1.7 million for the forecasted caseload and cost growth for the Medicare Modernization Act State Contribution Payment.

These increases are more than offset by the following significant reductions: (1) \$192.2 million to recognize the increase to the federal financial participation for the Medicaid program under the American Recovery and Reinvestment Act of 2009 (ARRA); (2) \$93.8 million to delay payment of the last four weeks of Medicaid claims in FY 2010-11 until FY 2011-12; (3) \$31.3 million for provider rate reductions and cost containments in addition to those already proposed in August 2009 and October 2009; (4) \$25.7 million to offset General Fund appropriations in the Medical Services Premiums line item with Amendment 35 tobacco tax funds administered by the Department of Public Health and Environment; (5) \$5.4 million for various proposed Medicaid payment and program efficiency initiatives; and (6) \$11.0 million net reduction related to annualizing enacted and proposed FY 2009-10 budget actions and prior year legislation.

Table 2 summarizes the changes requests contained in the Department's total FY 2010-11 budget request, as compared with the **original** FY 2009-10 appropriation and Table 3 summarizes the Department's request compared to the original FY 2009-10 appropriation as well as to the revised FY 2009-10 as officially requested by the Governor as of December 2009.

Table 2: Total Department Requested Changes, FY 2009-10 to FY 2010-11 (in millions)

Category	GF	CF	RF	FF	Total	FTE
Decision Items	\$156.8	(\$32.8)	\$9.8	\$124.1	\$257.9	0.0
Budget Amendments	(6.7)	(0.3)	0.0	(11.2)	(18.2)	0.0
Base Reduction Items	(125.1)	6.0	(0.2)	(117.8)	(237.1)	0.9
Non-Prioritized Items	(29.0)	25.7	(0.1)	(3.3)	(6.7)	(25.0)
Technical/Base Changes	(6.6)	259.0	(14.3)	273.1	511.2	29.2
ARRA Impacts	(192.2)	(30.5)	(0.4)	223.1	0.0	0.0
Total Changes	(\$202.8)	\$227.1	(\$5.2)	\$488.0	\$507.1	5.1

Table 3: Department Overview of FY 2009-10 and FY 2010-11 Budget Request

Department of Health Care Policy and Financing	GF	CF	RF	FF	Total	FTE
2009 Session FY 2009-10 Appropriation	\$1,587,903,164	\$430,809,756	\$25,546,139	\$1,971,530,872	\$4,015,789,931	287.8
Received Supplementals (Aug & Dec)	(132,952,056)	57,405,276	(12,100,597)	(79,222,684)	(166,870,061)	(0.2)
HB 09-1293 Impact (if CMS approved)	0	184,306,484	0	192,382,647	376,689,131	0.0
Estimated Caseload Increases	51,463,595	(8,228,763)	220,903	46,999,503	90,455,238	0.0
ARRA Impact	(351,230,107)	(82,477,626)	(833,989)	434,541,722	0	0.0
REVISED FY 2009-10 Appropriation Requested	\$1,155,184,596	\$581,815,127	\$12,832,456	\$2,566,232,060	\$4,316,064,239	287.6
Technical / Base Adjustments to REVISED BASE	428,032,992	108,193,909	(1,596,751)	(323,869,297)	210,760,853	29.4
FY 2010-11 Requested BASE	\$1,583,217,588	\$690,009,036	\$11,235,705	\$2,242,362,763	\$4,526,825,092	317.0
Decision Items & BA (w/o ARRA)	148,126,832	(33,274,564)	9,830,402	114,993,203	239,675,873	0.0
Base Reduction Items (w/o ARRA)	(125,080,864)	6,027,742	(181,084)	(117,784,072)	(237,018,278)	0.9
Non-Prioritized Requests (w/o ARRA)	(28,967,129)	25,680,613	(102,212)	(3,299,090)	(6,687,818)	(25.0)
ARRA Impact	(192,199,955)	(30,541,609)	(440,258)	223,181,822	0	0.0
FY 2011-12 November Budget Req.	\$1,385,096,472	\$657,901,218	\$20,342,553	\$2,459,454,626	\$4,522,794,869	292.9
\$ Change to Original FY 09-10 App.	(202,806,692)	227,091,462	(5,203,586)	487,923,754	507,004,938	5.1
% Change	(12.8)%	52.7%	(20.4)%	24.7%	12.6%	1.8%
\$ Change to Revised FY 09-10 App.	229,911,876	76,086,091	7,510,097	(106,777,434)	206,730,630	5.3
% Change	19.9%	13.1%	58.5%	(4.2)%	4.8%	1.8%

The tables on the following pages summarizes the Department's FY 2010-11 budget request by division. For a breakdown of change requests by line item see the Department's number pages in Appendix A. For reconciliation of the Department's request for FY 2009-10 and FY 2010-11 see Appendix AA.

**FY 2010-11 Joint Budget Committee Staff Document
Department of Health Care Policy and Financing**

Department Request	FY 2009-10	FY 2009-10	FY 2009-10	FY 2010-11	FY 2010-11		FY 2010-11	
	Original App.	Revised Proposal	Change to App.	Request	\$ Change to Original APP	% Change	Revised Proposal	% Change
Executive Director's	114,333,199	120,426,709	6,093,510	133,706,289	19,373,090	16.9%	13,279,580	11.0%
FTE	287.8	287.6	(0.2)	292.9	5.1	1.8%	5.3	1.8%
General Fund	38,499,212	36,439,373	(2,059,839)	37,016,136	(1,483,076)	-3.9%	576,763	1.6%
Cash Funds	8,066,543	12,397,761	4,331,218	15,138,611	7,072,068	87.7%	2,740,850	22.1%
Reappropriated Funds	1,796,135	1,796,135	0	1,944,955	148,820	8.3%	148,820	8.3%
Federal Funds	65,971,309	69,793,440	3,822,131	79,606,587	13,635,278	20.7%	9,813,147	14.1%
Medical Services Premiums	2,572,042,638	2,869,367,670	297,325,032	2,977,258,123	405,215,485	15.8%	107,890,453	3.8%
General Fund & GFE	1,112,661,142	781,075,407	(331,585,735)	968,547,476	(144,113,666)	-13.0%	187,472,069	24.0%
Cash Funds	167,097,000	324,695,877	157,598,877	335,181,965	168,084,965	100.6%	10,486,088	3.2%
Reappropriated Funds	2,746,329	2,938,657	192,328	3,050,056	303,727	11.1%	111,399	3.8%
Federal Funds	1,289,538,167	1,760,657,729	471,119,562	1,670,478,626	380,940,459	29.5%	(90,179,103)	-5.1%
Medicaid Mental Health	215,104,388	214,194,732	(909,656)	230,938,829	15,834,441	7.4%	16,744,097	7.8%
General Fund	99,097,143	74,935,681	(24,161,462)	90,541,417	(8,555,726)	-8.6%	15,605,736	20.8%
Cash Funds	8,434,054	7,258,196	(1,175,858)	10,819,672	2,385,618	28.3%	3,561,476	49.1%
Reappropriated Funds	9,208	10,393	1,185	12,051	2,843	30.9%	1,658	16.0%
Federal Funds	107,563,983	131,990,462	24,426,479	129,565,689	22,001,706	20.5%	(2,424,773)	-1.8%
Indigent Care Program	556,535,683	567,593,206	11,057,523	640,917,906	84,382,223	15.2%	73,324,700	12.9%
General Fund & GFE	37,651,659	14,402,875	(23,248,784)	18,467,335	(19,184,324)	-51.0%	4,064,460	28.2%
Cash Funds	220,738,573	213,106,366	(7,632,207)	271,160,722	50,422,149	22.8%	58,054,356	27.2%
Reappropriated Funds	14,844,000	2,887,173	(11,956,827)	9,832,916	(5,011,084)	-33.8%	6,945,743	240.6%
Federal Funds	283,301,451	337,196,792	53,895,341	341,456,933	58,155,482	20.5%	4,260,141	1.3%
Other Medical Services	134,295,632	134,054,124	(241,508)	136,574,451	2,278,819	1.7%	2,520,327	1.9%
General Fund	91,099,689	90,447,683	(652,006)	93,244,833	2,145,144	2.4%	2,797,150	3.1%
Cash Funds	25,840,683	23,730,137	(2,110,546)	24,785,410	(1,055,273)	-4.1%	1,055,273	4.4%
Reappropriated Funds	4,025,000	3,676,141	(348,859)	3,850,570	(174,430)	-4.3%	174,429	4.7%
Federal Funds	13,330,260	16,200,163	2,869,903	14,693,638	1,363,378	10.2%	(1,506,525)	-9.3%
DHS Programs	423,478,391	410,427,798	(13,050,593)	403,399,271	(20,079,120)	-4.7%	(7,028,527)	-1.7%
General Fund	208,894,319	157,883,577	(51,010,742)	177,279,275	(31,615,044)	-15.1%	19,395,698	12.3%
Cash Funds	632,903	626,790	(6,113)	814,838	181,935	28.7%	188,048	30.0%
Reappropriated Funds	2,125,467	1,523,957	(601,510)	1,652,005	(473,462)	-22.3%	128,048	8.4%
Federal Funds	211,825,702	250,393,474	38,567,772	223,653,153	11,827,451	5.6%	(26,740,321)	-10.7%
DEPARTMENT TOTAL	4,015,789,931	4,316,064,239	300,274,308	4,522,794,869	507,004,938	12.6%	206,730,630	4.8%
FTE	287.80	287.6	(0.2)	292.9	5.1	1.8%	5.3	1.8%
General Fund & GFE	1,587,903,164	1,155,184,596	(432,718,568)	1,385,096,472	(202,806,692)	-12.8%	229,911,876	19.9%
Cash Funds	430,809,756	581,815,127	151,005,371	657,901,218	227,091,462	52.7%	76,086,091	13.1%
Reappropriated Funds	25,546,139	12,832,456	(12,713,683)	20,342,553	(5,203,586)	-20.4%	7,510,097	58.5%
Federal Funds	1,971,530,872	2,566,232,060	594,701,188	2,459,454,626	487,923,754	24.7%	(106,777,434)	-4.2%
General Fund Exempt	504,000			489,357				

Table 5: Requested Changes for Executive Director's Office, FY 2009-10 to FY 2010-11

Executive Director's Office	GF	CF	RF	FF	Total	FTE
FY 2009-10 Appropriation	\$38,499,212	\$8,066,543	\$1,796,135	\$65,971,309	\$114,333,199	287.8
Submitted Supplementals	(2,059,839)	1,762,320	0	(567,289)	(864,808)	(0.2)
Estimated HB 09-1293 Impact	0	2,568,898	0	4,389,420	6,958,318	0.0
Revised FY 2009-10 Appropriation	\$36,439,373	\$12,397,761	\$1,796,135	\$69,793,440	\$120,426,709	287.6
Annualize prior year budget actions and special legislation	(813,843)	4,124,823	29,239	8,414,007	11,754,226	29.4
Annualize Supplemental Requests and Technical Base Adjustments	1,807,237	(1,424,335)	0	223,878	606,780	0.0
Common Policy Adjustments	(622,147)	37,532	222,943	615,384	253,712	0.0
FY 2010-11 Base Request	\$36,810,620	\$15,135,781	\$2,048,317	\$79,046,709	\$133,041,427	317.0
DI #5- MMIS Information System Cost Adjustment	65,361	2,830	0	201,337	269,528	0.0
DI #6 - Disproportionate Share Hospital Audit	50,000	0	0	50,000	100,000	0.0
BRI #1 - Prevention & Benefits Evaluation	0	0	0	151,932	151,932	0.0
BRI #2 - Coordinated Payment and Payment Reform	117,126	0	0	140,057	257,183	0.9
BRI #3 - Expansion of State MAX Pharmacy Rate Methodology	24,192	0	0	72,576	96,768	0.0
NP #2: Statewide Information Technology Staff Consolidation	(46,405)	0	(103,362)	(46,404)	(196,171)	(25.0)
NP #8: DPHE Statewide Information Technology Staff Consolidation	(4,758)	0	0	(9,620)	(14,378)	0.0
Total FY 2010-11 EDO Request	\$37,016,136	\$15,138,611	\$1,944,955	\$79,606,587	\$133,706,289	292.9
\$ Change from original FY 2009-10 Appropriation	(\$1,483,076)	\$7,072,068	\$148,820	\$13,635,278	\$19,373,090	5.1
% Change	(3.9)%	87.7%	8.3%	20.7%	16.9%	1.8%
\$ Change from revised FY 2009-10 Appropriation	\$576,763	\$2,740,850	\$148,820	\$9,813,147	\$13,279,580	5.3
% Change	1.6%	22.1%	8.3%	14.1%	11.0%	1.8%

Table 6: Requested Changes for Medical Service Premiums, FY 2009-10 to FY 2010-11

Medical Services Premiums	GF/GFE	CF	RF	FF	Total
FY 2009-10 Appropriation	\$1,112,661,142	\$167,097,000	\$2,746,329	\$1,289,538,167	\$2,572,042,638
Submitted Supplementals	(100,470,361)	58,327,823	(27,198)	(39,946,920)	(82,116,656)
HB 09-1293 Estimated Impact	0	146,518,843	0	146,518,839	293,037,682
Estimated Caseload Increase	48,486,520	(7,272,461)	219,526	44,970,421	86,404,006
ARRA Impact	(279,601,894)	(39,975,328)	0	319,577,222	0
Revised FY 2009-10 Appropriation	\$781,075,407	\$324,695,877	\$2,938,657	\$1,760,657,729	\$2,869,367,670
Back-out Estimated Caseload Increase, HB 09-1293 and ARRA Impacts	231,115,374	(99,271,054)	(219,526)	(511,066,482)	(379,441,688)
Annualize prior year budget actions and legislation	79,646,715	161,354,130	0	240,718,262	481,719,107
Annualize supplemental requests*	40,098,719	(34,644,792)	17,029	5,604,056	11,075,012
FY 2010-11 Base Request	\$1,131,936,215	\$352,134,161	\$2,736,160	\$1,495,913,565	\$2,982,720,101
Medicaid Caseload and Cost Forecast (DI #1)	134,715,479	(29,498,967)	390,381	101,716,676	207,323,569
FY 2010-11 Base & Caseload	\$1,266,651,694	\$322,635,194	\$3,126,541	\$1,597,630,241	\$3,190,043,670
BRI #1: Prevention & Benefits	(14,606)	(2,181)	0	(16,786)	(33,573)
BRI #2: Payment Reform	(1,558,547)	(232,747)	0	(1,791,293)	(3,582,587)
BRI #3: Expand State Max	(528,725)	0	0	(528,725)	(1,057,450)
BRI #4: Medicaid Efficiencies	(5,048,579)	0	0	(5,048,583)	(10,097,162)
BRI #5: Payment Timing	(79,070,398)	(4,143,069)	(76,485)	(83,356,044)	(166,645,996)
BRI #6: Medicaid Reductions	(28,053,217)	11,502,201	0	(14,560,213)	(31,111,229)
NP #3: DHS - OAP Issue	(128,775)	0	0	(128,775)	(257,550)
NP #4: DPHE Amendment 35	(25,691,418)	25,691,418	0	0	0
BRI #8: ARRA Adjustments	(158,009,953)	(20,268,851)	0	178,278,804	0
Total FY 2010-11 Request	\$968,547,476	\$335,181,965	\$3,050,056	\$1,670,478,626	\$2,977,258,123
\$ Change from original FY 2009-10 Appropriation	(\$144,113,666)	\$168,084,965	\$303,727	\$380,940,459	\$405,215,485
Percent Change	(13.0)%	100.6%	11.1%	29.5%	15.8%
\$ Change from revised FY 2009-10 Appropriation	\$187,472,069	\$10,486,088	\$111,399	(\$90,179,103)	\$107,890,453
% Change	24.0%	3.2%	3.8%	(5.1)%	3.8%

*Includes EBA #1 submitted on December 1, 2009.

Table 7: Requested Changes for Medicaid Mental Health, FY 2009-10 to FY 2010-11

Medicaid Mental Health Community Programs	GF	CF	RF	FF	Total
FY 2009-10 Current Appropriation	\$99,097,143	\$8,434,054	\$9,208	\$107,563,983	\$215,104,388
Submitted Supplementals	(3,988,083)	0	(192)	(3,998,767)	(7,987,042)
HB 09-1293 Estimated Impact	0	1,508,077	0	1,508,077	3,016,154
Estimated Caseload Increase	2,977,075	(956,302)	1,377	2,029,082	4,051,232
ARRA Impact	(23,150,454)	(1,727,633)	0	24,878,087	0
Revised FY 2009-10 Appropriation	\$74,935,681	\$7,258,196	\$10,393	\$131,980,462	\$214,184,732
Back-out Estimated Caseload Increase, HB 09-1293 and ARRA Impacts	20,173,379	1,175,858	(1,377)	(28,415,246)	(7,067,386)
Annualize prior year budget actions and legislation	8,281,593	4,584,612	0	12,867,709	25,733,914
Annualize supplemental requests	1,201,568	0	(66)	1,080,586	2,282,088
FY 2010-11 Base Request	\$104,592,221	\$13,018,666	\$8,950	\$117,513,511	\$235,133,348
Medicaid Community Mental Health Programs (DI #2)	10,807,345	(75,390)	4,338	10,645,511	21,381,804
FY 2010-11 Base + Caseload	\$115,399,566	\$12,943,276	\$13,288	\$128,159,022	\$256,515,152
BRI #5: Payment Timing	(9,837,360)	(887,887)	(1,023)	(10,729,254)	(21,455,524)
BRI #6: Medicaid Reductions	(1,852,307)	(208,575)	(214)	(2,061,715)	(4,122,811)
NPI #3: DHS OAP Issue	(3,994)	0	0	(3,994)	(7,988)
BRI #8: ARRA Adjustment	(13,164,488)	(1,027,142)	0	14,191,630	0
Total FY 2010-11 Request	\$90,541,417	\$10,819,672	\$12,051	\$129,555,689	\$230,928,829
\$ Change from original FY 2009-10 Appropriation	(\$8,555,726)	\$2,385,618	\$2,843	\$21,991,706	\$15,824,441
Percent Change	(8.6)%	28.3%	30.9%	20.4%	7.4%
\$ Change from revised FY 2009-10 Appropriation	\$15,605,736	\$3,561,476	\$1,658	(\$2,424,773)	\$16,744,097
% Change	20.8%	49.1%	16.0%	(1.8)%	7.8%

Table 8: Requested Changes for Indigent Care Programs, FY 2009-10 to FY 2010-11

Indigent Care Programs	GF/GFE	CF	RF	FF	Total
FY 2009-10 Appropriation	\$37,651,659	\$220,738,573	\$14,844,000	\$283,301,451	\$556,535,683
Submitted Supplementals	(19,773,987)	(2,735,608)	(11,956,827)	(27,994,250)	(62,460,672)
Estimated HB 09-1293 Impact	0	33,631,275	0	39,886,920	73,518,195
ARRA Impact	(3,474,797)	(38,527,874)	0	42,002,671	0
Revised FY 2009-10 Appropriation	\$14,402,875	\$213,106,366	\$2,887,173	\$337,196,792	\$567,593,206
Back-out ARRA and HB 09-1293 Impacts	3,474,797	4,896,599	0	(81,889,591)	(73,518,195)
Annualize prior year budget actions and legislation	(\$2,457,414)	\$64,403,955	(\$2,457,414)	\$70,714,918	\$130,204,045
Annualize supplementals	(\$5,253,381)	\$255,053	\$20,241	(\$5,449,389)	(\$10,427,476)
FY 2010-11 Base Request	\$10,166,877	\$282,661,973	\$450,000	\$320,572,730	\$613,851,580
Children's Basic Health Plan Premium and Dental Benefit Costs (DI #3)	9,435,683	(3,287,635)	9,435,683	11,482,595	27,066,326
FY 2010-11 Base + Caseload	\$19,602,560	\$279,374,338	\$9,885,683	\$332,055,325	\$640,917,906
BRI #8: ARRA Adjustment	(1,135,225)	(8,213,616)	(52,767)	9,401,608	0
Total FY 2010-11 Request	\$18,467,335	\$271,160,722	\$9,832,916	\$341,456,933	\$640,917,906
\$ Change from original FY 2009-10 Appropriation	(\$19,184,324)	\$50,422,149	(\$5,011,084)	\$58,155,482	\$84,382,223
Percent Change	(51.0)%	22.8%	(33.8)%	20.5%	15.2%
\$ Change from revised FY 2009-10 Appropriation	\$4,064,460	\$58,054,356	\$6,945,743	\$4,260,141	\$73,324,700
% Change	28.2%	27.2%	240.6%	1.3%	12.9%

Table 9: Requested Changes for Other Medical Services, FY 2009-10 to FY 2010-11

Other Medical Services	GF	CF	RF	FF	Total
FY 2009-10 Appropriation	\$91,099,689	\$25,840,683	\$4,025,000	\$13,330,260	\$134,295,632
Submitted Supplementals	(120,754)	0	0	(120,754)	(241,508)
ARRA Impact	(531,252)	(2,110,546)	(348,859)	2,990,657	0
Revised FY 2009-10 Appropriation	\$90,447,683	\$23,730,137	\$3,676,141	\$16,200,163	\$134,054,124
Back-out ARRA Impact	531,252	2,110,546	348,859	(2,990,657)	0
FY 2010-11 Base Request	\$90,978,935	\$25,840,683	\$4,025,000	\$13,209,506	\$134,054,124
Medicare Modernization Act State Contribution Payment (DI #4)	1,727,607	0	0	0	1,727,607
FY 2010-11 Base + Caseload Request	\$92,706,542	\$25,840,683	\$4,025,000	\$13,209,506	\$135,781,731
BRI #2: Payment Reform	792,720	0	0	0	792,720
BRI #8: ARRA Adjustment	(254,429)	(1,055,273)	(174,430)	1,484,132	0
Total FY 2010-11 Request	\$93,244,833	\$24,785,410	\$3,850,570	\$14,693,638	\$136,574,451
\$ Change from original FY 2009-10 Appropriation	\$2,145,144	(\$1,055,273)	(\$174,430)	\$1,363,378	\$2,278,819
% Change	2.4%	(4.1)%	(4.3)%	10.2%	1.7%
\$ Change from revised FY 2009-10 Appropriation	\$2,797,150	\$1,055,273	\$174,429	(\$1,506,525)	\$2,520,327
% Change	3.1%	4.4%	4.7%	(9.3)%	1.9%

Table 10: Requested Changes for Department of Human Services, Medicaid-Funded Programs, FY 2009-10 to FY 2010-11

DHS Medicaid-Funded Programs	GF	CF	RF	FF	Total
FY 2009-10 Appropriation	\$208,894,319	\$632,903	\$2,125,467	\$211,825,702	\$423,478,391
Submitted Supplementals	(5,096,625)	53,261	(116,380)	(8,049,631)	(13,209,375)
Estimated HB 09-1293 Impact	0	79,391	0	79,391	158,782
ARRA Impact	(45,914,117)	(138,765)	(485,130)	46,538,012	0
Revised FY 2009-10 Appropriation	\$157,883,577	\$626,790	\$1,523,957	\$250,393,474	\$410,427,798
Back-out ARRA and HB 09-1293 Impacts	45,914,117	59,374	485,130	(46,617,403)	(158,782)
Annualize prior year budget actions and legislation	\$1,967,690	\$274,866	(\$6,898)	\$2,246,045	\$4,481,703
Annualize supplementals	(\$3,808,760)	(\$67,758)	(\$138,273)	(\$1,124,906)	(\$5,139,697)
FY 2010-11 Base Request	\$201,956,624	\$893,272	\$1,863,916	\$204,897,210	\$409,611,022
NP #1: CBMS Client Correspondence	229,803	948	1,108	231,563	463,422
NP #3: DHS OAP Issue	8,444	35	41	8,508	17,028
NP #5: Annual Fleet Replacement	8,138	0	0	8,137	16,275
NP #6: Provider Rate Reduction	(3,260,777)	(11,789)	0	(3,272,569)	(6,545,135)
NP #7: Statewide Information Technology	(77,387)	1	1	(85,956)	(163,341)
BRI #8: ARRA Adjustment	(21,585,570)	(67,629)	(213,061)	21,866,260	0
Total FY 2010-11 Request	\$177,279,275	\$814,838	\$1,652,005	\$223,653,153	\$403,399,271
\$ Change from original FY 2009-10 Appropriation	(\$31,615,044)	\$181,935	(\$473,462)	\$11,827,451	(\$20,079,120)
% Change	(15.1)%	28.7%	(22.3)%	5.6%	(4.7)%
\$ Change from revised FY 2009-10 Appropriation	\$19,395,698	\$188,048	\$128,048	(\$26,740,321)	(\$7,028,527)
% Change	12.3%	30.0%	8.4%	(10.7)%	(1.7)%

**Overview of Proposed and/or Recommended Legislation to Balance
FY 2009-10 & FY 2010-11**

Legislation Issue	GF	CF	RF	FF	Total	FTE
FY 2009-10	(15,000,000)	15,000,000	0	0	0	0.0
FY 2010-11	(25,691,418)	25,691,418	0	0	0	0.0
1. Offset General Fund with Additional Amendment 35 Tobacco Tax Funds						
<p>FY 2009-10: <i>A bill is necessary for a portion of the FY 2009-10 proposal.</i> The Governor's proposal is to offset General Fund in the Medical Services Premiums line item with the following cash funds: (1) \$7.0 million from the Tobacco Education Fund (with S.B. 09-271 a total of \$15.0 million will be transferred in FY 2009-10); (2) \$7.0 million from the Prevention, Early Detection and Treatment Fund (with S.B. 09-271 a total of \$19.0 million will be transferred in FY 2009-10); and (3) \$1.0 million from the Health Disparities Fund. Senate Bill 09-271 already allows unlimited transfer authority from the Tobacco Education and from the Prevention, Early Detection and Treatment Fund. However, S.B. 09-271 did not include any transfer authority for the Health Disparities Fund. Therefore, a bill would be necessary to offset the \$1.0 million in General Fund with the Health Disparities Fund.</p> <p>FY 2010-11: <i>An emergency resolution and a bill is necessary for the entire FY 2010-11 proposal.</i> Amendment 35 funds can only be used to offset expenditures in the Medicaid or CBHP programs if preceded by a declaration of a State fiscal emergency with a two thirds vote (Colorado Constitution, Article X, Section 21). After the General Assembly passes the emergency resolution, legislation to actually do the transfers would be necessary.</p> <p>Staff recommendation: Staff recommends that the JBC sponsor this legislation with amounts to be determined (decide the amounts at a later date). There would be three pieces of legislation: (1) the FY 2009-10 bill (to be introduced with the Supplemental Budget Balancing Package); (2) the emergency resolution (introduced with the Long Bill Budget Balancing Package); and (3) the FY 2010-11 bill (introduced with the Long Bill Budget Balancing Package). Staff recommends that the Committee authorize Legal Services to begin drafting these proposals.</p> <p>Staff also recommends the Committee consider: (1) allowing the Primary Care Fund to be used to the full amount possible in FY 2009-10 (currently only \$7.4 million of the authorized \$15.0 million transfer is used); (2) allowing the Primary Care Fund to be used in FY 2010-11 (if needed); and (3) allowing transfers from the Health Care Expansion Fund. These proposals and reasons for staff's recommendation are discussed in later budget issues in this packet.</p> <p>For additional information on the program impacts of the Governor's proposal, see the staff briefing on the Department of Public Health and Environment.</p>						
FY 2009-10	(16,284,757)	(897,552)	0	(20,388)	(27,501,644)	0.0
FY 2010-11	(93,822,636)	(5,227,680)	(77,508)	(88,973,696)	(188,101,520)	0.0
2. Medicaid Payment Timing						

Legislation Issue	GF	CF	RF	FF	Total	FTE
<p>FY 2009-10: <i>A bill is necessary for this proposal.</i> In October 2009, the Governor indicated to the Joint Budget Committee that he would request that S.B. 09-265 be amended to allow an additional 1 week of Medicaid payment delay in FY 2009-10.</p> <p>FY 2010-11: <i>This proposal requires a bill.</i> The Governor's proposal requests that 4 weeks of the Department's payments be delayed in FY 2010-11. The Governor also requests that 3 weeks of payments be delayed in FY 2011-12, two weeks in FY 2012-13, and one week in FY 2013-14.</p> <p>Staff Recommendation: Staff discusses this proposal as a budget issue later in this packet. Staff recommends that the Committee delay making a decision on this issue until the March 2010 supplemental and the figure setting presentation.</p> <p>If the Committee moves forward with this issue, it can be drafted in one bill that covers both fiscal years and introduced with the Long Bill Budget Balancing Package.</p>						
FY 2009-10	(41,415,100)	41,415,100	0	0	0	0.0
FY 2010-11	(20,707,550)	20,707,550	0	0	0	0.0
3. Allow General Fund to Benefit from Hospital Provider Fee						
<p>FY 2009-10: The Governor's proposal would maintain the Hospital Provider Fee at the same rate needed for a 50.00 percent State match for the hospital rate increases. However, during FY 2009-10, only a 38.41 percent State match is needed. The estimated difference between a 38.41 percent and 50.00 percent State match rate is \$41.4 million dollars in extra fee revenue. This extra fee revenue can then be used to offset what would otherwise be General Fund expenditures. This proposal requires a bill to allow for the hospital provider fee to be used to offset General Fund obligations, as this is not currently allowed under current law. This issue also assumes that the Centers for Medicare and Medicaid Services (CMS) will approve the Medicaid waiver for the hospital provider fee program before April 2010. While the waiver has been submitted, as of this date it has not yet been approved.</p> <p>FY 2010-11: The Governor also requests that the Hospital Provider Fee be used to offset General Fund revenues in FY 2010-11. The difference from the FY 2009-10 amount reflects that the higher federal FMAP percentage is only anticipated to last through December 2010. After that time, the state would receive the 50 percent match rate again.</p> <p>Staff Recommendation: Staff recommends that the JBC sponsor this bill. If the Committee moves forward with this issue, it can be drafted in one bill that covers both fiscal years and introduced with the Long Bill Budget Balancing Package in March. The reason to delay introducing this bill until March is that by then the Committee should know with certainty that the Hospital Provider Fee Waiver has been approved by CMS.</p> <p>If the Committee sponsors this bill, staff also recommends other changes to the HB 09-1293 for the Committee to consider that could shore up the long-term stability of funding available for the Medicaid and CBHP programs. These issues are discussed in a separate budget issue later in this packet.</p>						
FY 2009-10	(886,047)	(67,717)	0	(953,764)	(1,907,528)	0.0
FY 2010-11	(3,736,282)	(285,550)	0	(4,021,832)	(8,043,664)	0.0
FY 2010-11	(12,215,048)	12,215,048	0	0	0	0.0
4. Changes to Class 1 Nursing Facility Reimbursement						

Legislation Issue	GF	CF	RF	FF	Total	FTE
<p>FY 2009-10: The Governor's proposal would reduce nursing facility per diem rates by 1.5 percent beginning in April 2010. Because nursing facility rates are calculated by statutory formula, the Department believes it is necessary to amend Sections 25.5-6-202 and 25.5-6-204, C.R.S. (2009) in order to implement this provider rate reduction. This part of the Governor's proposal would save \$886,000 General Fund in FY 2009-10 and annualize to \$3.7 million General Fund in FY 2010-11.</p> <p>FY 2010-11: This year has two components: (1) annualizing of the 1.5 percent per diem rate cut from April 2010; and (2) reducing the allowable General Fund growth to zero percent in FY 2010-11. The Department assumes that the Nursing Facility Cash Fund would be used to pay for any portion of the per diem which is unfunded due to a decrease to the General Fund limit. However, this would require the Nursing Facility Provider fee to increase (perhaps beyond the current statutory cap).</p> <p>Staff Recommendation: Nursing Facilities reimbursement represents approximately 20.0 percent of the Medical Services Premiums line item expenditures. In staff's opinion, budget reductions to this provider group will be necessary to balance FY 2009-10 and FY 2010-11. Therefore, staff recommends that the Committee sponsor legislation to reduce nursing facility reimbursement in FY 2009-10 and FY 2010-11.</p> <p>If the Committee is supportive of the 1.5 percent per diem reimbursement reduction, then this legislation should be introduced with the February supplemental bills in order to be effective by April 2010. However, staff would note that the reimbursement methodologies in Section 25.5-6-202 and 25.5-6-204 is written "subject to available appropriation." Staff recommends that the Committee discuss with the Department why they believe they don't have the authority to reduce the reimbursement due to state revenues being insufficient to pay the current statutory rate.</p> <p>Reducing the General Fund cap to zero percent may require a bill and raising the provider fee cap would require a bill. This bill would basically amend S.B. 09-263 from last year which the Committee sponsored. If the Committee is supportive of this issue, this bill could be introduced with the Long Bill Budget Balancing Package (there is a possibility that the Committee could run one bill to do both issues but that strategy could put the FY 2009-10 savings at risk). Staff will work with the Department, Governor's Office, and the nursing facility industry to find a workable recommendation on this issue by the March figure setting presentation.</p>						
FY 2009-10	(158,750)	0	0	(158,750)	(317,500)	0.0
FY 2010-11	(190,500)	0	0	(190,500)	(381,000)	0.0
<p>5. Eliminate Telehealth Disease Management</p> <p>FY 2009-10: The Governor's proposal would end the Department's current telehealth disease management contract. The Department states in their request that the total cost of this program exceeded the estimated program savings in its first year, implying that if the program does achieve savings, the savings would be long-term than immediate. The Department stated that they are committed to managing clients from the local point of contact through their Accountable Care Collaborative.</p> <p>FY 2010-11: The funding amount is annualized.</p> <p>Staff Recommendation: This service is currently required in statute. There a bill is necessary to eliminate the statutory requirement. Staff recommends that the Committee sponsor a bill for this issue (it may be possible to roll into another bill with a broader short title). This bill could be introduced with the February supplementals.</p> <p>Staff also recommends that the Committee discuss with the Department at the budget hearing the status of the Department's Accountable Care Collaborative.</p>						

Legislation Issue	GF	CF	RF	FF	Total	FTE
FY 2009-10	(75,566)	(24,647)	0	(116,462)	(216,675)	0.0
FY 2010-11	(90,679)	(29,576)	0	(139,755)	(260,010)	0.0
6. Elimination of the School-Based Medical Assistance Sites Pilot Project						
FY 2009-10: The Governor's proposal eliminated the school-based medical assistance site pilot project (HB 06-1270) effective September 1, 2009.						
FY 2010-11: The funding amount is annualized.						
Staff Recommendation: This service is currently required in statute. Therefore a bill is necessary to eliminate the statutory requirement. Staff recommends that the Committee sponsor a bill for this issue (it may be possible to roll into another bill with a broader short title).						
The cash fund savings from this bill are from the Health Care Expansion Fund. The Fiscal Emergency Resolution that the General Assembly passed last session allows for the Health Care Expansion Fund to be transferred to the General Fund.						
FY 2009-10	increased GF revenue	(2,638,553)	0	(1,990,500)	(4,629,053)	0.0
FY 2010-11	increased GF revenue	(3,011,898)		(2,245,000)	(5,256,898)	0.0
7. Allow the Tobacco Tax Settlement Funds in the Comprehensive Primary and Preventative Care Grants Program and Comprehensive Primary and Preventive Care Rural and Public Hospitals Payment to Be Transferred to the General Fund						
FY 2009-10: The Governor restricted funding for these programs through an Executive Order. The Governor's proposal is to transfer the saved Tobacco Tax Settlement revenues used by these programs to the General Fund. The Governor requests legislation in order to allow savings from these programs in FY 2010-11 also.						
FY 2010-11: The funding amount is annualized.						
Staff Recommendation: Staff recommends that the Committee sponsor legislation that addresses this issue. Staff believes that this legislation will also address other Tobacco Settlement funded programs. Therefore, this issue will probably be addressed in a comprehensive bill regarding all Tobacco Settlement funded programs.						

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
Community Programs, Indigent Care Programs, and Other Medical Services)**

BRIEFING ISSUE

ISSUE: Staff's Five Year **General Fund** Forecast for the Department

Staff's baseline *General Fund* forecast for the Department (excluding the DHS-Medicaid funded programs) assumes increases of 30.0 percent in FY 2010-11, 18.0 percent in FY 2011-12, and 8.0 percent in FY 2012-13.

SUMMARY:

- ❑ The current FY 2009-10 General Fund appropriation for this Department contains several one-time General Fund refinancing. The loss of these temporary General Fund reductions will result in extraordinary General Fund growth in FY 2010-11 and FY 2011-12.
- ❑ About the time staff forecasts Medicaid caseload and expenditures stabilizing, the Health Care Expansion Fund will have no fund balance left and the potential impacts from the federal health care reform efforts would begin soon after.

DISCUSSION:

Staff Five Year General Fund Forecast

Every year staff provides a five year General Fund expenditure forecast to the JBC Staff Director. This forecast provides a *baseline* estimate of future expenditures based on current law requirements. The JBC Staff Director included these baseline estimates in the General Fund Overviews presented to the Committee in November. While staff believes the accuracy of the five year forecast is limited (it is hard enough to forecast 6 to 18 months out, let alone 60 months), the forecast does provide some interesting trend information related to current law requirements and past budget actions.

In this year's forecast, staff made the following adjustments to the trend data for the out years:

- 1) Staff included provider rate reductions that the Governor adopted in August 2009 (but the forecast did not include the October proposals due to timing issues), if the rate reductions did not require legislation and were enacted by rule by September 2009.
- 2) Staff did *not* include any adjustments from the Governor's proposal for FY 2009-10 that required a law change. This is a baseline forecast based on current law. This forecast is completed before the Governor submits the FY 2010-11 request and therefore, does not

include any of the Governor's budget balancing proposals (other than annualizing actions already taken through Department rule in September).

Based on these assumptions, staff's **General Fund** forecast for the Department is shown below.

Department of Health Care Policy and Financing (does not include DHS programs) Table 1 -- Growth without ARRA adjustment						
	FY 2009-10 Appropriation	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate	FY 2013-14 Estimate	FY 2014-15 Estimate
General Fund*	1,379,008,845	1,541,441,583	1,610,249,606	1,742,825,866	1,842,491,718	1,960,328,667
\$ Increase	n/a	162,432,738	68,808,023	132,576,260	99,665,852	117,836,949
% Increase	n/a	11.78%	4.46%	8.23%	5.72%	6.40%

*This is the current General Fund appropriation (not adjusted by Governor actions) **without** the DHS Division.

Department of Health Care Policy and Financing (includes all ARRA adjustment forecasted -- including DHS programs) Table 2 -- ARRA General Fund Offset						
	FY 2009-10 New Estimate	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate	FY 2013-14 Estimate	FY 2014-15 Estimate
General Fund*	(326,518,524)	(176,435,906)	0	0	0	0
\$ Increase	n/a	150,082,618	176,435,906	0	0	0
% Increase	n/a	-45.96%	-100.00%	N/A	N/A	N/A

*Staff includes the entire ARRA adjustments, including the DHS section in order to give a full ARRA impact. Please note staff's ARRA forecast is substantially different from the amount submitted in the Department's request because staff has different expenditure estimates, does not include impacts from emergency supplementals that needed law changes, and had different fund splits forecasted than the Department's request. Elsewhere in this briefing document, the Department's ARRA forecast is used which is \$352.2 million in FY 2009-10 and \$192.2 million in FY 2010-11.

Department of Health Care Policy and Financing Table 3 -- Total General Fund Growth Needed						
	FY 2009-10 Appropriation	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate	FY 2013-14 Estimate	FY 2014-15 Estimate
General Fund	1,052,490,321	1,365,005,677	1,610,249,606	1,742,825,866	1,842,491,718	1,960,328,667
\$ Increase	n/a	312,515,356	245,243,929	132,576,260	99,665,852	117,836,949
% Increase	n/a	29.69%	17.97%	8.23%	5.72%	6.40%

Based on current law, staff is forecasting General Fund growth of almost 30 percent for FY 2010-11, 18 percent in FY 2011-12, and over 8 percent in FY 2012-13. This unusual high General Fund growth rate for the Department is mainly due to:

- ✓ Economy driven caseload and cost growth anticipated for FY 2009-10 and FY 2010-11;
- ✓ Backfilling ARRA funds as they are phased-out (impacts both FY 2010-11 and FY 2011-12);
- ✓ Eliminating one-time cost savings and fund adjustments enacted in FY 2009-10; and
- ✓ Anticipated deficits in the Health Care Expansion Fund and Children's Basic Health Plan Trust Fund.

The passage of H.B. 09-1293 does not impact staff's forecasted General Fund growth (H.B. 09-1293 has its own revenue source separate from the General Fund). In addition, this General Fund growth occurs even though staff is forecasting moderate to declining caseload growth in the traditional Medicaid population beginning in FY 2010-11. (Please note the overall caseload growth forecasted for the entire time period is quite high due to the passage of H.B. 09-1293).

It is important to note, that staff's baseline forecast does not include any impacts from potential federal health care reform. If such federal legislation is enacted, then additional General Fund impacts would begin in FY 2013-14 and FY 2014-15 (when forecast shows normal growth patterns).

Table 3 shows staff's estimates for the annual increases in General Fund needed for each division from the current FY 2009-10 appropriation (does not include ARRA impacts -- they are only included in the Tables 2 and 3). The last column shows the cumulative needs for the Department (excluding ARRA impacts) over the amount appropriated in FY 2009-10. These figures are based on information available through September 2009.

TABLE 3: Increase over Current FY 2009-10 GF Appropriation and Prior Year (in millions)								
Year	Medicaid Service Premiums	Medicaid Mental Health	Indigent Care	Other Medical Services	Executive Director's Office	HCEF Back-Fill	Total*	Commutative Total (w/o ARRA)
FY 2010-11	\$157.5	\$15.4	(\$11.4)	\$3.0	(\$2.1)	\$0.0	\$162.4	\$162.4
FY 2011-12	\$58.3	\$5.8	\$1.6	\$3.1	\$0.0	\$0.0	\$68.8	\$231.2
FY 2012-13	\$53.1	\$5.5	\$1.7	\$3.1	\$0.0	\$69.1	\$132.5	\$363.7
FY 2013-14	\$71.9	\$7.3	\$1.8	\$3.2	\$0.0	\$15.6	\$99.8	\$463.5
FY 2014-15	\$92.7	\$8.9	\$1.9	\$3.3	\$0.0	\$11.1	\$117.9	\$581.4

*Excludes DHS Division -- (the DHS administered programs are included in the DHS five year forecast).

Managing the Department's Growth for FY 2009-10 and FY 2010-11

The Legislative Council Staff's September 2009 Economic Forecast showed a budget gap between revenues and expenditures of \$560.7 million in FY 2009-10, \$1.3 billion in FY 2010-11, and \$1.6

billion in FY 2011-12. This budget gap included the loss of one-time funding such as the Federal ARRA FMAP assistance. However, as noted in the forecast, these estimates did not include budgetary increases that resulted from rising caseloads, inflation, or constitutional requirements and therefore, understated the true growth needed.

In order to address the statewide budget gap as well as the caseload and cost growth within the Department, the Governor submitted a statewide budget plan to balance the budget in both FY 2009-10 and FY 2010-11. Based on the Department's forecast, the Governor's proposed budget reductions in FY 2009-10 for this Department will exceed the additional funding needed for increased caseload and thus, will aid in reducing the statewide budget gap. However, the base reduction items in FY 2010-11 merely mitigate the growth anticipated for the Department in FY 2010-11. In addition, many of the Governor's reduction proposals for this Department are temporary in nature (such as delaying payments, use of ARRA funding from H.B. 09-1293, and use of additional Amendment 35 Tobacco Tax). Therefore, many of the solutions presented will push the budget problem into future budget years when it is hoped that state revenues will have recovered to fill the gap. Table 4 shows the temporary measures contained in the Department's current appropriations and requested budget.

<i>Table 4: Major Temporary Funding Issues Contained in Department's Appropriations & Department's Request</i>					
	FY 2009-10	FY 2010-11	FY 2010-11	FY 2011-12	FY 2011-12
(In Millions)	GF	GF	GF Backfill	GF	GF Backfill
Current Law Issues -- Expenditures Offsets (Refinance)					
-- ARRA FMAP Offset	(\$351.2)	(\$192.2)	\$159.0	\$0.0	\$192.2
-- S.B. 09-265 (Payment Changes)	(35.6)	0.0	35.6	0.0	0.0
-- S.B. 09-271 (Tobacco Tax Offsets)	(27.4)	0.0	27.4	0.0	0.0
-- S.B. 09-261 (OAP Fund)	(6.0)	0.0	6.0	0.0	0.0
--S.B. 09-262 (BCCTP Fund)	(0.9)	(1.3)	(0.4)	0.0	1.3
Governor Proposals Not Yet Enacted with Major Temporary Impacts					
-- More Payment Delays (BRI #5)	(21.2)	(93.8)	(72.6)	(77.3)	16.5
-- HB 09-1293 ARRA	(41.4)	(20.7)	20.7	0.0	20.7
-- More Tobacco Tax Offsets	(15.0)	(25.7)	(10.7)	0.0	25.7
-- Use Disease Management Money	<u>(2.0)</u>	<u>(2.0)</u>	<u>0.0</u>	<u>(2.0)</u>	<u>0.0</u>
TOTAL BACKFILL of Temporary Funding Issues			\$165.0		\$256.4

Ending Staff Comment

The budget requirements for this Department are going to present a budget challenge for the next three to five years, *at least*. The use of temporary funding solutions has created large General Fund growth forecasts for FY 2010-11, FY 2011-12, and FY 2012-13. Under the Governor's proposal, the General Assembly will be backfilling temporary General Fund reductions through FY 2014-15 (see delay Medicaid payment issue). If state revenues recover during this time period, then these temporary solutions may solve the immediate budget problem. However, as revenues begin to recover, there will also be budgetary pressure to address "pent-up" needs that have developed during the recession period (see provider rate reduction issue) as well to backfill the temporary reductions enacted or proposed.

Appendix D contains more detail of staff's five year forecast. Staff urges caution in using the numbers in her forecast in that they do not include any budget proposal that required a law change. Therefore, this forecast will substantially change once the General Assembly begins to officially act on the Governor's proposal.

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
Community Programs, Indigent Care Programs, and Other Medical Services)**

BRIEFING ISSUE

ISSUE: Review of HB 09-1293, Hospital Provider Fee Program

The Department submitted the Hospital Provider Fee Program Waiver in September 2009. If the waiver is approved in FY 2009-10, then the Department estimates approximately \$442.0 million in *additional* funding for the Medicaid and Indigent Care Program (ICP) in FY 2009-10.

SUMMARY:

- ❑ Last Session, the General Assembly passed HB 09-1293 which increased payments to hospitals participating in the Medicaid and Indigent Care Program (ICP). The bill also provided for eligibility increases for the Medicaid and Children's Basic Health Plan programs.
- ❑ The Department submitted the waiver in September 2009. If the Centers for Medicare and Medicaid Services (CMS) approves the waiver by April 2010, then the Department anticipates being able to collect \$336.8 million in fee revenue and distribute more than \$710.1 million in hospital reimbursement and eligibility funding.

DISCUSSION:

Background

House Bill 09-1293, subject to federal approval, will allow the State to collect a Hospital Provider Fee (Fee) for the following purposes:

1. To increase inpatient and outpatient payments to hospitals;
2. To increase hospital payments under the Colorado Indigent Care Program;
3. To pay the hospital Quality Incentive Payments;
4. To increase eligibility for medical assistance programs (subject to available funding), including: (a) Medicaid and Children's Basic Health Plan (CBHP) parents up to 100 percent of FPL; (b) CBHP children and pregnant women up to 250 percent FPL, (c) eligibility for adults without dependent children up to 100 percent FPL; and (d) buy-in program for disabled adults and children up to 450 percent FPL;

5. To provider 12 month continuous eligibility for Medicaid children; and
6. To pay the Department administrative costs.

The increased reimbursement for hospitals participating in the Medicaid and ICP programs has first priority on the available funding before eligibility expansions. If the Medicaid Services Boards adopts rules that expand eligibility and revenues are insufficient to meet the new eligibility limits:

1. The General Assembly is not required to appropriate General Fund for these expansions;
2. The Oversight and Advisory Board will recommend to the Medical Services Board reduction in eligibility or benefits;
3. The Medical Services Board will adopt rules reducing eligibility or benefits to be within available revenue; and
4. The Joint Budget Committee will review any rules reducing eligibility or benefits; if the JBC does not approve the rules, the JBC will make recommendations to reduce eligibility or benefits to be with the available revenue.

Federal regulations require that the hospital provider fee be broad-based, uniform, avoid hold harmless provisions, and be limited to no more than 5.5 percent of net patient revenue (6.0 percent beginning in FY 2011-12).

Following is the estimated time line for Hospital Provider Fee program.

Increased Medicaid and ICP Hospital Reimbursement, CBHP Expansion to 250% FPL, and Medicaid parents to 100% FPL	Disabled Buy-In program to 450% FPL	Childless Adults to 100% FPL and continuous eligibility for Medicaid children
April 2010	July 2011	January 2012/February 2012

Funding

Currently, HB 09-1293 only appropriates \$5.6 million (\$2.0 million General Fund) in administrative costs for the Department in FY 2009-10. However, if CMS approves the waiver by April 2010, this appropriation is repealed and a total of \$411.6 million (of this amount, \$336.4 million is from the provider fee and there is no General Fund impact) is appropriated in FY 2009-10. The Governor's emergency budget balancing proposals in August assumed that CMS would approve the waiver by

April 2010 and therefore, assumed no General Fund would be necessary for this program in FY 2009-10. Additionally, the Governor's proposal assumed an additional \$41.4 million in American Recovery and Reinvestment Act (ARRA) funding would be available to offset General Fund in FY 2009-10 (\$20.7 million in FY 2010-11). This proposal is discussed in Issue #3 in this briefing.

Table 1 below shows the estimated costs for the program based on the model the Department used to submit the waiver (there are slight differences from original fiscal note).

Table 1: Estimated Hospital Provider Fee Waiver Fee			
	Provider Fee	Federal Funds (adj. for ARRA)	Total Funds
Reimbursement Increases to Hospitals	\$245,800,179	\$336,816,394	\$582,616,573
CBHP Expansion to 250 percent	7,460,411	13,855,050	21,315,461
Medicaid Parents to 100 percent	19,758,291	19,758,291	39,516,582
Administration	2,831,900	4,700,400	7,532,300
Backfill UPL General Fund Offset	15,700,000	0	15,700,000
ARRA General Fund Offset	<u>45,291,719</u>	<u>0</u>	<u>45,291,719</u>
Total	\$336,842,500	\$375,130,135	\$711,972,635
	Certified Funds	Federal Funds	Total Funds
Reduction in UPL financing based on increased provider fee reimbursement	(\$135,003,533)	(\$135,003,533)	(\$270,007,066)
TOTAL FY 2009-10 Costs Estimated	State Funds	Federal Funds	Total Funds
Total Impact Estimated	\$201,838,967	\$240,126,602	\$441,965,569

*Source: Information provided by Department to Hospital Provider Fee Oversight and Advisory Board on November 16, 2009 and original HB 09-1293 fiscal note.

Hospital Impact

Under the Department's model, hospitals will pay a provider fee of approximately \$336.8 million in FY 2009-10. Total reimbursements to hospitals will equal \$582.6. The difference between the fee paid and reimbursement is \$245.8 million. However, because the fee revenue replaces existing reimbursements of \$162.8 million, the total net benefit for hospitals is \$82.9 million. This does not include any revenues that the hospitals may receive because of additional Medicaid and CBHP eligibility. Table 2 below summarizes the increased reimbursement impact compared to fee by type of hospital.

Table 2: Hospital Impact					
	High Volume Medicaid / ICP	Rural Hospitals	Other Public	Other Privates	Total
Inpatient and Outpatient Supplemental Payments	\$32,554,300	\$17,844,500	\$8,086,800	\$77,023,000	\$135,508,600
ICP / DSH Payments	155,422,000	31,702,000	27,742,500	106,330,700	321,197,200
Other Supplemental Payments	0	14,988,800	5,878,400	105,043,500	125,910,700
Total Payment	187,976,300	64,535,300	41,707,700	288,397,200	582,616,500
Estimated ICP Payment w/o HB 09-1293	(116,861,700)	(10,750,200)	(12,117,800)	(23,146,400)	(162,876,100)
Estimated Fee Paid	<u>(45,150,500)</u>	<u>(33,038,500)</u>	<u>(24,558,800)</u>	<u>(234,094,700)</u>	<u>(336,842,500)</u>
Total Benefit / (Loss)	\$25,964,100	\$20,746,600	\$5,031,100	\$31,156,100	\$82,897,900

Source: Information submitted to the Hospital Provider Fee Oversight and Advisory Board on November 16, 2009. Slight rounding differences.

Under the Department's model, the following select hospitals are anticipated to receive the following benefits from the reimbursement increases (does not include benefit from increased public medical assistance eligibilities).

- ✓ Denver Health -- net gain of \$16.5 million
- ✓ University of Colorado Hospital -- net gain of \$1.9 million
- ✓ Memorial Hospital -- net gain of \$7.5 million
- ✓ The Children's Hospital -- net gain of \$11.1 million
- ✓ St. Mary Hospital and Medical Center -- net gain of \$0.6 million

Because federal regulations require that there can not be a "hold harmless" provision in provider fee arrangement, the Department estimates that a total of 71 hospitals will receive a net benefit from HB 09-1293 in FY 2009-10 while 12 hospitals will receive a net loss. A complete list of hospitals and HB 09-1293 impacts is in Appendix E.

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Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
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BRIEFING ISSUE

ISSUE: Review of American Recovery and Reinvestment Act (ARRA) Funding with Direct Impact to the Department's Appropriations

The Department estimates that \$434.5 million in state funds (\$351.2 million General Fund) in FY 2009-10 and \$223.2 million in state funds (\$192.2 million General Fund) in FY 2010-11 will be offset due to the increase in the Federal Matching Assistance Program (FMAP) percentage available for the Medicaid program through the American Recovery and Reinvestment Act (ARRA).

SUMMARY:

- During FY 2009-10 and FY 2010-11, the Department estimates ARRA will provide an additional \$657.7 million in federal funds for Colorado. These federal funds will offset General Fund expenditures by \$543.4 million. The remaining \$114.3 million will offset various cash funds used in the Medicaid program.
- By appropriating the ARRA funding in FY 2009-10, the calculation for the Statutory Reserve Fund is reduced by \$7.0 million.
- The State could also receive an additional \$41.4 million in FY 2009-10 and \$20.7 million in FY 2010-11 by maintaining the Hospital Provider Fee rate at the pre-ARRA estimate. The additional revenues collected from the fee could then be used to offset General Fund expenditures without any impact to the program.
- The Congressional House bill on health care reform (H.R. 3962, the Affordable Health Care for America Act) extends the ARRA increase to the FMAP through June 2011.

RECOMMENDATION:

1. Staff recommends that appropriations be adjusted in FY 2009-10 and FY 2010-11 to reflect the FMAP increase from ARRA. Staff's recommendation has the following technical components.
 - a) Staff requests that the Committee direct staff to work with the Department and OSPB to submit budget schedules that minimize staff's data input time (i.e. staff does not need or want FMAP budget amendment schedules). The methodology that the

Department used for their November request and their reconciliation schedule is sufficient for staff's need.

- b) Most of the 2009 Session laws (including the Long Bill) contained appropriation clauses calculated at the normal FMAP (the exception was S.B. 09-264). By doing this, the General Fund 6.0 percent appropriation limit was not adversely impacted from the temporary increase in federal funding. For both FY 2008-09 and FY 2009-10, the total impact of the ARRA FMAP increase was kept at the Department level as an offset to General Fund expenditures on the General Fund Overview. Staff recommends that all of the FY 2009-10 ARRA supplemental adjustments be done in one supplemental attached to the 2010 Long Bill and introduced in March. Staff recommends that the FY 2010-11 Long Bill and any special legislation appropriation clauses be appropriated with the correct FMAP percentages. This recommendation will put all of the FMAP adjustments in FY 2009-10 in one place instead of multiple places (such as adjusting all of the 2009 appropriation clauses contained in special bills, making the adjustments in the January supplementals, and then again in the March supplementals).
2. Staff recommends the Committee sponsor legislation to generate \$41.4 million in General Fund offsets by keeping the Hospital Provider Fee at the pre-ARRA calculated amount of \$336.8 million.
3. Staff recommends the JBC send a letter to the Colorado Congressional Delegation in support of extending the ARRA FMAP through June 2011.

DISCUSSION:

Background

The American Recovery and Reinvestment Act (ARRA) temporarily increased the Federal Matching Assistance Programs (FMAP) percentage for the following reasons:

"(1) to provide fiscal relief to states in a period of economic downturn; and

(2) to protect and maintain state Medicaid programs during a period of economic downturn, including by helping to avert cuts to provider payment rates and benefits or services, and to prevent constrictions of income eligibility requirements for such programs, but not to promote increases in such requirement." (ARRA FMAP assistance purpose clause).

The temporary FMAP increase contained in ARRA was from October 2008 through December 2010 (i.e. 3 quarters in FY 2008-09, 4 quarters in FY 2009-10, and 2 quarters in FY 2010-11). States are

only eligible for the increase in FMAP if the state maintains the same eligibility requirements for Medicaid that were in place on July 1, 2008. However, benefits and provider rates can be reduced.

The FMAP increase does not apply to administrative expenses, any program that already receives enhanced match rates (*e.g.* the Breast and Cervical Cancer Treatment Program), or to the Children's Basic Health Plan. Additionally, the increased FMAP percentage does not apply to expenditures from increased eligibility standards made by a state during the ARRA time frame (*e.g.* H.B. 09-1293 eligibility increases will receive the 50 percent match rate). ARRA guaranteed a 6.2 percentage point increase. This increase was then adjusted upward by three different formulas based on a state's increase to its unemployment rate. The following table shows the FMAP percentages anticipated for Colorado under ARRA.

FMAP Percentage (Federal Match)	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Request
1st Quarter	50.0000	61.5900	61.5900
2nd Quarter	58.7800	61.5900	61.5900
3rd Quarter	58.7800	61.5900	50.0000
4th Quarter	61.5900	61.5900	50.0000
Average Annual FMAP	57.2875	61.5900	55.7950

In FY 2008-09, the final appropriation was based on an average annual FMAP of 56.9375 percent. However, the actual average annual FMAP was 57.2875 percent. This resulted from Colorado reaching the 3rd Tier unemployment adjustment in the fourth quarter. The appropriation had assumed Colorado would be in the 2nd Tier unemployment adjustment in the fourth quarter.

Because of the higher FMAP adjustment in the fourth quarter (a difference of 0.35 percentage points from the forecast), Colorado received an additional \$12.8 million in federal funds (\$11.1 million that offset General Fund expenditures and \$1.7 million that offset other cash funds). As stated in the Department Overview Section, this additional offset to State expenditures was booked to FY 2008-09 as a post-close adjustment.

In FY 2009-10, the appropriation is based on being in the 3rd Tier unemployment adjustment for the entire fiscal year. Under ARRA, the FMAP percentage can not be adjusted downward until after June 2010. Therefore, Colorado is guaranteed an FMAP percentage of 61.59 percent in FY 2009-10.

In FY 2010-11, the Department assumes Colorado will remain in the 3rd Tier unemployment adjustment for the remainder of the ARRA period. However, ARRA allows the FMAP percentage to be adjusted downward after June 2010 if a state's unemployment rate approves. In order for Colorado to maintain the 3rd Tier unemployment adjustment, Colorado's unemployment rate has to average 7.1 percent for the three month period proceeding the quarter. Colorado's unemployment rate was 7.1 percent in August 2009, 7.0 percent in September, and 6.9 percent in October (therefore

averaging 7.0 percent for those three months). *Unless unemployment rates increase again, there is a high probability that Colorado may not receive the 3rd Tier unemployment adjustment from July 2010 through December 2010.*

If Colorado drops back down into the 2nd Tier unemployment adjustment for July 2010 through December 2010, then the average annual FMAP percentage in FY 2010-11 will be 55.095 percent instead of 55.795 percent. Staff calculates that this could result in additional General Fund expenditures of roughly \$22.1 million than is assumed in the Department's request.

Department's FY 2009-10 and FY 2010-11 Request

The Department's request indicates that during FY 2009-10 and FY 2010-11, ARRA will provide an additional \$657.7 million in federal funds for Colorado. These federal funds will offset General Fund expenditures by \$543.4 million. The remaining \$114.3 will be an offset to other State cash funds. The Department requests that the ARRA relief be formally appropriated in FY 2009-10 and FY 2010-11.

(Please note that staff's presentation of the Department's ARRA request does not match their BRI #8 schedule. Staff has adjusted the ARRA to reflect all of the decision item adjustments to ARRA. Staff is showing the total ARRA impact from all issues. The Department's estimate of the ARRA impact are also different from staff's five year forecast adjustments because of different caseload, cost and fund split assumptions and because of the inclusion of the Governor's budget balancing proposals).

Why Temporary FMAP Increases Were Not Formally Appropriated in the Past

Prior to the passage of S.B. 09-228, General Fund appropriations were limited to the lesser of a 6.0 percent increase from the previous year's appropriation level and 5.0 percent of Colorado personal income. Because the 6.0 percent limit was always lower than the 5.0 percent growth in personal income, the 6.0 percent limit on appropriation growth was used. It is important to note that the 6.0 percent limit was based on "appropriations" not "expenditures". Beginning in FY 2009-10, SB 09-228 will set the limit equal to 5.0 percent of Colorado personal income.

When temporary FMAP increases are provided by the federal government, the state's share of the Medicaid appropriations (including General Fund and applicable Cash Funds) are lowered because of the higher federal match available. In order to avoid "ratcheting down" the General Fund 6.0 percent appropriation base, the General Assembly in 2004 and 2009 decided to appropriate the Medicaid program at the traditional FMAP percentage.

The Long Bill contains head notes that direct the State Controller to adjust the Department's General Fund and cash fund expenditure authority downward if additional federal funds are received. Therefore, the Controller restricts General Fund appropriations that are in excess of the amount needed and those funds revert (either to the General Fund or the cash fund balance). The head notes

that perform this action are the "(M)" and "(H)" head notes and are defined each year in the Long Bill. (In 2003, Congress passed a FMAP increase that impacted the last quarter of FY 2002-03 after the General Assembly was out of session. Therefore, the (M) and (H) head notes restricted the appropriation. This became the precedent for the General Assembly not to adjust the appropriations for temporary federal law changes).

Because the appropriation base was not adjusted to reflect the lower state funds needed for the Medicaid program, the JBC Staff General Fund Overview and the Legislative Council Staff Revenue Forecasts contained a special line item that indicated a reduction in state expenditure due to higher federal match in the Medicaid program. Therefore, the amount of the FMAP increase forecasted and used to balance the state budget has always been documented.

Impact of Appropriating ARRA Funding

Now that the 6.0 percent limit on General Fund appropriations no longer exists, the additional FMAP could be appropriated in the Long Bill without impacting future appropriation limits. This action would have two primary impacts:

- (1) Appropriations would more accurately reflect the fund sources anticipated.
- (2) The statutory reserve calculation would be reduced. Under current law, in FY 2009-10 the statutory reserve is calculated as 2.0 percent of the amount appropriated for expenditure from the General Fund. By lowering the General Fund appropriation base in FY 2009-10, the OSPB calculates that the statutory reserve requirement in FY 2009-10 would be lowered by approximately \$7.1 million. No additional legislation would be necessary to lower the reserve amount -- it would happen automatically because of lower appropriations. However, if the General Assembly decided to account for the ARRA adjustment in the same manner used in 2004 and 2009 on the General Fund Overview, then the General Assembly would have to pass a bill to reduce the statutory reserve by approximately \$7.1 million.

In FY 2010-11, the statutory reserve requirement is once again 4.0 percent. Appropriating the ARRA funding (instead of accounting for it in the General Fund overview) results in lowering the amount needed in the statutory reserve by approximately \$7.8 million.

Staff Comment: Staff recommends adjusting the appropriations to reflect the correct fund sources anticipated. The Committee will need to decide if the Committee agrees with lowering the statutory reserve or not for budget balancing purposes.

House Bill 09-1293 ARRA Impacts

As discussed earlier, HB 09-1293 established a new hospital provider fee to increase reimbursement to hospitals for the Medicaid and Indigent Care Program, increase the number or person covered by public medical assistance, and pay the administrative costs of the Department. The bill provides

that the State Medical Board (with review from the Joint Budget Committee) shall set the provider fee "so that amount collected from the fee and the federal matching funds associated with the fee are sufficient to pay for items [allowed to be paid from the fee]" (25.5-4-402. (3) (a) (II)).

Due to the enhanced federal match under ARRA, the amount of the fee "needed" will be \$41.4 million and \$20.7 million lower than originally estimated in FY 2009-10 and FY 2010-11 respectively. Under the Governor's proposal, H.B. 09-1293 would be temporarily modified to maintain the fee at the pre-ARRA estimated rates. The excess revenue from the fee would then be used to offset General Fund obligations in the Medical Services Premiums. The Department suggests the following statutory change to the use of the Hospital Provider Cash Fund:

"25.5-4-402.3 (4) (b) (VIII) TO OFFSET GENERAL FUND EXPENDITURES IN THE MEDICAID PROGRAM IN AN EQUIVALENT AMOUNT THAT WOULD HAVE BEEN IN EXCESS OF FIFTY PERCENT OF THE FEDERAL FUND EXPENDITURES GENERATED BY INCREASED REIMBURSEMENTS AND PAYMENTS APPROPRIATED FOR USES IN 25.5-4-402.3 (4) (b) (I) THROUGH 25.5-4-402.3 (4) (b) (III) DUE TO THE FEDERAL "AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009", Pub.L. 111-5, OR ANY AMENDMENTS THERETO. SUCH PROVIDER FEES IN THE FUND SHALL BE TRANSFERRED TO THE APPROPRIATIONS FOR MEDICAID PROGRAMS. THIS SUBPARAGRAPH VIII IS REPEALED EFFECTIVE JULY 1, 2011."

Staff Comment: The Governor's proposal maximizes the amount of ARRA funding available to offset General Fund expenditures. Staff recommends the JBC sponsor legislation to achieve the savings amount in the Governor's proposal.

However, staff recommends that the Hospital Provider Fee also be used to cover the projected deficit in the Health Care Expansion Fund (Health Care Expansion Fund issue).

Possible Additional ARRA Relief from Congress

Currently, the Congressional House of Representatives have extended the ARRA FMAP increase through June 2011 in their health care reform legislation (H.R. 3962, the Affordable Health Care for America Act). The Senate does not currently have any provision in their bill (Patient Protection and Affordable Care Act) at this time to extend the ARRA FMAP.

Staff believes there is a strong possibility that extending the ARRA FMAP assistance will be passed in some form or another by Congress (even if the health care reform bills are not ultimately passed, this issue may find its way into another bill). If the ARRA FMAP is extended, based on the Department's request, staff estimates an additional \$192.2 million in General Fund relief could be available in FY 2010-11.

Staff recommends that the Committee write a letter to the Colorado Congressional Delegation supporting an extension of the ARRA FMAP assistance program until the end of FY 2010-11.

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BRIEFING ISSUE

ISSUE: Delay Medicaid Payments

Last Session, the General Assembly passed SB 09-265 which delayed payments paid from the Medicaid Management Information System (MMIS) by one week and changed the timing for capitation payments in FY 2009-10. In October 2009, the Governor requested one additional week of payment delay, for a total of a two week payment delay in FY 2009-10. For FY 2010-11, the Governor requests delaying MMIS payments by four weeks.

SUMMARY:

- ❑ Under the cash basis of accounting, expenditures are accounted for once the payment is made. Therefore, delaying payments can change the fiscal year in which the expenditure is booked. This budget proposal basically shifts one fiscal year's expenditures into the next fiscal year.
- ❑ Unlike the pay-date shift, the Governor's proposal includes paying back the "Medicaid shift" during a four-year time period. However, as revenues recover, paying back the "Medicaid shift" will compete with other State budgetary needs.
- ❑ According to the FY 2007-08 Colorado Comprehensive Annual Financial Report, *"In Fiscal Year 2007-08, the General Fund did not have adequate resources to meet the required [statutory reserve] on the GAAP basis. Compliance was achieved on a budgetary basis by deferring certain payroll and Medicaid costs; without this deferral the general fund reserve would have a \$131.8 million shortfall."* (CCAFR, page 31).

RECOMMENDATION:

Delaying the regular payment cycle for the Department will require legislation for both the extra week delay proposed for FY 2009-10 and for the four week delay proposed in FY 2010-11. Staff recommends the Committee wait to make a decision on running this bill (both the FY 2009-10 and FY 2010-11 impacts) until the Long Bill Budget Balancing Package is introduced in late March. Staff does not recommend further "Medicaid shifts" unless absolutely necessary to balance the statewide budget.

DISCUSSION:

Background

In 2003, the Department's Medicaid expenditures (with the exception of administrative expenses and the Indigent Care Program) were statutorily authorized to use the cash basis of accounting. In subsequent years, expenditures for all caseload driven programs in the Department were statutorily authorized to use the cash basis of accounting (including the Children's Basic Health Plan, the Old Age Pension Medical program, and the Medicare State Contribution Payment).

When each of these programs was authorized to use the cash basis of accounting, the State achieved a one-time accounting savings by eliminating the fiscal year end "accrual" for these programs. However, if any of these programs were eliminated, the State would retain an outstanding liability to pay any accrued expenses that were not billed or paid before the end date of the program (a run-out period). Nevertheless, as long as the programs continue to exist, the State's current statutes allow the budget to be balanced without recognizing all of the expenditures that occurred during the time frame of the fiscal year. This is a departure from Generally Accepted Accounting Principles (GAAP) but is legally defensible (see the Legislative Office of Legal Services Memorandum dated January 15, 2003 in Appendix F regarding the legality of the "pay date shift" which is also applicable to this situation). For FY 2007-08 (last year with audited financial statements) the State Controller estimated that the deferred Medicaid payments under the cash basis of accounting was \$185.4 million General Fund.

Under the cash basis of accounting, expenditures are not recognized until paid. Therefore, if a liability remains unpaid during a financial reporting period, it is not recognized. At the end of FY 2002-03, the Department shifted \$46.7 million in Medicaid expenditures into FY 2003-04 by not paying claims for the last payment cycle. During the next fiscal year, the General Assembly had to pay for one week of "extra" expenditure. Additionally, the General Assembly passed law to provide "*[the department] shall not intentionally interrupt the normal provider payment schedule unless notified jointly by the director of the office of state planning and budgeting and the state controller that there is a possibility that adequate cash will not be available to make payments to providers and for other state expenses.*" [Section 25.5-4-401 (1) (c)].

In the 2009 Session, the General Assembly passed S.B. 09-265 which provided notwithstanding Section 25.5-4-401 (1) (c), the Department "*shall delay the last normal provider payment cycle of [FY 2009-10] until after July 1, 2010.*" [Section 25.5-4-401 (1) (d)]. Senate Bill 09-265 also clarified that the Medicare Modernization Act State Contribution Payment did not have to be paid before the due date required by the federal government and that managed care capitation payments shall not be made before the first day of the month following enrollment of the recipients. The fiscal impact from delaying the last week of payments was estimated at \$43.3 million total funds (\$20.3 million General Fund).

Department's FY 2009-10 and FY 2010-11 Request

Because of the lower September revenue forecast, the Governor presented another budget balancing plan for FY 2009-10 to the Committee in October 2009. In this plan, the Governor requested that an additional week of Medicaid payment delay be added in FY 2009-10 to SB 09-265. The Department officially submitted this request on December 1, 2009. The Department estimates an additional week delay would result in "saving" \$16.3 million in General Fund expenditures in FY 2010-11 (\$21.2 million in General Fund payments would be "saved" but this action would also reduce the General Fund ARRA impacts by \$5.0 million).

In the Department's November budget request, the Department requests a four week payment delay in FY 2010-11. The Department's request also indicates that FY 2011-12 would have a three week payment delay, FY 2012-13 would have a two week payment delay, and FY 2013-14 would have a one week delay. The multi-year impact of the Department's request is shown in Table 1 below.

Table 1: Department's Multi-Year Impact for Delaying Payment Plan			
	General Fund	Total Fund	GF Backfill needed from loss of prior year accounting savings
FY 2009-10*	(\$36.6)	(\$88.0)	
FY 2010-11	(93.8)	(188.1)	(57.2)
FY 2011-12	(77.3)	(153.4)	16.5
FY 2012-13	(51.6)	(102.4)	25.7
FY 2013-14	(26.0)	(51.2)	25.6
FY 2014-15	0.0	0.0	26.0

*Staff estimate of the Department's request based on their narrative description. Out years are held constant for illustration purposes. Actual pay back costs would grow as expenditures grow.

Points to Consider

Staff has several points to consider for the Committee.

1. If Congress passes an extension to the ARRA FMAP assistance, staff does not recommend this issue. Staff believes that the Committee will know by March or April if an ARRA FMAP extension has passed. Therefore, staff recommends delaying any action on this issue (for both FY 2009-10 and FY 2010-11) until the March Long Bill Budget Package is

introduced. At that time the General Assembly will also have the final revenue and Medicaid forecasts and can then determine if this action is absolutely necessary.

2. If the Committee decides to do payment delays, the Committee should be aware of the potential long-term impacts. While the multi-year repayment plan is laudable, it may also be unlikely. Future General Assemblies will not be bound to repay this issue -- the law can always be changed. Staff believes that there will be a lot of political pressure to never pay the "Medicaid shift" back. Every year the General Assembly will be facing "pent-up" needs -- i.e. PERA fixes, K-12 education funding, Higher Education funding, Medicaid provider rates, state employee raises, etc. While paying back an accounting maneuver satisfies accountants (and budget analysts), it doesn't help solve funding issues for program needs. (For example, the General Assembly did not pay back the pay-date shift after the last economic recovery). Staff will also note that even if the ARRA FMAP extension is provided or the revenue forecast improves, the very knowledge of this issue will make it difficult for the Committee to say "no" to other budget cut restorations (i.e. why reduce Education funding if you can solve the State budget problem with an accounting maneuver in Medicaid).
3. One of the requirements for receiving the ARRA FMAP assistance is for a state to be in compliance with prompt pay regulations. As noted in the Department's request, federal regulations at 42 C.F.R. Section 447.45 (d) (2) and (3) require the Department to pay 90 percent of claims within 30 days of receipt and 99 percent of claims within 90 days of receipt.

Currently, the Department averages 7.4 days from date of receipt of claim to date of payment. The Department notes in their request that delaying the June payments will make claims received from May 27 through June 3 exceed the 30 day payment requirement. However, the Department anticipates that one week of claims will not represent 10 percent of claims for the fiscal year and thereby, they will not violate the prompt pay requirement.

Staff will note that the Colorado Medicaid program is one of the lowest reimbursement health plans but has historically been a prompt payer. In FY 2009-10 and FY 2010-11, providers will see both their rates reduced as well as their cash flow interrupted. This may be of particular concern to Behavior Health Organizations and Managed Care Organizations as an entire monthly payment will be delayed for one month.

4. In order to meet financial reporting standards, the State Controller's Office prepares a GAAP basis General Fund balance and a budgetary basis General Fund balance. As more accounting maneuvers are used to balance the state budget, the gap between these two financial statements will grow. The FY 2007-08 Colorado Comprehensive Annual Financial Report illustrates this point. In FY 2007-08, the State Controller states that General Fund was \$131.8 million short of meeting the required four percent statutory reserve on the GAAP basis. However, the four percent statutory reserve is calculated on a budget basis that does

not recognize the June payroll or Medicaid accruals. On this budgetary basis, the General Fund actually showed an ending General Fund surplus above the statutory reserve of \$43.4 million. The result is a \$175.3 million difference in General Fund balance between the two accounting methods.

Table 2: Schedule of Revenues, Expenditures, and Changes in General Fund Surplus Actual - Budgetary Basis for FY 2007-08 (Dollars in Thousands)	
	General Fund Actuals
Total General Fund Revenues	\$7,504,799
Total General Fund Expenditures	<u>\$7,353,702</u>
Excess General Fund Revenues Over Expenditures	\$151,097
Excess Augmenting Revenues	\$2,858
Required Transfers	<u>(\$349,625)</u>
Excess Revenues & Transfers Over(Under) Budget Basis Expenditures	(\$195,670)
Beginning General Fund Balance	\$249,273
Other Adjustments	\$6,336
Budgeted Decrease (Increase in Statutory 4 Percent Reserve Requirement)	<u>(\$16,492)</u>
ENDING GENERAL FUND SURPLUS BUDGET BASIS	\$43,447
Reconciliation to GAAP Unreserved Fund Balance	
GAAP Medicaid Expenditures Deferred	(\$185,406)
GAAP Payroll Expenditures Deferred	(\$91,959)
GAAP Revenues Related to Deferred Payroll and Medicaid Expenditures	\$102,127
GAAP Basis - Shortfall in Statutory Reserve	\$131,791
ENDING GAAP UNRESERVED FUND BALANCE	\$0

Source: Colorado Comprehensive Annual Financial Report FY 2007-08, page 147.

Final comment: Currently the Department of Human Services Medicaid programs were not included in the calculations for the payment delay. Without specific language to exclude these programs, these programs would also be impacted by disrupting the normal MMIS payment cycles. Therefore the accounting savings from this proposal could be higher than the Department indicated.

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BRIEFING ISSUE

ISSUE: Health Care Expansion Programs Fiscal Viability

The Department's request shows that expenditures from the Health Care Expansion (HCE) Fund will exceed revenue by \$39.3 million in FY 2009-10, by \$57.2 million in FY 2010-11, and by \$65.0 million in FY 2011-12. In FY 2011-12, the HCE Fund balance will be exhausted and the fund will have a deficit of \$42.0 million.

SUMMARY:

- ❑ The Health Care Expansion (HCE) Fund ended FY 2008-09 with a fund balance of \$119.6 million. However, expenditures from the fund currently are exceeding revenues. According to the Department's request, the HCE Fund balance will be totally exhausted by FY 2010-11 with a deficit of \$42.0 million. That same year, the General Fund will need to backfill at least \$258.3 million in temporary budget reductions in this Department alone.

- ❑ If the General Fund is unable to backfill the HCE Fund deficit and another revenue source is not found, the General Assembly will have to consider reducing program eligibility. Medicaid eligibility can not be reduced until after January 2011 without losing ARRA FMAP assistance. The Children's Basic Health Plan eligibility can not be reduced without eliminating health coverage for pregnant women covered by the program.

RECOMMENDATION:

Staff recommends the following:

- 1) Under the Emergency Resolution passed last year, staff recommends \$20.6 million transfer from the HCE Fund to the General Fund in FY 2009-10. Staff's recommendation would allow the General Fund to benefit from the ARRA FMAP assistance in the HCE Fund. Staff's recommendation would also allow the Committee to avoid the extra week of Medicaid shift in FY 2009-10 (the \$16.3 million General Fund savings in the Governor's proposal).

- 2) Under staff's recommendation, the HCE fund balance will be exhausted faster. Using the Department's estimates with staff's recommendation, the HCE Fund balance would have a positive fund balance of \$2.4 million in FY 2010-11 but a fund deficit of \$62.6 million in FY 2011-12. In staff's opinion, using the fund balance to pay for a program's on-going expenses is hiding the true cost of the HCE Fund programs. Exhausting the fund balance

sooner will compel the General Assembly to find a more permanent funding solution. (Please note staff recommendation replaces one temporary solution (using the HCE fund balance) for another (Medicaid shift) in FY 2009-10.

- 3) Staff recommends that the uses for the Hospital Provider Fee in 25.5-4-402.3 be modified as follows:

"25.5-4-402.3 (4) (b) (IX) To PROVIDE FOR THE ELIGIBILITY LEVELS IN THE MEDICAID AND CHILDREN'S BASIC HEALTH PLAN PROGRAM FUNDED BY THE HEALTH CARE EXPANSION FUND CREATED IN SECTION 24-22-117 (2) (a) (I) ONCE MONEYS IN THE FUND ARE NO LONGER SUFFICIENT FOR THE COSTS OF THOSE ELIGIBILITY GROUPS;"

- a) Staff's recommendation is consistent with the use of the Hospital Provider as originally passed in HB 09-1293. Section 25.5-4-402.3 (3) (a) (II) provides the fee can be used to increase the number of persons eligible for public medical assistance. Without a permanent funding solution, the General Assembly will need to look at cutting the eligibility for the HCE Fund programs. However, a more sustainable solution will allow current caseload as well as the natural growth in this caseload to be funded, thereby increasing the number persons eligible for public medical assistance.
- b) Staff's recommendation will not exceed the federal regulatory limit for the fee.
- c) Staff has been publicly recommending this solution to the HCE Fund deficit to the Committee since March 2009. Nothing submitted in the Governor's budget balancing plan or the Department's budget request changes staff's view of this issue.
- d) Staff's recommendation will not slow down the implementation of HB 09-1293. There are no changes recommended to FY 2009-10 that would cause the Department to amend the information they have already submitted to the Centers of Medicare and Medicaid Services (CMS). Staff's recommendation will impact out year modeling for HB 09-1293 and that issue should be discussed with the Department at the hearing.

DISCUSSION:

Health Care Expansion Fund Balance

Table 1 shows the Health Care Expansion Fund Balance as presented in the Department's November 2009 request.

Table 1: Health Care Expansion Fund Balance				
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Cash in Beginning Fund Balance	\$135,721,617	\$119,601,624	\$80,304,799	\$23,009,264
Revenues	77,883,150	72,319,398	72,386,446	71,730,301
Projected Expenditures with Department Decision Items	<u>(94,003,143)</u>	<u>(111,616,223)</u>	<u>(129,681,981)</u>	<u>(136,743,950)</u>
Ending Fund Balance	\$119,601,624	\$80,304,799	\$23,009,264	(\$42,004,385)

Source: Department's Schedule 9A -- Health Care Expansion Fund

Table 2 shows staff's recommendation to transfer funding to the General Fund.

Table 2: Health Care Expansion Fund Balance				
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Cash in Beginning Fund Balance	\$135,721,617	\$119,601,624	\$59,704,799	\$2,409,264
Revenues	77,883,150	72,319,398	72,386,446	71,730,301
Projected Expenditures with Department Decision Items	(94,003,143)	(111,616,223)	(129,681,981)	(136,743,950)
Transfer to General Fund	<u>0</u>	<u>(20,600,000)</u>	<u>0</u>	<u>0</u>
Ending Fund Balance	\$119,601,624	\$59,704,799	\$2,409,264	(\$62,604,385)
Hospital Fee Revenue Offset Needed				\$62,604,385

*These are Department estimates and do not match staff's five year forecast.

Beginning in FY 2011-12, staff's recommendation would allow the Hospital Provider Fee to absorb any costs above revenues in the HCE Fund programs. Staff's recommendation will avoid the situation where the General Assembly is funding higher income groups with the provider fee before finding populations already eligible but who do not have sustainable funding sources. Staff's proposal does not exceed the regulatory limit on the hospital fee as illustrated in the tables below.

Table 3: Estimated Total Costs v. Net Patient Revenue Limit by Year (Governor's Proposal)					
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
Fee Limit	\$554,287,800	\$596,904,700	\$701,234,600	\$755,149,700	\$813,210,100
Provider Payments	\$245,800,179	\$253,906,000	\$309,968,900	\$321,127,800	\$332,688,400

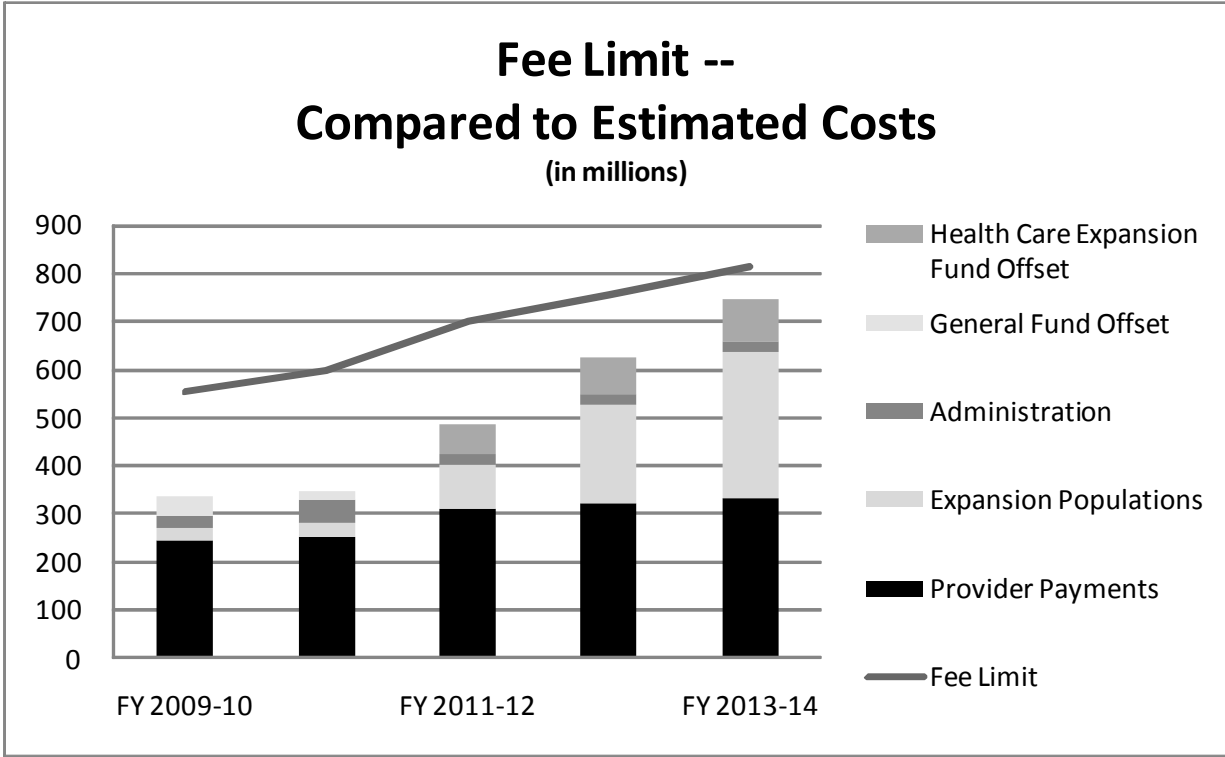
Table 3: Estimated Total Costs v. Net Patient Revenue Limit by Year (Governor's Proposal)					
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
Expansion Populations	\$27,218,700	\$28,198,600	\$91,036,700	\$204,739,500	\$303,521,000
Administration	\$18,531,881	\$45,413,750	\$21,579,400	\$22,356,300	\$23,161,100
Governor's ES #1 (Not part of HB 09-1293)	\$45,291,719	\$20,707,550	\$0	\$0	\$0
Total Fee (state match only)	\$336,842,479	\$348,225,900	\$422,585,000	\$548,223,600	\$659,370,500
% of NPR	3.34%	3.21%	3.62%	4.36%	4.86%
<i>NPR % Federal Limit</i>	<i>5.50%</i>	<i>5.50%</i>	<i>6.00%</i>	<i>6.00%</i>	<i>6.00%</i>

*Source: Information presented by the Department to the Hospital Provider Fee Oversight & Advisory Board on September 15, 2009 and November 16, 2009.

Table 4: Estimated Total Costs v. Net Patient Revenue Limit by Year (Governor's Proposal & Staff Recommendation)					
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
Fee Limit	\$554,287,800	\$596,904,700	\$701,234,600	\$755,149,700	\$813,210,100
Provider Payments	\$245,800,179	\$253,906,000	\$309,968,900	\$321,127,800	\$332,688,400
Expansion Populations	\$27,218,700	\$28,198,600	\$91,036,700	\$204,739,500	\$303,521,000
Administration	\$18,531,881	\$45,413,750	\$21,579,400	\$22,356,300	\$23,161,100
Governor's ES #1	\$45,291,719	\$20,707,550	\$0	\$0	\$0
Staff's Recommendation to Cover HCE Fund Deficit	\$0	\$0	\$62,604,385	\$76,547,085	\$87,085,981
Total Fee (state match only)	\$336,842,479	\$348,225,900	\$485,189,385	\$624,770,685	\$746,456,481
% of NPR	3.34%	3.21%	4.15%	4.96%	5.51%
<i>NPR % Federal Limit</i>	<i>5.50%</i>	<i>5.50%</i>	<i>6.00%</i>	<i>6.00%</i>	<i>6.00%</i>

*Staff's expenditure estimates for FY 2012-13 and FY 2013-14.

The following graph illustrates the room left under the fee limit with staff's proposal.



Of Interest: Staff would also note that every federal health care reform proposal has an enhanced federal match for Medicaid eligibility increases that take place *after* the enactment of the federal law. The tables and chart above assume a 50 percent federal match after FY 2011-12 for the expansion populations. However, it is possible that once the federal law is effective, a higher federal match (as high as 90 percent) could be obtained on some of the Medicaid expansion populations (such as the childless adults). If this is the case, then this would reduce the amount of fee revenue needed in FY 2013-14 and afterward for the overlap Hospital Provider Fee expansion populations and the federal expansion populations.

Out year modeling, including funding the HCE Fund shortage and the possibility of enhanced federal match for some of Hospital Provider Fee expansion populations, should be discussed with the Department at their hearing. (Please note, the modeling need not include potential federal expansion populations that do not overlap with the current requirements of HB 09-1293. Another funding sources will probably need to be found for the federal match for those populations).

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
Community Programs, Indigent Care Programs, and Other Medical Services)**

BRIEFING ISSUE

ISSUE: Indigent Care Program Reductions

The Department's request reduces funding for the Indigent Care Programs by \$50.3 million total funds (\$22.4 million General Fund impact) in FY 2009-10. In FY 2010-11, another \$11.2 million total funds (\$5.7 million General Fund impact) is saved when the FY 2009-10 reductions are annualized.

SUMMARY:

- The Governor's budget reductions for hospitals participating in the Indigent Care Program (ICP) are offset by higher hospitals payments under HB 09-1293.
- The Governor's budget reductions for clinic participating in the Indigent Care Program may be partially offset by increased eligibility under HB 09-1293. However, the funding increases for the ICP clinics will not materialize as fast as the hospital payments. Therefore, to reduce the impact to ICP clinics, the Department's request should be modified to maximize federal funding while achieving the same state funding savings.

RECOMMENDATION:

1. When possible, state funds that do not receive federal match should be reduced before programs receiving federal match.
2. Staff recommends the Committee sponsor legislation to extend the Health Care Services Fund to FY 2010-11. The state match for this program would come from transfers from the Primary Care Fund. This recommendation is possible only if the General Assembly passes a Resolution declaring a fiscal emergency (this Resolution is needed for other issues in the Governor's budget balancing proposal for FY 2010-11).
3. Staff recommends that the General Assembly consider a Referendum that would allow the Primary Care Fund to be used as the State match for any initiative or requirement that expands eligibility for public medical assistance programs. This broad language would allow the Primary Care Fund to partially backfill the Health Care Expansion Fund deficit (and thus, would reduce the amount the Hospital Provider Fee) or to be the state match for any federal health care reform legislation requirements. The Primary Care Fund grant program could be gradually phased-out as more individuals become insured.

DISCUSSION:

Background

Following is a review of the major budget reductions made in the 2009 Session, by the Governor in the August budget balancing actions, and the FY 2010-11 budget request to the Indigent Care Program line items.

Safety Net Provider Payments: This line item distributes funding to hospitals to partially reimburse hospitals for uncompensated costs incurred from providing medical services to low-income, uninsured, and under-insured Colorado residents. The state match for private hospitals is General Fund and for public hospitals is certified public funds. The federal financing is from the Disproportionate Share program or from Medicare Upper Payment Limit.

1. ***2009 Session:*** The Long Bill increased funding for this line item by \$6.4 million due to ARRA increasing the federal Disproportionate Share Payment (DSH). Additionally, the General Assembly passed HB 09-1293. If the Centers for Medicare and Medicaid Services (CMS) approve the waiver, the bill's appropriation clause includes an increase of \$52.2 million total funds. This amount is the increase of \$322.2 million total funds (\$161.1 million Hospital Provider Fee) to increase Indigent Care Provider reimbursement offset by a decrease of \$270.0 million total funds (\$135.0 million public certified funds) that won't be available once Medicaid rates are increased (there will be a loss of UPL funding).
2. ***August FY 2009-10 Budget Reductions:*** The Governor's plan reduced \$15.6 million total funds (\$7.8 million General Fund) for reimbursements to privately owned hospitals participating in the CIGP program. However, HB 09-1293 will increase reimbursements to private hospitals by \$42.4 million if approved by CMS.
3. ***FY 2010-11 Budget Reductions:*** In FY 2010-11, the Department's request eliminates \$26.2 million total funds (\$13.1 million General Fund) from this line item.

Primary Care Fund: This fund receives 19 percent of the Amendment 35 Tobacco Tax revenues and supports the Primary Care Fund Grant Program (approximately \$30 million a year). These grants are used to fund comprehensive primary care provided by qualifying providers. Qualifying providers are defined in the Colorado Constitution as community health centers or providers with patient loads that are 50 percent or more uninsured or medically indigent. The funds are distributed to all eligible qualified providers throughout the State in proportion to the number of uninsured or medically indigent patients served. This program does not qualify for federal match as it is used to fund clients ineligible for Medicaid.

1. ***2009 Session:*** Senate Bill 09-271 allows the General Assembly to reduce funding for this program up to \$15.0 million. However, the appropriation clause reduced funding for this program by only \$7.4 million.

2. **August FY 2009-10 Budget Reductions:** Did not reduce this program.
3. **FY 2010-11 Budget Reductions:** No budget reductions in FY 2010-11. The Governor's proposal restores this program's funding to its full amount.

Health Care Services Fund: This fund was created pursuant to SB 06-044. This legislation increased eligibility for the Colorado Indigent Care Program from 200 percent to 250 percent of the federal poverty level. The funding for this program is distributed as follows: (1) 18 percent to Denver Health; (2) 14.76 percent to primary care clinic operated by hospitals; and (3) 67.24 percent to federally qualified health centers. Funding for this program was limited to \$15 million General Fund (from Referendum C) annually for five years. Per SB 06-044, the state funding for the program expires in FY 2010-11. In FY 2007-08, the Department was able to secure federal matching funds for this program using the Medicare Upper Payment Limit financing mechanism.

1. **2009 Session:** Senate Bill 09-264 reduced the FY 2009-10 statutory General Fund appropriation to the Health Care Services Fund from \$15.0 million to \$11.5 million. However, due to the American Recovery and Reinvestment Act (ARRA) enhanced match, the full \$30.0 million for the program was retained.
2. **August FY 2009-10 Budget Reductions:** The Governor's proposal eliminated this program, for a total reduction of \$30.0 million. Technically, this action does not require legislation because SB 06-044 required the General Fund appropriation to come from available Referendum C funding. Due to the drop in State revenues, there is no available Referendum C funding in FY 2009-10.
3. **FY 2010-11 Budget Reductions:** Funding for this program expires in FY 2010-11 and the Department's budget request does not ask for an extension.

The Comprehensive Primary and Preventative Care Grants Program: This program increases access to primary care for low-income and uninsured individuals by making block grants to clinics that treat relatively high numbers of medically indigent patients. Grants can be used for capital construction and practitioner acquisition. The program is allocated 3 percent of Tier 1 Tobacco Master Settlement funding with an up to \$5.0 million cap. This program does not receive a federal match.

1. **2009 Session:** Senate Bill 09-210 reduced Tobacco Master Settlement funding for this program by \$2.4 million.
2. **August FY 2009-10 Budget Reductions:** The Governor's proposal eliminated \$639,082 of the remaining \$866,075 funds appropriated to this program. The only funds not eliminated were already committed. The Governor's proposal is to use the \$639,082 in Tobacco Master Settlement Funds to offset General Fund appropriations in the Medical Services Premiums line item. This proposal requires legislation.

3. ***FY 2010-11 Budget Reductions:*** The Department budget request annualizes the \$639,082 reduction to \$766,898. However, the total funding for the line item is increased back to \$2.3 million because the transfer from SB 09-210 expires in FY 2010-11.

Rural and Public Hospitals Payment: This programs makes supplemental payments to rural hospitals participating in the CICIP and to public hospitals exhibiting above-average medically indigent care costs. These payments are funded by 8.5 percent of the total 2 Tobacco Master Settlement monies and are eligible for federal match.

1. ***2009 Session:*** Senate Bill 09-264 reduced the statutory cash fund appropriation by \$1.0 million to a total appropriation of \$5.0 million. The \$1.0 million cash fund reduction was transferred to the General Fund.
2. ***August FY 2009-10 Budget Reductions:*** The Governor's proposal eliminates funding for this program in FY 2009-10. However, HB 09-1293 will increase reimbursements to hospitals and should more than offset these reductions. The remainin \$2.0 million in the cash funds will be used to offset General Fund expenditures in the Medical Services Premiums line item. This proposal requires legislation.
3. ***FY 2010-11 Budget Reductions:*** The Governor's proposal does not restore the funding in FY 2010-11.

Maximizing Federal Funds

Staff recommends that whenever possible, programs within the Department that do not receive federal funds should be reduced before federally matched programs. Therefore, staff recommends the Committee reconsider the commitment to the Primary Care Fund (a state only program) at the expense of the Health Care Services Fund (a federally matched program).

Following is example of how eliminating the Health Care Services Fund early, instead of reducing the Primary Care Fund to a similar savings amount, resulted in a higher negative impact to most providers. The example is based on the Salud's Family Health Centers budget reduction impacts (as estimated by Salud Family Health Center).

Table 1: Indigent Care Program / Medicaid Reductions to Salud Family Health Centers (Based on Current Budget Reductions Proposed)							
	Primary Care Fund	Health Care Services	CPPC Grant	Medicaid Rate Cut	Total State Program Funding Reduction	ARRA Award	Net Change to Funding
Salud Family Health	(\$1,089,208)	(\$3,726,314)	(\$84,543)	(\$95,652)	(\$4,995,717)	\$555,261	(\$4,440,456)

Table 1: Indigent Care Program / Medicaid Reductions to Salud Family Health Centers (Based on Current Budget Reductions Proposed)							
	Primary Care Fund	Health Care Services	CPPC Grant	Medicaid Rate Cut	Total State Program Funding Reduction	ARRA Award	Net Change to Funding
Centers							
State Match	(1,089,208)	(1,431,277)	(84,543)	(36,740)	(2,641,768)	0	(2,641,768)
Federal Match	0	(2,295,037)	0	(58,912)	(2,353,949)	555,261	(1,798,688)

* Information provided to staff by Salud Family Health Centers -- based on their estimates of proposed cuts to their centers.

Table 2: Scenario 1 -- Indigent Care Program / Medicaid Reductions to Salud Family Health Centers (Based Cutting the Primary Care Fund to Achieve Governor's Savings)							
	Primary Care Fund	Health Care Services	CPPC Grant	Medicaid Rate Cut	Total State Program Funding Reduction	ARRA Award	Net Change to Funding
Salud Family Health Centers	(\$2,207,854)	(\$1,304,210)	(\$84,543)	(\$95,652)	(\$3,692,259)	\$555,261	(\$3,136,998)
State Match	(2,207,854)	(500,947)	(84,543)	(36,740)	(2,830,084)	0	(2,830,084)
Federal Match	0	(803,263)	0	(58,912)	(862,175)	555,261	(306,914)

*Based on information from Salud. This proposal reduces funding for the Primary Care Fund to the full \$15.0 million currently authorized (another \$7.6 million). The proposal also reinstates the Health Care Services Fund but by a lower amount so that the Governor's General Fund savings are still achieved. This proposal would require a law change to allow the Health Care Services Fund amount to be changed and to allow non-Referendum C funding for the program.

Table 3: Scenario 2 -- Indigent Care Program / Medicaid Reductions to Salud Family Health Centers (Based Cutting the Primary Care Fund Only to Achieve Governor's Savings and leaving entire Health Care Services Fund)							
	Primary Care Fund	Health Care Services	CPPC Grant	Medicaid Rate Cut	Total State Program Funding Reduction	ARRA Award	Net Change to Funding
Salud Family Health Centers	(\$2,855,491)	\$0	(\$84,543)	(\$95,652)	(\$3,035,686)	\$555,261	(\$2,480,425)
State Match	(2,855,491)	0	(84,543)	(36,740)	(2,976,774)	0	(2,976,774)

Table 3: Scenario 2 -- Indigent Care Program / Medicaid Reductions to Salud Family Health Centers (Based Cutting the Primary Care Fund Only to Achieve Governor's Savings and leaving entire Health Care Services Fund)							
	Primary Care Fund	Health Care Services	CPPC Grant	Medicaid Rate Cut	Total State Program Funding Reduction	ARRA Award	Net Change to Funding
Federal Match	0	0	0	(58,912)	(58,912)	555,261	496,349

*Based on information from Salud. This scenario reduces funding for the Primary Care Fund to the full \$19.4 million and reinstates all of the Health Care Services Fund. This scenario achieves the same General Fund savings (or offsets) as the Governor's August proposal, but maximizes federal funds.

In staff's example above, the Governor's proposal reduces State program funding (including federal matching funds) by approximately \$5.0 million to the Salud Family Health Center. However, in Table 2, if the Primary Care Fund was reduced to current amount authorized and then the Health Care Services Fund was reinstated but reduced to meet the Governor's savings objectives, the budget reduction to Salud Family Health Center would only be \$3.7 million. Lastly, in Table 3, if the Primary Care Fund was reduced to meet all of the Governor's saving objectives then the budget reductions to Salud Family Health Center would only be \$3.0 million. *(NOTE -- this is illustration only and should not be used to assume that these exact dollars would be restored or provided).*

In concept, staff recommends the following changes to the Governor's August 2009 budget reduction proposal:

1. The Department should pull the state plan amendments to eliminate the Health Care Services Fund and should reinstate it for FY 2009-10. The General Assembly should pass law to extend the Health Care Services Fund (or like program) into FY 2010-11. The state match for the program would come from the Primary Care Fund in FY 2009-10 & FY 2010-11.
2. The transfer to the General Fund from the Primary Care Fund should be increased from the current \$7.4 million to \$19.4 million in FY 2009-10. Another \$1.0 million transfer from the Primary Care Fund into a "hold harmless to Governor's proposal" program should also be authorized for those providers that are "losers" under staff's proposal -- or a change in the distribution formula for the Health Care Services Fund should be consider to ensure that all providers are held harmless to at least the Department's original proposal.
3. In FY 2010-11, all \$30 million from the Primary Care Fund should be transferred to the General Fund. Of this amount, \$13.3 million should be transferred to the Health Care Services Fund Program to draw down \$16.7 million in federal funds. Therefore, a total of \$30.0 million total funds would be distributed to providers. The remaining \$16.7 million in the Primary Care Fund could be used to offset other General Fund reductions (to hedge against further revenue drops or to restore other budget reductions in Governor's proposal that the Committee does not wish to do). The distribution formula for the Health Care

Services Fund could be rewritten to mirror the distribution formula of the Primary Care Fund.

Staff has modeled the Scenario 1 example for all providers in Appendix G for FY 2009-10. Staff's modeling shows that approximately \$11.0 million could be preserved for providers in FY 2009-10 if the Primary Care Fund was reduced instead of the Health Care Services Fund. Please note that staff's model is based simply on FY 2008-09 distributions and therefore, does not match the information that Salud provided staff that is used in the above examples. In addition, staff needs to update the model based on actual planned distributions to the Primary Care Fund based on recent information the Department provided staff. However, staff believes the data is comparable in concept and could be massaged to ensure the least impact to providers as possible.

The Future of the Primary Care Fund

Staff requests that the General Assembly consider sponsoring a Referendum to rewrite the uses of the Primary Care Fund in the State Constitution so that this state revenue source can be matched by federal funds. Staff sees four possibilities for this issue:

- 1) The Primary Care Fund could help reduce the deficit spending projected for the Health Care Expansion Fund (the Primary Care Fund by itself is not a solution). If this was done, then the amount of Hospital Provider Fee revenue that staff recommends could be reduced (i.e. a lower provider fee by using existing tax revenue but achieving the same results).
- 2) The Primary Care Fund could be used to offset the General Fund need for the Children's Basic Health Plan.
- 3) The Primary Care Fund could be the permanent funding source for the Health Care Services Fund (\$15.0 million annually). The other \$15.0 million could be used for any other health related purpose.
- 4) The Primary Care Fund could be used as the state match (or partial state match) for any future public medical assistance expansions required by federal law.

The passage of HB 09-1293 and possible federal legislation could make the Primary Care Fund somewhat obsolete in that a larger number of uninsured will be covered by the Medicaid program or CBHP program. Allowing the Primary Care Fund to be used for the Medicaid or Children's Basic Health Plan (CBHP) would help the General Fund meet the growing costs for these programs and leverage federal funding.

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Department of Health Care Policy and Financing
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BRIEFING ISSUE

ISSUE: Medicaid Over Expenditures

In FY 2008-09, the Medicaid program expenditures exceeded the final appropriations by \$31.9 million.

SUMMARY:

- ❑ The *final* FY 2008-09 appropriation for the Medicaid Medical Services Premiums (MSP) line item was under forecasted by \$30.6 million total funds (\$12.0 million General Fund), a 1.2 percent forecast error.
- ❑ The *final* FY 2008-09 appropriations for the Medicaid Mental Health Division was under forecasted by \$1.3 million total funds (\$1.6 million General Fund), a 0.6 percent forecast error.

RECOMMENDATION:

1. Staff recommends that the Joint Budget Committee lift the FY 2009-10 appropriation restriction on the Medical Services Premiums program line item due to the FY 2008-09 over-expenditure.
2. Staff recommends that the Joint Budget Committee lift the FY 2009-10 appropriation restrictions in the Medicaid Mental Health program lines due to the FY 2008-09 over-expenditure.

The over-expenditures in the Medicaid program were due to forecast error and not mismanagement of the appropriations. The Committee can take formal action on this recommendation during the January supplemental presentation for the Department.

DISCUSSION:

FY 2008-09 Overexpenditure Medical Services Premiums

In FY 2008-09, the Medical Services Premiums line item was over expended by \$30.6 million total funds (a 1.2 percent forecast error). The General Fund over expenditure was \$12.0 million (a 1.3 percent forecast error). Because of the entitlement nature of the Medicaid program, the Medicaid

line items are provided with *unlimited* over-expenditure authority as long as the over-expenditure are consistent with the statutory provisions of the Medicaid program (Section 24-75-109, C.R.S.). However, the State Controller's restricts the current fiscal year's appropriation until the General Assembly approves a supplemental for the prior year over expenditure. This restriction allows the JBC an opportunity to review the reasons for over expenditures and to decide if the over-expenditure could have been avoided with better management of the appropriation or if the over-expenditure occurred as a result of an unforeseen event or forecast error.

Staff recommends lifting the FY 2008-09 over expenditure restriction. The over expenditure was within a reasonable forecast error range. Reasons for the over expenditure include:

1. The final FY 2008-09 appropriation assumed a total average monthly Medicaid caseload of 433,304 clients and the actual total average monthly Medicaid caseload was 436,812 clients (an increase of 3,508 clients or 0.8 percent).
2. The final FY 2008-09 appropriation assumed total medical and long term care service costs of \$2.467 billion. The final service costs expenditures were \$2.509 billion. This was an overexpenditure of \$41.6 million (a forecast error of 1.7 percent). Most of the error was attributed to higher than anticipated acute care services in the low-income children and adult populations. This is to be somewhat expected because of the higher caseload growth in these areas. However, the forecast model also slightly underestimated per-capita and case mix issues by 0.9 percent. Staff calculates the overexpenditure was attributed to approximately: (a) \$20.1 million due to underestimating caseload by 0.8 percent, (b) \$21.6 million due to underestimating overall per capita spending by 0.9 percent.
3. The final FY 2008-09 appropriation assumed non-related medical or service expenditures of \$29.4 million and the actual was \$18.4 million, or \$11.0 million lower than anticipated. These are mechanism used to refinance General Fund with certified public expenditures, includes any funding disallowances for prior years, and supplemental payments to Denver Health.

FY 2008-09 Overexpenditure Medicaid Mental Health Divisions

In FY 2008-09, the Medicaid Mental Health Capitation Line Item was over expended by \$1.1 million total funds (0.5 percent forecast error). The General Fund in this line item was overexpended by \$1.5 million (1.5 percent forecast error). The Medicaid Mental Health Fee-for-Service line item was over expended by \$219,100 total funds (12.3 percent forecast error). The General Fund in this line item was over expended by \$109,500 (12.3 percent forecast error). Overall, for the Division, the over expenditure was \$1.3 million total funds (a 0.6 percent forecast error) and the General Fund Overexpenditure was \$1.6 million (1.6 percent forecast error).

Staff recommends that the Committee approve a supplemental to lift the over expenditure restriction. Again, the forecast error was mainly attributed to higher than anticipated caseload and some differences in overall per capita and case mix.

Fund Split Issues to the Overexpenditure -- Compared to What Was Expected

As discussed earlier, the ARRA FMAP was not appropriated but was estimated on the General Fund overview. Therefore, in FY 2009-10 when the extra FMAP was received, the (M) and (H) head notes restricted the General Fund and Cash Fund appropriations and the "extra expenditure authority" reverted. While the total expenditures in Medical Services Premiums and Mental Health line items were over expended by \$31.9 million, the State also benefitted from higher FMAP offsets to the General Fund than had been forecasted. Therefore, staff calculates that the General Fund was actually "underspent" in the MSP and MH line items by approximately \$8.9 million. This \$8.9 million helps to offset an \$11.2 million assumption error staff made on SB 09-264 impacts regarding the extra amount of General Fund revenue available from retaining ARRA funding at the State instead of distributing it to the hospitals or school districts (the original fiscal note assumed \$18.9 million impact but the actual was closer to \$7.7 million).

Table 1: "Real" Impact to General Fund with ARRA Estimates Included					
	GF	CF	RF	FF	TF
Forecasted FY 2008-09 Spending Authority -- With ARRA Impacts					
Appropriation (MSP & MH)	\$1,223,755,411	\$128,078,727	\$2,639,606	\$1,358,226,761	\$2,712,700,505
ARRA Adjustment	<u>(168,395,951)</u>	<u>(16,697,134)</u>	<u>0</u>	<u>185,093,085</u>	<u>0</u>
Anticipated Spending Authority	\$1,055,359,460	\$111,381,593	\$2,639,606	\$1,543,319,846	\$2,712,700,505
Actual FY 2008-09 -- With ARRA Impacts					
Expenditures Before ARRA	\$1,237,374,696	\$127,322,850	\$2,638,398	\$1,377,292,690	\$2,744,628,634
ARRA Impact	<u>(190,912,646)</u>	<u>(12,470,228)</u>	<u>0</u>	<u>203,382,874</u>	<u>0</u>
Actual Expenditures	\$1,046,462,050	\$114,852,622	\$2,638,398	\$1,580,675,564	\$2,744,628,634
Forecast Compared to Actual -- Positive Means Underspent / Negative Means Overspent					
Without ARRA Impact /1	(\$13,619,285)	\$755,877	\$1,208	(\$19,065,929)	(\$31,928,129)
WITH ARRA Impacts /2	\$8,897,410	(\$3,471,029)	\$1,208	(\$37,355,718)	(\$31,928,129)
Miscalculation of SB 09-264 Impacts /3	<u>(\$11,218,240)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,218,240</u>	<u>\$0</u>
TRUE GF Forecast Error	(\$2,320,830)	(0.22)%			

/1 This is the over-expenditure that COFRS shows will need to be released.

/2 This includes the extra ARRA from the higher expenditures as well as the higher ARRA received in the 4th Quarter due to reaching the 3rd Tier of Unemployment.

/3 The original SB 09-264 fiscal note assumed a GF revenue of \$18.9 from retaining ARRA funds at the state level instead of distributing to hospitals or school districts. The actual GF revenue retained was \$7.7 million (staff had made an assumption error in original fiscal note). This issue didn't impact MSP or MH, but staff is showing here in order to give a truer picture of the accuracy of staff's forecasting error for the General Fund.

Please note that assumption error for SB 09-264 has been corrected for future General Fund forecasts. However, the Governor's emergency supplementals as well as the passage of HB 09-1293 have eliminated most of the savings estimated in the original SB 09-264 fiscal note. Staff will remove these savings during supplementals and figure setting to ensure the savings are not doubled counted against newer funding estimates.

Staff Comment

Overall, the FY 2008-09 General Fund appropriation for the Medicaid MSP and MH programs was fairly accurate (99.78 percent on true impacts and 98.89 percent on COFR reported over-expenditures). The total fund appropriation was 98.82 percent accurate. However, because of the size of the Medicaid program, even a 1.0 percent error in the forecast can swing approximately \$32.0 million total funds or \$13.6 million General Fund.

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
 Department of Health Care Policy and Financing
 (Executive Director's Office, Medical Services Premiums, Medicaid Mental Health
 Community Programs, Indigent Care Programs, and Other Medical Services)**

BRIEFING ISSUE

INFORMATIONAL ISSUE: Medicaid Forecast -- Medical Services Program

The Department currently forecasts a FY 2009-10 Medical Services Premiums supplemental increase of \$297.3 million total funds. The Department's FY 2010-11 budget request represents an increase of \$405.2 million total funds over the current FY 2009-10 appropriation (15.8 percent) and a \$107.9 million (3.8 percent) increase over the Department's revised FY 2009-10 request.

SUMMARY:

- ❑ The Department's FY 2009-10 estimate and FY 2010-11 budget request for the Medical Services Premiums line item is shown below.

FY 2009-10 Estimate & FY 2010-11 Budget Request						
Funds	Current FY 2009-10 Appropriation	Department's Estimated FY 2009-10 Expenditure	Difference Possible Supplemental Amount	Department's FY 2010-11 Budget Request*	<i>FY 2010-11 Increase Compared to Current FY 2009-10 Appropriation</i>	<i>FY 2010-11 Increase Compared to Estimated FY 2009-10 Expenditure</i>
GF	\$1,112,661,142	\$781,075,407	(\$331,585,735)	\$968,547,476	(\$144,113,666)	\$187,472,069
CF	167,097,000	324,695,877	157,598,877	335,181,965	168,084,965	10,486,088
RF	2,746,329	2,938,657	192,328	3,050,056	303,727	111,399
<u>FF</u>	<u>1,289,538,167</u>	<u>1,760,657,729</u>	<u>471,119,562</u>	<u>1,670,478,626</u>	<u>380,940,459</u>	<u>(90,179,103)</u>
Total	\$2,572,042,638	\$2,869,367,670	\$297,325,032	\$2,977,258,123	\$405,215,485	\$107,890,453
Percent (Decrease) / Increase			11.56%	n/a	15.75%	3.76%

*Includes base budget plus all decision items, base reduction items, and non-prioritized requests.

DISCUSSION:

FY 2009-10 MSP Supplemental Estimate

In order to calculate their FY 2010-11 request for the Medical Services Premiums (MSP) line item, the Department provides a new expenditure estimate for FY 2009-10 in their November budget request. While this estimate of current year expenditures is not the Department's final supplemental request, it is an early indicator of what the Department's supplemental request may be in February 2010. For FY 2009-10, the Department is currently forecasting that \$2.9 billion will be necessary to meet the obligations for the MSP line item, including all of the negative supplementals. The Department's forecast indicates that the current appropriation of \$2.6 billion is under funded by approximately \$297.3 million (11.6 percent increase). The Department's FY 2009-10 supplemental estimate has these components:

1. An increase of \$293.0 million total funds (no General Fund decrease) to recognize the contingent appropriation provided in HB 09-1293. This item assumes that CMS approves the Hospital Provider Fee Waiver Program before April 2010.
2. An increase of \$86.4 million total funds (\$48.5 million General Fund decrease) for new caseload and cost estimates.
3. A decrease of \$82.1 million total funds (\$100.5 million General Fund decrease) for the emergency supplementals that the Governor submitted in August and December.
4. A zero impact (\$279.6 million General Fund decrease) to recognize ARRA.

Following is a brief discussion on the new caseload and cost impacts only. The emergency supplementals and HB 09-1293 impacts were discussed on pages 15, 16 and 29 of this briefing document.

Updated FY 2009-10 Caseload and Cost-Per-Client Estimates -- (Does Not Include HB 09-1293)

The \$86.4 million supplemental request represents the Department's current FY 2009-10 estimate for medical services costs for the Medicaid caseload. This calculation is based on the Department's current forecast that the average monthly Medicaid caseload will be 498,511 clients during FY 2009-10 (specific caseload estimates by aid category are shown in Table 4 later in this issue). This is an increase of 21,879 clients (4.6 percent) from the current FY 2009-10 appropriated Medicaid caseload of 476,632 clients. Staff has the following observations about the FY 2009-10 caseload forecast:

- ✓ As of October 2009, the *average* monthly caseload for FY 2009-10 was already 479,749 clients. However, the caseload in October was actually 487,250 clients.

- ✓ Staff's October forecast was very similar to the Department's caseload forecast. In October, staff revised her caseload forecast upward to 495,888 clients.

Updated FY 2009-10 Cost Estimates (Does Not Include HB 09-1293 or Other Supplementals)

The Department's forecast also reflects updated cost estimates. The cost estimates are a function of both caseload increases and estimates of per-client costs based on recent trend data before supplemental adjustments. Table 1 below shows the projected cost increases for each service category.

Table 1: FY 2009-10 Service Forecast				
BASE Impacts Only -- Does not Include Emergency Supplementals Impacts				
	Current FY 2009-10 Appropriation	Dept. FY 2009-10 Estimate --Nov 2009	Difference	% Difference
Acute Care Cost	\$1,522,051,822	\$1,610,202,972	\$88,151,150	5.79%
Community Long-Term Costs	284,727,679	299,825,138	15,097,459	5.30%
Nursing Facilities & PACE	607,051,075	598,966,224	(8,084,851)	(1.33)%
Insurance Programs	99,045,576	99,254,333	208,757	0.21%
Service Management	<u>34,091,626</u>	<u>29,692,660</u>	<u>(4,398,966)</u>	<u>(12.90)%</u>
Total Medical Costs	\$2,546,967,778	\$2,637,941,327	\$90,973,549	3.57%
Other Cost Adjustments	<u>25,074,860</u>	<u>20,505,317</u>	<u>(4,569,543)</u>	<u>(18.22)%</u>
Total MSP Line Item	\$2,572,042,638	\$2,658,446,644	\$86,404,006	3.36%

* Does not include the Governor's balancing issues or HB 09-1293. This reflects the base costs only.

The Department's FY 2009-10 supplemental request also adjusts the funding sources for the Medical Service Premiums line item. Table 2 shows the Department's revised estimates for fund splits for base issues only (does not include Emergency Supplementals, HB 1293, or ARRA impacts).

Table 2: FY 2009-10 Medical Services Premiums BASE SUPPLEMENTAL by Fund Source			
	Current FY 2009-10 Approp.	Department's Revised Base FY 2009-10 Est. (Nov 6, 2009)	Difference (Est - Approp)
General Fund	\$1,112,661,142	\$1,161,147,662	\$48,486,520
Cash Funds	\$225,424,823	\$218,152,362	(\$7,272,461)
Reappropriated funds	\$2,746,329	\$2,965,855	\$219,526
Federal Funds	<u>\$1,289,538,167</u>	<u>\$1,334,508,588</u>	<u>\$44,970,421</u>
Total Funds	\$2,630,370,461	\$2,716,774,467	\$86,404,006

FY 2010-11 Medical Services Base Request

For FY 2010-11, the Department anticipates that Medical Service Premiums expenditures will increase by \$405.2 million total funds over the current FY 2009-10 appropriation. This is a total fund increase of 15.75 percent over the current FY 2009-10 appropriation. Table 3 below summarizes the Department's FY 2010-11 request.

Table 3: Medical Service Premiums FY 2010-11 Budget Request -- WITHOUT ARRA Adj.					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds
Current FY 2009-10 Appropriation	\$2,572,042,638	\$1,112,661,142	\$167,097,000	\$2,746,329	\$1,289,538,167
<i>Department's Estimated Increases for FY 2009-10 (Nov 1, 2008 Request)</i>					
Annualize prior year budget adjustments & legislation	\$428,870,424	\$27,949,716	\$185,452,563	(\$10,169)	\$215,478,314
Base caseload growth & cost-per-client (DI #1)	\$207,323,569	\$134,715,479	(\$29,498,967)	\$390,381	\$101,716,676
Other Decision Items or Base Reductions	(230,978,508)	(148,768,908)	32,400,220	(76,485)	(114,533,335)
Department's FY2010-11 Budget Request	\$2,977,258,123	\$1,126,557,429	\$355,450,816	\$3,050,056	\$1,492,199,822
Increase above current FY 2009-10 appropriation	\$405,215,485	\$13,896,287	\$188,353,816	\$303,727	\$202,661,655
Percent Increase	15.75%	1.25%	112.72%	11.06%	15.72%
ARRA Adjustment	\$2,977,258,123	\$968,547,476	\$335,181,965	\$3,050,056	\$1,670,478,626
Increase above current FY 2009-10 appropriation	\$405,215,485	(\$144,113,666)	\$168,084,965	\$303,727	\$380,940,459
Percent Increase	15.75%	(12.95)%	100.59%	11.06%	29.54%

*Greater detail on Decision Items and Base Reduction Items is shown on page 19 of this packet.

The majority of the Department's FY 2010-11 budget request relate to three issues:

1. Annualizing Prior Year Budget Actions -- The majority of this item relates to restoring one-time budget reduction in FY 2009-10, annualizing emergency supplementals, and appropriating the funds for HB 09-1293. These issues are discussed elsewhere in this budget briefing.
2. Base Forecast (Decision Item #1) -- The base forecast for FY 2010-11 assumes an increase of \$207.3 million over the current FY 2009-10 appropriation. Again, the base forecast represents the Department's estimate for medical services costs for the eligible Medicaid caseload without any policy changes.

3. Budget Balancing Issues -- These additional decision items and base reduction items needed to balance the statewide budget. These issues are discussed elsewhere in this briefing packet.

Following is a brief discussion of the Department's FY 2010-11 base request (i.e. Decision Item #1 plus the prior year budget action annualization impacts). The specific impacts from the base reduction items and non-prioritized requests are shown on page 29 of this document.

FY 2010-11 Caseload Projection

The Department is currently forecasting total Medicaid caseload of 567,483 clients for FY 2010-11. Of this amount, 30,100 are new clients eligible due to the passage of HB 09-1293. Therefore, the Department's "traditional caseload" is 537,383. This represents caseload growth of 38,872 clients (or 7.8 percent from the Department's revised FY 2009-10 traditional caseload). Table 4 below shows the Department's current caseload projection by aid category.

Table 4: Total Medicaid Caseload -- Department's November 2009 Forecast						
	FY 2008-09 Actual	FY 2009-10 Current App. Estimate	FY 2009-10 November HCPF Forecast	% Change FY 2009-10 Forecast Compared to FY 2008-09 Actual	FY 2010-11 November HCPF Forecast	%Change FY 2010-11 Forecast Compared to FY 2009-10 Forecast
SSI 65+	37,619	38,279	38,556	2.49%	39,030	1.23%
SSI 60-64	6,447	6,614	6,837	6.05%	7,009	2.52%
SSI Disabled	51,355	52,254	52,711	2.64%	53,517	1.53%
Low-Income Adults	49,147	57,097	59,581	21.23%	65,879	10.57%
TT Expansion Adults	12,727	16,015	16,736	31.50%	18,937	13.15%
Breast & Cervical Cancer Program	317	321	424	33.75%	487	14.86%
Eligible Children	235,129	259,414	277,805	18.15%	304,891	9.75%
Foster Children	18,033	18,663	18,715	3.78%	19,329	3.28%
Baby Care Adults	6,976	7,391	7,448	6.77%	7,639	2.56%
Non-Citizens	3,987	4,255	3,963	-0.60%	4,102	3.51%
<u>Partial Dual Eligibles</u>	<u>15,075</u>	<u>16,329</u>	<u>15,735</u>	<u>4.38%</u>	<u>16,563</u>	<u>5.26%</u>

Table 4: Total Medicaid Caseload -- Department's November 2009 Forecast

	FY 2008-09 Actual	FY 2009-10 Current App. Estimate	FY 2009-10 November HCPF Forecast	% Change FY 2009-10 Forecast Compared to FY 2008-09 Actual	FY 2010-11 November HCPF Forecast	%Change FY 2010-11 Forecast Compared to FY 2009-10 Forecast
Total	436,812	476,632	498,511	14.12%	537,383	7.80%
HB 09-1293 Expansion	<u>0</u>	<u>12,900</u>	<u>12,900</u>		<u>30,100</u>	
Total	436,812	489,532	511,411	17.08%	567,483	10.96%

The Department's FY 2009-10 and FY 2010-11 caseload forecasts are similar to staff's caseload forecasts. For FY 2010-11, staff forecasts total caseload of 562,090. Appendix H shows the comparisons between the Department and staff's initial caseload forecasts.

The Department's Specific Cost -Per-Client Projections for FY 2009-10 & FY 2010-11

After forecasting the Medicaid enrollment, the next step in developing the *base* cost estimates for the MSP line item is forecasting the average cost-per-client for each of the caseload aid categories. The average cost-per-client is estimated by looking at past trends in each aid categories expenditures for acute care services, community long-term care services, institutional long term care services, supplemental insurance costs, and costs for administrative services. The Department then adjusts these forecasted trends for any special circumstances that are not part of the historical data (i.e. new policy initiatives enacted during the prior year). Table 5 summarizes the Department's Medicaid medical service cost estimates by service area for FY 2009-10 and FY 2010-11.

Table 5: Department November Forecast by Service Category -- BASE ONLY

	FY 2008-09 Actual	FY 2009-10 Cur. App.	FY 2009-10 Dept. Estimate with all Supplementals*	% Change to Cur. App.	FY 2010-11 BASE Estimate**	% Change to Dept. Est.
Acute Care Services	\$1,509,214,896	\$1,522,051,822	\$1,848,228,653	21.43%	\$2,062,444,981	11.59%
Community Long-Term Care	\$280,512,697	\$284,727,679	\$289,196,988	1.57%	\$313,934,786	8.55%
Long-Term Care	\$594,240,222	\$607,051,075	\$585,574,731	(3.54)%	\$647,219,728	10.53%
Supplemental Insurance	\$94,685,260	\$99,045,576	\$97,517,411	(1.54)%	\$105,641,289	8.33%

Table 5: Department November Forecast by Service Category -- BASE ONLY

	FY 2008-09 Actual	FY 2009-10 Cur. App.	FY 2009-10 Dept. Estimate with all Supplementals*	% Change to Cur. App.	FY 2010-11 BASE Estimate**	% Change to Dept. Est.
Administrative Services	\$29,884,581	\$34,091,626	\$28,344,570	(16.86)%	\$47,548,769	67.75%
TOTAL	\$2,508,537,656	\$2,546,967,778	\$2,848,862,353	11.85%	\$3,176,789,553	11.51%
Increase from current FY 2009-10 App.			\$301,894,575	11.85%	\$629,821,775	4.63%
Bottom Line Financing	\$18,453,787	\$25,074,860	\$20,505,317	(18.22)%	\$13,254,117	(35.36)%
TOTAL BASE with Bottom Line Financing	\$2,526,991,443	\$2,572,042,638	\$2,869,367,670	11.56%	\$3,190,043,670	11.18%

*Includes all emergency supplementals and the impacts of HB 09-1293.

**Includes the impacts of DI #1 and all annualizations of prior year actions only. Does not include other budget balancing decision items and base reduction items.

For FY 2010-11, the Department is forecasting overall growth to the *base* MSP line item of 11.2 percent when compared to their revised FY 2009-10 estimate. Table 6 below shows staff's estimate of how much of the FY 2010-11 request is being driven by caseload increases and how much by health care cost increases (due to increased hospital reimbursement under HB 09-1293, health cost inflation, and utilization).

Table 6: Analysis of FY 2010-11 Cost Drivers When *Compared* to Revised FY 2009-10 Request

Aid Category	Caseload Difference	Net Cost Per Client Difference	Cost Associated with Higher Caseload Estimate	Cost Associated with Higher Cost Estimate	Compounding Effect	Total Costs
SSI 65+	474	\$1,491.56	\$9,785,549	\$57,508,588	\$706,999	\$68,001,136
SSI 60-64	172	\$1,192.57	\$3,124,055	\$8,153,609	\$205,122	\$11,482,786
SSI Disabled	806	\$970.77	\$12,492,399	\$51,170,516	\$782,445	\$64,445,360
Low-Income Adults	6,298	(\$13.21)	\$27,437,685	(\$787,027)	(\$83,193)	\$26,567,465
Expansion Low-Income Adults	19,401	\$311.49	\$54,871,625	\$9,231,277	\$6,043,191	\$70,146,093
BCCPT Adults	63	\$454.44	\$1,560,844	\$192,683	\$28,630	\$1,782,157

Table 6: Analysis of FY 2010-11 Cost Drivers When Compared to Revised FY 2009-10 Request

Aid Category	Caseload Difference	Net Cost Per Client Difference	Cost Associated with Higher Caseload Estimate	Cost Associated with Higher Cost Estimate	Compounding Effect	Total Costs
Children	27,086	\$14.73	\$52,351,081	\$4,092,452	\$399,014	\$56,842,547
Foster Children	614	\$231.33	\$2,595,965	\$4,329,262	\$142,034	\$7,067,261
Baby Care Adults	191	\$507.41	\$1,901,636	\$3,779,186	\$96,915	\$5,777,737
Non-citizens	139	\$901.50	\$2,368,578	\$3,572,659	\$125,309	\$6,066,546
Partial Dual Eligibles	828	\$85.32	\$1,083,721	\$1,342,544	\$70,647	\$2,496,912
Total	56,072	n/a	\$169,573,138	\$142,585,749	\$8,517,113	\$320,676,000

A few observations:

- ✓ Of the \$169.6 million in increased costs related to caseload increases, approximately \$82.8 million is related to the 30,100 new HB 09-1293 clients. The remaining \$86.8 million is related to the growth in the pre-HB 09-1293 caseloads.
- ✓ Of the \$142.6 million in increased costs for clients, approximately \$89.7 million is to repay the two week in temporary payment delays from FY 2009-10 (note: the base budget assumes that these payment delays are temporary -- however, BRI #6 then reduces the base by \$166.6 million for the four week payment delay proposed for FY 2010-11).
- ✓ The Department's base budget request shows a cost savings of approximately \$2.2 million from implementing the Administrative Service Organization pilot program that was requested in DI #6 from last year's FY 2009-10 budget request. Staff recommends that the Committee discuss the status of the RFP process for the ASO pilot and on whether it is realistic to assume that \$14.7 million in savings will be generated in the first year of operation in order to offset the \$12.4 million added administrative fees.

FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health Community Programs, Indigent Care Programs, and Other Medical Services)

BRIEFING ISSUE

ISSUE: Medicaid Forecast -- Mental Health Division

The Department currently forecasts a FY 2009-10 Medicaid Mental Health Division supplemental decrease of \$910,000 total funds. The Department's FY 2010-11 budget request represents an increase of \$15.8 million total funds over the current FY 2009-10 appropriation (7.4 percent) and a \$16.7 million (7.8 percent) increase over the Department's revised FY 2009-10 request.

SUMMARY:

- The Department's FY 2009-10 estimate and FY 2010-11 budget request for the Medicaid Mental Health Division line items is shown below.

FY 2009-10 Estimate & FY 2010-11 Budget Request						
Funds	Current FY 2009-10 Appropriation	Department's Estimated FY 2009-10 Expenditure	Difference Possible Supplemental Amount	Department's FY 2010-11 Budget Request*	<i>FY 2010-11 Increase Compared to Current FY 2009-10 Appropriation</i>	<i>FY 2010-11 Increase Compared to Estimated FY 2009-10 Expenditure</i>
GF	\$99,097,143	\$74,935,681	(\$24,161,462)	\$90,541,417	(\$8,555,726)	\$15,605,736
CF	8,434,054	7,258,196	(1,175,858)	10,819,672	2,385,618	3,561,476
RF	9,208	10,393	1,185	12,051	2,843	1,658
<u>FF</u>	<u>107,563,983</u>	<u>131,990,462</u>	<u>24,426,479</u>	<u>129,565,689</u>	<u>22,001,706</u>	<u>(2,424,773)</u>
Total	\$215,104,388	\$214,194,732	(\$909,656)	\$230,938,829	\$15,834,441	\$16,744,097
Percent (Decrease) / Increase			(0.42)%	n/a	7.36%	7.82%

*Includes base budget plus all decision items, base reduction items, and non-prioritized requests.

DISCUSSION:

The Medicaid Mental Health Division in the Department's budget is comprised of two budget line items:

- ✓ ***Mental Health Capitation for Medicaid Clients:*** This line item provides the appropriation for the contracted managed care providers (Behavioral Health Organizations -- BHOs) that provide mental health services for Medicaid clients throughout Colorado. The BHOs are responsible for providing or arranging all medically necessary mental health services to Medicaid eligible clients within specific geographical areas for a pre-determined capitation rate. Per federal regulation, the capitation rate must be actuarially sound. Calculating the appropriation for this line is basically multiplying the number of eligible Medicaid clients in each category by the contracted capitation rate for the clients aid category adjusted by any recoupment amounts.
- ✓ ***Medicaid Mental Health Fee-for-Service Payments:*** This line item contains the appropriation for mental health services provided to Medicaid clients who are not enrolled in a behavioral health organization to receive mental health services. The expenses in this line item also reflect the costs for mental health services outside the scope of the behavioral health organization contract.

Please note that these line items do not contain all the mental or behavioral health expenditures that receive Title XIX (Medicaid) funding. For example, the Medical Services Premiums line item includes all prescription drugs appropriations, including anti-psychotic prescription drugs (which accounted for \$25.5 million total funds in FY 2008-09). The Medical Services Premiums line item also contains the appropriation for out-patient substance abuse treatment for Medicaid clients, as well as community-long term care waiver services for mentally ill clients. In addition, the Department of Human Services administers mental health services programs that qualify for Medicaid funding for eligible services to Medicaid clients.¹ It is important to note that the Children's Basic Health Plan (CBHP) line item also provides mental health services to eligible children. With the passage of S.B. 08-160, the mental health services provided under CBHP program must have parity with the services provided under Medicaid for children.

Department's Preliminary Expenditure Estimate for FY 2008-09

For FY 2009-10, the Department is currently forecasting that \$214.2 million will be necessary to meet the obligations for the Mental Health Division line items, including all of the negative supplementals. The Department's forecast indicates that the current appropriation of \$215.1 million is *over* funded by approximately \$910,000 (.42 percent decrease). The Department's FY 2009-10 supplemental estimate has these components:

¹Department of Human Services receives some Medicaid funding for MH Administration, Residential Treatment for Youth, Mental Health Institute, Alcohol and Drug Abuse Division, and for Alcohol and Drug Abuse for High Risk Pregnant Women.

1. An increase of \$3.0 million total funds (no General Fund decrease) to recognize the contingent appropriation provided in HB 09-1293. This item assumes that CMS approves the Hospital Provider Fee Waiver Program before April 2010.
2. An increase of \$4.1 million total funds (\$3.0 million General Fund increase) for new caseload and cost estimates.
3. A decrease of \$8.0 million total funds (\$4.0 million General Fund decrease) for the emergency supplementals that the Governor submitted in August 2009 and December 2009.
4. A zero impact (\$23.1 million General Fund decrease) to recognize ARRA.

Following is a brief discussion on the new caseload and cost impacts only. The emergency supplementals and HB 09-1293 impacts were discussed on pages 15, 16 and 30 of this briefing document.

Updated FY 2009-10 Caseload and Cost-Per-Client Estimates -- (Does Not Include HB 09-1293)

The \$4.1 million supplemental request represents the Department's current FY 2009-10 estimate for mental health services costs for the Medicaid caseload. Table 1 shows the reasons for the anticipated supplemental request for the Medicaid Mental Health Division for FY 2009-10.

Table 1: Mental Health Division FY 2009-10 Estimated Expenditures Detail (Caseload and Cost Estimates Only)					
Item	Total Funds	General Fund	Cash Fund	Reappropriated Funds	Federal Funds
Current FY 2009-10 Appropriation	\$215,104,388	\$99,097,143	\$8,434,054	\$9,208	\$107,563,983
<i>Department's Estimated Changes for FY 2009-10 (Nov 6, 2009 Request)</i>					
Caseload and per-capita cost updated estimates for the MH capitation program	3,783,857	2,843,388	(956,302)	1,377	1,895,394
Medicaid Mental Health Fee-for-Service Payments	<u>267,375</u>	<u>133,687</u>	<u>0</u>	<u>0</u>	<u>133,688</u>
Department's New Estimate for FY 2009-10 (Nov 1, 2009)	\$219,155,620	\$102,074,218	\$7,477,752	\$10,585	\$109,593,065
(Decrease)/Increase from current FY 2009-10 appropriation	\$4,051,232	\$2,977,075	(\$956,302)	\$1,377	\$2,029,082
ARRA Adjustment	\$219,155,620	\$101,395,087	\$7,700,487	\$10,585	\$110,049,461
(Decrease)/Increase from current FY 2009-10 appropriation	\$4,051,232	\$2,297,944	(\$733,567)	\$1,377	\$2,485,478

Caseload and per-capita cost updated estimates for the MH capitation program: The Department's budget request indicates a total fund supplemental of \$3.8 million for the MH capitation line item. This estimate is based on the Department's new Medicaid caseload projections for FY 2009-10 and adjustments to the estimated per-capita cost for each aid category as shown on Table 2.

Table 2: FY 2009-10 Appropriation Compared to Department's FY 2009-10 Expenditure Estimate Without Emergency Supplementals or HB 09-1293							
Eligible MH Medicaid Caseload	Current Caseload Appropriation	Estimated Per Capita Rate	Cost Estimate	New Caseload Projection	Estimated Weighted Capitation Rate	New Cost Estimate*	Cost Difference
SSI 65+	38,279	\$152.49	\$5,837,337	38,556	\$152.70	\$5,887,329	\$49,992
Disabled Individuals	58,868	\$1,543.04	\$90,835,846	59,548	\$1,583.76	\$94,309,954	\$3,474,108
Non-Disabled Adults	80,503	\$239.48	\$19,278,554	83,765	\$243.74	\$20,416,595	\$1,138,041
BCCTP Clients	321	\$240.55	\$77,216	424	\$244.69	\$103,748	\$26,532
Children	259,414	\$177.95	\$46,163,179	277,805	\$180.20	\$50,060,835	\$3,897,656
Foster Children	<u>18,663</u>	<u>\$2,742.36</u>	<u>\$51,180,726</u>	<u>18,715</u>	<u>\$2,666.94</u>	<u>\$49,911,861</u>	<u>(\$1,268,865)</u>
Total	456,048	n/a	\$213,372,859	478,813	n/a	\$220,690,322	\$7,317,463
Recoupments			<u>\$0</u>			<u>(\$3,533,606)</u>	<u>(\$3,533,606)</u>
Total Costs			\$213,372,859			\$217,156,716	\$3,783,857

* Does not include HB 09-1293 impacts or emergency supplementals, but does include Department's recoupment estimates.

As Table 3 shows, the Department forecasts an increase of 22,765 (5.0 percent) in the overall pre-HB 09-1293 Medicaid caseload *eligible* for mental health services (partial dual eligibles and non-citizens are ineligible for Medicaid mental health services). However, the Department has adjusted most per-capita cost estimates upward based on the FY 2008-09 actual costs and case mix. Based on all of these adjustments, the new estimate for FY 2009-10 is \$7.3 million higher than the current appropriation. However, the Department is anticipating \$3.5 million in accelerated recoupments. Therefore, the total base supplemental (not including emergency supplementals and HB 09-1293) is \$3.8 million over the current FY 2009-10 appropriation.

Medicaid Mental Health Fee-for-Service Payments: The Department's revised FY 2009-10 estimate also indicates a total fund supplemental of \$267,375 for the fee-for-service payments. The Department's current FY 2009-10 estimate is based on FY 2008-09 actual expenditures, increased by 12.5 percent to reflect higher Medicaid caseload estimates and costs.

Department's Preliminary Request for FY 2010-11

After the Department adjusts the FY 2009-10 base, their FY 2010-11 base can be calculated. The Department's current FY 2010-11 budget forecast for the Medicaid Mental Health Division is \$230.9 million total funds. This request is an increase in total funds of approximately \$15.8 million from the current FY 2009-10 appropriation but is an increase of \$16.7 million total funds from the Department's revised expenditure estimates from FY 2009-10. Table 3 shows the components of the Department's FY 2010-11 budget request.

Table 3: Mental Health Division FY 2010-11 Estimated Expenditures Detail					
Item	Total Funds	General Fund	Cash Funds	Reappop. Funds	Federal Funds
Current FY 2009-10 Appropriation	\$215,104,388	\$99,097,143	\$8,434,054	\$9,208	\$107,563,983
FY 2009-10 Preliminary Supplemental Request (All Supplementals with ARRA adjustments)	<u>(909,656)</u>	<u>(24,161,462)</u>	<u>(1,175,858)</u>	<u>1,185</u>	<u>24,426,479</u>
FY 2009-10 Revised Appropriation Est.	\$214,194,732	\$74,935,681	\$7,258,196	\$10,393	\$131,990,462
<i>Department's Estimated Changes for FY 2010-11 (Nov 6, 2009 Request)</i>					
Mental Health Capitation Program (All Adjustments)	16,533,201	5,514,322	2,860,985	1,658	8,156,237
Fee-for-Service Program (All Adjustments)	<u>210,895</u>	<u>105,448</u>	<u>0</u>	<u>0</u>	<u>105,447</u>
Department's New Estimate for FY 2010-11 (Nov 6, 2009 & Dec 1, 2009)	\$230,938,829	\$80,555,451	\$10,119,181	\$12,051	\$140,252,146
Increase from revised FY 2009-10 Appropriation	\$16,744,097	\$5,619,770	\$2,860,985	\$1,658	\$8,261,684
Percent Increase	7.78%	5.67%	33.92%	18.01%	7.68%
ARRA Adjusted	\$230,938,829	\$90,541,417	\$10,819,672	\$12,051	\$129,565,689
Increase from revised FY 2009-10 Appropriation	\$16,744,097	\$15,605,736	\$3,561,476	\$1,658	(\$2,424,773)
Percent Increase	7.78%	15.75%	42.23%	18.01%	-2.25%

The Department's preliminary supplemental request for FY 2009-10 was discussed on the previous pages. Following is a brief discussion on the caseload and base reduction requests for the Department's FY 2010-11 request.

Mental Health Capitation Program: The Department's FY 2010-11 request includes a total fund increase of \$42.0 million total funds (\$10.5 million General Fund) for increases related to Medicaid

caseload growth, capitation rate changes, and restoring one-time funding adjustments from FY 2009-10. This increase are partially offset with the following decreases: (1) \$21.3 million (\$9.8 million General Fund) to delay Medicaid payments by 4 weeks; (2) \$4.1 million total funds (\$1.9 million General Fund) for additional rate reductions; and (3) \$8,000 (\$4,000 General Fund) related to a decrease in caseload from the Department of Human Services enforcing the sponsorship rules for the Old Age Pension program. Therefore, the total FY 2010-11 increase over the revised FY 2009-10 appropriation is \$16.5 million total funds.

The decreases to the Mental Health Capitation program are discussed in other budget issues in this briefing. However, Table 4 below shows how the FY 2010-11 BASE request compares to the Department's revised FY 2009-10 estimate.

Table 4: FY 2010-11 Request Compared to Department's FY 2009-10 Expenditure Estimate							
Eligible MH Medicaid Caseload	FY 2009-10 Revised Estimate			FY 2010-11 Budget Request			Cost Difference
	Caseload Projection	Weighted Capitation Estimate for Aid Category	Cost Estimate*	New Caseload Projection	Weighted Capitation Trend for Aid Category	New Cost Estimate	
SSI 65+	38,556	\$161.76	\$6,236,656	39,030	\$161.72	\$6,311,796	\$75,140
Disabled Individuals	59,548	\$1,522.85	\$90,682,755	60,526	\$1,765.82	\$106,878,071	\$16,195,316
Non-Disabled Adults	83,765	\$270.55	\$22,662,931	122,555	\$260.03	\$31,867,726	\$9,204,795
Breast and Cervical Cancer Treatment Patients	424	\$237.42	\$100,665	487	\$262.58	\$127,875	\$27,210
Children	277,805	\$173.57	\$48,217,476	304,891	\$192.08	\$58,563,696	\$10,346,220
Foster Children	<u>18,715</u>	<u>\$2,557.74</u>	<u>\$47,868,145</u>	<u>19,329</u>	<u>\$2,695.18</u>	<u>\$52,095,225</u>	<u>\$4,227,080</u>
Total	478,813	n/a	\$215,768,628	546,818	n/a	\$255,844,389	\$40,075,761
Recoupment			<u>(\$3,533,606)</u>			<u>(\$1,625,000)</u>	<u>\$1,908,606</u>
Total			\$212,235,022			\$254,219,389	\$41,984,367

*Includes All Supplementals.

Notable FY 2009-10 Base Changes:

The FY 2010-11 BASE changes as compared to the FY 2009-10 revised estimate are primarily comprised of the following factors:

- ✓ **\$20.8 million** total funds for a **11.2 percent caseload increase** (37,905 pre-HB 09-1293 clients and 17,200 HB 09-1293 clients) over the FY 2009-10 estimate of 491,713 clients, for a total FY 2010-11 mental health Medicaid caseload of 546,818 clients. This issue also funds the projected increase in capitation rates.
- ✓ **\$22.8 million** total funds to restore one-time budget reductions from FY 2009-10, including (1) \$17.7 million to restore the one-time cost savings from shifting the payment of capitation to the following month after enrollment; and (2) \$5.1 million to annualize prior budget actions and to restore one-time reductions.

Fee for Service Change: The Department's request reflects a \$210,895 total fund increase (\$105,448 General Fund) in FY 2010-11 over the revised FY 2009-10 comprised of the following issues:

- ✓ an increase of \$346,053 total funds increased cost due to caseload growth and restoring one-time budget reductions from FY 2009-10; and
- ✓ a decrease of \$135,158 (\$67,579) to reflect the Department's decision item to delay Medicaid payments for four weeks.

FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health Community Programs, Indigent Care Programs, and Other Medical Services)

BRIEFING ISSUE

INFORMATIONAL ISSUE: Children's Basic Health Plan Budget Outlook

The current appropriation for the Children's Basic Health Plan (excluding HB 09-1293) is \$151.5 million in FY 2009-10. The Department anticipates that actual expenditures in FY 2009-10 will be \$172.6 million (includes HB 09-1293). For FY 2010-11, the Department anticipates that the CBHP program line items will need \$240.8 million. This is an increase of \$89.3 million (58.9 percent) over the current FY 2009-10 appropriation and \$68.2 million (39.5 percent) over the revised FY 2009-10 estimate.

SUMMARY:

- The Department's FY 2009-10 estimate and FY 2010-11 budget request for the Children's Basic Health Plan is shown below.

FY 2009-10 Estimate & FY 2010-11 Budget Request						
Line Item	Current <i>FY 2009-10</i> Appropriation	Department's Estimated <i>FY 2009-10</i> Expenditure	Difference Possible Supplemental Amount	Department's <i>FY 2010-11</i> Budget Request*	<i>FY 2010-11</i> Increase Compared to Current FY 2009-10 Appropriation	<i>FY 2010-11</i> Increase Compared to Estimated FY 2009-10 Expenditure
Trust Fund	\$2,500,000	\$2,500,000	\$0	\$9,435,683	\$6,935,683	\$6,935,683
Admin.	\$5,537,590	\$5,287,590	(\$250,000)	\$5,306,516	(\$231,074)	\$18,926
Premiums	\$133,438,868	\$153,737,509	\$20,298,641	\$212,306,479	\$78,867,611	\$58,568,970
Dental	\$10,062,349	\$11,079,169	\$1,016,820	\$13,794,060	\$3,731,711	\$2,714,891
GF	\$2,500,000	\$2,500,000	\$0	\$9,435,683	\$6,935,683	\$6,935,683
CF	50,412,605	57,851,400	7,438,795	72,440,208	22,027,603	14,588,808
RF	2,500,000	2,500,000	0	9,435,683	6,935,683	6,935,683
<u>FF</u>	<u>96,126,202</u>	<u>109,762,668</u>	<u>13,636,466</u>	<u>149,531,164</u>	<u>53,404,962</u>	<u>39,768,496</u>
Total	\$151,538,807	\$172,614,068	\$21,075,261	\$240,842,738	\$89,303,931	\$68,228,670
Percent (Decrease) / Increase			13.91%	n/a	58.93%	39.53%

DISCUSSION

Background

The State Children's Health Insurance Program (SCHIP) was enacted by Congress in 1997 as Title XXI of the Social Security Act and was reauthorized on February 4, 2009, with the Children's Health Insurance Program Reauthorization Act (CHIPRA). In Colorado, SCHIP was enacted as the Children's Basic Health Plan (CBHP). The CBHP program receives a 65 percent federal match and currently covers children up to 205 percent of the federal poverty level (FPL). House Bill 09-1293 will expand coverage for children and adult pregnant women to 250 percent of the federal poverty level (FPL) beginning in April 1, 2010, if the Hospital Provider Fee Waiver is approved by the Centers of Medicare and Medicaid Services (CMS). The CBHP program does not receive enhanced federal match from the American Recovery and Reinvestment Act of 2009.

FY 2009-10 and 2010-11 CBHP Program Request

Table 1 shows the reasons for the anticipated increases in the CBHP program line items for FY 2010-11.

Table 1: CBHP Program Line Items FY 2010-11 Request Detail*					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds
Current FY 2009-10 Appropriation	\$151,538,807	\$2,500,000	\$50,412,605	\$2,500,000	\$96,126,202
ES #3 -- Department Administration Reductions	(250,000)	0	(96,013)	0	(153,987)
HB 09-1293 Contingent Appropriation	<u>21,325,261</u>	<u>0</u>	<u>7,534,808</u>	<u>0</u>	<u>13,790,453</u>
Revised FY 2009-10 Appropriation	172,614,068	2,500,000	57,851,400	2,500,000	109,762,668
<i>FY 2010-11 Adjustments to Revised Appropriation</i>					
Annualize Prior Year Legislation (SB 09-265, SB 08-160, HB 09-1293) & One-Time Funding	41,162,344	(2,500,000)	17,876,443	(2,500,000)	28,285,901
CBHP BASE Caseload and Per-Capita Cost increases for medical and dental benefits	17,630,643	0	(3,287,635)	9,435,683	11,482,595
CBHP Trust Fund Solvency	<u>9,435,683</u>	<u>9,435,683</u>	<u>0</u>	<u>0</u>	<u>0</u>
Department's FY 2009-10 Request (Nov 1, 2008)	\$240,842,738	\$9,435,683	\$72,440,208	\$9,435,683	\$149,531,164
(Decrease)/Increase from <u>Revised</u> FY 2009-10 appropriation	\$68,228,670	\$6,935,683	\$14,588,808	\$6,935,683	\$39,768,496

* Includes changes to CBHP Trust Fund, CBHP Administration, CBHP Premium Costs, and CBHP Dental Benefit Costs. Does not include costs in the EDO Division.

FY 2009-10 Issues

ES #3 -- Department Administration Reductions: As part of their budget reductions in August 2009, the Department eliminated all of the uncommitted outreach funding from the Children's Basic Health Plan (leaving a base of 1,050,000 for outreach activities). Of the amount eliminated, \$96,013 is from the Health Care Expansion Fund. The Department's request implies that this funding would be used to offset General Fund. A fiscal emergency was declared in FY 2009-10 and would some General Fund offset by the Health Care Expansion Fund. However, while the Department anticipates that this will be a permanent reduction, a new fiscal emergency would be needed in FY 2010-11 to allow this savings to impact the General Fund.

HB 09-1293 Contingent Appropriation: The Department's request reflects the impact of HB 09-1293's contingent appropriation. If the Hospital Provider Fee Waiver is approved by April 1, 2010, then CBHP eligibility will be increased to 250 percent of FPL. The fiscal impact of this measure is anticipated to be \$21.3 million to enroll 6,300 children and 750 adult pregnant women.

FY 2010-11 Issues

Annualize Prior Year Legislation: The Department's request contains the following technical adjustments:

- ✓ \$30.5 million to annualize the impacts of HB 09-1293 to full year funding and enrollment;
- ✓ \$13.1 million to restore one-time savings that occur in FY 2009-10 due to moving capitation payments to the month following enrollment (SB 09-265); and
- ✓ \$2.5 million reduction related removing the FY 2009-10 General Fund funding into the CBHP Trust Fund.

CBHP BASE Caseload and Per-Capita Cost Increases for Medical and Dental Benefits: The Department's request contains the following forecasts for the children and adult prenatal caseloads and costs.

- ✓ The current FY 2009-10 appropriation assumed a children's caseload of 73,452 (including HB 09-1293) with a per capita cost of \$1,917.89. The Department revised FY 2009-10 estimate is 72,159 children (1,293 children lower or 1.8%) at a per capita cost of \$1,931.91 (\$14.02 or 0.73% higher). FY 2009-10 dental costs for children were decreased from \$163.04 to \$162.35 (\$0.69 or 0.43%). The Department's FY 2010-11 estimate is 83,931 children (11,772 children higher or 16.3%) with a per capita costs of \$2,074.10 (an increase of \$142.19 or 7.4%). FY 2010-11 dental costs are estimated at \$164.35 (an increase of \$2.00 or 1.23%).
- ✓ The current FY 2009-10 appropriation assumed a prenatal caseload of 2,571 (includes HB 09-1293) at a per capita cost of \$10,859.07. The Department's revised FY 2009-10 caseload is 2,406 (165 lower or 6.4%) at a per capita cost of \$10,552.63 (\$306.44 lower or 2.8%). The Department's FY 2010-11 estimate is 3,473 pregnant women (1,067 women higher or 44.3%). The majority of

the increase is due to HB 09-1293. The per capita costs in FY 2010-11 is \$11,006.39 (an increase of \$453.76 or 4.3%).

CBHP Trust Fund Solvency: Expenditures from the CBHP Trust Fund include programe expenses in the CBHP premiums and dental programs as well as administrative costs. The CBHP Trust Fund receives the majority of its funding from the Tobacco Master Settlement appropriations. The General Fund subsidizes appropriations from the CBHP Trust Fund when moneys in the Fund are insufficient for the program costs. The Department forecasts that the CBHP Trust Fund will need a \$9.4 million appropriation from the General Fund in FY 2010-11 in order to meet program costs in FY 2010-11. Please remember that the CBHP Trust Fund provides only a portion of the state match for the CBHP programs, the rest is provided from the HCE Fund or the Hospital Provider Fee.

Table 2: CBHP Trust Fund Anticipated Revenues and Expenditure Needs				
	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Dept. Estimate	FY 2010-11 Dept. Request
Beginning Balance	\$7,776,123	\$9,231,076	\$6,608,063	\$817,042
General App.	5,564,404	1,000,000	2,500,000	0
Tobacco Settlement Transfer (All)	23,331,875	26,674,098	25,705,183	26,293,535
Other Revenue	910,096	776,021	857,578	866,492
HCE Fund State Match Earnings	15,005,337	18,093,822	22,236,727	26,289,323
Colorado Immunization fund	90,795	171,251	464,761	498,931
Hospital Provider Fee	0	0	7,412,275	18,231,565
Federal Match Earnings	<u>76,574,384</u>	<u>88,044,043</u>	<u>118,351,990</u>	<u>150,789,298</u>
SUBTOTAL REVENUE	\$129,253,014	\$143,990,311	\$184,136,577	\$223,786,186
State Match for Trust Caseload	\$28,442,217	\$31,244,385	\$35,318,543	\$38,032,460
State Match for Expansion Caseload	15,005,337	18,093,822	22,236,727	26,289,323
State Match for Hospital Provider Fee	0	0	7,412,275	18,231,565
Federal Match	<u>76,574,384</u>	<u>88,044,041</u>	<u>118,351,990</u>	<u>150,789,298</u>
SUBTOTAL EXPENDITURES	\$120,021,938	\$137,382,248	\$183,319,535	\$233,342,646
REMAINING BALANCE	\$9,231,076	\$6,608,063	\$817,042	(\$9,556,460)

The difference between this deficit shown in this table and the Department's request is a deduction of \$120,777 due to interest earnings on the General Fund appropriation.

Consequence of Not Funding This Request

Lastly, the Department points out in the budget request that if the CBHP enrollment and cost growth is not funded, then the program would have to be capped. The CBHP program is not an entitlement program, nor is it covered under the provisions of ARRA (although federal health reform may require maintenance of efforts if enacted). The Department estimates that in order to avoid the General Fund appropriation, enrollment for children under 185% of FPL would have to be capped at approximately 30,300. This would eliminate coverage to 53,700 children (including those funded by the Health Care Expansion Fund) and 3,500 pregnant women (including those funded by the Health Care Expansion Fund).

Staff Comment

As requested, the Department responded to a Legislative Request for Information regarding the year-to-date per capita costs for the program for FY 2009-10. In this report, the Department provided information that the annualized year-to-date medical per capita cost for children in the plan was \$2,689.25 (\$757.34 higher than the actuary estimated cost in their budget request). The reason for this large per capita cost is that it incorporates large claims reconciliation payments between July and September 2009 for FY 2007-08 and FY 2008-09. Prior to FY 2008-09, enrollment and utilization data issues prevented the actuary from using Plan specific data when developing per member per month costs annually. Therefore, the actuary used industry trend information instead of Plan specific information. In FY 2008-09, the actuary began using Plan specific information. Based on the Plan cost information, the rebasing of the capitation rates revealed large increases in costs in both the State's self-funded network and managed care organizations. The increasing costs in the state's self-funded network rendered the capitation rates inadequate to cover the actual claims costs, which has resulted in large claim reconciliations. Currently, the Department is closing the FY 2007-08 reconciliations and is approximately 9 months through the FY 2008-09 reconciliation.

Of the \$44.6 million in payments for children's medical through September 2009, \$13.9 million was due solely to reconciliation payments for prior years. This amount was not budgeted in last year's appropriation. Therefore, staff anticipates a larger supplemental need than the November request indicates will be submitted in January. An additional \$4.0 to \$5.0 million in state matching funds may be necessary.

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health Community
Programs, Indigent Care Programs, and Other Medical Services)**

BRIEFING ISSUE

INFORMATIONAL ISSUE: Cost Containment Measures Enacted or Proposed

In FY 2010-11, on average the provider rates for the Medical Services Premiums line item will have been reduced by approximately 5.5 percent for a total base reduction of \$106.2 million total funds. In FY 2010-11, mental health capitation rates will have been reduced by \$16.9 million total funds. Additional rate or benefit changes reduce the Department's FY 2009-10 appropriation by \$14.7 million total funds and FY 2010-11 request by \$44.8 million total funds.

SUMMARY:

- The following provider rate reductions have been enacted or proposed since July 1, 2009 for the Medical Services Premiums line item.
 - ✓ \$30.8 million reduction for a 2.0 percent rate reduction enacted July 1, 2009;
 - ✓ \$19.6 million reduction for 1.5 percent rate reduction beginning in September 2009 (annualizes to \$34.9 million in FY 2010-11);
 - ✓ \$8.3 million reduction for a 1.0 percent rate reduction enacted in December 2009 (annualizes to \$18.2 million in FY 2010-11); and
 - ✓ \$22.3 million reduction for a 1.0 percent rate reduction enacted on July 1, 2010.
- The following provider rate reductions have been enacted or proposed since July 1, 2009 for the Mental Health Capitation program.
 - ✓ \$8.4 million on July 1, 2009 to set the capitation rates at mid-range;
 - ✓ \$4.4 million for a 2.5 percent rate reduction in September 2009 (annualizes to \$6.0 million in FY 2010-11).
 - ✓ \$4.1 million for a 2.0 percent rate reduction in July 2010.
- Additionally, the Department has enacted or proposed other rate and benefit issues that reduce the MSP and MH health programs by \$14.7 million total fund in FY 2009-10 and \$44.8 million total funds in FY 2010-11.

DISCUSSION:

The Medicaid program does not easily respond to budget crisis. When state revenues fall, Medicaid caseload increase and cost goes up. While cost containment measures and benefit review should be pursued, the amount of time to implement, administrative costs involved, and the uncertainty of actual impact of such measures reduce the likely that these measures will help solve the immediate budget crisis. Therefore, the State is usually left with three broad methods to reduce state spending on Medicaid:

- (1) cut eligibility;
- (2) reduce reimbursement rates paid to providers; and
- (3) refinance with other funding sources.

Number 3 has been the preferred method in both the last budget crisis and thus, far in this budget crisis (this includes refinance with ARRA funds, Amendment 35 Funds, and other cash sources described earlier). Because ARRA prohibits cutting Medicaid eligibility during the timeframe the state is benefiting from the enhanced match, option number 1 is not available until after January 1, 2011 (and if federal health care reform passes there may be other maintenance of efforts to contend with). Therefore, the State is usually left with no other choice than to reduce provider reimbursement rates. While the Committee attempted last Session to minimize the amount of provider rate reduction, the current budget left no other option than to reduce reimbursement rates.

Medical Services Premiums Reimbursement Reductions

Table 1 below shows the incremental rate reductions enacted or proposed by the Governor's budget balancing actions to the Medical Services Premiums providers since August 2009 to the FY 2009-10 budget (these rate reductions are in addition to those included in the original FY 2009-10 Long Bill).

Table 1: Medical Services Premiums Provider Rate Reductions Since August 2009 FY 2009-10 IMPACTS			
	August 2009 Plan	December 2009 Plan	Total
Acute Care	(\$13,942,229)	(\$6,729,557)	(\$20,671,786)
Community Long Term Care	(2,784,090)	(1,267,143)	(4,051,233)
Long Term Care	(2,554,990)	(190,893)	(2,745,883)
Service Management	<u>(334,333)</u>	<u>(145,120)</u>	<u>(479,453)</u>
Total	(\$19,615,642)	(\$8,332,713)	(\$27,948,355)
General Fund (w/o ARRA)	(8,990,233)	(3,974,214)	(12,964,447)
Cash Funds (w/o ARRA)	(813,292)	(189,315)	(1,002,607)
Federal Funds (w/o ARRA)	(9,812,117)	(4,169,184)	(13,981,301)

Because of ARRA, the General Fund savings of nearly \$13.0 million is reduced to approximately \$9.9 million in FY 2009-10.

Table 2 below shows the FY 2010-11 impacts from the incremental rate reductions enacted or proposed by the Governor's budget balancing actions to the Medical Services Premiums providers since August 2009.

Table 2: Medical Services Premiums Provider Rate Reductions Since August 2009 FY 2010-11 IMPACTS				
	August 2009 Plan Annualized	December 2009 Plan Annualized	July 2010 Reduction	Total
Acute Care	(\$20,818,536)	(\$14,774,743)	(\$13,661,969)	(\$49,255,248)
Community LTC	(4,594,924)	(2,692,680)	(2,773,803)	(10,061,407)
Long Term Care	(9,074,424)	(418,628)	(5,670,469)	(15,163,521)
Service Management	(453,295)	(306,910)	(231,079)	(991,284)
Total	(\$34,941,179)	(\$18,192,961)	(\$22,337,320)	(\$75,471,460)
General Fund (w/o ARRA)	(16,057,283)	(8,674,643)	(10,599,157)	(35,331,083)
Cash Funds (w/o ARRA)	(1,406,021)	(415,402)	(564,905)	(2,386,328)
Federal Funds (w/o ARRA)	(17,477,875)	(9,102,916)	(11,173,258)	(37,754,049)

Because of ARRA the General Fund savings of \$35.3 million will be reduced to in FY 2010-11 will be reduced to approximately \$31.2 million.

Mental Health Reimbursement Reductions

Table 3 shows the estimated savings from reducing reimbursement rates to the Behavioral Health Organizations.

Table 3: Reimbursement Reductions Implemented or Proposed Since August 2009 FY 2009-10 and 2010-11 IMPACTS				
	FY 2009-10	FY 2010-11		
	August 2009 Plan	August 2009 Plan Annualized	July 2010 Reduction	FY 2010-11 Total
Capitation Payments	(\$4,445,268)	(\$5,984,793)	(\$4,122,811)	(\$10,107,604)
Total	(\$4,445,268)	(\$5,984,793)	(\$4,122,811)	(\$10,107,604)
General Fund (w/o ARRA)	(2,046,487)	(2,755,549)	(1,852,307)	(4,607,856)

**Table 3: Reimbursement Reductions Implemented or Proposed Since August 2009
FY 2009-10 and 2010-11 IMPACTS**

	FY 2009-10	FY 2010-11		
	August 2009 Plan	August 2009 Plan Annualized	July 2010 Reduction	FY 2010-11 Total
Cash Funds (w/o ARRA)	(175,901)	(236,847)	(208,789)	(445,636)
Federal Funds (w/o ARRA)	(2,222,880)	(2,992,397)	(2,061,715)	(5,054,112)

With the ARRA adjustment, the General Fund savings in FY 2009-10 is reduced from \$2.0 million to approximately \$1.6 million, and the FY 2010-11 General Fund savings is reduced from \$4.6 million to approximately \$4.0 million.

Other Cost Containment Measures

Table 4 shows a summary of the other cost containment measures in the Department's FY 2009-10 and FY 2010-11 budget requests.

**Table 4: Cost Containment Actions or Proposals Since August 2009 (MSP & MH Programs)
FY 2009-10 and 2010-11 IMPACTS**

	FY 2009-10	FY 2010-11		
	Actions	FY 2009-10 Annualized	November Request	FY 2010-11 Total
FQHC Rates	(\$3,915,491)	(\$5,574,059)	\$0	(\$5,574,059)
Non-emergency Transportation	(\$482,219)	(\$751,233)	\$33,968	(\$717,265)
Limit Personal Care HCBS Services	(\$1,105,854)	(\$3,100,992)	\$0	(\$3,100,992)
Grant Full Eligibility to Prenatal State-Only Clients	\$0	\$0	\$0	\$0
Eliminate Telehealth Disease Management	(\$317,500)	(\$381,000)	\$0	(\$381,000)
Pharmacy Changes				\$0
--Reduce Reimbursement	(\$3,489,218)	(\$5,006,181)	\$0	(\$5,006,181)
--Expand Preferred Drug List	(\$1,291,282)	(\$5,558,030)	\$0	(\$5,558,030)
--Expand State Maximum Allowable Cost	\$0	\$0	(\$1,057,450)	(\$1,057,450)

**Table 4: Cost Containment Actions or Proposals Since August 2009 (MSP & MH Programs)
FY 2009-10 and 2010-11 IMPACTS**

	FY 2009-10	FY 2010-11		
	Actions	FY 2009-10 Annualized	November Request	FY 2010-11 Total
Refinance General Fund Outstation Costs	\$0	\$0	\$0	\$0
Cash Fund Adjustment	\$0	\$0	\$0	\$0
BHO Reconciliation	(\$4,075,000)	(\$875,000)	\$0	(\$875,000)
Dental Hygienists Procedure Expansion	\$0	\$0	(\$67,541)	(\$67,541)
Payment Reform	\$0	\$0	(\$3,582,587)	(\$3,582,587)
Home Health Billing Changes	\$0	\$0	(\$10,097,162)	(\$10,097,162)
Reduction to Mid-Level Provider Rates	\$0	\$0	(\$1,417,613)	(\$1,417,613)
Restrictions to Optional Durable Medical Equipment	\$0	\$0	(\$2,333,095)	(\$2,333,095)
Reduction to Nursing Facility Per Diem General Fund Cap	\$0	\$0	\$0	\$0
Nursing Facility Reduction Impact to PACE	\$0	\$0	(\$3,023,201)	(\$3,023,201)
Refinance Disease Management Funding	\$0	\$0	(\$2,000,000)	(\$2,000,000)
Total	(\$14,676,564)	(\$21,246,495)	(\$23,544,681)	(\$44,791,176)
General Fund (w/o ARRA)	(9,975,269)	(13,677,388)	(24,604,517)	(38,281,905)
Cash Funds (w/o ARRA)	1,498,584	1,923,164	11,832,178	13,755,342
Reappropriated (w/o ARRA)	0	0	0	0
Federal Funds (w/o ARRA)	(6,199,879)	(9,492,271)	(10,772,342)	(20,264,613)

Because of ARRA, the General Fund impact in FY 2009-10 is reduced from savings of approximately \$10.0 million to approximately \$8.6 million. In FY 2010-11, the General Fund savings is reduced from approximately \$38.3 million to \$35.9 million.

Federally Qualified Health Care Center Rates: Federal law (Benefits Improvement and Protection Act of 2000) sets the minimum amount reimbursement for FQHCs. The Department currently estimates that rates are 13 percent above the minimum amount required under federal law. The Department's proposal would reduce rates to FQHCs by approximately 6.7 percent to 106.7 percent of the minimum required under federal law.

Non-emergency Transportation: In September 2009, the Department capped the number of non-medical transportation a client enrolled in a HCBS waiver can receive to 2 round trip per week, excluding trips to adult day programs. In the November request, the Department requested an increase of \$34,000 to expand non-emergency transportation to include client transportation to durable medical equipment providers for scheduled repairs.

Limit Personal Care and Homemaker Services in HCBS Waivers: In September 2009, the Department capped the personal care expenditure to \$72.05 per day for clients in HCBS waivers. The Department estimates this amount to be approximately 150 percent of the daily rate for a client living in an alternative care facility.

Grant Full Eligibility to Prenatal State-Only Clients: The Department provided full eligibility for legal immigrants in the state-only funded prenatal program based on the change in federal law in the Children's Health Insurance Program Reauthorization Act (CHIPRA) which allowed this population to receive Medicaid eligibility.

Eliminate Telehealth Disease Management Program: The Department estimates that the total cost of the telehealth disease management contract exceeded the estimated program savings. Therefore, the Department requests eliminating this service (which requires a state law change).

Pharmacy Program Changes: The Department proposes several changes to the Pharmacy benefit.

- Reduces rates paid to pharmacies to average wholesale price (AWP) minus 14.5 percent for brand-name medications and AWP minus 45 percent for generic medication.
- Expands the number of drugs covered by the preferred drug list (PDL). In August the Department had not yet identified the drugs or drugs classes impacted. Because of the complexity involved in implementing this proposal, savings are not anticipated until March 2010.
- Expands the number of drugs using the State Maximum Allowable Cost methodology. Last year, the Committee approved a budget action to reduce pharmacy costs by applying a State maximum Allowable Cost Rate methodology. Under the Department's original proposal, 97 drugs were included in the State MAC methodology. The Department now proposes including another 204 drugs under the State MAC methodology.

Of interest: In the Department's base budget calculations a reduction of \$5.1 million in FY 2009-10 and \$6.8 million in FY 2010-11 was included due to the settlement of the First Databank lawsuit. First DataBank agreed to settle with plaintiffs in a lawsuit that alleged the company had colluded with prescription drug wholesaler McKesson to raise the average wholesale price of prescription drugs. Effective in late September 2009, First DataBank agreed to reduce the AWP's for many drugs by five percentage points.

Refinance General Fund Outstationing: The Department refinances \$600,000 in General Fund outstationing costs for Denver Health Medical Center with \$600,000 in certified public expenditures.

Cash Fund Adjustments: The Department assumes that any savings achieved for programs funded through the Health Care Expansion Fund will be used to offset the overall budget deficit.

Account for Behavioral Health Organization (BHO) Reconciliation Payments: The Department anticipates being about to recoupment an additional \$4.1 million for payments made between FY 2004-05 and FY 2006-07.

Expand Procedures for Dental Hygienists: The estimates savings of \$68,000 in their November request from the passage of SB 09-129, which expanded the scope of practice for dental hygienists. When reviewing the bill post Session, the Department estimates that SB 09-129 will increase access to preventative dental care and may therefore decrease more expensive restorative and other dental procedures. However, the savings are limited.

Payment Reform: The Department's November budget request includes three items in their payment reform initiative that are anticipated to reduce expenditures:

- \$16,700 in savings from coordinating behavioral health claims from federally qualified health centers;
- \$360,000 in savings from increasing audits of nursing facilities; and
- \$3.2 million from increasing enrollment of Medicare-eligible clients into Medicare.

Home Health Billing Changes: The Department proposes a rule to change home health billing to half hour increments. The Department estimates that this would reduce the number of units billed and paid for by 20.0 percent.

Reduction to Mid-Level Provider Reimbursement: The Department's FY 2010-11 request reduces rates paid to mid-level providers to 90 percent of the rate paid to physicians. Currently, the Department reimburses mid-level providers, including nurse practitioners, physician assistants, certified nurse midwives, and certified registered nurse anesthetists, at the same rate as physicians for the same services.

Restrictions to Optional Durable Medical Equipment: The Department's FY 2010-11 request makes the following changes to the durable medical equipment benefit: (1) a 210-unit limit on incontinence products (down from the current limit of 240), and (2) eliminate coverage for oral nutritional products for adults 21 years and older.

Reduction to Nursing Facility Per Diem General Fund Cap: The Department requests that the current limit on General Fund per diem growth in the nursing facility rates be reduced from 5.0 percent to 0.0 percent. With the passage of HB 09-1114, a General Fund Cap of 3.0 percent was placed on nursing per diem growth. Anything over 3.0 percent growth could be financed with the nursing facility provider fee. Last year, SB 09-273 modified the cap to 0.0 percent growth in FY 2009-10 and 5.0 percent growth in FY 2010-11, before returning to the 3.0 percent growth cap. The per diem was allowed to grow up to 5.0 percent in FY 2010-11 in order to rebase the General Fund growth rates after ARRA impacts and to keep the impact to the provider fee lower. This proposal is for a one-time General Fund savings and requires a statute change.

Nursing Facility Reduction Impact to Pace: The Department's request also reflects the corresponding impact to the PACE provider contracts if the nursing facility General Fund cap is reduced.

Refinance Disease Management Funding: The Department's request eliminates the disease management programs with the \$2.0 million transfer from the Department of Public Health and Environment. However, the \$2.0 million transfer is retained in order to offset other General Fund expenditures in the Medical Services Premiums line item.

FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Health Care Policy and Financing
(Executive Director's Office, Medical Services Premiums, Medicaid Mental Health Community Programs, Indigent Care Programs, and Other Medical Services)

BRIEFING ISSUE

INFORMATIONAL ISSUE: National Health Care Reform Efforts Potential Impacts to Medicaid

Both the House and Senate versions of federal health care reform include Medicaid expansion to help eliminate state variations in coverage and to broaden health care coverage for more low-income individuals.

SUMMARY:

- The Health Care Reform legislation being discussed nationally will have major impacts to the State's Medicaid program.
- The Affordable Health Care for America Act (HR 3962) passed the House on November 7, 2009. The Senate is waiting action on Patient Protection and Affordable Care Act (HR 3590) as introduced in the Senate of November 18, 2009.

DISCUSSION:

Following is a brief outline of some of the *major* provisions in the Health Reform Legislation as it relates specifically to the Department of Health Care Policy and Financing. In Appendix L is a side by side comparison of the House and Senate bills compared to current law. The summary in Appendix L was prepared by the Kaiser Family Foundation.

Medicaid Coverage and Financing

Both the House and Senate bills under consideration would expand Medicaid coverage to a national floor of poverty to help reduce state-by-state variation in eligibility standards.

Beginning in January 2013, the House bill expands Medicaid eligibility to 150 percent of poverty for all individuals (including childless adults). The House provides 100 percent federal financing for the first two years and then 91 percent federal financing beginning in 2015 for new eligibles and some current eligibles covered by waiver programs.

Beginning in 2014, the Senate bill expands Medicaid eligibility to 133 percent of poverty with 100 percent federal financing from 2014 through 2016. After 2016, the match rate will be different for states that had already expanded eligibility and states that had not. However, by 2019 all states would receive an increase

of 32.3 percentage points on the FMAP calculations for the expanded populations (capped at 95 percent) for newly eligible populations.

Children's Basic Health Insurance Program (CHIP)

Under the House bill, CHIP would be eliminated at the end of 2013. Children in separate state CHIP programs with incomes below 150 percent of poverty would be transferred to Medicaid and those with incomes above 150 percent of poverty would be transitioned into the new health insurance exchange. The Senate bill continues CHIP through 2019.

Benefits and Access

The House bill phases in increases in payments for primary care services in fee-for-service and managed care to adjusted Medicare payment rates (80% of Medicare in 2010, 90% in 2011, and 100% in 2012 and after). The House bill provides additional federal financing for any rate increases that exceed the rates in the state plan as of June 16, 2009. The costs would be 100 percent funded until 2015 and then 91 percent FMAP.

Both bills have other numerous changes that impact benefits and access such as:

- ✓ Pilot programs for medical homes and accountable care organizations;
- ✓ Added coverages for certain preventative services and vaccines;
- ✓ Translation services;
- ✓ Therapeutic foster care for eligible children in out-of-home placements; etc.

Long-Term Care

Both the House and the Senate bill establishes a national, voluntary insurance program for purchasing community living assistance services and supports (CLASS program).

Cost Estimates

The Congressional Budget Office (CBO) estimates that the House bill increases to Medicaid/CHIP eligibility will cost the federal government \$425 billion from 2010 to 2019 and will increase state spending by \$34 billion (if Colorado is 2.0 percent of this spending that would equal \$680.0 million -- mainly from 2013 to 2019 -- or almost \$97.1 million a year during a 7 year time frame). The CBO estimates the Senate bill's Medicaid/CHIP eligibility costs at \$374 billion for the federal government and \$25 billion for the states between 2010 to 2019. At the federal level, some of the eligibility cost increases would be offset by the planned changes to Medicaid prescription drugs and DSH payments (at least at the federal level).

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
Actual	Actual	Current Appropriation*	Request	Req. #

Department of Health Care Policy and Financing
Executive Director: Joan Henneberry

(Primary Functions: Administration of Medicaid, the Colorado Indigent Care Program, S.B. 00-71 Comprehensive Primary and Preventative Care Grant Program, Old Age Pension Health and Medical Fund Services, and the Children's Basic Health Plan).

(1) Executive Director's Office/1

(Primary Functions: Provides all of the administrative, audit and oversight functions for the Department. This Division contains 7 Subdivisions.)

Administration

(Primary Functions: Contains all of the personal services costs, operating costs, and centrally appropriated costs for the Department)

Personal Services/1	<u>16,973,033</u>	<u>19,502,741</u>	<u>20,901,734</u>	<u>20,875,743</u>	BRI #2
FTE	270.8	266.1	287.8	292.9	NP #2
General Fund	7,382,801	8,010,994	8,645,285	7,284,705	
Cash Funds	0	604,469	618,917	1,884,880	
CFE/Reappropriated Funds	1,164,166	1,501,807	1,579,590	537,849	
Federal Funds	8,426,066	9,385,471	10,057,942	11,168,309	
Health, Life, and Dental	<u>963,987</u>	<u>1,278,471</u>	<u>1,496,843</u>	<u>1,665,572</u>	NP #2
General Fund	410,706	578,598	681,323	617,240	
Cash Funds	0	28,315	31,332	189,161	
CFE/Reappropriated Funds	79,770	35,213	38,965	0	
Federal Funds	473,511	636,345	745,223	859,171	
Short-term Disability	<u>20,718</u>	<u>22,621</u>	<u>23,588</u>	<u>25,093</u>	NP #2
General Fund	8,382	9,538	9,630	11,130	
Cash Funds	0	568	722	889	
CFE/Reappropriated Funds	2,058	1,795	1,917	0	
Federal Funds	10,278	10,720	11,319	13,074	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Equalization					
Disbursement/2	<u>188,020</u>	<u>275,961</u>	<u>332,946</u>	<u>449,611</u>	NP #2
General Fund	75,400	114,941	136,054	172,359	
Cash Fund	0	6,983	9,778	44,306	
CFE/Reappropriated Funds	17,631	22,096	26,026	0	
Federal Funds	94,989	131,941	161,088	232,946	
S.B. 06-235 Supplemental					
AED	<u>37,047</u>	<u>127,446</u>	<u>204,850</u>	<u>313,886</u>	NP #2
General Fund	13,495	51,968	82,732	125,679	
Cash Fund	0	3,273	6,112	25,340	
CFE/Reappropriated Funds	3,771	10,358	16,266	0	
Federal Funds	19,781	61,847	99,740	162,867	
Salary Survey and					
Senior Executive Service	<u>508,676</u>	<u>673,446</u>	<u>0</u>	<u>0</u>	
General Fund	214,146	304,849	0	0	
Cash Funds	0	7,406	0	0	
CFE/Reappropriated Funds	48,984	21,487	0	0	
Federal Funds	245,546	339,704	0	0	
Performance-based Pay Awards	<u>217,560</u>	<u>249,966</u>	<u>0</u>	<u>0</u>	
General Fund	91,529	112,340	0	0	
Cash Funds	0	3,147	0	0	
CFE/Reappropriated	19,930	9,131	0	0	
Federal Funds	106,101	125,348	0	0	
Worker's Compensation	<u>25,363</u>	<u>32,346</u>	<u>36,279</u>	<u>37,873</u>	
General Fund	12,682	16,173	18,140	18,937	
Federal Funds	12,681	16,173	18,139	18,936	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Operating Expenses	<u>1,023,367</u>	<u>1,148,096</u>	<u>2,015,567</u>	<u>1,667,161</u>	BRI # 2
General Fund	491,376	557,186	976,474	694,214	
Cash Funds	0	13,014	18,842	126,899	
CFE/Reappropriated Funds	24,209	12,337	13,461	13,461	
Federal Funds	507,782	565,559	1,006,790	832,587	
 Legal and Third Party Recovery					
Legal Services	<u>739,856</u>	<u>900,342</u>	<u>986,650</u>	<u>896,514</u>	
General Fund	307,656	378,142	400,877	346,629	
Cash Funds	61,932	72,026	87,378	99,121	
CFE/Reappropriated Funds	238	0	0	0	
Federal Funds	370,030	450,174	498,395	450,764	
 Administrative Law Judge Services	<u>438,975</u>	<u>430,640</u>	<u>456,922</u>	<u>448,326</u>	
General Fund	219,488	215,320	228,461	209,858	
Cash Funds	0	0	0	14,305	
Federal Funds	219,487	215,320	228,461	224,163	
 Computer Systems Costs	<u>15,973</u>	<u>135,103</u>	<u>135,103</u>	<u>301,457</u>	NP #2
General Fund	4,650	64,215	65,883	149,060	
CFE/Reappropriated Funds	3,337	3,337	3,337	3,337	
Federal Funds	7,986	67,551	65,883	149,060	
 Management & Administration					
of OIT	<u>0</u>	<u>459,984</u>	<u>482,756</u>	<u>623,517</u>	NP #2
General Fund	0	229,992	241,378	311,759	
Federal Funds	0	229,992	241,378	311,758	
 OIT - MNT					
of OIT	<u>0</u>	<u>0</u>	<u>0</u>	<u>203,580</u>	NP #2
General Fund	0	0	0	101,790	
Federal Funds	0	0	0	101,790	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
OIT - CBMS Program Costs					
of OIT	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,273,735</u>	NP #2
CFE/Reappropriated Funds	0	0	0	1,273,735	
Payment to Risk Management and					
Property Funds	<u>60,484</u>	<u>71,989</u>	<u>83,182</u>	<u>39,200</u>	
General Fund	30,242	35,994	41,591	19,600	
Federal Funds	30,242	35,995	41,591	19,600	
Leased Space	<u>248,164</u>	<u>381,780</u>	<u>696,564</u>	<u>696,564</u>	
General Fund	118,582	185,390	342,783	191,619	
Cash Funds	0	5,500	5,500	156,664	
CFE/Reappropriated Funds	5,500	0	0	0	
Federal Funds	124,082	190,890	348,281	348,281	
Capitol Complex Leased Space	<u>397,238</u>	<u>395,208</u>	<u>400,868</u>	<u>388,227</u>	
General Fund	198,619	197,604	200,434	194,114	
Federal Funds	198,619	197,604	200,434	194,113	
General Professional Services					
and Special Projects	<u>0</u>	<u>1,298,595</u>	<u>3,911,605</u>	<u>4,152,800</u>	BRI #2
General Fund	0	771,478	1,455,543	1,398,900	
Cash Funds	0	0	526,250	647,500	
Federal Funds	0	527,117	1,929,812	2,106,400	
SUBTOTAL -- Executive Director's Office, General Administration					
Total Funds	<u>21,858,461</u>	<u>27,384,735</u>	<u>32,165,457</u>	<u>34,058,859</u>	<u>5.89%</u>
FTE	270.8	266.1	287.8	292.9	1.77%
General Fund	9,579,754	11,834,722	13,526,588	11,847,593	-12.41%
Cash Funds	61,932	744,701	1,304,831	3,189,065	144.40%
CFE/Reappropriated Funds	1,369,594	1,617,561	1,679,562	1,828,382	8.86%
Federal Funds	10,847,181	13,187,751	15,654,476	17,193,819	9.83%

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
(B) Transfers to Other Departments					
(Primary Functions: Contains administrative costs that are transferred to other Departments that administer programs eligible for Medicaid funding).					
Transfer to the Department of Public Health and Environment for Facility Survey and Certification					
	<u>4,052,138</u>	<u>4,546,609</u>	<u>5,001,243</u>	<u>5,056,306</u>	NP #8
General Fund	1,040,488	1,660,998	1,502,513	1,521,365	
Federal Funds	3,011,650	2,885,611	3,498,730	3,534,941	
Transfer to the Department of Regulatory Agencies for Nurse Aide Certification					
	<u>325,343</u>	<u>325,343</u>	<u>325,343</u>	<u>325,343</u>	
General Fund	148,020	148,020	148,020	148,020	
CFE/Reappropriated Funds	14,652	14,652	14,652	14,652	
Federal Funds	162,671	162,671	162,671	162,671	
Transfer to the Department of Regulatory Agencies for Reviews					
	<u>4,000</u>	<u>0</u>	<u>14,000</u>	<u>14,000</u>	
General Fund	2,000	0	6,500	6,500	
Cash Funds	0	0	500	500	
Federal Funds	2,000	0	7,000	7,000	
Transfer to the Department of Education for Public School Health Services Administration					
	<u>335,430</u>	<u>337,833</u>	<u>211,312</u>	<u>211,312</u>	
Federal Funds	335,430	337,833	211,312	211,312	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Transfer to Department of Human Services for Related Administration	<u>88,973</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	44,487	0	0	0	
Federal Funds	44,486	0	0	0	
SUBTOTAL -- Executive Director's Office, Transfers to Other Departments					
Total Funds	<u>4,805,884</u>	<u>5,209,785</u>	<u>5,551,898</u>	<u>5,606,961</u>	<u>0.99%</u>
General Fund	1,234,995	1,809,018	1,657,033	1,675,885	1.14%
Cash Funds	0	0	500	500	0.00%
CFE/Reappropriated Funds	14,652	14,652	14,652	14,652	0.00%
Federal Funds	3,556,237	3,386,115	3,879,713	3,915,924	0.93%

(C) Information Technology Contracts and Projects

(Primary Functions: Contains funding the Medicaid Management Information System, Web Portal, and special IT projects).

Information Technology

Contracts	<u>21,912,172</u>	<u>22,200,548</u>	<u>28,084,289</u>	<u>36,910,891</u>	BRI # 1, 2, 3
General Fund	5,178,565	5,299,911	6,708,927	6,172,870	DI #5
Cash Funds	0	540,118	538,643	2,491,731	
CFE/Reappropriated Funds	690,794	100,328	100,328	100,328	
Federal Funds	16,042,813	16,260,191	20,736,391	28,145,962	
Fraud Detection Software					
Contract	<u>0</u>	<u>774,000</u>	<u>250,000</u>	<u>250,000</u>	
General Fund	0	127,323	62,500	62,500	
Federal Funds	0	646,677	187,500	187,500	
Colorado Benefits Management					
System Medical Assistance Project	<u>0</u>	<u>98,825</u>	<u>2,995,100</u>	<u>2,995,100</u>	
General Fund	0	42,122	1,433,260	1,433,260	
Federal Funds	0	56,703	1,561,840	1,561,840	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Centralized Eligibility Vendor					
Contract Project	<u>0</u>	<u>52,878</u>	<u>100,000</u>	<u>760,000</u>	
General Fund	0	25,304	47,850	0	
Cash Funds	0	0	0	366,320	
Federal Funds	0	27,574	52,150	393,680	
SUBTOTAL -- Executive Director's Office, Information Technology Contracts and Projects					
Total Funds	<u>21,912,172</u>	<u>23,126,251</u>	<u>31,429,389</u>	<u>40,915,991</u>	<u>30.18%</u>
General Fund	5,178,565	5,494,660	8,252,537	7,668,630	-7.08%
Cash Funds	0	540,118	538,643	2,858,051	430.60%
CFE/Reappropriated Funds	690,794	100,328	100,328	100,328	0.00%
Federal Funds	16,042,813	16,991,145	22,537,881	30,288,982	34.39%

(D) Eligibility Determinations and Client Services

(Primary Functions: Contains funding to determine client eligibility and to provide information services to clients about their health benefits).

Medical

Identification Cards	<u>98,730</u>	<u>110,184</u>	<u>120,000</u>	<u>120,000</u>	
General Fund	39,683	43,591	48,444	48,444	
Cash Funds	0	10,759	10,759	10,759	
CFE/Reappropriated Funds	10,479	1,484	1,593	1,593	
Federal Funds	48,568	54,350	59,204	59,204	
Contracts for Special Eligibility					
Determinations	<u>2,251,335</u>	<u>2,291,185</u>	<u>2,418,712</u>	<u>5,233,102</u>	
General Fund	873,075	883,296	918,770	828,091	
Cash Funds	0	30,478	34,576	1,542,200	
CFE/Reappropriated Funds	30,736	0	0	0	
Federal Funds	1,347,524	1,377,411	1,465,366	2,862,811	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
County Administration	<u>31,449,101</u>	<u>34,616,961</u>	<u>30,986,377</u>	<u>32,858,207</u>	
General Fund	9,475,266	11,176,396	9,794,550	9,794,550	
Cash Funds	0	6,172,217	5,738,771	6,674,686	
CFE/Reappropriated Funds	6,249,284	0	0	0	
Federal Funds	15,724,551	17,268,348	15,453,056	16,388,971	
Administrative Case Management	<u>3,714,209</u>	<u>869,755</u>	<u>539,744</u>	<u>539,744</u>	
General Fund	1,857,105	434,877	269,872	269,872	
Federal Funds	1,857,104	434,878	269,872	269,872	
Customer Outreach	<u>3,410,364</u>	<u>3,312,379</u>	<u>3,573,001</u>	<u>4,192,321</u>	
General Fund	1,671,668	1,625,469	1,752,987	2,022,395	
Cash Funds	0	30,721	33,514	73,766	
CFE/Reappropriated Funds	33,514	0	0	0	
Federal Funds	1,705,182	1,656,189	1,786,500	2,096,160	
Colorado Cares Rx Program	<u>1,656,566</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Cash Funds	1,656,566	0	0	0	
SUBTOTAL -- Executive Director's Office, Eligibility Determinations and Client Services					
Total Funds	<u>42,580,305</u>	<u>41,200,464</u>	<u>37,637,834</u>	<u>42,943,374</u>	<u>14.10%</u>
General Fund	13,916,797	14,163,629	12,784,623	12,963,352	1.40%
Cash Funds	1,656,566	6,244,175	5,817,620	8,301,411	42.69%
CFE/Reappropriated Funds	6,324,013	1,484	1,593	1,593	0.00%
Federal Funds	20,682,929	20,791,176	19,033,998	21,677,018	13.89%

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
(E) Utilization and Quality Review Contracts					
(Primary Functions: Contains contract funding to review the utilization and qualify of services provided in the acute, mental health, and long-term care)					
Professional Service Contracts	<u>4,505,599</u>	<u>4,586,288</u>	<u>4,576,355</u>	<u>5,740,591</u>	BRI #1
General Fund	1,301,011	1,142,390	1,359,148	1,604,395	
Cash Funds	0	54,949	54,949	86,596	
CFE/Reappropriated Funds	55,674	0	0	0	
Federal Funds	3,148,914	3,388,949	3,162,258	4,049,600	
SUBTOTAL -- Executive Director's Office, Utilization and Quality Review Contracts					
Total Funds	<u>4,505,599</u>	<u>4,586,288</u>	<u>4,576,355</u>	<u>5,740,591</u>	<u>25.44%</u>
General Fund	1,301,011	1,142,390	1,359,148	1,604,395	18.04%
Cash Funds	0	54,949	54,949	86,596	57.59%
CFE/Reappropriated Funds	55,674	0	0	0	n/a
Federal Funds	3,148,914	3,388,949	3,162,258	4,049,600	28.06%

(F) Provider Audits and Services

(Primary Functions: Contains contract funding to audit nursing homes, federally-qualified health centers, hospitals, and other providers).

Professional Audit Contracts	<u>1,662,241</u>	<u>1,817,491</u>	<u>2,272,266</u>	<u>3,740,513</u>	DI #6
General Fund	831,121	836,446	919,283	1,256,281	
Cash Funds	0	72,300	0	352,988	
Federal Funds	831,120	908,745	1,352,983	2,131,244	
Primary Care Provider Rate					
Task Force and Study	<u>351</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	176	0	0	0	
Federal Funds	175	0	0	0	
Prepaid Inpatient Health Plans					
Feasibility Study	<u>70,015</u>	<u>0</u>	<u>0</u>	<u>0</u>	
CFE/Reappropriated Funds	35,008	0	0	0	
Federal Funds	35,007	0	0	0	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
SUBTOTAL -- Executive Director's Office, Provider Audits and Services					
Total Funds	<u>1,732,607</u>	<u>1,817,491</u>	<u>2,272,266</u>	<u>3,740,513</u>	64.62%
General Fund	831,297	836,446	919,283	1,256,281	36.66%
Cash Funds	0	72,300	0	352,988	n/a
CFE/Reappropriated Funds	35,008	0	0	0	n/a
Federal Funds	866,302	908,745	1,352,983	2,131,244	57.52%

(G) Recoveries and Recoupment Contract Costs

(Primary Functions: Contains contract costs associated with recovery eligible Medicaid expenses.)

Estate Recovery	<u>405,872</u>	<u>394,534</u>	<u>700,000</u>	<u>700,000</u>	
Cash Funds	202,936	197,267	350,000	350,000	
Federal Funds	202,936	197,267	350,000	350,000	
Payment Error Rate Measurement					
Project Contract	<u>441,365</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	110,340	0	0	0	
CFE/Reappropriated Funds	77,240	0	0	0	
Federal Funds	253,785	0	0	0	

SUBTOTAL -- Executive Director's Office, Recoveries and Recoupment Contract Costs					
Total Funds	<u>847,237</u>	<u>394,534</u>	<u>700,000</u>	<u>700,000</u>	0.00%
General Fund	110,340	0	0	0	n/a
Cash Funds	202,936	197,267	350,000	350,000	0.00%
CFE/Reappropriated Funds	77,240	0	0	0	n/a
Federal Funds	456,721	197,267	350,000	350,000	0.00%

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
SUBTOTAL -- Executive Director's Office					
Total Funds	<u>98,242,265</u>	<u>103,719,548</u>	<u>114,333,199</u>	<u>133,706,289</u>	<u>16.94%</u>
FTE	270.8	266.1	287.8	292.9	1.77%
General Fund	32,152,759	35,280,865	38,499,212	37,016,136	-3.85%
Cash Funds	1,921,434	7,853,510	8,066,543	15,138,611	87.67%
Cash Funds Exempt	8,566,975	1,734,025	1,796,135	1,944,955	8.29%
Federal Funds	55,601,097	58,851,148	65,971,309	79,606,587	20.67%

1/ In FY 2008-09, the Department's Executive Director's Office appropriation structure was changed. In order to provide better historical comparisons, staff has shown all actual expenses in the corresponding line item in the new structure rather than in the old appropriation structure.

(2) Medical Service Premiums

(Provides acute care medical and long-term care services to individuals eligible for Medicaid).

Services for Supplemental Security

Income Adults 65 and Older (SSI 65+)	<u>\$707,710,893</u>	<u>\$777,967,697</u>	<u>\$805,569,532</u>	<u>\$850,405,610</u>	DI #1
Medicaid Clients	36,063	37,619	38,279	39,030	
Cost per Client	\$19,624.29	\$20,680.18	\$21,044.69	\$21,788.51	

Services for Supplemental Security

Income Adults 60 to 64 (SSI 60 - 64)	<u>\$100,790,470</u>	<u>\$114,169,211</u>	<u>\$116,239,736</u>	<u>\$127,179,567</u>	DI #1
Medicaid Clients	6,116	6,447	6,614	7,009	
Cost per Client	\$16,479.80	\$17,708.89	\$17,574.80	\$18,145.18	

Services for Qualified Medicare

Beneficiaries (QMBs) and Special Low-Income Medicare Beneficiaries (SLIMBs)	<u>\$19,043,849</u>	<u>\$18,918,298</u>	<u>\$20,821,829</u>	<u>\$22,373,626</u>	DI #1
Medicaid Clients	14,130	15,075	16,329	16,563	
Cost per Client	\$1,347.76	\$1,254.95	\$1,275.14	\$1,350.82	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Services for Supplemental Security					
Income Disabled Individuals	<u>\$655,382,139</u>	<u>\$730,958,471</u>	<u>\$748,288,036</u>	<u>\$806,439,193</u>	DI #1
Medicaid Clients	49,662	51,355	52,254	53,517	
Cost per Client	\$13,196.85	\$14,233.44	\$14,320.21	\$15,068.84	
Services for Categorically Eligible Low-					
Income Adults	<u>\$190,718,130</u>	<u>\$208,581,897</u>	<u>\$231,281,082</u>	<u>\$250,980,752</u>	DI #1
Medicaid Clients	44,234	49,147	57,097	65,879	
Cost per Client	\$4,311.57	\$4,244.04	\$4,050.67	\$3,809.72	
Services for Expansion Low-					
Income Adults	<u>\$19,107,069</u>	<u>\$31,678,022</u>	<u>\$40,326,418</u>	<u>\$134,912,624</u>	DI #1
Medicaid Clients	8,627	12,727	16,015	49,037	
Cost per Client	\$2,214.80	\$2,489.04	\$2,518.04	\$2,751.24	
Services for Baby Care Program Adults	<u>\$53,898,593</u>	<u>\$60,370,299</u>	<u>\$64,615,137</u>	<u>\$70,068,382</u>	DI #1
Medicaid Clients	6,108	6,976	7,391	7,639	
Cost per Client	\$8,824.26	\$8,654.00	\$8,742.41	\$9,172.45	
Services for Breast and Cervical Cancer					
Treatment Clients	<u>\$7,135,052</u>	<u>\$7,056,855</u>	<u>\$7,128,768</u>	<u>\$10,764,086</u>	DI #1
Medicaid Clients	270	317	321	487	
Cost per Client	\$26,426.12	\$22,261.37	\$22,208.00	\$22,102.85	
Services for Categorically Eligible					
Children	<u>\$365,238,989</u>	<u>\$432,023,182</u>	<u>\$437,500,021</u>	<u>\$521,491,924</u>	DI #1
Medicaid Clients	201,800	235,129	259,414	304,891	
Cost per Client	\$1,809.91	\$1,837.39	\$1,686.49	\$1,710.42	
Services for Categorically Eligible					
Foster Children	<u>\$64,379,260</u>	<u>\$67,574,818</u>	<u>\$68,923,892</u>	<u>\$76,518,623</u>	DI #1
Medicaid Clients	17,014	18,033	18,663	19,329	
Cost per Client	\$3,783.90	\$3,747.29	\$3,693.08	\$3,958.75	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Services for Non-Citizens	<u>\$53,880,361</u>	<u>\$59,238,905</u>	<u>\$63,721,345</u>	<u>\$64,461,747</u>	DI #1
Medicaid Clients	4,044	3,987	4,255	4,102	
Cost per Client	\$13,323.53	\$14,858.01	\$14,975.64	\$15,714.71	
Bottom Line Financing, Payment Delays & Decision Items*	\$0	\$18,453,788	(\$32,373,158)	<u>\$41,661,989</u>	BRI #1, 2, 3,4,5,6,8 & NPI #3, 4 & EB A #1
SUBTOTAL -- Medical Services					
Premiums/3	<u>2,237,284,805</u>	<u>2,526,991,443</u>	<u>2,572,042,638</u>	<u>2,977,258,123</u>	15.75%
General Fund	714,806,487	919,709,958	1,112,661,142	968,547,476	-12.95%
General Fund Exempt	327,500,000	39,251,792	0	0	n/a
Cash Funds	466,522	109,633,539	167,097,000	335,181,965	100.59%
CFE/Reappropriated Funds	71,785,891	2,631,068	2,746,329	3,050,056	11.06%
Federal Funds	1,122,725,905	1,455,765,086	1,289,538,167	1,670,478,626	29.54%

*In the Long Bill the Bottom Line Financing, Payment Delays & Decision Items will be spread amongst the aid categories. However, to show the estimated cost of serving these clients, this information is not spread amongst the aid categories in these number pages beginning in FY 2008-09.

(3) Medicaid Mental Health Community Programs

(Primary Functions: Mental health programs for Medicaid eligible clients.)

Mental Health Capitation for Medicaid Clients	<u>196,011,033</u>	<u>215,860,937</u>	<u>213,372,859</u>	<u>228,768,224</u>	DI #2, BRI #5 & #6, NPI #3
General Fund	94,172,151	86,769,471	98,231,378	102,620,602	
Cash Funds	0	5,219,083	8,434,054	11,846,814	
CFE/Reappropriated Funds	4,311,729	7,330	9,208	12,051	
Federal Funds	97,527,153	123,865,053	106,698,219	114,288,757	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Medicaid Mental Health					
Fee for Service Payments	<u>1,335,736</u>	<u>1,776,253</u>	<u>1,731,529</u>	<u>2,170,605</u>	DI #2, BRI #5
General Fund	667,868	730,829	865,765	1,085,303	EBA #1
Federal Funds	667,868	1,045,424	865,764	1,085,302	
ARRA Adjustment*	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	(13,164,488)	BRI #5, 6, 8
Cash Funds	0	0	0	(1,027,142)	
Federal Funds	0	0	0	14,191,630	
SUBTOTAL -- Medicaid Mental Health					
Community Programs	<u>197,346,769</u>	<u>217,637,190</u>	<u>215,104,388</u>	<u>230,938,829</u>	7.36%
General Fund	94,840,019	87,500,300	99,097,143	90,541,417	-8.63%
Cash Funds	0	5,219,083	8,434,054	10,819,672	28.29%
CFE/Reappropriated Funds	4,311,729	7,330	9,208	12,051	30.88%
Federal Funds	98,195,021	124,910,477	107,563,983	129,565,689	20.45%

(4) Indigent Care Program

(Primary functions: Provides assistance to hospitals and clinics serving a disproportionate share of uninsured or underinsured populations, provides health insurance to qualifying children and pregnant women who are ineligible for Medicaid, and provides grants to providers to improve access to primary and preventive care for the indigent population.)

Safety Net Provider Payments	<u>296,188,630</u>	<u>296,092,630</u>	<u>310,715,422</u>	<u>343,745,446</u>
General Fund	13,090,782	(3,802,995)	13,090,782	0
Cash Funds	0	139,087,821	142,266,929	171,872,723
CFE/Reappropriated Funds	135,003,533	0	0	0
Federal Funds	148,094,315	160,807,804	155,357,711	171,872,723
Colorado Health Care Services Fund	<u>15,000,000</u>	<u>12,918,750</u>	<u>11,943,000</u>	<u>0</u>
General Fund	15,000,000	12,918,750	11,943,000	0

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
The Children's Hospital, Clinic Based					
Indigent Care	<u>26,291,760</u>	<u>27,029,760</u>	<u>27,767,760</u>	<u>6,119,760</u>	
General Fund	3,059,880	2,508,784	3,059,880	3,059,880	
CFE/Reappropriated Funds	10,086,000	9,004,369	8,618,069	0	
Federal Funds	13,145,880	15,516,607	16,089,811	3,059,880	
Health Care Services Fund Programs	<u>11,053,421</u>	<u>9,090,000</u>	<u>8,352,000</u>	<u>0</u>	
CFE/Reappropriated Funds	4,914,000	3,913,941	3,324,931	0	
Federal Funds	6,139,421	5,176,059	5,027,069	0	
Pediatric Specialty Hospital	<u>8,439,487</u>	<u>12,829,721</u>	<u>15,026,796</u>	<u>15,009,285</u>	
General Fund	3,551,000	4,740,633	6,553,997	6,612,411	
General Fund Exempt	0	0	103,000	44,586	
Cash Funds	0	317,000	277,641	310,730	
CFE/Reappropriated Funds	664,586	427,000	401,000	450,000	
Federal Funds	4,223,901	7,345,088	7,691,158	7,591,558	
General Fund					
Appropriation to					
Pediatric Specialty	<u>490,885</u>	<u>427,000</u>	<u>401,000</u>	<u>450,000</u>	
General Fund Exempt	490,885	427,000	401,000	450,000	
Appropriation from					
Tobacco Tax Fund to	<u>490,885</u>	<u>427,000</u>	<u>504,000</u>	<u>504,000</u>	
Cash Funds	0	427,000	504,000	504,000	
CFE/Reappropriated Funds	490,885	0	0	0	
Primary Care Fund	<u>30,967,650</u>	<u>30,273,568</u>	<u>24,520,000</u>	<u>31,920,000</u>	
Cash Funds	0	30,273,568	24,520,000	31,920,000	
CFE/Reappropriated Funds	30,967,650	0	0	0	
Children's Basic Health Plan Trust	<u>6,671,262</u>	<u>513,604</u>	<u>2,500,000</u>	<u>9,435,683</u>	DI #3
General Fund	4,736,447	4,525,182	2,500,000	9,435,683	
Cash Funds	283,367	(4,011,578)	0	0	
CFE/Reappropriated Funds	1,651,448	0	0	0	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Children's Basic Health Plan					
Administration	<u>5,514,804</u>	<u>6,182,289</u>	<u>5,537,590</u>	<u>5,306,516</u>	
Cash Funds	0	2,708,692	2,473,301	2,383,912	
CFE/Reappropriated Funds	2,466,584	0	0	0	
Federal Funds	3,048,220	3,473,597	3,064,289	2,922,604	
Children's Basic Health Plan Premium					
Costs (Children & Pregnant Adults)	<u>104,684,790</u>	<u>120,809,604</u>	<u>133,438,868</u>	<u>212,306,479</u>	<u>DI #3</u>
Cash Funds	0	42,659,047	44,417,482	65,228,375	
CFE/Reappropriated Funds	36,823,865	0	2,500,000	9,435,683	
Federal Funds	67,860,925	78,150,557	86,521,386	137,642,421	
Children's Basic Health Plan Dental					
Costs	<u>8,715,754</u>	<u>9,876,754</u>	<u>10,062,349</u>	<u>13,794,060</u>	
Cash Funds	0	3,456,864	3,521,822	4,827,921	
CFE/Reappropriated Funds	3,050,514	0	0	0	
Federal Funds	5,665,240	6,419,890	6,540,527	8,966,139	
Comprehensive Primary and Preventive					
Care Grants	<u>5,586,419</u>	<u>3,082,680</u>	<u>866,075</u>	<u>2,326,677</u>	
Cash Funds	0	3,082,680	866,075	2,326,677	
CFE/Reappropriated Funds	4,130,465	0	0	0	
Federal Funds	1,455,954	0	0	0	
CPP Rural & Public					
Hospital Grant Program	<u>0</u>	<u>5,000,000</u>	<u>4,900,823</u>	<u>0</u>	
Cash Funds	0	2,164,398	1,891,323	0	
Federal Funds	0	2,835,602	3,009,500	0	
S.B. 06-145 Inpatient &					
Outpatient Provider Fee	<u>10,211,350</u>	<u>0</u>	<u>0</u>	<u>0</u>	
CFE/Reappropriated Funds	5,105,675	0	0	0	
Federal Funds	5,105,675	0	0	0	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
ARRA Adjustment*	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	(89,203)	0	(1,129,996)	BRI #8
General Fund Exempt	0	0	0	(5,229)	
Cash Funds	0	0	0	(8,213,616)	
CFE/Reappropriated Funds	0	0	0	(52,767)	
Federal Funds	0	89,203	0	9,401,608	
SUBTOTAL -- Indigent Care Program	<u>530,307,097</u>	<u>534,553,360</u>	<u>556,535,683</u>	<u>640,917,906</u>	<u>15.16%</u>
General Fund	39,438,109	20,801,151	37,147,659	17,977,978	-51.60%
General Fund Exempt	490,885	427,000	504,000	489,357	-2.91%
Cash Funds	283,367	220,165,492	220,738,573	271,160,722	22.84%
CFE/Reappropriated Funds	235,355,205	13,345,310	14,844,000	9,832,916	-33.76%
Federal Funds	254,739,531	279,814,407	283,301,451	341,456,933	20.53%

(5) Other Medical Services

(This division provides funding for state-only medical programs including the Old-Age Pension Medical Program, MMA State Contribution, Colorado Cares Contract Costs. The division also funds 6 special purposes Medicaid programs.)

Old Age Pension State Medical	<u>9,956,951</u>	<u>10,785,075</u>	<u>15,368,483</u>	<u>15,368,483</u>
Cash Funds	0	9,998,483	12,848,483	12,848,483
CFE/Reappropriated Funds	9,956,951	786,592	2,520,000	2,520,000
Tobacco Tax Transfer from General Fund to the Old Age Pension State Medical	<u>0</u>	<u>3,786,592</u>	<u>2,520,000</u>	<u>2,520,000</u>
General Fund	0	646,573	0	0
Cash Funds	0	3,140,019	2,520,000	2,520,000
Commission on Family Medicine				
Residency Training Programs	<u>1,868,307</u>	<u>1,932,052</u>	<u>1,932,052</u>	<u>1,738,846</u>
General Fund	934,153	825,226	966,026	869,423
Federal Funds	934,154	1,106,826	966,026	869,423

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
Enhanced Prenatal Care Training and Technical Assistance	<u>108,942</u>	<u>108,998</u>	<u>119,006</u>	<u>119,006</u>	
General Fund	54,471	54,499	58,752	58,752	
Federal Funds	54,471	54,499	60,254	60,254	
Nurse Home Visitor Program	<u>2,736,784</u>	<u>2,924,123</u>	<u>3,010,000</u>	<u>3,010,000</u>	
CFE/Reappropriated Funds	1,368,392	2,394,708	1,505,000	1,505,000	
Federal Funds	1,368,392	529,415	1,505,000	1,505,000	
Public School Health Services	<u>19,774,430</u>	<u>18,918,568</u>	<u>20,004,856</u>	<u>20,004,856</u>	
General Fund	10,480,201	(1,580,054)	0	0	
Cash Funds	0	0	10,472,200	10,472,200	
CFE/Reappropriated Funds	9,866,585	10,249,311	0	0	
Federal Funds	(572,356)	10,249,311	9,532,656	9,532,656	
Medicare Modernization Act State Contribution Payment	<u>71,350,801</u>	<u>73,720,837</u>	<u>88,808,586</u>	<u>91,328,913</u>	
General Fund	71,350,801	73,720,837	88,808,586	91,328,913	
State University Teaching Hospitals Denver Health and Hospital Authority	<u>410,000</u>	<u>1,829,008</u>	<u>1,831,714</u>	<u>1,831,714</u>	
General Fund	205,000	705,070	915,857	915,857	
Federal Funds	205,000	1,123,938	915,857	915,857	
State University Teaching Hospitals University of Colorado Hospital Authority	<u>95,251</u>	<u>697,838</u>	<u>700,935</u>	<u>652,633</u>	
General Fund	47,626	282,779	350,468	326,317	
Federal Funds	47,625	415,059	350,467	326,316	

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
ARRA Adjustment*	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	(254,429)	BRI #8
Cash Funds	0	0	0	(1,055,273)	
CFE/Reappropriated Funds	0	0	0	(174,430)	
Federal Funds	0	0	0	1,484,132	
SUBTOTAL -- Other Medical Programs	<u>106,301,466</u>	<u>114,703,091</u>	<u>134,295,632</u>	<u>136,574,451</u>	1.70%
General Fund	83,072,252	74,654,930	91,099,689	93,244,833	2.35%
Cash Funds	0	13,138,502	25,840,683	24,785,410	-4.08%
CFE/Reappropriated Funds	21,191,928	13,430,611	4,025,000	3,850,570	-4.33%
Federal Funds	2,037,286	13,479,048	13,330,260	14,693,638	10.23%
DHS Section - All Line Items	<u>351,308,449</u>	<u>398,390,163</u>	<u>423,478,391</u>	<u>403,399,271</u>	NPI #1, 3, 5, 6, 7
General Fund	172,182,852	168,305,027	208,894,319	198,864,845	
General Fund Exempt	0	0	0	0	
Cash Funds	0	1,690,329	632,903	882,467	
CFE/Reappropriated Funds	2,614,171	1,050,238	2,125,467	1,865,066	
Federal Funds	176,511,426	227,344,569	211,825,702	201,786,893	
ARRA Adjustment*	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	BRI #8
General Fund	0	0	0	(21,585,570)	NP #6
Cash Funds	0	0	0	(67,629)	
CFE/Reappropriated Funds	0	0	0	(213,061)	
Federal Funds	0	0	0	21,866,260	
Subtotal DHS Section	<u>351,308,449</u>	<u>398,390,163</u>	<u>423,478,391</u>	<u>403,399,271</u>	-4.74%
General Fund	172,182,852	168,305,027	208,894,319	177,279,275	-15.13%
Cash Funds	0	1,690,329	632,903	814,838	28.75%
CFE/Reappropriated Funds	2,614,171	1,050,238	2,125,467	1,652,005	-22.28%
Federal Funds	176,511,426	227,344,569	211,825,702	223,653,153	5.58%

**FY 2010-11 Joint Budget Committee Staff Figure Setting
Department of Health Care Policy and Financing**

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	Change
	Actual	Actual	Current Appropriation*	Request	Req. #
TOTAL -- Department of Health Care Policy and Financing (with DHS Division)	<u>3,520,790,851</u>	<u>3,895,994,795</u>	<u>4,015,789,931</u>	<u>4,522,794,869</u>	<u>12.63%</u>
FTE	270.8	266.1	287.8	292.9	1.77%
General Fund	1,136,492,478	1,306,252,231	1,587,399,164	1,384,607,115	-12.78%
General Fund Exempt	327,990,885	39,678,792	504,000	489,357	-2.91%
Cash Funds	2,671,323	357,700,455	430,809,756	657,901,218	52.71%
Cash Funds Exempt	343,825,899	32,198,582	25,546,139	20,342,553	-20.37%
Federal Funds	1,709,810,266	2,160,164,735	1,971,530,872	2,459,454,626	24.75%
TOTAL -- Department of Health Care Policy and Financing (w/o DHS Division)	<u>3,169,482,402</u>	<u>3,497,604,632</u>	<u>3,592,311,540</u>	<u>4,119,395,598</u>	<u>14.67%</u>
FTE	270.80	266.10	287.80	292.90	1.77%
General Fund	964,309,626	1,137,947,204	1,378,504,845	1,207,327,840	-12.42%
General Fund Exempt	327,990,885	39,678,792	504,000	489,357	-2.91%
Cash Funds	2,671,323	356,010,126	430,176,853	657,086,380	52.75%
Cash Funds Exempt	341,211,728	31,148,344	23,420,672	18,690,548	-20.20%
Federal Funds	1,533,298,840	1,932,820,166	1,759,705,170	2,235,801,473	27.06%

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
		EDO-A		Personal Services										
FY 2009-10	09-259							275.0	8,069,513	583,489	1,579,590	9,446,742	19,679,334	
FY 2009-10	09-262							0.0	(11,659)	11,659	0	0	0	
FY 2009-10	09-1047							0.8	0	23,769	0	23,769	47,538	
FY 2009-10	09-1293							12.0	587,431	0	0	587,431	1,174,862	
FY 2009-10				Original FY 2009-10 App.				30.00	287.8	8,645,285	618,917	1,579,590	10,057,942	20,901,734
			25-Aug-09	-- ES #3 Department Admin Reduct.					0.0	(587,431)	585,299	0	(3,961)	(6,093)
			25-Aug-09	-- ES #4 Reduce Funding for ICP					(0.2)	0	(8,205)	0	0	(8,205)
FY 2009-10				Revised FY 2009-10 App.				60.00	287.6	8,057,854	1,196,011	1,579,590	10,053,981	20,887,436
									0.0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.				70.00	287.6	8,057,854	1,196,011	1,579,590	10,053,981	20,887,436
				Annualize FY 2009-10 BRI #2:										
FY 2010-11			6-Nov-09	Medicaid Program Efficiencies					0.1	3,059	0	0	3,058	6,117
				Annualize FY 2009-10 DI 6/BA #38:										
				Medicaid Value Based Care										
FY 2010-11			6-Nov-09	Coordination Initiative					0.0	5,798	0	0	5,798	11,596
				Annualize FY 2009-10 DI #12:										
FY 2010-11			6-Nov-09	"Enhanced MMIS Effectiveness:					0.1	2,642	0	0	2,642	5,284
				Annualize/Restore PS Base Reduction										
				from last year's JBC Action					0.0	146,848	10,983	29,239	172,526	359,596
FY 2010-11			6-Nov-09	Annualize HB 09-1047					0.2	0	7,923	0	7,923	15,846
FY 2010-11			6-Nov-09	Annualize HB 09-1293					29.0	(587,431)	1,253,006	0	665,575	1,331,150
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental					0.0	587,431	(588,142)	0	(1,320)	(2,031)
FY 2010-11			6-Nov-09	Annualize ES #4 Supplemental					0.0	0	(6,382)	0	0	(6,382)
FY 2010-11				FY 2010-11 BASE FUNDING				100.00	317.0	8,216,201	1,873,399	1,608,829	10,910,183	22,608,612
FY 2010-11			6-Nov-09	Indirect Cost Assessment					0.0	(711,160)	11,481	221,216	478,463	0
FY 2010-11				FY 2010-11 Base + Common Policy				110.00	317.0	7,505,041	1,884,880	1,830,045	11,388,646	22,608,612
				BRI #2 "Coordinated Payment &										
FY 2010-11			6-Nov-09	Payment Reform"					0.9	24,350	0	0	24,349	48,699
				NP #2 "Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"					(25.0)	(244,686)	0	(1,292,196)	(244,686)	(1,781,568)
FY 2010-11				DEPARTMENT REQUEST				180.25	292.9	7,284,705	1,884,880	537,849	11,168,309	20,875,743

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark #	IBC # FY 09-10	IBC # FY 10-11							
					Reports	Issues	Issues	Priority #						
EDO-A Health Life and Dental														
FY 2009-10	09-259								0.0	640,247	31,332	38,965	704,147	1,414,691
FY 2009-10	09-1293								0.0	41,076	0	0	41,076	82,152
FY 2009-10				Original HLD FY 2009-10 App	30.00				0.0	681,323	31,332	38,965	745,223	1,496,843
FY 2009-10			25-Aug-09	-- ES #3 Department Admin Reduct.		200.280			0.0	(41,076)	41,076	0	0	0
FY 2009-10			25-Aug-09	-- ES #4 Reduce Funding for ICP		200.290			0.0	0	(465)	0	0	(465)
FY 2009-10			25-Aug-09	-- ES #4 Technical Adjustment		200.291			0.0	0	465	0	0	465
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	640,247	72,408	38,965	745,223	1,496,843
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	640,247	72,408	38,965	745,223	1,496,843
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520		0.0	(41,076)	140,343	0	99,267	198,534
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	41,076	(41,076)	0	0	0
FY 2010-11			6-Nov-09	Annualize ES #4 Supplemental			90.020		0.0	0	(361)	0	0	(361)
FY 2010-11			6-Nov-09	Cash Fund Technical Adjustment			90.510		0.0	0	361	0	0	361
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	640,247	171,675	38,965	844,490	1,695,377
FY 2010-11			6-Nov-09	Common Policy			100.160		0.0	4,105	17,486	18,213	41,794	81,598
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	644,352	189,161	57,178	886,284	1,776,975
				NP #2 "Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"			130.020	NPI #2	0.0	(27,112)	0	(57,178)	(27,113)	(111,403)
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	617,240	189,161	0	859,171	1,665,572
EDO-A Short-Term Disability														
FY 2009-10	09-259				30.00				0.0	9,630	722	1,917	11,319	23,588
FY 2009-10			25-Aug-09	-- ES #4 Reduce Funding for ICP		200.290			0.0	0	(10)	0	0	(10)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	9,630	712	1,917	11,319	23,578
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	9,630	712	1,917	11,319	23,578
FY 2010-11			6-Nov-09	Annualize ES #4 Supplemental			90.020		0.0	0	(8)	0	0	(8)
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	9,630	704	1,917	11,319	23,570
FY 2010-11			6-Nov-09	Common Policy			100.170		0.0	2,239	185	(919)	2,493	3,998
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	11,869	889	998	13,812	27,568
				NP #2 "Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"			130.020	NPI #2	0.0	(739)	0	(998)	(738)	(2,475)
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	11,130	889	0	13,074	25,093

Department's FY 2009-10 & FY 2010-11 Budget Builds

			IBC										
			Benchmark #	IBC # FY	IBC # FY								
			FY 10-11	09-10	10-11	Dept							
Fiscal Year	Bill Numbe: Div	Date Rec.	LINE ITEM/Desc.	Reports	Issues	Issues	Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
EDO - A			S.B. 04-257 AED										
FY 2009-10	09-259							0.0	128,532	9,778	26,026	153,566	317,902
FY 2009-10	09-1293							0.0	7,522	0	0	7,522	15,044
FY 2009-10			Original AED FY 2009-10 App.	30.00				0.0	136,054	9,778	26,026	161,088	332,946
FY 2009-10		25-Aug-09	-- ES #3 Department Admin Reduct.		200.280			0.0	(7,522)	7,522	0	0	0
FY 2009-10		25-Aug-09	-- ES #4 Reduce Funding for ICP		200.290			0.0	0	(135)	0	0	(135)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	128,532	17,165	26,026	161,088	332,811
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	128,532	17,165	26,026	161,088	332,811
FY 2010-11		6-Nov-09	Annualize HB 09-1293			80.520		0.0	(7,522)	30,511	0	22,988	45,977
FY 2010-11		6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	7,522	(7,522)	0	0	0
FY 2010-11		6-Nov-09	Annualize ES #4 Supplemental			90.020		0.0	0	(105)	0	0	(105)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	128,532	40,049	26,026	184,076	378,683
FY 2010-11		6-Nov-09	Common Policy			100.180		0.0	55,256	4,257	(10,570)	60,299	109,242
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	183,788	44,306	15,456	244,375	487,925
FY 2010-11		6-Nov-09	NP #2 "Statewide Information Technology Staff Consolidation"			130.020	NPI #2	0.0	(11,429)	0	(15,456)	(11,429)	(38,314)
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	172,359	44,306	0	232,946	449,611
EDO-A			S.B. 06-235 SAED										
FY 2009-10	09-259							0.0	78,971	6,112	16,266	95,979	197,328
FY 2009-10	09-1293							0.0	3,761	0	0	3,761	7,522
FY 2009-10			Original SAED FY 2009-10 App.	30.00				0.0	82,732	6,112	16,266	99,740	204,850
FY 2009-10		25-Aug-09	-- ES #3 Department Admin Reduct.		200.280			0.0	(3,761)	3,761	0	0	0
FY 2009-10		25-Aug-09	-- ES #4 Reduce Funding for ICP		200.290			0.0	0	(85)	0	0	(85)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	78,971	9,788	16,266	99,740	204,765
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	78,971	9,788	16,266	99,740	204,765
FY 2010-11		6-Nov-09	Annualize HB 09-1293			80.520		0.0	(3,761)	15,255	0	11,494	22,988
FY 2010-11		6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	3,761	(3,761)	0	0	0
FY 2010-11		6-Nov-09	Annualize ES #4 Supplemental			90.020		0.0	0	(65)	0	0	(65)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	78,971	21,217	16,266	111,234	227,688
FY 2010-11		6-Nov-09	Common Policy			100.190		0.0	55,042	4,123	(4,997)	59,966	114,134
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	134,013	25,340	11,269	171,200	341,822
FY 2010-11		6-Nov-09	NP #2 "Statewide Information Technology Staff Consolidation"			130.020	NPI #2	0.0	(8,334)	0	(11,269)	(8,333)	(27,936)
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	125,679	25,340	0	162,867	313,886
EDO - A			Salary Survey										
FY 2009-10	09-259		Original FY 2009-10 App.	30.00				0.0	0	0	0	0	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App	70.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09	FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09	FY 2010-11 Base + Common Policy	110.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09	DEPARTMENT REQUEST	180.25				0.0	0	0	0	0	0

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark #	IBC # FY 10-11	IBC # FY 09-10							
				Performance Based Pay										
FY 2009-10	09-259	EDO - A		Original FY 2009-10 App.		30.00			0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.		60.00			0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App		70.00			0.0	0	0	0	0	0
FY 2010-11			6-Nov-09	FY 2010-11 BASE FUNDING		100.00			0.0	0	0	0	0	0
FY 2010-11			6-Nov-09	FY 2010-11 Base + Common Policy		110.00			0.0	0	0	0	0	0
FY 2010-11			6-Nov-09	DEPARTMENT REQUEST		180.25			0.0	0	0	0	0	0
				Worker's Compensation										
FY 2009-10	09-259	EDO - A		Original FY 2009-10 App.		30.00			0.0	18,140	0	0	18,139	36,279
FY 2009-10				-- NP ES #10 "Risk Management										
FY 2009-10			25-Aug-09	Contract Review and Reduction			200.410		0.0	(258)	0	0	(257)	(515)
FY 2009-10				-- NP ES #11: "Risk Management										
FY 2009-10			25-Aug-09	Reduction of Liability, Property, and					0.0	(756)	0	0	(756)	(1,512)
FY 2009-10				Worker's Compensation Volatility.			200.420							
FY 2009-10				Revised FY 2009-10 App.		60.00			0.0	17,126	0	0	17,126	34,252
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.		70.00			0.0	17,126	0	0	17,126	34,252
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING		100.00			0.0	17,126	0	0	17,126	34,252
FY 2010-11			6-Nov-09	Common Policy				100.230	0.0	1,811	0	0	1,810	3,621
FY 2010-11				FY 2010-11 Base + Common Policy		110.00			0.0	18,937	0	0	18,936	37,873
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST		180.25			0.0	18,937	0	0	18,936	37,873
				Operating Expenses										
FY 2009-10	09-259	EDO - A							0.0	727,406	15,871	13,461	754,751	1,511,489
FY 2009-10	09-1047								0.0	0	2,971	0	2,971	5,942
FY 2009-10	09-1293								0.0	249,068	0	0	249,068	498,136
FY 2009-10				Original OE FY 2009-10 App.		30.00			0.0	976,474	18,842	13,461	1,006,790	2,015,567
FY 2009-10			25-Aug-09	-- ES #3 Department Admin Reduct.			200.280		0.0	(266,068)	249,068	0	(17,000)	(34,000)
FY 2009-10			25-Aug-09	-- ES #4 Reduce Funding for ICP			200.290		0.0	0	(71)	0	0	(71)
FY 2009-10			6-Nov-09	-- ES #4 Technical Adjustment			200.291		0.0	0	71	0	0	71
FY 2009-10				Revised FY 2009-10 App.		60.00			0.0	710,406	267,910	13,461	989,790	1,981,567
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.		70.00			0.0	710,406	267,910	13,461	989,790	1,981,567

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BRI #2: Medicaid Program Efficiencies			80.010	0.0	(12,614)	0	0	(12,614)	(25,228)	
FY 2010-11			6-Nov-09	Annualize FY 2009-10 DI 6/BA #38: Medicaid Value Based Care			80.020	0.0	(2,614)	0	0	(2,614)	(5,228)	
FY 2010-11			6-Nov-09	Coordination Initiative			80.030	0.0	(2,614)	0	0	(2,614)	(5,228)	
FY 2010-11			6-Nov-09	Annualize FY 2009-10 DI #12: "Enhanced MMIS Effectiveness:			80.510	0.0	0	(2,496)	0	(2,496)	(4,992)	
FY 2010-11			6-Nov-09	Annualize HB 09-1047			80.520	0.0	(249,068)	112,281	0	(136,787)	(273,574)	
FY 2010-11			6-Nov-09	Annualize HB 09-1293			90.010	0.0	248,908	(249,068)	0	(160)	(320)	
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental			90.020	0.0	0	(55)	0	0	(55)	
FY 2010-11			6-Nov-09	Annualize ES #4 Supplemental			90.510	0.0	0	55	0	0	55	
FY 2010-11			6-Nov-09	Cash Fund Technical Adjustment			90.710	0.0	0	(1,728)	0	(1,728)	(3,456)	
FY 2010-11			6-Nov-09	HB 08-1114 App. Technical Issue			90.720	0.0	(1,000)	0	0	(1,000)	(2,000)	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	691,404	126,899	13,461	829,777	1,661,541	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	691,404	126,899	13,461	829,777	1,661,541	
FY 2010-11			6-Nov-09	BRI #2 "Coordinated Payment & Payment Reform"			130.520 BRI #2	0.0	2,810	0	0	2,810	5,620	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	694,214	126,899	13,461	832,587	1,667,161	

EDO - A		Legal Services & Third Party											
FY 2009-10	09-259				30.00			0.0	400,877	87,378	0	498,395	986,650
			25-Aug-09	-- ES #3 Department Admin Reduct.		200.280		0.0	(54,248)	(18,189)	0	(77,563)	(150,000)
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	346,629	69,189	0	420,832	836,650
								0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	346,629	69,189	0	420,832	836,650
FY 2010-11			6-Nov-09	Annualize HB 09-1293		80.520		0.0	0	29,932	0	29,932	59,864
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	346,629	99,121	0	450,764	896,514
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	346,629	99,121	0	450,764	896,514
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	346,629	99,121	0	450,764	896,514

EDO - A		Administrative Law Judges											
FY 2009-10	09-259				30.00			0.0	228,461	0	0	228,461	456,922
								0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	228,461	0	0	228,461	456,922
								0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	228,461	0	0	228,461	456,922
FY 2010-11			6-Nov-09	Annualize HB 09-1293		80.520		0.0	0	14,305	0	14,305	28,610
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	228,461	14,305	0	242,766	485,532
FY 2010-11			6-Nov-09			100.260		0.0	(18,603)	0	0	(18,603)	(37,206)
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	209,858	14,305	0	224,163	448,326
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	209,858	14,305	0	224,163	448,326

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
				EDO - A Computer Center										
FY 2009-10	09-259				30.00				0.0	65,883	0	3,337	65,883	135,103
				NP - ES#2: "OIT - Personal Services Reduction Initiative		200.430		NP-ES #2	0.0	(2,970)	0	0	(2,970)	(5,940)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	62,913	0	3,337	62,913	129,163
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	62,913	0	3,337	62,913	129,163
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	62,913	0	3,337	62,913	129,163
FY 2010-11			6-Nov-09	Common Policy					0.0	12,555	0	0	12,555	25,110
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	75,468	0	3,337	75,468	154,273
				NP #2 "Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"					0.0	73,592	0	0	73,592	147,184
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	149,060	0	3,337	149,060	301,457
				EDO - A Management & Administration OIT										
FY 2009-10	09-259				30.00				0.0	241,378	0	0	241,378	482,756
				NP - ES#13: "OIT - One-Time Adjustment"		200.450		NP-ES #13	0.0	(34,217)	0	0	(34,218)	(68,435)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	207,161	0	0	207,160	414,321
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	207,161	0	0	207,160	414,321
FY 2010-11			6-Nov-09	Annualize NP - ES #13 Supplemental					0.0	34,217	0	0	34,218	68,435
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	241,378	0	0	241,378	482,756
FY 2010-11			6-Nov-09	Common Policy					0.0	(132)	0	0	(133)	(265)
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	241,246	0	0	241,245	482,491
				NP #2 "Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"					0.0	70,513	0	0	70,513	141,026
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	311,759	0	0	311,758	623,517
				EDO - A OIT- MNT										
FY 2009-10	09-259				30.00				0.0	0	0	0	0	0
									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	0	0	0	0	0
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	0	0	0	0	0
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	0	0
FY 2010-11			6-Nov-09	Common Policy					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	0	0	0	0
				NP #2 "Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"					0.0	101,790	0	0	101,790	203,580
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	101,790	0	0	101,790	203,580

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Numbe: Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
EDO - A			OIT- CBMS Program Costs										
FY 2009-10	09-259			30.00				0.0	0	0	0	0	0
								0.0	0	0	0	0	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	0	0	0	0
								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09	Common Policy					0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	0	0	0	0	0
			NP #2 "Statewide Information										
FY 2010-11		6-Nov-09	Technology Staff Consolidation"				130.020 NPI #2	0.0	0	0	1,273,735	0	1,273,735
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	0	1,273,735	0	1,273,735
EDO - A			Payment to RM & Property Funds										
FY 2009-10	09-259			30.00				0.0	41,591	0	0	41,591	83,182
			-- NP ES #11: "Risk Management										
			Reduction of Liability, Property, and										
		25-Aug-09	Worker's Compensation Volatility.			200.420		0.0	(2,347)	0	0	(2,348)	(4,695)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	39,244	0	0	39,243	78,487
								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	39,244	0	0	39,243	78,487
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	39,244	0	0	39,243	78,487
FY 2010-11		6-Nov-09	Common Policy				100.290	0.0	(19,644)	0	0	(19,643)	(39,287)
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	19,600	0	0	19,600	39,200
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	19,600	0	0	19,600	39,200
EDO - A			Leased Space										
FY 2009-10	09-259							0.0	191,619	5,500	0	197,117	394,236
FY 2009-10	09-1293							0.0	151,164	0	0	151,164	302,328
FY 2009-10			Original FY 2009-10 App	30.00				0.0	342,783	5,500	0	348,281	696,564
		25-Aug-09	-- ES #3 Department Admin Reduct.			200.280		0.0	(151,164)	151,164	0	0	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	191,619	156,664	0	348,281	696,564
								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	191,619	156,664	0	348,281	696,564
FY 2010-11		6-Nov-09	Annualize HB 09-1293				80.520	0.0	151,164	(151,164)	0	0	0
FY 2010-11		6-Nov-09	Annualize ES #3 Supplemental				90.010	0.0	(151,164)	151,164	0	0	0
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	191,619	156,664	0	348,281	696,564
FY 2010-11		6-Nov-09	Common Policy					0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	191,619	156,664	0	348,281	696,564
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	191,619	156,664	0	348,281	696,564

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
EDO - A Capitol Complex Leased Space														
FY 2009-10	09-259				30.00			0.0	200,434	0	0	200,434	400,868	
				NP - ES#12: "Building Maintenance Reductions"		200.440		NP-ES #12	0.0	(2,704)	0	0	(2,704)	(5,408)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	197,730	0	0	197,730	395,460
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	197,730	0	0	197,730	395,460
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	197,730	0	0	197,730	395,460
FY 2010-11			6-Nov-09	Common Policy			100.330		0.0	(3,616)	0	0	(3,617)	(7,233)
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	194,114	0	0	194,113	388,227
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	194,114	0	0	194,113	388,227
EDO - A General Pro Services & Special Projects														
FY 2009-10	09-259								0.0	1,318,043	300,000	0	1,766,062	3,384,105
FY 2009-10	09-1073								0.0	0	26,250	0	26,250	52,500
FY 2009-10	09-1196								0.0	0	200,000	0	0	200,000
FY 2009-10	09-1293								0.0	137,500	0	0	137,500	275,000
FY 2009-10				Original GP & SP FY 2009-10 App	30.00				0.0	1,455,543	526,250	0	1,929,812	3,911,605
				-- ES #2 "Medicaid Program Reductions"		200.270		ES #2	0.0	10,000	0	0	10,000	20,000
			25-Aug-09	-- ES #3 Department Admin Reduct.		200.280		ES #3	0.0	(137,500)	137,500	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	1,328,043	663,750	0	1,939,812	3,931,605
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	1,328,043	663,750	0	1,939,812	3,931,605
FY 2010-11			6-Nov-09	Annualize/Restore PS Base Reduction from last year's JBC Action			80.040		0.0	12,711	0	0	13,984	26,695
FY 2010-11			6-Nov-09	Annualize FY 2009-10 DI 5/BA #35: Improved Eligibility and Enrollment			80.050		0.0	(47,854)	0	0	(52,146)	(100,000)
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BRI #1: Pharmacy Technical and Pricing			80.060		0.0	37,500	0	0	37,500	75,000
FY 2010-11			6-Nov-09	Annualize HB 09-1073			80.530		0.0	0	(26,250)	0	(26,250)	(52,500)
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520		0.0	(137,500)	262,500	0	125,000	250,000
FY 2010-11			6-Nov-09	Annualize HB 09-1196			80.540		0.0	0	(115,000)	0	0	(115,000)
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	137,500	(137,500)	0	0	0
FY 2010-11			6-Nov-09	Annualize ES #2 Supplemental			90.030		0.0	(10,000)	0	0	(10,000)	(20,000)
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	1,320,400	647,500	0	2,027,900	3,995,800
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	1,320,400	647,500	0	2,027,900	3,995,800
FY 2010-11			6-Nov-09	BRI #2 "Coordinated Payment & Payment Reform"			130.520	BRI #2	0.0	78,500	0	0	78,500	157,000
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	1,398,900	647,500	0	2,106,400	4,152,800

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark #	IBC # FY 09-10	IBC # FY 10-11							
					Reports	Issues	Issues	Priority #						
		EDO-A		SUBTOTAL EDO-A										
FY 2009-10	09-259								275.0	12,360,725	1,040,182	1,679,562	14,423,964	29,504,433
	09-262								0.0	(11,659)	11,659	0	0	0
	09-1047								0.8	0	26,740	0	26,740	53,480
	09-1073								0.0	0	26,250	0	26,250	52,500
	09-1196								0.0	0	200,000	0	0	200,000
	09-1293								12.0	1,177,522	0	0	1,177,522	2,355,044
FY 2009-10				Original EDO - A FY 09-10 App.	30.00				287.8	13,526,588	1,304,831	1,679,562	15,654,476	32,165,457
				-- ES #2 "Medicaid Program										
FY 2009-10			25-Aug-09	Reductions"		200.270		ES #2	0.0	10,000	0	0	10,000	20,000
FY 2009-10			25-Aug-09	-- ES #3 Department Admin Reduct.		200.280		ES #3	0.0	(1,248,770)	1,157,201	0	(98,524)	(190,093)
FY 2009-10			25-Aug-09	-- ES #4 Reduce Funding for ICP		200.290		ES #4	(0.2)	0	(8,971)	0	0	(8,971)
FY 2009-10			6-Nov-09	Cash Fund Technical Adjustment		200.291			0.0	0	536	0	0	536
				-- NP ES #10 "Risk Management										
FY 2009-10			25-Aug-09	Contract Review and Reduction		200.410		NP ES #10	0.0	(258)	0	0	(257)	(515)
				-- NP ES #11: "Risk Management										
				Reduction of Liability, Property, and										
FY 2009-10			25-Aug-09	Worker's Compensation Volatility.		200.420		NP ES #11	0.0	(3,103)	0	0	(3,104)	(6,207)
				NP - ES#2: "OIT - Personal Services										
FY 2009-10			25-Aug-09	Reduction Initiative		200.430		NP ES #2	0.0	(2,970)	0	0	(2,970)	(5,940)
				NP - ES#12: "Building Maintenance										
FY 2009-10			25-Aug-09	Reductions"		200.440		NP ES #12	0.0	(2,704)	0	0	(2,704)	(5,408)
				NP - ES#13: "OIT - One-Time										
FY 2009-10			25-Aug-09	Adjustment"		200.450		NP ES #13	0.0	(34,217)	0	0	(34,218)	(68,435)
FY 2009-10				Revised PS FY 2009-10 App.	60.00				287.6	12,244,566	2,453,597	1,679,562	15,522,699	31,900,424
									0.0	0	0	0	0	0
FY 2009-10				Final Revised PS FY 2009-10 App.	70.00				287.6	12,244,566	2,453,597	1,679,562	15,522,699	31,900,424

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept	FTE	GF total	CF total	RF Total	FF Total	Total Funds	
					Benchmark #	IBC # FY 09-10	IBC # FY 10-11								
					Reports	Issues	Issues	Priority #							
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BRI #2: Medicaid Program Efficiencies			80.010		0.1	(9,555)	0	0	(9,556)	(19,111)	
FY 2010-11			6-Nov-09	Annualize FY 2009-10 DI 6/BA #38: Medicaid Value Based Care					0.0	3,184	0	0	3,184	6,368	
FY 2010-11			6-Nov-09	Coordination Initiative Annualize FY 2009-10 DI #12:			80.020		0.1	28	0	0	28	56	
FY 2010-11			6-Nov-09	"Enhanced MMIS Effectiveness: Annualize/Restore PS Base Reduction from last year's JBC Action			80.040		0.0	159,559	10,983	29,239	186,510	386,291	
FY 2010-11			6-Nov-09	Annualize FY 2009-10 DI 5/BA #35: Improved Eligibility and Enrollment Processing			80.050		0.0	(47,854)	0	0	(52,146)	(100,000)	
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BRI #1: Pharmacy Technical and Pricing Efficiencies			80.060		0.0	37,500	0	0	37,500	75,000	
FY 2010-11			6-Nov-09	Annualize HB 09-1047			80.510		0.2	0	5,427	0	5,427	10,854	
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520		29.0	(875,194)	1,706,969	0	831,774	1,663,549	
FY 2010-11			6-Nov-09	Annualize HB 09-1073			80.530		0.0	0	(26,250)	0	(26,250)	(52,500)	
FY 2010-11			6-Nov-09	Annualize HB 09-1196			80.540		0.0	0	(115,000)	0	0	(115,000)	
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	875,034	(875,905)	0	(1,480)	(2,351)	
FY 2010-11			6-Nov-09	Annualize ES #4 Supplemental			90.020		0.0	0	(6,976)	0	0	(6,976)	
FY 2010-11			6-Nov-09	Annualize ES #2 Supplemental			90.030		0.0	(10,000)	0	0	(10,000)	(20,000)	
FY 2010-11			6-Nov-09	Annualize NP - ES #13 Supplemental			90.170		0.0	34,217	0	0	34,218	68,435	
FY 2010-11			6-Nov-09	Cash Fund Technical Adjustment			90.510		0.0	0	416	0	0	416	
FY 2010-11			6-Nov-09	HB 08-1114 App. Technical Issue			90.710		0.0	0	(1,728)	0	(1,728)	(3,456)	
FY 2010-11			6-Nov-09	SB 09-209 App. Technical Issue			90.720		0.0	(1,000)	0	0	(1,000)	(2,000)	
FY 2010-11				FY 2010-11 BASE FUNDING					100.00	317.0	12,410,485	3,151,533	1,708,801	16,519,180	33,789,999
FY 2010-11			6-Nov-09	Common Policy			100.160		0.0	4,105	17,486	18,213	41,794	81,598	
FY 2010-11			6-Nov-09	Common Policy			100.170		0.0	2,239	185	(919)	2,493	3,998	
FY 2010-11			6-Nov-09	Common Policy			100.180		0.0	55,256	4,257	(10,570)	60,299	109,242	
FY 2010-11			6-Nov-09	Common Policy			100.190		0.0	55,042	4,123	(4,997)	59,966	114,134	
FY 2010-11			6-Nov-09	Common Policy			100.230		0.0	1,811	0	0	1,810	3,621	
FY 2010-11			6-Nov-09	Common Policy			100.260		0.0	(18,603)	0	0	(18,603)	(37,206)	
FY 2010-11			6-Nov-09	Common Policy			100.270		0.0	12,555	0	0	12,555	25,110	
FY 2010-11			6-Nov-09	Common Policy			100.290		0.0	(19,644)	0	0	(19,643)	(39,287)	
FY 2010-11			6-Nov-09	Common Policy			100.330		0.0	(3,616)	0	0	(3,617)	(7,233)	
FY 2010-11			6-Nov-09	Indirect Cost Assessment			100.360		0.0	(711,160)	11,481	221,216	478,463	0	
FY 2010-11			6-Nov-09	Common Policy			100.380		0.0	(132)	0	0	(133)	(265)	
FY 2010-11				FY 2010-11 Base + Common Policy					110.00	317.0	11,788,338	3,189,065	1,931,744	17,134,564	34,043,711
FY 2010-11				BRI #2 "Coordinated Payment & Payment Reform"			130.520	BRI #2	0.9	105,660	0	0	105,659	211,319	
FY 2010-11				NP #2 "Statewide Information Technology Staff Consolidation"			130.020	NP #2	(25.0)	(46,405)	0	(103,362)	(46,404)	(196,171)	
FY 2010-11				DEPARTMENT REQUEST					180.25	292.9	11,847,593	3,189,065	1,828,382	17,193,819	34,058,859

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY Dept 10-11 Issues	Priority #						
Transfer to DPHE, Facility for Survey and Certification														
FY 2009-10	EDO-B			Original FY 2009-10 App.	30.00				0.0	1,502,513	0	0	3,498,730	5,001,243
				-- ES #4 Reduce Funding for ICP					0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	1,502,513	0	0	3,498,730	5,001,243
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	1,502,513	0	0	3,498,730	5,001,243
FY 2010-11			6-Nov-09	Annualize/Restore PS Base Reduction from last year's JBC Action				80.040	0.0	23,610	0	0	45,831	69,441
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	1,526,123	0	0	3,544,561	5,070,684
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	1,526,123	0	0	3,544,561	5,070,684
FY 2010-11			6-Nov-09	NP #8 "DPHE - Statewide Information Technology Staff"				130.080 NPI #8	0.0	(4,758)	0	0	(9,620)	(14,378)
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	1,521,365	0	0	3,534,941	5,056,306
Transfer to DORA for Nurse Aide Certification														
FY 2009-10	EDO-B			Original FY 2009-10 App	30.00				0.0	148,020	0	14,652	162,671	325,343
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	148,020	0	14,652	162,671	325,343
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	148,020	0	14,652	162,671	325,343
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	148,020	0	14,652	162,671	325,343
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	148,020	0	14,652	162,671	325,343
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	148,020	0	14,652	162,671	325,343
Transfer to DORA for Reviews														
FY 2009-10	09-259	EDO-B			30.00				0.0	6,500	500	0	7,000	14,000
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	6,500	500	0	7,000	14,000
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	6,500	500	0	7,000	14,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	6,500	500	0	7,000	14,000
FY 2010-11			6-Nov-09	Common Policy					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	6,500	500	0	7,000	14,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	6,500	500	0	7,000	14,000

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	FY Dept Priority #						
Transfer to DOE for Public School Health Services Administration														
FY 2009-10	EDO-B			Original FY 2009-10 App.	30.00				0.0	0	0	0	211,312	211,312
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	0	0	0	211,312	211,312
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	0	0	0	211,312	211,312
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	211,312	211,312
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	0	0	211,312	211,312
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	0	0	0	211,312	211,312
SUBTOTAL EDO-B														
FY 2009-10	EDO-B			Original EDO - B FY 09-10 App.	30.00				0.0	1,657,033	500	14,652	3,879,713	5,551,898
									0.0	0	0	0	0	0
FY 2009-10				Revised PS FY 2009-10 App.	60.00				0.0	1,657,033	500	14,652	3,879,713	5,551,898
									0.0	0	0	0	0	0
FY 2009-10				Final Revised PS FY 2009-10 App.	70.00				0.0	1,657,033	500	14,652	3,879,713	5,551,898
			6-Nov-09	Annualize/Restore PS Base Reduction from last year's JBC Action			80.040		0.0	23,610	0	0	45,831	69,441
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	1,680,643	500	14,652	3,925,544	5,621,339
			6-Nov-09	Common Policy					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	1,680,643	500	14,652	3,925,544	5,621,339
FY 2010-11				NP #8 "DPHE - Statewide Information Technology Staff"			130.080	NPI #8	0.0	(4,758)	0	0	(9,620)	(14,378)
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	1,675,885	500	14,652	3,915,924	5,606,961

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	Dept Priority #						
Information Technology Contracts & Projects														
EDO-C														
FY 2009-10	09-259								0.0	6,070,726	538,643	100,328	18,572,186	25,281,883
FY 2009-10	09-1293								0.0	638,201	0	0	2,164,205	2,802,406
FY 2009-10				Original FY 2009-10 App.	30.00				0.0	6,708,927	538,643	100,328	20,736,391	28,084,289
				-- ES #2: Medicaid Program Reductions		200.270			0.0	63,450	0	0	63,450	126,900
				-- ES #3: Department Administrative Reductions		200.280			0.0	(765,701)	638,201	0	(382,500)	(510,000)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	6,006,676	1,176,844	100,328	20,417,341	27,701,189
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	6,006,676	1,176,844	100,328	20,417,341	27,701,189
				Annualize FY 2009-10 BRI #1:										
FY 2010-11			6-Nov-09	Pharmacy Technical and Pricing Eff.			80.060		0.0	(4,095)	0	0	(12,285)	(16,380)
				Annualize FY 2009-10 DI 6/BA #38: Medicaid Value Based Care										
FY 2010-11			6-Nov-09	Coordination Initiative			80.020		0.0	(264,600)	0	0	(793,800)	(1,058,400)
				"MMIS funding for HIPAA and Transitions"					0.0	593,922	33,669	0	5,407,821	6,035,412
				Annualize FY 2009-10 BA #33										
			6-Nov-09	Provider Volume and Rate Reductions			80.080		0.0	(126,000)	0	0	(378,000)	(504,000)
			6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	638,201	(638,201)	0	0	0
			6-Nov-09	Annualize HB 09-1047			80.510		0.0	0	18,900	0	56,700	75,600
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520		0.0	(638,201)	1,897,689	0	3,640,098	4,899,586
				Adjustment to H.B. 09-1293 to match Department Request			90.760		0.0	0	0	0	(250,000)	(250,000)
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	6,205,903	2,488,901	100,328	28,337,875	37,133,007
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	6,205,903	2,488,901	100,328	28,337,875	37,133,007
			6-Nov-09	BRI #1: Prevention & Benefits EV			130.510	BRI #1	0.0	(134,052)	0	0	(250,224)	(384,276)
				BRI #2: Coordinated Payment & Payment Reform			130.520	BRI #2	0.0	11,466	0	0	34,398	45,864
				BRI #3: Expansion of State MAX										
			6-Nov-09	Pharmacy Rate Methodology			130.530	BRI #3	0.0	24,192	0	0	72,576	96,768
				DI #5: MMIS Information System										
FY 2010-11			6-Nov-09	Cost Adjustment			120.050	DI #5	0.0	65,361	2,830	0	201,337	269,528
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	6,172,870	2,491,731	100,328	28,395,962	37,160,891

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	Dept FY Priority #						
EDO-C Fraud Detection Software Contract														
FY 2009-10				Original FY 2009-10 App	30.00				0.0	62,500	0	0	187,500	250,000
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	62,500	0	0	187,500	250,000
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	62,500	0	0	187,500	250,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	62,500	0	0	187,500	250,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	62,500	0	0	187,500	250,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	62,500	0	0	187,500	250,000
EDO-C CBMS Medical Assistance Project														
FY 2009-10	09-259				30.00				0.0	1,433,260	0	0	1,561,840	2,995,100
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	1,433,260	0	0	1,561,840	2,995,100
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	1,433,260	0	0	1,561,840	2,995,100
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	1,433,260	0	0	1,561,840	2,995,100
FY 2010-11			6-Nov-09	Common Policy					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	1,433,260	0	0	1,561,840	2,995,100
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	1,433,260	0	0	1,561,840	2,995,100
EDO-C Centralized Eligibility Vendor Contract Project														
FY 2009-10				Original FY 2009-10 App.	30.00				0.0	47,850	0	0	52,150	100,000
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	47,850	0	0	52,150	100,000
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	47,850	0	0	52,150	100,000
				Annualize FY 2009-10 DI #5 & BA #35: Improved Eligibility and										
FY 2010-11			6-Nov-09	Enrollment Processing				80.050	0.0	(47,850)	0	0	(52,150)	(100,000)
FY 2010-11			6-Nov-09	Annualize HB 09-1293				80.520	0.0	0	366,320	0	393,680	760,000
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	366,320	0	393,680	760,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	366,320	0	393,680	760,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	0	366,320	0	393,680	760,000

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	Dept Priority #						
		EDO-C		SUBTOTAL EDO-C										
FY 2009-10				Original EDO - B FY 09-10 App.	30.00			0.0	8,252,537	538,643	100,328	22,537,881	31,429,389	
				-- ES #2: Medicaid Program										
			25-Aug-09	Reductions		200.270		0.0	63,450	0	0	63,450	126,900	
				-- ES #3: Department Administrative										
			25-Aug-09	Reductions		200.280		0.0	(765,701)	638,201	0	(382,500)	(510,000)	
FY 2009-10				Revised PS FY 2009-10 App.	60.00			0.0	7,550,286	1,176,844	100,328	22,218,831	31,046,289	
								0.0	0	0	0	0	0	
FY 2009-10				Final Revised PS FY 2009-10 App.	70.00			0.0	7,550,286	1,176,844	100,328	22,218,831	31,046,289	
				Annualize FY 2009-10 DI 6/BA #38: Medicaid Value Based Care										
FY 2010-11			6-Nov-09	Coordination Initiative			80.020	0.0	(264,600)	0	0	(793,800)	(1,058,400)	
				Annualize FY 2009-10 DI #5 & BA #35: Improved Eligibility and										
FY 2010-11			6-Nov-09	Enrollment Processing			80.050	0.0	(47,850)	0	0	(52,150)	(100,000)	
				Annualize FY 2009-10 BRI #1: Pharmacy Technical and Pricing Eff.										
FY 2010-11			6-Nov-09	"MMIS funding for HIPAA and Transitions"			80.060	0.0	(4,095)	0	0	(12,285)	(16,380)	
				Annualize FY 2009-10 BA #33										
FY 2010-11			6-Nov-09	Provider Volume and Rate Reductions			80.080	0.0	(126,000)	0	0	(378,000)	(504,000)	
				Annualize HB 09-1047			80.510	0.0	0	18,900	0	56,700	75,600	
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520	0.0	(638,201)	2,264,009	0	4,033,778	5,659,586	
				Adjustment to H.B. 09-1293 to match Department Request			90.760	0.0	0	0	0	(250,000)	(250,000)	
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental			90.010	0.0	638,201	(638,201)	0	0	0	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	7,701,663	2,855,221	100,328	30,230,895	40,888,107	
			6-Nov-09	Common Policy				0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	7,701,663	2,855,221	100,328	30,230,895	40,888,107	
				DI #5: MMIS Information System										
FY 2010-11			6-Nov-09	Cost Adjustment			120.050	0.0	65,361	2,830	0	201,337	269,528	
				BRI #1: Prevention & Benefits EV			130.51	0.0	(134,052)	0	0	(250,224)	(384,276)	
				BRI #2: Coordinated Payment & Payment Reform			130.52	0.0	11,466	0	0	34,398	45,864	
				BRI #3: Expansion of State MAX										
FY 2010-11			6-Nov-09	Pharmacy Rate Methodology			130.53	0.0	24,192	0	0	72,576	96,768	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	7,668,630	2,858,051	100,328	30,288,982	40,915,991	

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	Dept Priority #						
Medical Identification Cards														
FY 2009-10	EDO-D			Original FY 2009-10 App.	30.00				0.0	48,444	10,759	1,593	59,204	120,000
									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	48,444	10,759	1,593	59,204	120,000
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	48,444	10,759	1,593	59,204	120,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	48,444	10,759	1,593	59,204	120,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	48,444	10,759	1,593	59,204	120,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	48,444	10,759	1,593	59,204	120,000
Contracts for Special Eligibility Determinations														
FY 2009-10	EDO-D			Original FY 2009-10 App	30.00				0.0	918,770	34,576	0	1,465,366	2,418,712
				-- ES #3: Department Administrative Reductions		200.280			0.0	(75,566)	(24,647)	0	(116,462)	(216,675)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	843,204	9,929	0	1,348,904	2,202,037
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	843,204	9,929	0	1,348,904	2,202,037
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520		0.0	0	1,537,200	0	1,537,200	3,074,400
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	(15,113)	(4,929)	0	(23,293)	(43,335)
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	828,091	1,542,200	0	2,862,811	5,233,102
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	828,091	1,542,200	0	2,862,811	5,233,102
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	828,091	1,542,200	0	2,862,811	5,233,102
County Administration														
FY 2009-10	09-259	EDO-D			30.00				0.0	9,794,550	5,738,771	0	15,453,056	30,986,377
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	9,794,550	5,738,771	0	15,453,056	30,986,377
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	9,794,550	5,738,771	0	15,453,056	30,986,377
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520		0.0	0	935,915	0	935,915	1,871,830
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	9,794,550	6,674,686	0	16,388,971	32,858,207
FY 2010-11			6-Nov-09	Common Policy					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	9,794,550	6,674,686	0	16,388,971	32,858,207
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	9,794,550	6,674,686	0	16,388,971	32,858,207

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
Administrative Case Management														
FY 2009-10	EDO			Original FY 2009-10 App.	30.00			0.0	269,872	0	0	269,872	539,744	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	269,872	0	0	269,872	539,744	
								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	269,872	0	0	269,872	539,744	
			#REF!	6-Nov-09				0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	269,872	0	0	269,872	539,744	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	269,872	0	0	269,872	539,744	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	269,872	0	0	269,872	539,744	
Customer Outreach														
FY 2009-10	EDO			Original FY 2009-10 App.	30.00			0.0	1,752,987	33,514	0	1,786,500	3,573,001	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	1,752,987	33,514	0	1,786,500	3,573,001	
								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	1,752,987	33,514	0	1,786,500	3,573,001	
				Technical Adj to Annualize FY 08-09										
FY 2010-11			6-Nov-09	Building Blocks			90.730	0.0	(1,100)	0	0	(1,100)	(2,200)	
				Annualize FY 2009-10 DI 6/BA #38: Medicaid Value Based Care										
FY 2010-11			6-Nov-09	Coordination Initiative			80.020	0.0	270,508	0	0	270,508	541,016	
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520	0.0	0	40,252	0	40,252	80,504	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	2,022,395	73,766	0	2,096,160	4,192,321	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	2,022,395	73,766	0	2,096,160	4,192,321	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	2,022,395	73,766	0	2,096,160	4,192,321	

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues						
SUBTOTAL EDO-D													
FY 2009-10		EDO-D		Original EDO - B FY 09-10 App.	30.00			0.0	12,784,623	5,817,620	1,593	19,033,998	37,637,834
				-- ES #3: Department Administrative 25-Aug-09 Reductions		200.280		0.0	(75,566)	(24,647)	0	(116,462)	(216,675)
FY 2009-10				Revised PS FY 2009-10 App.	60.00			0.0	12,709,057	5,792,973	1,593	18,917,536	37,421,159
								0.0	0	0	0	0	0
FY 2009-10				Final Revised PS FY 2009-10 App.	70.00			0.0	12,709,057	5,792,973	1,593	18,917,536	37,421,159
				Annualize FY 2009-10 DI 6/BA #38: Medicaid Value Based Care									
FY 2010-11			6-Nov-09	Coordination Initiative		80.020		0.0	270,508	0	0	270,508	541,016
FY 2010-11			6-Nov-09	Annualize HB 09-1293		80.520		0.0	0	2,513,367	0	2,513,367	5,026,734
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental Technical Adj to Annualize FY 08-09		90.010		0.0	(15,113)	(4,929)	0	(23,293)	(43,335)
FY 2010-11			6-Nov-09	Building Blocks		90.730		0.0	(1,100)	0	0	(1,100)	(2,200)
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	12,963,352	8,301,411	1,593	21,677,018	42,943,374
			6-Nov-09	Common Policy				0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	12,963,352	8,301,411	1,593	21,677,018	42,943,374
			6-Nov-09	#REF!				0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	12,963,352	8,301,411	1,593	21,677,018	42,943,374

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues						
		EDO-E		Professional Services Contracts									
FY 2009-10				Original FY 2009-10 App	30.00			0.0	1,359,148	54,949	0	3,162,258	4,576,355
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	1,359,148	54,949	0	3,162,258	4,576,355
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	1,359,148	54,949	0	3,162,258	4,576,355
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520	0.0	0	31,647	0	71,601	103,248
FY 2010-11			6-Nov-09	Annualize FY 2009-10 DI 6/BA #38: Medicaid Value Based Care			80.020	0.0	151,195	0	0	453,585	604,780
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BRI #2: Medicaid Program Efficiencies			80.010	0.0	(40,000)	0	0	(40,000)	(80,000)
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	1,470,343	86,596	0	3,647,444	5,204,383
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	1,470,343	86,596	0	3,647,444	5,204,383
FY 2010-11			6-Nov-09	BRI #1: "Prevention and Benefits for Enhanced Value (P-BEV)"			130.510	0.0	134,052	0	0	402,156	536,208
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	1,604,395	86,596	0	4,049,600	5,740,591

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	Dept Priority #						
		EDO-F		Professional Audit Contracts										
FY 2009-10				Original FY 2009-10 App	30.00			0.0	919,283	0	0	1,352,983	2,272,266	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	919,283	0	0	1,352,983	2,272,266	
								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	919,283	0	0	1,352,983	2,272,266	
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520	0.0	0	250,000	0	250,000	500,000	
				Annualize FY 07-08 S#5 Revised										
FY 2010-11			6-Nov-09	PERM			90.740	0.0	147,125	102,988	0	338,388	588,501	
				Annualization of FY 2006-07 "DI #8:										
FY 2010-11			6-Nov-09	Fund Nursing Facility Appraisals"			90.750	0.0	139,873	0	0	139,873	279,746	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	1,206,281	352,988	0	2,081,244	3,640,513	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	1,206,281	352,988	0	2,081,244	3,640,513	
				DI #6: Disproportionate Share										
FY 2010-11			6-Nov-09	Hospital Audits			120.060	0.0	50,000	0	0	50,000	100,000	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	1,256,281	352,988	0	2,131,244	3,740,513	

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	Dept Priority #						
		EDO-G		Estate Recovery										
FY 2009-10				Original FY 2009-10 App	30.00			0.0	0	350,000	0	350,000	700,000	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	0	350,000	0	350,000	700,000	
								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	0	350,000	0	350,000	700,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	0	350,000	0	350,000	700,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	0	350,000	0	350,000	700,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	0	350,000	0	350,000	700,000	

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	IBC # FY Dept Priority						
EDO Summary														
FY 2009-10	09-259								275.0	36,695,148	7,801,894	1,796,135	62,576,592	108,869,769
	09-262								0.0	(11,659)	11,659	0	0	0
	09-1047								0.8	0	26,740	0	26,740	53,480
	09-1073								0.0	0	26,250	0	26,250	52,500
	09-1196								0.0	0	200,000	0	0	200,000
	09-1293								12.0	1,815,723	0	0	3,341,727	5,157,450
FY 2009-10				Original EDO FY 09-10					287.8	38,499,212	8,066,543	1,796,135	65,971,309	114,333,199
				-- ES #2 "Medicaid Program										
FY 2009-10			25-Aug-09	Reductions"		200.270		ES #2	0.0	73,450	0	0	73,450	146,900
FY 2009-10			25-Aug-09	-- ES #3 Department Admin Reduct.		200.280		ES #3	0.0	(2,090,037)	1,770,755	0	(597,486)	(916,768)
FY 2009-10			25-Aug-09	-- ES #4 Reduce Funding for ICP		200.290		ES #4	(0.2)	0	(8,971)	0	0	(8,971)
FY 2009-10			6-Nov-09	Cash Fund Technical Adjustment		200.291			0.0	0	536	0	0	536
				-- NP ES #10 "Risk Management										
FY 2009-10			25-Aug-09	Contract Review and Reduction		200.410		NP ES #10	0.0	(258)	0	0	(257)	(515)
				-- NP ES #11: "Risk Management										
				Reduction of Liability, Property, and										
FY 2009-10			25-Aug-09	Worker's Compensation Volatility.		200.420		NP ES #11	0.0	(3,103)	0	0	(3,104)	(6,207)
				NP - ES#2: "OIT - Personal Services										
FY 2009-10			25-Aug-09	Reduction Initiative		200.430		NP ES #2	0.0	(2,970)	0	0	(2,970)	(5,940)
				NP - ES#12: "Building Maintenance										
FY 2009-10			25-Aug-09	Reductions"		200.440		NP ES #12	0.0	(2,704)	0	0	(2,704)	(5,408)
				NP - ES#13: "OIT - One-Time										
FY 2009-10			25-Aug-09	Adjustment"		200.450		NP ES #13	0.0	(34,217)	0	0	(34,218)	(68,435)
FY 2009-10				Revised FY 2009-10 Appropriation		60.00			287.6	36,439,373	9,828,863	1,796,135	65,404,020	113,468,391
									0.0	0	0	0	0	0
				Final Revised FY 2009-10										
FY 2009-10				Appropriation		70.00			287.6	36,439,373	9,828,863	1,796,135	65,404,020	113,468,391
				Annualize FY 2009-10 BRI #2:										
FY 2010-11			6-Nov-09	Medicaid Program Efficiencies				80.010	0.1	(49,555)	0	0	(49,556)	(99,111)
				Annualize FY 2009-10 DI 6/BA #38:										
				Medicaid Value Based Care										
FY 2010-11			6-Nov-09	Coordination Initiative				80.020	0.0	160,287	0	0	(66,523)	93,764
				Annualize FY 2009-10 DI #12:										
FY 2010-11			6-Nov-09	"Enhanced MMIS Effectiveness:				80.030	0.1	28	0	0	28	56
				Annualize/Restore PS Base Reduction										
FY 2010-11			6-Nov-09	from last year's JBC Action				80.040	0.0	183,169	10,983	29,239	232,341	455,732
				Annualize FY 2009-10 DI 5/BA #35:										
				Improved Eligibility and Enrollment										
FY 2010-11			6-Nov-09	Processing				80.050	0.0	(95,704)	0	0	(104,296)	(200,000)
				Annualize FY 2009-10 BRI #1:										
FY 2010-11			6-Nov-09	Pharmacy Technical and Pricing Eff.				80.060	0.0	33,405	0	0	25,215	58,620
				"MMIS funding for HIPAA and										
FY 2010-11			6-Nov-09	Transitions"				80.070	0.0	593,922	33,669	0	5,407,821	6,035,412
				Annualize FY 2009-10 BA #33										
FY 2010-11			6-Nov-09	Provider Volume and Rate Reductions				80.080	0.0	(126,000)	0	0	(378,000)	(504,000)
FY 2010-11			6-Nov-09	Annualize HB 09-1047				80.510	0.2	0	24,327	0	62,127	86,454

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC				FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues	IBC # FY Dept Priority #						
FY 2010-11			6-Nov-09	Annualize HB 09-1293			80.520		29.0	(1,513,395)	6,765,992	0	7,700,520	12,953,117
FY 2010-11			6-Nov-09	Annualize HB 09-1073			80.530		0.0	0	(26,250)	0	(26,250)	(52,500)
			6-Nov-09	Annualize HB 09-1196			80.540		0.0	0	(115,000)	0	0	(115,000)
FY 2010-11			6-Nov-09	Annualize ES #3 Supplemental			90.010		0.0	1,498,122	(1,519,035)	0	(24,773)	(45,686)
FY 2010-11			6-Nov-09	Annualize ES #4 Supplemental			90.020		0.0	0	(6,976)	0	0	(6,976)
FY 2010-11			6-Nov-09	Annualize ES #2 Supplemental			90.030		0.0	(10,000)	0	0	(10,000)	(20,000)
FY 2010-11			6-Nov-09	Annualize NP - ES #13 Supplemental			90.170		0.0	34,217	0	0	34,218	68,435
FY 2010-11			6-Nov-09	Cash Fund Technical Adjustment			90.510		0.0	0	416	0	0	416
FY 2010-11			6-Nov-09	HB 08-1114 App. Technical Issue			90.710		0.0	0	(1,728)	0	(1,728)	(3,456)
FY 2010-11			6-Nov-09	SB 09-209 App. Technical Issue			90.720		0.0	(1,000)	0	0	(1,000)	(2,000)
				Adjustment to H.B. 09-1293 to match										
			6-Nov-09	Department Request			90.760		0.0	0	0	0	(250,000)	(250,000)
				Technical Adj to Annualize FY 08-09										
FY 2010-11			6-Nov-09	Building Blocks			90.730		0.0	(1,100)	0	0	(1,100)	(2,200)
				Annualize FY 07-08 S#5 Revised										
FY 2010-11			6-Nov-09	PERM			90.740		0.0	147,125	102,988	0	338,388	588,501
				Annualization of FY 2006-07 "DI #8:										
FY 2010-11			6-Nov-09	Fund Nursing Facility Appraisals"			90.750		0.0	139,873	0	0	139,873	279,746
FY 2010-11				FY 2010-11 BASE FUNDING					317.0	37,432,767	15,098,249	1,825,374	78,431,325	132,787,715
FY 2010-11			6-Nov-09	Common Policy			100.160		0.0	4,105	17,486	18,213	41,794	81,598
FY 2010-11			6-Nov-09	Common Policy			100.170		0.0	2,239	185	(919)	2,493	3,998
FY 2010-11			6-Nov-09	Common Policy			100.180		0.0	55,256	4,257	(10,570)	60,299	109,242
FY 2010-11			6-Nov-09	Common Policy			100.190		0.0	55,042	4,123	(4,997)	59,966	114,134
FY 2010-11			6-Nov-09	Common Policy			100.230		0.0	1,811	0	0	1,810	3,621
FY 2010-11			6-Nov-09	Common Policy			100.260		0.0	(18,603)	0	0	(18,603)	(37,206)
FY 2010-11			6-Nov-09	Common Policy			100.270		0.0	12,555	0	0	12,555	25,110
FY 2010-11			6-Nov-09	Common Policy			100.290		0.0	(19,644)	0	0	(19,643)	(39,287)
FY 2010-11			6-Nov-09	Common Policy			100.330		0.0	(3,616)	0	0	(3,617)	(7,233)
FY 2010-11			6-Nov-09	Indirect Cost Assessment			100.360		0.0	(711,160)	11,481	221,216	478,463	0
FY 2010-11			6-Nov-09	Common Policy			100.380		0.0	(132)	0	0	(133)	(265)
FY 2010-11				FY 2010-11 Base + Common Policy					110.00					
				DI #5: MMIS Information System										
FY 2010-11			6-Nov-09	Cost Adjustment			120.050	DI #5	0.0	65,361	2,830	0	201,337	269,528
				DI #6: Disproportionate Share										
FY 2010-11			6-Nov-09	Hospital Audits			120.060	DI #6	0.0	50,000	0	0	50,000	100,000
FY 2010-11			6-Nov-09	BRI #1: Prevention & Benefits EV			130.510	BRI #1	0.0	0	0	0	151,932	151,932
				BRI #2 "Coordinated Payment &										
FY 2010-11			6-Nov-09	Payment Reform"			130.520	BRI #2	0.9	117,126	0	0	140,057	257,183
				BRI #3: Expansion of State MAX										
			6-Nov-09	Pharmacy Rate Methodology			130.530	BRI #3	0.0	24,192	0	0	72,576	96,768
				NP #2 "Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"			130.020	NP #2	(25.0)	(46,405)	0	(103,362)	(46,404)	(196,171)
				NP #8 "DPHE Statewide Information										
FY 2010-11			6-Nov-09	Technology Staff Consolidation"			130.080	NP #8	0.0	(4,758)	0	0	(9,620)	(14,378)
FY 2010-11				DEPARTMENT REQUEST - EDO					180.25					
									292.9	37,016,136	15,138,611	1,944,955	79,606,587	133,706,289

Department's FY 2009-10 & FY 2010-11 Budget Builds

				IBC										
				Benchmark #	IBC # FY	IBC # FY								
				FY 10-11	09-10	10-11	Dept							
Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	Reports	Issues	Issues	Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				MSP	Medical Services Premiums									
FY 2009-10	09-259								0.0	1,191,399,790	130,451,629	2,746,329	1,331,348,862	2,655,946,610
FY 2009-10	09-261								0.0	(6,000,000)	6,000,000	0	0	0
FY 2009-10	09-262								0.0	(874,603)	874,603	0	0	0
FY 2009-10	09-262								0.0	(17,140,089)	3,912,114	0	(13,227,979)	(26,455,954)
FY 2009-10	09-265								0.0	(27,323,956)	(1,541,346)	0	(28,582,716)	(57,448,018)
FY 2009-10	09-271								0.0	(27,400,000)	27,400,000	0	0	0
FY 2009-10				Original FY 2009-10 App.					30.00	1,112,661,142	167,097,000	2,746,329	1,289,538,167	2,572,042,638
FY 2009-10			25-Aug-09	-- ES #1 HB 1293 FMAP		200.260		ES #1	0.0	(41,415,100)	41,415,100	0	0	0
FY 2009-10			25-Aug-09	-- ES #2 Medicaid Program Red.		200.270		ES #2	0.0	(16,752,293)	516,393	(6,810)	(13,974,496)	(30,217,206)
FY 2009-10			25-Aug-09	-- ES #4 Reduce Funding for ICP		200.290		ES #4	0.0	(2,648,566)	2,648,566	0	0	0
FY 2009-10			6-Nov-09	-- ES #4 Technical Adjust		200.291		ES #4	0.0	536	(536)	0	0	0
FY 2009-10			1-Dec-09	-- ES #6 Provider Rate Reductions		200.293		ES #6	0.0	(3,974,214)	(189,315)	0	(4,169,184)	(8,332,713)
FY 2009-10			1-Dec-09	Delay		200.294		ES #7	0.0	(21,198,038)	(1,094,276)	(20,388)	(22,352,445)	(44,665,147)
FY 2009-10			25-Aug-09	-- ES NP #5: Close beds at Fort Logan		200.340		NP ES #5	0.0	100,034	0	0	100,033	200,067
FY 2009-10			25-Aug-09	-- ES NP #8: Close beds at GJRC		200.370		NP ES #8	0.0	417,280	31,891	0	449,172	898,343
FY 2009-10			25-Aug-09	-- ES NP #16: DPHE CF Tobacco		200.450		NP ES #16	0.0	(7,000,000)	7,000,000	0	0	0
FY 2009-10			25-Aug-09	-- ES NP #17: DPHE CF HDGP		200.460		NP ES #17	0.0	(1,000,000)	1,000,000	0	0	0
FY 2009-10			25-Aug-09	-- ES NP #18: DPHE CF PDTF		200.470		NP ES #18	0.0	(7,000,000)	7,000,000	0	0	0
FY 2009-10				Revised FY 2009-10 App.			60.00		0.0	1,012,190,781	225,424,823	2,719,131	1,249,591,247	2,489,925,982
			6-Nov-09	Estimated Expenditure Supplemental		210.010		S #1	0.0	48,486,520	(7,272,461)	219,526	44,970,421	86,404,006
			6-Nov-09	Contingent Appropriation 1293		210.010		S #1	0.0	0	146,518,843	0	146,518,839	293,037,682
			6-Nov-09	-- ES #5 Appropriate ARRA funding		200.300		ES #5	0.0	(279,601,894)	(39,975,328)	0	319,577,222	0
FY 2009-10				Final Revised FY 2009-10 App.			70.00		0.0	781,075,407	324,695,877	2,938,657	1,760,657,729	2,869,367,670
FY 2010-11			6-Nov-09	Eliminate Estimated FY 2009-10 Supplemental not yet submitted, ARRA Impact, and ES #6 & ES #7				70.670	0.0	256,287,626	(97,987,463)	(199,138)	(484,544,853)	(326,443,828)
				Working Benchmark In Order to match Department Decision Items					0.0	1,037,363,033	226,708,414	2,739,519	1,276,112,876	2,542,923,842
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BRI #1: "Pharmacy Technical and Pricing Eff."				80.060	0.0	(555,500)	0	0	(555,499)	(1,110,999)
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BRI #2: Medicaid Program Eff."				80.010	0.0	(284,183)	0	0	(284,182)	(568,365)
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BA #7 "Additional Medicaid Reimbursement DH"				80.090	0.0	0	(1,208,947)	0	(1,208,947)	(2,417,894)
FY 2010-11			6-Nov-09	Annualize FY 2009-10 DI #6/BA #38: Medicaid Value Based Care				80.020	0.0	0	0	0	0	0
FY 2010-11			6-Nov-09	Annualize FY 2009-10 BA #15: "Community Transition Services for MI Waiver Clients"				80.100	0.0	(7,467)	0	0	(7,467)	(14,934)
FY 2010-11			6-Nov-09	Annualize HB 09-1293				80.520	0.0	0	192,098,997	0	192,098,997	384,197,994
FY 2010-11			6-Nov-09	Annualize SB 09-261				80.550	0.0	6,000,000	(6,000,000)	0	0	0
FY 2010-11			6-Nov-09	Annualize SB 09-263				80.560	0.0	(502,682)	922,681	0	420,000	839,999
FY 2010-11			6-Nov-09	Annualize SB 09-265				80.570	0.0	47,596,547	2,941,399	0	50,255,360	100,793,306
FY 2010-11			6-Nov-09	Annualize SB 09-271				80.580	0.0	27,400,000	(27,400,000)	0	0	0
FY 2010-11			6-Nov-09	Annualize ES #1: HB 1293 FMAP				90.010	0.0	20,707,550	(20,707,550)	0	0	0
FY 2010-11			6-Nov-09	Annualize ES #2: "Medicaid				90.020	0.0	(12,368,992)	(225,670)	(3,359)	(12,497,447)	(25,095,468)

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
		MSP		Medical Services Premiums										
FY 2010-11			6-Nov-09	Annualize ES #4: "ICP Reductions"			90.040	0.0	(375,549)	375,549	0	0	0	
FY 2010-11			6-Nov-09	Annualize NP-ES #5: "Close beds at Fort Logan"			90.100	0.0	100,034	0	0	100,034	200,068	
FY 2010-11			6-Nov-09	Annualize NP-ES #8: "Close beds at GJRC"			90.130	0.0	541,381	41,376	0	582,756	1,165,513	
FY 2010-11			6-Nov-09	Annualize NP-ES #16: "DPHE - Cash Fund Financing-Tobacco Education Program Fund"			90.210	0.0	7,000,000	(7,000,000)	0	0	0	
FY 2010-11			6-Nov-09	Annualize NP-ES #17: "DPHE - Cash Fund Financing-Tobacco Ed"			90.220	0.0	1,000,000	(1,000,000)	0	0	0	
FY 2010-11			6-Nov-09	Annualize NP-ES #18: "DPHE PDTF"			90.230	0.0	7,000,000	(7,000,000)	0	0	0	
FY 2010-11			6-Nov-09	Cash Fund Technical Adjustment			90.510	0.0	(3,314)	3,314	0	0	0	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	1,140,610,858	352,549,563	2,736,160	1,505,016,481	3,000,913,062	
FY 2010-11			6-Nov-09	Caseload and Cost Projection			120.010 DI #1	0.0	134,715,479	(29,498,967)	390,381	101,716,676	207,323,569	
FY 2010-11				FY 2010-11 Base + CASELOAD	120.00			0.0	1,275,326,337	323,050,596	3,126,541	1,606,733,157	3,208,236,631	
FY 2010-11			6-Nov-09	BRI #1: Prevention and Benefits for Enhanced Value (P-BEV)			130.510 BRI #1	0.0	(14,606)	(2,181)	0	(16,786)	(33,573)	
FY 2010-11			6-Nov-09	BRI #2: Coordinated Payment and Payment Reform			130.520 BRI #2	0.0	(1,558,547)	(232,747)	0	(1,791,293)	(3,582,587)	
FY 2010-11			6-Nov-09	BRI #3: Expansion of State Max Allowable Cost			130.530 BRI #3	0.0	(528,725)	0	0	(528,725)	(1,057,450)	
FY 2010-11			6-Nov-09	BRI #4: Medicaid Program Efficiencies			130.540 BRI #4	0.0	(5,048,579)	0	0	(5,048,583)	(10,097,162)	
FY 2010-11			6-Nov-09	BRI #5: Medicaid Payment Timing			130.550 BRI #5	0.0	(79,070,398)	(4,143,069)	(76,485)	(83,356,044)	(166,645,996)	
FY 2010-11			6-Nov-09	BRI #6: Medicaid Program Reductions			130.560 BRI #6	0.0	(28,053,217)	11,502,201	0	(14,560,213)	(31,111,229)	
FY 2010-11			6-Nov-09	NP #3: DHS- Enforcing Sponsorship										
FY 2010-11			6-Nov-09	Commitment for Applicants			130.030 NPI #3	0.0	(128,775)	0	0	(128,775)	(257,550)	
FY 2010-11			6-Nov-09	NP #4: DPHE Amendment 35 Funding			130.040 NPI #4	0.0	(25,691,418)	25,691,418	0	0	0	
FY 2010-11			1-Dec-09	EBA #1: Provider Rates			EBA #1	0.0	(8,674,643)	(415,402)	0	(9,102,916)	(18,192,961)	
				Working Benchmark In Order to match Department Decision Items				0.0	1,126,557,429	355,450,816	3,050,056	1,492,199,822	2,977,258,123	
FY 2010-11			6-Nov-09	Incremental ARRA Adjustment			80.110 ES #5	0.0	(158,009,953)	(20,268,851)	0	178,278,804	0	
FY 2010-11				DEPARTMENT REQUEST - MSP	180.25			0.0	968,547,476	335,181,965	3,050,056	1,670,478,626	2,977,258,123	

Department's FY 2009-10 & FY 2010-11 Budget Builds

				IBC									
				Benchmark #	IBC # FY	IBC # FY	Dept						
Fiscal Year	Bill Number	Div	Date Rec.	FY 10-11	09-10	10-11	Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				Reports	Issues	Issues	#						
Mental Health Capitation													
FY 2009-10	09-259	MH						0.0	106,522,999	8,977,613	9,208	115,534,903	231,044,723
FY 2009-10	09-262	MH						0.0	(10,028)	10,028	0	0	0
FY 2009-10	09-265	MH						0.0	(8,281,593)	(553,587)	0	(8,836,684)	(17,671,864)
FY 2009-10				30.00				0.0	98,231,378	8,434,054	9,208	106,698,219	213,372,859
FY 2009-10			25-Aug-09		-- ES #2 Medicaid Program Red.	200.270	ES #2	0.0	(4,259,696)	0	(192)	(4,260,380)	(8,520,268)
FY 2009-10			25-Aug-09		Logan	200.340	NP ES #5	0.0	291,210	0	0	291,210	582,420
FY 2009-10				60.00				0.0	94,262,892	8,434,054	9,016	102,729,049	205,435,011
			6-Nov-09		Estimated Expenditure Supplemental	210.010	S #1	0.0	2,843,388	(956,302)	1,377	1,895,394	3,783,857
			6-Nov-09		Contingent Appropriation 1293		S #1	0.0	0	1,508,077	0	1,508,077	3,016,154
			6-Nov-09		-- ES #5 Appropriate ARRA funding	200.300	ES #5	0.0	(22,923,324)	(1,727,633)	0	24,650,957	(0)
FY 2009-10				70.00				0.0	74,182,956	7,258,196	10,393	130,783,477	212,235,022
FY 2010-11			6-Nov-09		ARRA Impact			0.0	20,079,936	1,175,858	(1,377)	(28,054,428)	(6,800,011)
								0.0	94,262,892	8,434,054	9,016	102,729,049	205,435,011
FY 2010-11			6-Nov-09		Annualize HB 09-1293		80.520	0.0	0	4,031,025	0	4,031,025	8,062,050
FY 2010-11			6-Nov-09		Annualize SB 09-265		80.570	0.0	8,281,593	553,587	0	8,836,684	17,671,864
FY 2010-11			6-Nov-09		Annualize ES #2: "Medicaid Reductions"		90.020	0.0	890,761	0	(66)	769,780	1,660,475
FY 2010-11			6-Nov-09		Annualize NP-ES #5: "Close beds at Fort Logan"		90.100	0.0	291,210	0	0	291,209	582,419
FY 2010-11				100.00				0.0	103,726,456	13,018,666	8,950	116,657,747	233,411,819
FY 2010-11			6-Nov-09		Caseload and Cost Projection		120.010 DI #2	0.0	10,520,228	(75,390)	4,338	10,358,394	20,807,570
FY 2010-11				120.00				0.0	114,246,684	12,943,276	13,288	127,016,141	254,219,389
FY 2010-11			6-Nov-09		BRI #5: Medicaid Payment Timing		130.550 BRI #5	0.0	(9,769,781)	(887,887)	(1,023)	(10,661,675)	(21,320,366)
FY 2010-11			6-Nov-09		BRI #6: Medicaid Program Reductions		130.560 BRI #6	0.0	(1,852,307)	(208,575)	(214)	(2,061,715)	(4,122,811)
FY 2010-11			6-Nov-09		NP #3: DHS- Enforcing Sponsorship Commitment for Applicants		130.030 NPI #3	0.0	(3,994)	0	0	(3,994)	(7,988)
								0.0	102,620,602	11,846,814	12,051	114,288,757	228,768,224
FY 2010-11			6-Nov-09		ARRA Adjustment		80.110 ES #5	0.0	(13,040,972)	(1,027,142)	0	14,068,114	0
FY 2010-11				180.25				0.0	89,579,630	10,819,672	12,051	128,356,871	228,768,224
Mental Health Fee For Service													
FY 2009-10				30.00				0.0	865,765	0	0	865,764	1,731,529
FY 2009-10			25-Aug-09					0.0	0	0	0	0	0
FY 2009-10				60.00				0.0	865,765	0	0	865,764	1,731,529
FY 2009-10			6-Nov-09		Estimated Expenditure Supplemental	210.010	S #1	0.0	133,687	0	0	133,688	267,375
FY 2009-10			1-Dec-09		Delay Medicaid Payments		ES #7	0.0	(19,597)	0	0	(19,597)	(39,194)
FY 2009-10			25-Aug-09		-- ES #5 Appropriate ARRA funding	200.300	ES #5	0.0	(227,130)	0	0	227,130	0
FY 2009-10				70.00				0.0	752,725	0	0	1,206,985	1,959,710
FY 2010-11			6-Nov-09		Supplemental not yet submitted & ARRA Impact and other supplementals		70.670	0.0	113,040	0	0	(341,221)	(228,181)

Department's FY 2009-10 & FY 2010-11 Budget Builds

				IBC									
				Benchmark #	IBC # FY	IBC # FY	Dept						
Fiscal Year	Bill Number	Div	Date Rec.	FY 10-11	09-10	10-11	Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				Reports	Issues	Issues	#						
				Working Benchmark In Order to match Department Decision Items									
FY 2010-11								0.0	865,765	0	0	865,764	1,731,529
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	865,765	0	0	865,764	1,731,529
FY 2010-11			6-Nov-09	Caseload and Cost Projection		120.010	DI #2	0.0	287,117	0	0	287,117	574,234
FY 2010-11				FY 2010-11 Base + CASELOAD	120.00			0.0	1,152,882	0	0	1,152,881	2,305,763
FY 2010-11			6-Nov-09	BRI #5: Medicaid Payment Timing		130.550	BRI #5	0.0	(67,579)	0	0	(67,579)	(135,158)
				Working Benchmark In Order to match Department Decision Items									
FY 2010-11			6-Nov-09	ARRA Adjustment		80.110	ES #5	0.0	(123,516)	0	0	123,516	0
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	961,787	0	0	1,208,818	2,170,605

Mental Health Division													
FY 2009-10	09-259	MH						0.0	107,388,764	8,977,613	9,208	116,400,667	232,776,252
FY 2009-10	09-262	MH						0.0	(10,028)	10,028	0	0	0
FY 2009-10	09-265	MH						0.0	(8,281,593)	(553,587)	0	(8,836,684)	(17,671,864)
FY 2009-10				Original FY 2009-10 App.	30.00			0.0	99,097,143	8,434,054	9,208	107,563,983	215,104,388
FY 2009-10			25-Aug-09	-- ES #2 Medicaid Program Red.		200.270	ES #2	0.0	(4,259,696)	0	(192)	(4,260,380)	(8,520,268)
FY 2009-10			25-Aug-09	Logan		200.340	NP ES #5	0.0	291,210	0	0	291,210	582,420
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	95,128,657	8,434,054	9,016	103,594,813	207,166,540
			6-Nov-09	Estimated Expenditure Supplemental		210.010	S #1	0.0	2,977,075	(956,302)	1,377	2,029,082	4,051,232
			6-Nov-09	Contingent Appropriation 1293			S #1	0.0	0	1,508,077	0	1,508,077	3,016,154
			1-Dec-09	Delay Medicaid Payments			ES #7	0.0	(19,597)	0	0	(19,597)	(39,194)
			6-Nov-09	-- ES #5 Appropriate ARRA funding		200.300	ES #5	0.0	(23,150,454)	(1,727,633)	0	24,878,087	(0)
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	74,935,681	7,258,196	10,393	131,990,462	214,194,732
				Eliminate Estimated FY 2009-10 Supplemental not yet submitted & ARRA Impact		70.670		0.0	20,192,976	1,175,858	(1,377)	(28,395,649)	(7,028,192)
				Working Benchmark In Order to match Department Decision Items									
FY 2010-11			6-Nov-09	Annualize HB 09-1293		80.520		0.0	0	4,031,025	0	4,031,025	8,062,050
FY 2010-11			6-Nov-09	Annualize SB 09-265		80.570		0.0	8,281,593	553,587	0	8,836,684	17,671,864
FY 2010-11			6-Nov-09	Annualize ES #2: "Medicaid Reductions"		90.020		0.0	890,761	0	(66)	769,780	1,660,475
FY 2010-11			6-Nov-09	Annualize NP-ES #5: "Close beds at Fort Logan"		90.100		0.0	291,210	0	0	291,209	582,419
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	104,592,221	13,018,666	8,950	117,523,511	235,143,348
FY 2010-11			6-Nov-09	Caseload and Cost Projection		120.010	DI #2	0.0	10,807,345	(75,390)	4,338	10,645,511	21,381,804
FY 2010-11				FY 2010-11 Base + CASELOAD	120.00			0.0	115,399,566	12,943,276	13,288	128,169,022	256,525,152
FY 2010-11			6-Nov-09	BRI #5: Medicaid Payment Timing		130.550	BRI #5	0.0	(9,837,360)	(887,887)	(1,023)	(10,729,254)	(21,455,524)
FY 2010-11			6-Nov-09	BRI #6: Medicaid Program Reductions		130.560	BRI #6	0.0	(1,852,307)	(208,575)	(214)	(2,061,715)	(4,122,811)
FY 2010-11			6-Nov-09	NP #3: DHS- Enforcing Sponsorship Commitment for Applicants		130.030	NPI #3	0.0	(3,994)	0	0	(3,994)	(7,988)
				Working Benchmark In Order to match Department Decision Items									
FY 2010-11			6-Nov-09	ARRA Adjustment		80.110	BRI #8	0.0	(13,164,488)	(1,027,142)	0	14,191,630	0
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	90,541,417	10,819,672	12,051	129,565,689	230,938,829

Department's FY 2009-10 & FY 2010-11 Budget Builds

		IBC											
		Benchmark #	IBC # FY	IBC # FY	Dept								
Fiscal Year	Bill Number/Div	Date Rec.	LINE ITEM/Desc.	FY 10-11	09-10	10-11	Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
			Reports	Issues	Issues	#							
ICP		Safety Net Provider Payments											
FY 2009-10			Original FY 2009-10 App.	30.00				0.0	13,090,782	142,266,929	0	155,357,711	310,715,422
		25-Aug-09	-- ES #4: Reduce Funding for ICP		200.290		ES #4	0.0	(7,817,160)	0	0	(7,817,160)	(15,634,320)
		25-Aug-09	-- ES #5: FMAP Funding		200.300		ES #5	0.0	(3,034,443)	(32,977,474)	0	36,011,917	0
		25-Aug-09	-- ES #5: FMAP for ES #4		200.300		ES #5	0.0	268,926	0	0	(268,926)	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	2,508,105	109,289,455	0	183,283,542	295,081,102
		25-Aug-09	Contingent Appropriation 1293		210.010		S #1	0.0	0	26,096,467	0	26,096,467	52,192,934
		25-Aug-09	-- ES #1 HB 1293 FMAP		200.260		ES #1	0.0	0	(5,550,400)	0	5,550,400	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	2,508,105	129,835,522	0	214,930,409	347,274,036
			Eliminate Estimated FY 2009-10 Supplementals to Adjust to Dept DI										
FY 2010-11		6-Nov-09	Total			70.670	S #1	0.0	0	(20,546,067)	0	(31,646,867)	(52,192,934)
FY 2010-11		6-Nov-09	Annualize ES #5: FMAP			90.050	ES #5	0.0	2,765,517	32,977,474	0	(35,742,991)	0
FY 2010-11		6-Nov-09	Annualize ES #4: "ICP Reductions"			90.040		0.0	(5,273,622)	0	0	(5,273,622)	(10,547,244)
FY 2010-11		6-Nov-09	Annualize HB 09-1293			80.520		0.0	0	29,605,794	0	29,605,794	59,211,588
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	171,872,723	0	171,872,723	343,745,446
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	0	171,872,723	0	171,872,723	343,745,446
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
			Working Benchmark to Match										
FY 2010-11		6-Nov-09	Department DI					0.0	0	171,872,723	0	171,872,723	343,745,446
FY 2010-11		6-Nov-09	FMAP Recognition			130.590	BRI #8	0.0	0	(8,177,180)	0	8,177,180	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	163,695,543	0	180,049,903	343,745,446
ICP		Fund											
FY 2009-10			Original FY 2009-10 App	30.00				0.0	11,943,000	0	0	0	11,943,000
FY 2009-10			-- ES #4: Reduce Funding for ICP		200.290			0.0	(11,943,000)	0	0	0	(11,943,000)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09	Annualize Prior Year Adjustment			90.980		0.0	15,000,000	0	0	0	15,000,000
FY 2010-11		6-Nov-09	Statutory End of Fund			90.990		0.0	(15,000,000)	0	0	0	(15,000,000)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	0	0	0	0

Department's FY 2009-10 & FY 2010-11 Budget Builds

IBC														
Benchmark # IBC # FY IBC # FY Dept														
FY 10-11 09-10 10-11 Priority														
Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	Reports	Issues	Issues	#	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				ICP	The Children's Hospital, Clinic ICP									
FY 2009-10				Original FY 2009-10 App	30.00				0.0	3,059,880	0	8,618,069	16,089,811	27,767,760
FY 2009-10			25-Aug-09	-- ES #4: Reduce Funding for ICP		200.290		ES #4	0.0	0	0	(8,618,069)	(13,029,931)	(21,648,000)
FY 2009-10			25-Aug-09	-- ES #5: FMAP Funding		200.300		ES #5	0.0	(709,280)	0	0	709,280	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	2,350,600	0	0	3,769,160	6,119,760
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	2,350,600	0	0	3,769,160	6,119,760
FY 2009-10			6-Nov-09	Annualize ES #5: FMAP			90.050	ES #5	0.0	709,280	0	0	(709,280)	0
FY 2010-11			6-Nov-09	Annualize Prior Year Adjustment			90.980		0.0	0	0	0	0	0
FY 2010-11			6-Nov-09	Statutory End of Fund			90.990		0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	3,059,880	0	0	3,059,880	6,119,760
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	3,059,880	0	0	3,059,880	6,119,760
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
				Working Benchmark to Match										
FY 2010-11			6-Nov-09	Department DI					0.0	3,059,880	0	0	3,059,880	6,119,760
FY 2010-11			6-Nov-09	ARRA Recognition			130.590	BRI #8		(354,640)	0	0	354,640	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	2,705,240	0	0	3,414,520	6,119,760
				ICP	Health Care Services Fund									
FY 2009-10				Original FY 2009-10 App	30.00				0.0	0	0	3,324,931	5,027,069	8,352,000
FY 2009-10				-- ES #4: Reduce Funding for ICP		200.290			0.0	0	0	(3,324,931)	(5,027,069)	(8,352,000)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	0	0	0	0	0
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	0	0	0	0	0
FY 2010-11			6-Nov-09	Annualize Prior Year Adjustment			90.980		0.0	0	0	4,176,000	4,176,000	8,352,000
FY 2010-11			6-Nov-09	Statutory End of Fund			90.990		0.0	0	0	(4,176,000)	(4,176,000)	(8,352,000)
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	0	0
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	0	0	0	0
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	0	0	0	0	0

Department's FY 2009-10 & FY 2010-11 Budget Builds

		IBC											
		Benchmark #	IBC # FY	IBC # FY	Dept								
Fiscal Year	Bill Number/Div	Date Rec.	LINE ITEM/Desc.	FY 10-11	09-10	10-11	Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
			Reports	Issues	Issues	#							
ICP		Pediatric Specialty Hospital											
FY 2009-10			Original FY 2009-10 App	30.00				0.0	6,656,997	277,641	401,000	7,691,158	15,026,796
FY 2009-10			-- ES #4: Reduce Funding for ICP		200.290		ES #4	0.0	0	(10,013)	(13,827)	24,397	557
FY 2009-10			-- ES #5: FMAP Funding		200.300		ES #5	0.0	0	0	0	0	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	6,656,997	267,628	387,173	7,715,555	15,027,353
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	6,656,997	267,628	387,173	7,715,555	15,027,353
FY 2010-11		6-Nov-09	Annualize S.B. 09-264			80.590		0.0	0	37,456	52,000	(88,604)	852
FY 2010-11		6-Nov-09	Annualize S.B. 09-269			80.600		0.0	0	5,359	0	0	5,359
FY 2010-11		6-Nov-09	Annualize ES #4: "ICP Reductions"			90.040		0.0	0	13,743	20,241	(35,393)	(1,409)
FY 2010-11		6-Nov-09	Revenue Adjustment for Amendment										
FY 2010-11		6-Nov-09	35 Tobacco Tax			90.750		0.0	0	0	(9,414)	0	(9,414)
FY 2010-11		6-Nov-09	Revenue Adj for Master Tobacco										
FY 2010-11		6-Nov-09	Settlement			90.760		0.0	0	(13,456)	0	0	(13,456)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	6,656,997	310,730	450,000	7,591,558	15,009,285
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	6,656,997	310,730	450,000	7,591,558	15,009,285
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
		Working Benchmark to Match											
		Department DI											
		ARRA Recognition											
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	5,876,412	274,294	397,233	8,461,346	15,009,285
		ARRA Recognition											
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	(780,585)	(36,436)	(52,767)	869,788	0
		Working Benchmark to Match											
		Department DI											
		ARRA Recognition											
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	5,876,412	274,294	397,233	8,461,346	15,009,285
ICP		Appropriation from GF to SPH											
		Fund											
FY 2009-10			Original FY 2009-10 App	30.00				0.0	401,000	0	0	0	401,000
FY 2009-10			-- ES #4: Reduce Funding for ICP		200.290			0.0	(13,827)	0	0	0	(13,827)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	387,173	0	0	0	387,173
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	387,173	0	0	0	387,173
FY 2010-11		6-Nov-09	Annualize S.B. 09-264			80.590		0.0	52,000	0	0	0	52,000
FY 2010-11		6-Nov-09	Annualize ES #4: "ICP Reductions"			90.040		0.0	20,241	0	0	0	20,241
FY 2010-11		6-Nov-09	Revenue Adjustment for Amendment										
FY 2010-11		6-Nov-09	35 Tobacco Tax			90.750		0.0	(9,414)	0	0	0	(9,414)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	450,000	0	0	0	450,000
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	450,000	0	0	0	450,000
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	450,000	0	0	0	450,000

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority #	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
Appropriation from Tobacco Tax to General Fund (required by Constitution)														
ICP														
FY 2009-10				Original FY 2009-10 App	30.00			0.0	0	504,000	0	0	504,000	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	0	504,000	0	0	504,000	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	0	504,000	0	0	504,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	0	504,000	0	0	504,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	0	504,000	0	0	504,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	0	504,000	0	0	504,000	
Primary Care Fund Program														
ICP														
FY 2009-10				Original FY 2009-10 App	30.00			0.0	0	24,520,000	0	0	24,520,000	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	0	24,520,000	0	0	24,520,000	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	0	24,520,000	0	0	24,520,000	
FY 2010-11			6-Nov-09	Annualize S.B. 09-269			80.610	0.0	0	7,400,000	0	0	7,400,000	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	0	31,920,000	0	0	31,920,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	0	31,920,000	0	0	31,920,000	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	0	31,920,000	0	0	31,920,000	

Department's FY 2009-10 & FY 2010-11 Budget Builds

		IBC											
		Benchmark #	IBC # FY	IBC # FY	Dept								
Fiscal Year	Bill Number/Div	Date Rec.	LINE ITEM/Desc.	FY 10-11	09-10	10-11	Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				Reports	Issues	Issues	#						
ICP		CBHP Trust Fund											
FY 2009-10			Original FY 2009-10 App	30.00				0.0	2,500,000	0	0	0	2,500,000
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	2,500,000	0	0	0	2,500,000
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	2,500,000	0	0	0	2,500,000
FY 2010-11		6-Nov-09	Remove One-Time Funding			70.300		0.0	(2,500,000)	0	0	0	(2,500,000)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09	Caseload & Cost Growth in CBHP				110.030 DI #3	0.0	9,435,683	0	0	0	9,435,683
FY 2010-11			FY 2010-11 Base + Caseload Growth	120.00				0.0	9,435,683	0	0	0	9,435,683
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	9,435,683	0	0	0	9,435,683
ICP		CBHP Administration											
FY 2009-10			Original FY 2009-10 App	30.00				0.0	0	2,473,301	0	3,064,289	5,537,590
FY 2009-10			-- ES #3 Department Admin Reduct.		200.280		ES #3	0.0	0	(96,013)	0	(153,987)	(250,000)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	2,377,288	0	2,910,302	5,287,590
FY 2009-10			Continguent Appropriation 1293		210.010			0.0	0	3,430	0	6,370	9,800
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	0	2,380,718	0	2,916,672	5,297,390
FY 2010-11		6-Nov-09	Annualize HB 09-1293			80.520		0.0	0	3,544	0	6,582	10,126
FY 2010-11		6-Nov-09	Annualize SB 09-160			80.620		0.0	0	(350)	0	(650)	(1,000)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	2,383,912	0	2,922,604	5,306,516
FY 2010-11		6-Nov-09	Caseload & Cost Growth in CBHP				110.030 DI #3	0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Caseload Growth	120.00				0.0	0	2,383,912	0	2,922,604	5,306,516
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	2,383,912	0	2,922,604	5,306,516
ICP		CBHP Premium Costs											
FY 2009-10			Original FY 2009-10 App	30.00				0.0	0	44,417,482	2,500,000	86,521,386	133,438,868
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	44,417,482	2,500,000	86,521,386	133,438,868
FY 2009-10			Continguent Appropriation 1293		210.010			0.0	0	7,175,491	0	13,123,150	20,298,641
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	0	51,592,973	2,500,000	99,644,536	153,737,509
FY 2010-11		6-Nov-09	Annualize SB 09-265			80.570		0.0	0	4,278,871	0	7,946,473	12,225,344
FY 2010-11		6-Nov-09	Annualize HB 09-1293			80.520		0.0	0	10,274,324	0	18,810,541	29,084,865
FY 2010-11		6-Nov-09	Remove One-Time Funding			70.300		0.0	0	2,500,000	(2,500,000)	0	0
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	68,646,168	0	126,401,550	195,047,718
FY 2010-11		6-Nov-09	Caseload & Cost Growth in CBHP				110.030 DI #3	0.0	0	(3,417,793)	9,435,683	11,240,871	17,258,761
FY 2010-11			FY 2010-11 Base + Caseload Growth	120.00				0.0	0	65,228,375	9,435,683	137,642,421	212,306,479
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	65,228,375	9,435,683	137,642,421	212,306,479

Department's FY 2009-10 & FY 2010-11 Budget Builds

		IBC											
		Benchmark #	IBC # FY	IBC # FY	Dept								
Fiscal Year	Bill Number/Div	Date Rec.	LINE ITEM/Desc.	FY 10-11	09-10	10-11	Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				Reports	Issues	Issues	#						
ICP CBHP Dental Costs													
FY 2009-10			Original FY 2009-10 App	30.00				0.0	0	3,521,822	0	6,540,527	10,062,349
FY 2009-10								0.0	0	0	0	0	0
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	3,521,822	0	6,540,527	10,062,349
FY 2009-10			Contingent Appropriation 1293		210.010			0.0	0	355,887	0	660,933	1,016,820
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	0	3,877,709	0	7,201,460	11,079,169
FY 2010-11		6-Nov-09	Annualize SB 09-265			80.570		0.0	0	310,140	0	575,973	886,113
FY 2010-11		6-Nov-09	Annualize HB 09-1293			80.520		0.0	0	509,914	0	946,982	1,456,896
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	4,697,763	0	8,724,415	13,422,178
FY 2010-11		6-Nov-09	Caseload & Cost Growth in CBHP			110.030	DI #3	0.0	0	130,158	0	241,724	371,882
FY 2010-11			FY 2010-11 Base + Caseload Growth	120.00				0.0	0	4,827,921	0	8,966,139	13,794,060
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	4,827,921	0	8,966,139	13,794,060
ICP Comprehensive Primary and Preventative Care Grant Program													
FY 2009-10			Original FY 2009-10 App.	30.00				0.0	0	766,898	0	0	766,898
		25-Aug-09	-- ES #4: Reduce Funding for ICP		200.290		ES #4	0.0	0	(639,082)	0	0	(639,082)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	127,816	0	0	127,816
								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	0	127,816	0	0	127,816
FY 2010-11		6-Nov-09	Annualize ES #4: "ICP Reductions"			90.040		0.0	0	(127,816)	0	0	(127,816)
FY 2010-11		6-Nov-09	Annualize JBC Staff Rec: Transfer of					0.0	0		0	0	
FY 2010-11		6-Nov-09	Fund Balance in FY 2009-10			80.490		0.0	0	(172,500)	0	0	(172,500)
FY 2010-11		6-Nov-09	Annualize SB 09-269			80.600		0.0	0	99,177	0	0	99,177
FY 2010-11		6-Nov-09	Annualize S.B. 09-210			80.610		0.0	0	2,400,000	0	0	2,400,000
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	2,326,677	0	0	2,326,677
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	0	2,326,677	0	0	2,326,677
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	2,326,677	0	0	2,326,677
ICP CPPC Rural and Public Hospital Grant													
FY 2009-10			Original FY 2009-10 App.	30.00				0.0	0	1,990,500	0	3,009,500	5,000,000
		25-Aug-09	-- ES #4: Reduce Funding for ICP		200.290		ES #4	0.0	0	(1,990,500)	0	(1,990,500)	(3,981,000)
FY 2009-10			Revised FY 2009-10 App.	60.00				0.0	0	0	0	1,019,000	1,019,000
								0.0	0	0	0	0	0
FY 2009-10			Final Revised FY 2009-10 App.	70.00				0.0	0	0	0	1,019,000	1,019,000
FY 2010-11		6-Nov-09	Annualize ES #4: "ICP Reductions"			90.040		0.0	0	369,126	0	(140,374)	228,752
FY 2010-11		6-Nov-09	Technical Adjustment			80.500		0.0	0	(114,626)	0	(624,126)	(738,752)
FY 2010-11		6-Nov-09	Annualize SB 09-269			80.590		0.0	0	(254,500)	0	(254,500)	(509,000)
FY 2010-11			FY 2010-11 BASE FUNDING	100.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			FY 2010-11 Base + Common Policy	110.00				0.0	0	0	0	0	0
FY 2010-11		6-Nov-09						0.0	0	0	0	0	0
FY 2010-11			DEPARTMENT REQUEST	180.25				0.0	0	0	0	0	0

Department's FY 2009-10 & FY 2010-11 Budget Builds

		IBC											
		Benchmark #	IBC # FY	IBC # FY	Dept								
Fiscal Year	Bill Number/Div	Date Rec.	LINE ITEM/Desc.	FY 10-11	09-10	10-11	Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
				Reports	Issues	Issues	#						
ICP Division Subtotal													
FY 2009-10	ICP		Original FY 2009-10 App.	30.00				0.0	37,651,659	220,738,573	14,844,000	283,301,451	556,535,683
	ICP	25-Aug-09	Contingent Appropriation 1293		200.280		ES #3	0.0	0	(96,013)	0	(153,987)	(250,000)
	ICP	25-Aug-09	-- ES #4: Reduce Funding for ICP		200.290		ES #4	0.0	(19,773,987)	(2,639,595)	(11,956,827)	(27,840,263)	(62,210,672)
	ICP	25-Aug-09	-- ES #5: FMAP Funding		200.300		ES #5	0.0	(3,474,797)	(32,977,474)	0	36,452,271	0
FY 2009-10	ICP		Revised FY 2009-10 App.	60.00				0.0	14,402,875	185,025,491	2,887,173	291,759,472	494,075,011
	ICP	25-Aug-09	Contingent Appropriation 1293	0.000	210.010		ES #1	0.0	0	33,631,275	0	39,886,920	73,518,195
	ICP	25-Aug-09	-- ES #1 HB 1293 FMAP	0.000	200.260		ES #1	0.0	0	(5,550,400)	0	5,550,400	0
FY 2009-10	ICP		Final Revised FY 2009-10 App.	70.00				0.0	14,402,875	213,106,366	2,887,173	337,196,792	567,593,206
FY 2010-11	ICP	6-Nov-09	Remove One-Time Funding			70.300		0.0	(2,500,000)	2,500,000	(2,500,000)	0	(2,500,000)
			Eliminate Estimated FY 2009-10										
			Supplementals to Adjust to Dept DI										
FY 2010-11	ICP	6-Nov-09	Total			70.670		0.0	0	(20,546,067)	0	(31,646,867)	(52,192,934)
			Annualize JBC Staff Rec: Transfer of										
FY 2010-11	ICP	6-Nov-09	Fund Balance in FY 2009-10			80.490		0.0	0	(172,500)	0	0	(172,500)
FY 2010-11	ICP	6-Nov-09	Technical Adjustment			80.500		0.0	0	(114,626)	0	(624,126)	(738,752)
FY 2010-11	ICP	6-Nov-09	Annualize HB 09-1293			80.520		0.0	0	40,393,576	0	49,369,899	89,763,475
FY 2010-11	ICP	6-Nov-09	Annualize SB 09-265			80.570		0.0	0	4,589,011	0	8,522,446	13,111,457
FY 2010-11	ICP	6-Nov-09	Annualize S.B. 09-264			80.590		0.0	52,000	(217,044)	52,000	(343,104)	(456,148)
FY 2010-11	ICP	6-Nov-09	Annualize SB 09-269			80.600		0.0	0	104,536	0	0	104,536
FY 2010-11	ICP	6-Nov-09	Annualize S.B. 09-210			80.610		0.0	0	9,800,000	0	0	9,800,000
FY 2010-11	ICP	6-Nov-09	Annualize SB 09-160			80.620		0.0	0	(350)	0	(650)	(1,000)
FY 2010-11	ICP	6-Nov-09	Annualize ES #4: "ICP Reductions"			90.040		0.0	(5,253,381)	255,053	20,241	(5,449,389)	(10,427,476)
FY 2010-11	ICP	6-Nov-09	Annualize ES #5: FMAP			90.050	ES #5	0.0	3,474,797	32,977,474	0	(36,452,271)	0
			Revenue Adjustment for Amendment										
FY 2010-11	ICP	6-Nov-09	35 Tobacco Tax			90.750		0.0	(9,414)	0	(9,414)	0	(18,828)
			Revenue Adj for Master Tobacco										
FY 2010-11	ICP	6-Nov-09	Settlement			90.760		0.0	0	(13,456)	0	0	(13,456)
FY 2010-11	ICP	6-Nov-09	Annualize Prior Year Adjustment			90.980		0.0	15,000,000	0	4,176,000	4,176,000	23,352,000
FY 2010-11	ICP	6-Nov-09	Statutory End of Fund			90.990		0.0	(15,000,000)	0	(4,176,000)	(4,176,000)	(23,352,000)
FY 2010-11	ICP		FY 2010-11 BASE FUNDING	100.00				0.0	10,166,877	282,661,973	450,000	320,572,730	613,851,580
FY 2010-11	ICP	6-Nov-09						0.0	0	0	0	0	0
FY 2010-11	ICP		FY 2010-11 Base + Common Policy	110.00				0.0	10,166,877	282,661,973	450,000	320,572,730	613,851,580
FY 2010-11	ICP	6-Nov-09				110.030		0.0	9,435,683	(3,287,635)	9,435,683	11,482,595	27,066,326
FY 2010-11	ICP		FY 2010-11 Base + Caseload										
			Adjustments	120.00				0.0	19,602,560	279,374,338	9,885,683	332,055,325	640,917,906
			Working Benchmark to Match										
			Department DI					0.0	19,602,560	279,374,338	9,885,683	332,055,325	640,917,906
FY 2010-11	ICP	6-Nov-09	ARRA Adjustments			130.590	BRI #8	0.0	(1,135,225)	(8,213,616)	(52,767)	9,401,608	0
FY 2010-11	ICP		DEPARTMENT REQUEST -- ICP	180.25				0.0	18,467,335	271,160,722	9,832,916	341,456,933	640,917,906

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
OAP Medical Program Clients														
FY 2009-10		OMS		Original FY 2009-10 App.	30.00				0.0	0	12,848,483	2,520,000	0	15,368,483
									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	0	12,848,483	2,520,000	0	15,368,483
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	0	12,848,483	2,520,000	0	15,368,483
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	12,848,483	2,520,000	0	15,368,483
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	12,848,483	2,520,000	0	15,368,483
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	0	12,848,483	2,520,000	0	15,368,483
Tobacco Tax Transfer to OAP Sup Medical Fund														
FY 2009-10		OMS		Original FY 2009-10 App	30.00				0.0	0	2,520,000	0	0	2,520,000
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	0	2,520,000	0	0	2,520,000
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	0	2,520,000	0	0	2,520,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	2,520,000	0	0	2,520,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	2,520,000	0	0	2,520,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	0	2,520,000	0	0	2,520,000
Commission on Family Medicine														
FY 2009-10		OMS		Original FY 2009-10 App	30.00				0.0	966,026	0	0	966,026	1,932,052
				-- NP-ES #14: Reduce Funding for										
FY 2009-10			25-Aug-09	CFM			NP ES #14		0.0	(96,603)	0	0	(96,603)	(193,206)
			25-Aug-09	-- ES #5 -- ARRA Recognition		200.430	ES #5		0.0	(223,925)	0	0	223,925	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	645,498	0	0	1,093,348	1,738,846
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	645,498	0	0	1,093,348	1,738,846
FY 2010-11			6-Nov-09	Annualize ES #5 -- ARRA			90.050 ES #5		0.0	223,925	0	0	(223,925)	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	869,423	0	0	869,423	1,738,846
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	869,423	0	0	869,423	1,738,846
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
				Special Benchmark to Match										
FY 2010-11			6-Nov-09	Department's Decision Item Request					0.0	869,423	0	0	869,423	1,738,846
FY 2010-11			6-Nov-09	ARRA Recognition			130.590 BRI #8			(100,766)	0	0	100,766	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	768,657	0	0	970,189	1,738,846

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
State University - Denver Health														
		OMS												
FY 2009-10				Original FY 2009-10 App	30.00			0.0	915,857	0	0	915,857	1,831,714	
FY 2009-10				-- ES #5 -- ARRA Recognition				0.0	(212,296)	0	0	212,296	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	703,561	0	0	1,128,153	1,831,714	
								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	703,561	0	0	1,128,153	1,831,714	
FY 2010-11			6-Nov-09	Annualize ES #5 -- ARRA				0.0	212,296	0	0	(212,296)	0	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	915,857	0	0	915,857	1,831,714	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	915,857	0	0	915,857	1,831,714	
								0.0	0	0	0	0	0	
				Special Benchmark to Match Department's Decision Item Request				0.0	915,857	0	0	915,857	1,831,714	
FY 2010-11			6-Nov-09	ARRA Recognition				0.0	(106,148)	0	0	106,148	0	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	809,709	0	0	1,022,005	1,831,714	
State University Teaching Hospital - University of Colorado Hospital Authority														
		OMS												
FY 2009-10				Original FY 2009-10 App	30.00			0.0	350,468	0	0	350,467	700,935	
FY 2009-10				-- NP-ES #14: Reduce Funding for CFM				0.0	(24,151)	0	0	(24,151)	(48,302)	
FY 2009-10				-- ES #5 -- ARRA Recognition				0.0	(81,238)	0	0	81,238	0	
FY 2009-10				Revised FY 2009-10 App.	60.00			0.0	245,079	0	0	407,554	652,633	
FY 2009-10								0.0	0	0	0	0	0	
FY 2009-10				Final Revised FY 2009-10 App.	70.00			0.0	245,079	0	0	407,554	652,633	
FY 2010-11			6-Nov-09	Annualize ES #5				0.0	81,238	0	0	(81,238)	0	
FY 2010-11				FY 2010-11 BASE FUNDING	100.00			0.0	326,317	0	0	326,316	652,633	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
FY 2010-11				FY 2010-11 Base + Common Policy	110.00			0.0	326,317	0	0	326,316	652,633	
FY 2010-11			6-Nov-09					0.0	0	0	0	0	0	
				Special Benchmark to Match Department's Decision Item Request				0.0	326,317	0	0	326,316	652,633	
				ARRA Recognition				0.0	(40,619)	0	0	40,619	0	
FY 2010-11				DEPARTMENT REQUEST	180.25			0.0	285,698	0	0	366,935	652,633	

Department's FY 2009-10 & FY 2010-11 Budget Builds

			IBC											
			Benchmark #	IBC # FY	IBC # FY	Dept								
			FY 10-11	09-10	10-11	Priority								
Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	Reports	Issues	Issues	#	FTE	GF total	CF total	RF Total	FF Total	Total Funds
Enhanced Prenatal Care Training and Technical Assistance														
OMS														
FY 2009-10				Original FY 2009-10 App	30.00				0.0	58,752	0	0	60,254	119,006
FY 2009-10				-- ES #5 -- ARRA Recognition		200.300		ES #5	0.0	(13,793)	0	0	13,793	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	44,959	0	0	74,047	119,006
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	44,959	0	0	74,047	119,006
FY 2010-11			6-Nov-09	Annualize ES #5				90.050 ES #5	0.0	13,793	0	0	(13,793)	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	58,752	0	0	60,254	119,006
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	58,752	0	0	60,254	119,006
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
				Speal Benchmark to Match Department DI					0.0	58,752	0	0	60,254	119,006
				ARRA Recognition				130.590 BRI #8	0.0	(6,896)	0	0	6,896	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	51,856	0	0	67,150	119,006
Nurse Home Visitor Program														
OMS														
FY 2009-10				Original FY 2009-10 App	30.00				0.0	0	0	1,505,000	1,505,000	3,010,000
FY 2009-10				-- ES #5 -- ARRA Recognition		200.300		ES #5	0.0	0	0	(348,859)	348,859	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	0	0	1,156,141	1,853,859	3,010,000
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	0	0	1,156,141	1,853,859	3,010,000
FY 2010-11			6-Nov-09	Annualize ES #5				90.050 ES #5	0.0	0	0	348,859	(348,859)	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	0	1,505,000	1,505,000	3,010,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	0	1,505,000	1,505,000	3,010,000
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
				Speal Benchmark to Match Department DI					0.0	0	0	1,505,000	1,505,000	3,010,000
				ARRA Recognition				130.590 BRI #8	0.0	0	0	(174,430)	174,430	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	0	0	1,330,570	1,679,430	3,010,000
MMA State Contribution Payment														
OMS														
FY 2009-10				Original FY 2009-10 App	30.00				0.0	88,808,586	0	0	0	88,808,586
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	88,808,586	0	0	0	88,808,586
FY 2009-10									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	88,808,586	0	0	0	88,808,586
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	88,808,586	0	0	0	88,808,586
FY 2010-11			6-Nov-09	Caseload & Cost Growth in MMA				110.040 DI #4	0.0	1,727,607	0	0	0	1,727,607
FY 2010-11				FY 2010-11 Base + Caseload Growth	120.00				0.0	90,536,193	0	0	0	90,536,193
				Coordinated Payment and Payment										
FY 2010-11			6-Nov-09	Reform				130.520 BRI #2	0.0	792,720	0	0	0	792,720
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	91,328,913	0	0	0	91,328,913

Department's FY 2009-10 & FY 2010-11 Budget Builds

Fiscal Year	Bill Number	Div	Date Rec.	LINE ITEM/Desc.	IBC			Dept Priority	FTE	GF total	CF total	RF Total	FF Total	Total Funds
					Benchmark # FY 10-11 Reports	IBC # FY 09-10 Issues	IBC # FY 10-11 Issues							
OMS Public School Health Services														
FY 2009-10				Original FY 2009-10 App.	30.00				0.0	0	10,472,200	0	9,532,656	20,004,856
			25-Aug-09	MMA State Contribution Payment		200.300	ES #5		0.0	0	(2,110,546)	0	2,110,546	0
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	0	8,361,654	0	11,643,202	20,004,856
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	0	8,361,654	0	11,643,202	20,004,856
FY 2010-11			6-Nov-09	Annualize ES #5			90.050 ES #5		0.0	0	2,110,546	0	(2,110,546)	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	0	10,472,200	0	9,532,656	20,004,856
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	0	10,472,200	0	9,532,656	20,004,856
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				Department Fund Splits Before ARRA					0.0	0	10,472,200	0	9,532,656	20,004,856
FY 2010-11			6-Nov-09				130.590 BRI #8		0.0	0	(1,055,273)	0	1,055,273	0
FY 2010-11				DEPARTMENT REQUEST	180.25				0.0	0	9,416,927	0	10,587,929	20,004,856
OMS OMS Division Subtotal														
FY 2009-10				Original FY 2009-10 App.	30.00				0.0	91,099,689	25,840,683	4,025,000	13,330,260	134,295,632
			25-Aug-09	-- ES #5 -- ARRA Recognition		200.300	ES #5		0.0	(531,252)	(2,110,546)	(348,859)	2,990,657	0
			25-Aug-09	-- NP-ES #14: Reduce Funding for CFM		200.430	NP ES #14		0.0	(120,754)	0	0	(120,754)	(241,508)
FY 2009-10				Revised FY 2009-10 App.	60.00				0.0	90,447,683	23,730,137	3,676,141	16,200,163	134,054,124
									0.0	0	0	0	0	0
FY 2009-10				Final Revised FY 2009-10 App.	70.00				0.0	90,447,683	23,730,137	3,676,141	16,200,163	134,054,124
FY 2010-11			6-Nov-09	Annualize ES #5 -- ARRA			90.050 ES #5		0.0	531,252	2,110,546	348,859	(2,990,657)	0
FY 2010-11				FY 2010-11 BASE FUNDING	100.00				0.0	90,978,935	25,840,683	4,025,000	13,209,506	134,054,124
FY 2010-11			6-Nov-09						0.0	0	0	0	0	0
FY 2010-11				FY 2010-11 Base + Common Policy	110.00				0.0	90,978,935	25,840,683	4,025,000	13,209,506	134,054,124
FY 2010-11			6-Nov-09	Caseload & Cost Growth in MMA			110.040		0.0	1,727,607	0	0	0	1,727,607
FY 2010-11				FY 2010-11 Base + Caseload Adjustments	120.00				0.0	92,706,542	25,840,683	4,025,000	13,209,506	135,781,731
				Coordinated Payment and Payment Reform			130.520 BRI #2			792,720	0	0	0	792,720
FY 2010-11				Department Fund Splits Before ARRA					0.0	93,499,262	25,840,683	4,025,000	13,209,506	136,574,451
FY 2010-11			6-Nov-09	ARRA Adjustments			130.590 BRI #8		0.0	(254,429)	(1,055,273)	(174,430)	1,484,132	0
FY 2010-11				DEPARTMENT REQUEST -- OMS	180.25				0.0	93,244,833	24,785,410	3,850,570	14,693,638	136,574,451

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APPENDIX B: SUMMARY OF MAJOR LEGISLATION

- ❑ **S.B. 09-132 (Boyd, Kerr J.) Concerning Discounted Prescription Drug Programs:** Repealed and then restructures the Colorado Cares Rx Program. The Department of Health Care Policy and Financing is required to research and make information available to the public about discount prescription drug programs including ways to obtain lower-cost prescription drugs and contact information for programs. The bill eliminated the Colorado Cares Rx Program Cash Fund and reduced the FY 2008-09 appropriation to the Department of Health Care Policy and Financing by \$3,918,724 total funds.

- ❑ **S.B. 09-209 (White, Marostica) Repeal Inmate Assistance Grant Program:** This bill removed the Inmate Assistance Demonstration Grant Program from statute, and removes the General Fund appropriation for the program that was made during the 2008 legislative session.

- ❑ **S.B. 09-210 (Tapia, Ferrandino) Tobacco Settlement Health Programs:** Beginning in FY 2009-10, eliminates the requirement that certain Master Tobacco Settlement money be deposited into the Children's Basic Health Plan (CBHP) Trust Fund Account instead of directly into the CBHP Trust Fund. Starting in FY 2009-10, replaces the annual transfer that provided up to \$1.0 million of tobacco settlement moneys to the Colorado Autism Treatment Fund with a transfer that provides exactly \$1.0 million annually. Makes the following transfers to the General Fund:

Transfers to the General Fund in FY 2008-09 to increase FY 2008-09 General Fund revenues	
From Public Health Services Support Fund (administered by the Department of Public Health and Environment)	\$149,070
From Tobacco Litigation Settlement Cash Fund (administered by DPHE)	65,000
From Supplemental Tobacco Litigation Settlement Moneys Account of the Comprehensive Primary and Preventative Grant Fund (administered by the Department of Health Care Policy and Financing)	<u>977,356</u>
Total FY 2008-09 transfers to the General Fund	\$1,191,426

Transfers to the General Fund in FY 2009-10 to increase FY 2009-10 General Fund revenues	
From Supplemental Tobacco Litigation Settlement Moneys Account of the Comprehensive Primary and Preventative Grant Fund (administered by the HCPF)	<u>2,400,000</u>
Total FY 2009-10 transfers to the General Fund	\$2,400,000

Adjusts the following FY 2008-09 Long Bill appropriations:

FY 2008-09 Appropriation Adjustments	Total	CF	FF
Department of Public Health and Environment			
Support for local nursing services and local health departments	(\$149,070)	(\$149,070)	\$0
<u>Colorado HIV/AIDS Drug Assistance Program</u>	<u>(65,000)</u>	<u>(65,000)</u>	<u>0</u>
Subtotal - Department of Public Health and Environment	(\$214,070)	(\$214,070)	\$0
Department of Health Care Policy and Financing -			
Comprehensive			
primary and preventative care payments to hospitals	(1,954,712)	(977,356)	(977,356)
Total	(\$2,168,782)	(\$1,191,426)	(\$977,356)

- S.B. 09-211 (Keller, Ferrandino) Delay CHP+ Eligibility Expansion:** Eliminates the requirement that the Children's Basic Health Plan (CBHP) program be expanded to 225 percent of federal poverty level (FPL) for children by March 1, 2009 and for adult pregnant women by October 1, 2009. Current law allows the CBHP program to be expanded to 250 percent of FPL if appropriations become available. This provision is retained in law. For FY 2008-09, the bill reduced appropriations by \$3,195,789 total funds. Of this amount, \$1,127,624 was cash funds, \$30,328 was reappropriated funds, and \$2,037,837 is federal funds.

- S.B. 09-252 (Boyd, Frangas) Medicaid Mail Order Prescriptions:** Under prior law, Medicaid clients were only authorized to use mail-order pharmacies if they require maintenance medications and suffer from a physical hardship or have third-party insurance that *requires* maintenance medications be obtained through a mail-order pharmacy.

This bill authorized a Medicaid client to receive prescription drugs through mail-order pharmacies if the client has third-party insurance that *allows* maintenance medications to be obtained through mail-order. This bill modified S.B. 08-090 which allowed recipients to obtain medications through mail order if their third-party insurance required mail order.

- S.B. 09-259 (Keller, Pommer) General Appropriations Act:** General Appropriations Act for FY 2009-10. Also includes supplemental adjustments to modify appropriations to the Department of Health Care Policy and Financing included in the FY 2008-09 Long Bill (H.B. 08-1375) and in the FY 2007-08 Long Bill (S.B. 07-239). The bill also modified appropriations in H.B. 08-1114 and H.B. 08-1373.

- S.B. 09-261 (Tapia, Ferrandino) Old Age Pension Supplemental Fund Medicaid:** This bill allowed the Supplemental Old Age Pension Health and Medical Care Fund to pay up to \$3.0 million dollars in FY 2008-09 and \$6.0 million dollars in FY 2009-10 of the state costs associated with serving Old Age Pension medical clients in the Medicaid program. The appropriation clause for FY 2008-09, reduced the General Fund by \$3.0 million and increases cash fund appropriations by \$3.0 million. In FY 2009-10, the appropriation clause

reduced the General Fund by \$6.0 million and increases cash fund appropriations by \$6.0 million.

- ❑ **S.B. 09-262 (White, Marostica) Breast and Cervical Cancer Program Costs:** This bill allows up to 100 percent of the State match costs for the Breast and Cervical Cancer Prevention and Treatment program to be paid from the Breast and Cervical Cancer Prevention and Treatment (BCCPT) Fund. Prior to the passage of this bill, in FY 2009-10 50 percent of the State match for this program was required to be paid from the General Fund and 50 percent was required to come from the BCCPT Fund.

This bill reduced General Fund expenditures by \$896,290 and increased expenditures from the BCCPT Fund by \$896,290 in FY 2009-10.

- ❑ **S.B. 09-263 (White, Pommer) Payments to Medicaid Nursing Facility Providers:** This bill saved approximately \$3.7 million General Fund in FY 2008-09 and \$17.1 million General Fund in FY 2009-10 through various changes used to calculate nursing facility reimbursement rates. Specifically, the bill contained the following provisions:

- a) Specified the methodology used to calculate the nursing facility General Fund per diem cap (including the 3.0 percent cap currently in place for FY 2008-09) during the American Recovery and Reinvestment Act (ARRA) time period.
- b) Reduced the General Fund cap to 0.0 percent growth in FY 2009-10 and allowed a 5.0 percent growth cap for FY 2010-11. Reinstated the current 3.0 percent cap on General Fund growth for the fiscal years after FY 2010-11.
- c) Capped the nursing facility provider fee to \$7.50 per nonmedicare-resident day in FY 2009-10. This cap is allowed to grow by inflation in future years.
- d) For FY 2009-10 and subsequent fiscal years, provided that the increase in the cost of direct and indirect health care services and raw food shall not exceed 8.0 percent. This provision reduces the provider fee in FY 2009-10 to ensure the provider fee stays below the \$7.50 in FY 2009-10 when the General Fund growth rate is capped at 0.0 percent growth. Reduces and delays other rate components in order to ensure the \$7.50 cap is not exceeded.

- ❑ **S.B. 09-264 (Keller, Pommer) Maximize Federal Match Under ARRA:** This bill allows the state to use certain federal stimulus moneys related to Medicaid to reduce General Fund obligations, instead of using the federal money to expand programs. It will not affect the amount paid to providers. Adjustments are for FY 2008-09 through FY 2010-11, the period of enhanced federal match under the ARRA. The table below shows both the increased General Fund revenues and the decreases in appropriations that are anticipated to result from this bill.

S.B. 09-264 Fiscal Impact Summary	FY 2008-2009	FY 2009-2010*
State Transfers or Diversions		
Increase to General Fund from retained Federal Funds not transferred to Public Hospitals or School Districts	\$18.9 million	\$31.1 million
State Expenditures		
<u>Total</u>	<u>(\$2,148,113)</u>	<u>(\$4,201,653)</u>
General Fund	(2,149,250)	(3,160,000)
Cash Funds		
Pediatric Specialty Hospital Fund	(51,292)	(72,359)
Comprehensive Primary and Prev. Care Fund	0	(1,030,048)
Reappropriated Funds	(2,149,250)	(3,160,000)
Federal Funds	2,201,679	3,220,754

*Shows original estimates. These estimates will be revised based on new information.

- **S.B. 09-265 (White, Pommer) Medicaid, CHP+ Payment Timing:** This bill has three main provisions: (1) clarifies that the Medicare Modernization Act State Contribution Payment does not have to be paid before the date it is due; (2) provides that managed care capitation payments shall not be made before the first day of the month following the enrollment of the recipients; and (3) allows the Department to delay the last weekly payment cycles in FY 2009-10 to after July 1, 2010. This bill is anticipated to reduce expenditures in FY 2009-10 by \$87.9 million total funds (including \$35.6 million General Fund).

FY 2009-10 Expenditure Impacts	Delay Managed Care Payments	Shift Last Payment Cycle to FY 2010-11	Total
Medical Services Premiums	(14,102,731)	(43,611,120)	(57,713,851)
Mental Health Capitation Payments	(17,671,863)	0	(17,671,863)
Children's Basic Health Plan	<u>(12,845,625)</u>	<u>0</u>	<u>(12,845,625)</u>
Total Fund Appropriation Impact	(\$44,620,219)	(\$43,611,120)	(\$88,231,339)
General Fund	(15,332,958)	(20,272,591)	(35,605,549)
Cash Funds	(5,283,891)	(1,400,053)	(6,683,944)
Federal Funds	(24,003,369)	(21,938,477)	(45,941,846)

- **S.B. 09-269 (White, Ferrandino) Adjust Tobacco Settlement Moneys Allocation:** See the Department of Public Health and Environment for a description of this bill. The table below shows the impacts to the Department of Health Care Policy and Financing only.

Department / Program	Change to CF Appropriations FY 2009-10
Department of Health Care Policy and Financing	
Comprehensive Primary and Preventive Care Grants Program	(99,177)
Medicaid shortfalls at Children's Hospital	<u>(5,359)</u>
Subtotal - Department of Health Care Policy and Financing	(104,536)

- ❑ **S.B. 09-270 (Tapia, Marostica) Tobacco Tax Investment Income Transfers:** Credits interest and income earned by various cash funds that are supported by Amendment 35's tobacco-tax to the General Fund for fiscal years 2008-09 through 2011-12. The estimated revenue to the General Fund is as follows:

Estimated Interest and Income from	FY 2008-09	FY 2009-10
Health Care Expansion Fund	\$4,497,179	\$2,923,166
Prevention, Detection and Early Treatment Fund*	997,075	572,000
Primary Care Fund*	223,897	147,000
Tobacco Education Programs Fund*	287,419	122,000
Health Disparities Grant Program Fund	144,986	94,241
Tobacco Tax Cash Fund	67,400	43,810
Total	\$6,217,956	\$3,902,217

* Due to changes to S.B. 09-271, the estimated earnings for these cash funds differs from that shown in the Legislative Council Staff Fiscal Note for S.B. 09-270.

- ❑ **S.B. 09-271 (Tapia, Ferrandino) Emergency Use Tobacco Tax Revenues:** Utilizes the State Fiscal Emergency declared by S.J.R. 09-035 to appropriate \$27.4 of Amendment 35 tobacco-tax moneys to the Department of Health Care Policy and Financing for Medical Services Premiums. The table below shows the impact to appropriations in the Department of Health Care Policy and Financing. See the Department of Public Health and Environment for additional impacts.

Department of Health Care Policy and Financing	FY 2009-10 Appropriations
Medical Services Premiums	
General Fund	(\$27,400,000)
CF - Tobacco Education Programs Fund	8,000,000
CF - Prevention, Early Detection and Treatment Fund	12,000,000
CF - Primary Care Fund	7,400,000

Department of Health Care Policy and Financing	FY 2009-10 Appropriations
Indigent Care Program, Primary Care Fund Program	
CF - Primary Care Fund	(7,400,000)
Total -- Department of Health Care Policy and Financing	(\$7,400,000)

- S.J.R. 09-035 (White, Marostica) Declare Fiscal Emergency Tobacco Tax:** Declares a State Fiscal Emergency for FY 2009-10, which allows Amendment 35 tobacco-tax revenues to be used in that year for any health-related purpose. See S.B. 09-271.

- H.B. 09-1020 (Acree, Spence) Expedited Reenrollment Processes of Medical Programs:** This bill requires the Department to establish a process to allow for reenrollment in Medicaid and the Children's Basic Health Plan via telephone and the Internet. This bill codified a current project at the Department to simplify the eligibility determinations process.

- H.B. 09-1047 (Todd, Williams) Alternative Therapies for Persons with Disabilities:** Established a pilot program allowing Medicaid clients with spinal cord injuries who are eligible for Home- and Community-based Services (HCBS) to receive complementary or alternative therapies. Alternative therapies are limited to chiropractic care, massage, and acupuncture performed by licensed or certified providers. Independent evaluation of the program is required in the third year. The State Medical Board is required to adopt rules for the implementation and administration of the program, and the bill includes a repeal date of September 1, 2015. The bill appropriates \$53,480 total funds and 0.8 FTE to the Department of Health Care Policy and Financing in FY 2009-10. Of this amount, \$26,740 is cash funds and \$26,740 is federal funds.

- H.B. 09-1073 (Massey, Boyd) Electronic Prescriptions:** Requires the Department of Health Care Policy and Financing to contract with a nonprofit organization to study the feasibility and advisability of the use of electronic prescriptions in Medicaid. The department must submit its report to the Health and Human Services Committees of the General Assembly by June 30, 2010. The bill appropriates \$52,500 total funds to the Department of Health Care Policy and Financing in FY 2009-10. Of this amount, \$26,250 is cash funds and \$26,250 is federal funds.

- H.B. 09-1103 (Reisberg, Newell) Presumptive Eligibility for Long-Term Care:** This bill allows the Department to seek federal approval to implement a pilot program so that an individual applying for long-term care services may be presumptively eligible for Medicaid. The bill requires that if a person is later determined ineligible, the Department shall not pursue any recoveries from the county departments of social/human services for the cost of medical services provided or any federal sanctions as a result of the client being determined ineligible.

- ❑ **H.B. 09-1164 (Primavera, Kester) Breast and Cervical Cancer Prevention and Treatment Program Expansion:** This bill added a \$25 surcharge to the cost of new or replacement breast cancer awareness special license plates. The surcharge is to be used to pay for the costs to expand eligibility for the Breast and Cervical Cancer Prevention and Treatment program under Medicaid. Implementation of the eligibility expansion is contingent upon receipt of funds sufficient to sustain the projected number of additional individuals who would become eligible for the program due to this bill.

- ❑ **H.B. 09-1196 (Gerou, Boyd) Nursing Facility Penalty Cash Fund:** Allows the Nursing Home Penalty Cash Fund to be used for initiatives to improve the quality of life for residents in nursing facilities. The Department of Health Care Policy and Financing is required to distribute \$200,000 in FY 2009-10 and up to 25 percent of moneys deposited into the fund in future years to these efforts.

- ❑ **H.B. 09-1293 (Reisberg, Keller) Colorado Health Care Afford ability Act:** Creates the Health Care Afford ability Act of 2009. The Department of Health Care Policy and Financing is authorized to collect hospital provider fees for the purpose of obtaining federal financial participation for the Medicaid and Children's Basic Health Plan programs. Fees are set by the State Medical Services Board based on federal regulations and may be used for the following purposes if approved by the Centers for Medicare and Medicaid Services (CMS).

Payments to Hospitals. Hospital rates will increase through (1) maximizing provider payments based on federal regulations, (2) increasing payments under the Colorado Indigent Care Program (CICP) to 100 percent of cost, and (3) paying a new quality incentive payment.

Expand Eligibility: If revenues are sufficient from the hospital provider fee, then the following eligibility changes are allowed: (1) CBHP eligibility may increase from 205% of the Federal Poverty Level (FPL) to 250% FPL; (2) eligibility for Medicaid adults may increase from 60% FPL to 100% FPL; (3) Medicaid eligibility will be continuous for 12-months; (4) creates a Medicaid buy-in program for disabled adults and children with incomes up to 450% FPL; and (5) creates a new medical assistance program from childless adults with incomes up to 100% FPL.

The appropriations shown in the summary appropriation tables in the Appropriations Report are the administrative costs associated with applying for the waiver and collecting the fee if the waiver is approved **after** April 1, 2010. The bill appropriates \$5,280,678 total funds (\$1,877,337 General Fund) and 12.0 FTE in order to apply for the waiver. However, this appropriation is replaced with a much higher cost in FY 2009-10 if the waiver is actually approved before April 1, 2010. The table below shows the estimated revenue and expenditure impacts for the bill if waiver is approved **before** April 1, 2010.

Fiscal Impact Summary If Waiver is Approved Before April 1, 2010	FY 2009-2010
State Revenue	
Cash Funds	
Hospital Provider Fee Cash Fund	\$336.4 million
Children Basic Health Plan Trust - Cost Sharing	0.1 million
State Expenditures	
Total	<u>\$411.4 million</u>
Cash Funds	
Hospital Provider Fee Cash Fund	336.4 million
Children's Basic Health Plan Trust	0.1 million
Certified Public Expenditures	(135.0 million)
Local Funds	0.1 million
Federal Funds	209.7 million
FTE Position Change	12.0 FTE

- H.B. 09-1353 (Miklosi, Foster) Eligibility for Pregnant Legal Immigrants:** Authorizes the Department of Health Care Policy and Financing to provide medical benefits under Medicaid and the Children's Basic Health Plan (CBHP) to pregnant women and children who are legal immigrants without a waiting period, so long as other eligibility criteria is met. Under current law, legal immigrants are not eligible for Medicaid or CBHP for 5 years after the date of entry into the United States. Because no funding is currently available to expand eligibility for this bill, the bill does not contain an appropriation clause for FY 2009-10.
- S.B. 08-2 (Boyd, Soper) Family Caregiver Developmentally Disabled:** Specifies that the Department of Human Services may purchase services and supports for persons with developmental disabilities from a family care giver in the family home if it is determined that this provides services in the least restrictive environment.
- S.B. 08-90 (Hagedorn, McGihon) Mail Order Rx under Medicaid:** Allows Medicaid clients to use a mail-order pharmacy if they have third-party insurance and require maintenance medications; and authorizes a mail-order pharmacy to bill Medicaid for the difference between the Medicaid co-payment and a third-party insurer's co-payment or deductible.
- S.B. 08-99 (Sandoval, Stafford) Extending Foster Care Eligibility:** Expands Medicaid eligibility to young adults, under age 21, for whom the state made subsidized adoption or foster care payments immediately prior to the client turning age 18. These young adults were not eligible for Title IV-E federal funds while in foster care, but received state benefits.
- S.B. 08-118 (Keller, Buescher) Money Transfer for Medicaid Programs:** Provides that for FY 2008-09 through FY 2012-13, the Department of Public Health and Environment shall transfer \$2.0 million in funding from the Prevention, Early Detection, and Treatment

Fund to the Department of Health Care Policy and Financing for Medicaid disease management programs. This funding is matched by federal funds.

- ❑ **S.B. 08-131 (Buescher, Morse) Increase for Supplemental Old Age Pension Medical Fund:** For all fiscal years, beginning with FY 2009-10, the bill increases funding to the Supplemental Old Age Pension (OAP) Health and Medical Care Fund by \$2,100,000. The total diversion to the fund increases from \$750,000 to \$2,850,000 annually.
- ❑ **S.B. 08-155 (Cadman, Kerr A) Centralized IT Management:** Consolidates the responsibility for information technology (IT) oversight of most of the state's executive branch in the Governor's Office of Information Technology (OIT) by transferring several IT functions and staff positions from various state agencies to OIT.
- ❑ **S.B. 08-161 (Boyd, Merrifield) Income Verification for Medicaid and Children's Basic Health Plan Eligibility:** Requires the Department of Health Care Policy and Financing to establish rules for Medicaid and the Children's Basic Health Plan (CBHP) to verify applicant income through records of the Department of Labor and Employment (DOLE). Allows applicants to provide other forms of income verification if it is more recent than information available through the DOLE. In addition, requires the Advisory Committee on Covering All Children in Colorado to investigate the feasibility of combining Medicaid and the CBHP.
- ❑ **S.B. 08-230 (Morse, Buescher) Hospitals to Levy Sales Tax:** Authorizes specified governmental hospital care providers, subject to voter approval, to levy and collect a sales tax within certain geographic areas. Establishes a definition of "state university teaching hospital" and authorizes the General Assembly to appropriate moneys annually to state university teaching hospitals for services provided under the state's Medicaid program. Provides direct appropriations to Denver Health Hospital and University Hospital for graduate medical education programs by transferring current funding for these activities contained in the Medical Services Premiums and Commission on Family Medicine line items in FY 2007-08 and FY 2008-09. The net impact of the funding transfer is zero in both years.
- ❑ **H.B. 08-1046 (Stafford, Windels) Offenders Apply for Public Benefits:** For juveniles in a juvenile commitment facility and certain individuals committed to a Department of Human Services facility, requires appropriate personnel in each facility to provide assistance in applying for Medicaid, Children's Basic Health Plan benefits, Supplemental Security Income, or Social Security Disability Insurance at least 120 days prior to release from commitment, or as soon as practicable for those juveniles committed for less than 120 days.
- ❑ **H.B. 08-1114 (White, Isgar) Reimbursement of Nursing Facilities Under Medicaid:** Establishes a new methodology for reimbursing nursing facilities under the Medicaid program by establishing: (1) a reimbursement schedule for administrative and general services; (2) per diem rates for direct and indirect care, capital assets, and performance quality; (3) an additional per diem payment for clients with severe mental health conditions

or cognitive dementia; and (4) reimbursement for speech therapy services. In addition, requires the Department of Health Care Policy and Financing to charge and collect a quality assurance fee from nursing facilities, with certain exceptions. Fees are intended to allow for increased payments to Medicaid nursing facilities based on the new reimbursement system. The fee can be used for administrative costs related to assessing the fee and to limit growth of General Fund expenditures to 3.0 percent annually. This bill was substantially amended in S.B. 09-263.

- ❑ **H.B. 08-1250 (Pommer, Johnson) County Contingency Fund:** Restructures funding of the County Administration group of line items. Replaces the County Contingency Fund with a new County Tax Base Relief Fund. Replaces the formulas used to determine the amount of assistance for which counties with high social services costs relative to their property tax base will be eligible.
- ❑ **H.B. 08-1374 (Pommer, Johnson) Program for All-inclusive Care for the Elderly - Repeal Cap on Rates:** Raises the rate cap on the Program for All Inclusive Care for the Elderly (PACE) from 95 percent of fee-for-service rates to up to 100 percent of fee-for-service rates.
- ❑ **H.B. 08-1409 (Pommer, Johnson) Medicaid Payment Recovery:** Authorizes the Department of Health Care Policy and Financing to take all reasonable measures to determine the legal liability of third parties to pay for services provided to Medicaid clients and to pursue claims against liable parties.

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**APPENDIX C: UPDATE OF FY 2009-10
LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION**

Long Bill Footnotes

- 8 **Department of Health Care Policy and Financing, Medical Services Premiums** -- It is the intent of the General Assembly that expenditures for these services should be recorded only against the bill group total for Medical Services Premiums.

Comment: This footnote reflects the legislative intent for the Division of Medical Services Premiums to have flexibility in spending the Medical Services Premium line item. The detail by aid category is provided for tracking and policy-making purposes only and does not restrict the Department's ability to move funding from one aid category to another based on actual expenditure patterns.

- 9 **Department of Health Care Policy and Financing, Medicaid Mental Health Community Programs, Mental Health Capitation Payments** -- It is the intent of the General Assembly that capitation rates for the mental health capitation program not be set above the mid-range of the actuarially sound rates in FY 2009-10.

Comment: This footnote indicates assumptions used to calculate the FY 2009-10 Long Bill appropriation for the Medicaid Mental Health capitation program. The Department is compliance with footnote.

- 10 **Department of Health Care Policy and Financing, Medicaid Mental Health Community Programs, Mental Health Capitation Payments** -- The appropriation includes \$8,888,202 from the Health Care Expansion Fund. Of this amount, \$960,744 is estimated for adults and \$2,802,580 is estimated for children who receive Medicaid benefits due to the removal of the Medicaid asset test. The estimated fiscal impact for removal of the asset test is based on the same methodology that the Joint Budget Committee used to estimate the costs associated with removing the asset test in the Medical Services Premiums line item. It is the intent of the General Assembly that this \$3,763,324 appropriation from the Health Care Expansion Fund should be used in its entirety after the impact of the (H) notation before any General Fund is expended for the estimated fiscal impact of removing the asset test.

Comment: This footnote states legislative intent that cash funds be expended before the General Fund.

- 11 **Department of Health Care Policy and Financing, Indigent Care Program, Children's Basic Health Plan Premium Costs** -- This appropriation assumes the following (1) A total

children's caseload of 67,152 at an average per capita cost of \$1,917.89 per year; and (2) a total adult prenatal caseload of 1,821 at an average per capita cost of \$10,859.07 per year. In addition, the appropriation assumes savings of \$900,000 total funds related to administering a new Vaccines for Children program and savings of \$2,000,000 related to recoupments from reinsurance providers.

Comment: This footnote is informational only and indicates the assumptions used to calculate the FY 2009-10 Long Bill appropriation for the Children's Basic Health Plan.

- 12 **Department of Health Care Policy and Financing, Indigent Care Program, Children's Basic Health Plan Dental Costs** -- This appropriation assumes an average cost of \$163.04 per child per year.

Comment: This footnote is information only and indicates the assumptions used to calculate the FY 2009-10 Long Bill appropriation for the Children's Basic Health Plan Dental program.

- 13 **Department of Health Care Policy and Financing, Department of Human Services - Medicaid-Funded Programs, Executive Director's Office - Medicaid Funding** -- The appropriation in this Health Care Policy and Financing line item corresponds to the Medicaid funding in the Department of Human Services, Executive Director's Office, General Administration. As such, the appropriation contains amounts that correspond to centralized appropriation amounts in the Department of Human Services. Consistent with the head notes to the Long Bill, the Department of Human Services is authorized to transfer the centralized appropriations to other line item appropriations to the Department of Human Services. In order to aid budget reconciliation between the Department of Health Care Policy and Financing and the Department of Human Services, the Department of Health Care Policy and Financing is hereby authorized to make line item transfers out of this appropriation to other Department of Human Services Medicaid-funded programs appropriation in this section (5) in amounts equal to the centralized appropriation transfers made by the Department of Human Services for Medicaid-funded programs in the Department of Human Services.

Comment: This footnote is included in the Long Bill to allow some flexibility in the transfer of funds in the Department of Human Services Medicaid-funded programs in order to reconcile to centralized appropriating transfers made in the Department of Human Services.

Requests for Information

- 1 **All Departments, Totals** - Every department is requested to submit to the Joint Budget Committee, by November 1, 2009, on the number of additional federal and cash funds FTE associated with any federal grants or private donations that are applied for or received during FY 2009-10, and that are not otherwise included in the Long Bill.

Comment: The Department complied with this request. In FY 2009-10, the Department received a federal Health Resources and Services Administration (HRSA) grant that provided an additional 27.0 FTE not included in the FY 2009-10 Long Bill. Additionally, 0.8 FTE were appropriated for FY 1009-10 through HB 09-1047, Alternative Therapies for Persons with Disabilities, and will be funded through the Department's cash fund.

Projects that will be funded under the \$42.7 million CO-CHAMP (Colorado Comprehensive Health Access Modernization Program) grant include:

Outreach Projects: Grant funding will be used to design, develop, and implement enhanced outreach to ensure HB 09-1293 expansion populations are aware of the availability of health care coverage programs. Other outreach initiatives will include expanding outreach and knowledge of the CHP+ Work awareness programs; provide outreach and marketing plans for Pueblo Community Share, San Luis Valley Three-Share Community Start-Up, and Weld County Evidence-Based Benefit Design Pilots.

Eligibility Modernization: Grant funding will be used to further streamline the application process with electronic and web based applications.

Non-Traditional Medicaid: The grant will help develop program designs and cost-sharing provisions for non-traditional Medicaid clients (childless adults and buy-in disabled individuals).

6 **Department of Health Care Policy and Financing, Medicaid Mental Health Community Programs; and Department of Human Services, Division of Child Welfare, Mental Health and Alcohol and Drug Services, and Division of Youth Corrections** – The Departments are requested to provide the following data by October 1, 2009, by county, for the state's ten largest counties, using the most recent data consistently available:

- (1) county child welfare expenditures, including both child welfare block and core services expenditures;
- (2) youth corrections expenditures;
- (3) mental health capitation payments to BHOs for children, identifying amounts for children in foster care and children served based on income (AFDC);
- (4) number of children eligible for mental health capitation payments, identifying children based on foster care status and children eligible based on income (AFDC);
- (5) mental health capitation encounter data (numbers receiving services and estimated expenditures) for children in foster care and children eligible based on income (AFDC);
- (6) expenditures of Alcohol and Drug Abuse treatment dollars, by county, for children receiving child welfare services, specifying, at a minimum, funding allocated by the state for this specific purpose;

- (7) Any other data, readily available, that might shed light on the extent to which multiple state funding sources support services for children currently in the child welfare system and those who exhibit similar needs to children in the child welfare system, although they may be served in other systems (such as youth corrections).

Comment: Please see the JBC staff briefing for the Department of Human Services, Child Welfare Services for comment on this report.

- 17 Department of Health Care Policy and Financing, Executive Director's Office** -- The Department is requested to submit monthly Medicaid expenditure and caseload reports on the Medical Services Premiums and mental health capitation line items to the Joint Budget Committee, by the fifteenth or first business day following the fifteenth of each month. The Department is requested to include in the report the managed care organization caseload by aid category. The Department is also requested to provide caseload and expenditure data for the Children's Basic Health Plan, the Medicare Modernization Act State Contribution Payment, and the Old Age Pension State Medical Program within the monthly report.

Comment: The Department complies with this request. Monthly expenditure and caseload reports for the Department's caseload driven programs are delivered to the JBC and are posted on the Department's website. This information is used by staff to track monthly caseload and expenditure as well as forecast trends.

- 18 Department of Health Care Policy and Financing, Information Technology Contracts and Projects, Information Technology Contracts** -- The Department is requested to submit updated implementation cost estimates for Senate Bill 08-006 if the Centers for Medicare and Medicaid Services approve a state plan amendment to suspend Medicaid eligibility, rather than eliminate eligibility, for confined persons during fiscal year 2009-10.

Comment: The Department responded to this request for information. The Department stated that they cannot submit an updated implementation cost estimate for SB 08-006 since the Centers for Medicare and Medicaid Services (CMS) has not approved a state plan amendment to suspend Medicaid eligibility, rather than eliminate eligibility for confined persons.

- 19 Department of Health Care Policy and Financing, Medical Services Premiums** -- The Department is requested to submit a report on the managed care organizations' capitation rates for each population and the estimated blended rate for each aid category in effect for FY 2009-10 to the Joint Budget Committee by September 1, 2009. The Department is requested to include in the report a copy of each managed care organization's certification that the reimbursement rates are sufficient to assure the financial stability of the managed care organization with respect to delivery of services to the Medicaid recipients covered in their contract pursuant to Section 25.5-5-403 (1) (1), C.R.S.

Comment: The Department submitted the requested information. This information is used by staff to track annual increases to rates for managed care organizations and behavior health organizations.

- 20 Department of Health Care Policy and Financing, Medicaid Mental Health Community Programs, Mental Health Capitation Payments** -- The Department is requested to report in their annual budget submission the amount of expenditures for each year for anti-psychotic pharmaceuticals.

Comment: The Department complied with the request for information. The Department's budget shows that an estimated \$25.5 million after drug rebates were spent on anti-psychotic pharmaceuticals.

- 21 Department of Health Care Policy and Financing, Medicaid Mental Health Community Programs, Mental Health Capitation Payments:** The Department is requested to submit a report to the Joint Budget Committee by August 1, 2009 regarding any changes to capitation rates for the mental health program that were made on or before July 1, 2009 in order to reduce capitation rates to the mid-range of the actuarially sound range. This information is requested by behavioral health region contractor and by aid category. Within the report, the Department is requested to provide the Committee with information on how these adjustments will impact rates for calendar 2010. The Department is also requested to provide the Committee with estimated savings in FY 2009-10 from any capitation adjustments.

Comment: The Department complied with this request and submitted the requested information. Staff uses this information when developing estimates for figure setting.

- 22 Department of Health Care Policy and Financing, Indigent Care Program, Safety Net Provider Payments** -- The Department is requested to submit a report by February 1, 2010, to the Joint Budget Committee, estimating the disbursement to each hospital from the Safety Net Provider Payment line item for FY 2009-10.

Comment: The Department submits this report every February to the Committee. This information is used to track disbursements to providers from the Indigent Care Program.

- 23 Department of Health Care Policy and Financing, Indigent Care Program, Children's Basic Health Plan Premium Costs** -- The Department is requested to submit a report to the Joint Budget Committee by November 1, 2009 regarding the year-to-date per capita costs for the children served in the Children's Basic Health Plan. The Department is requested to provide the following information: (1) the current caseload by capitation rate served in each HMO; (2) the contracted capitation rates for each aid category; (3) the current number of children served in the self-funded network; and (4) the current claim costs for the children served in the self-funded network.

Comment: The Department complied with this request and submitted the requested information to the amount feasible. Staff uses this information when developing figure setting recommendations.

- 24 Department of Health Care Policy and Financing, Indigent Care Program, Children's Basic Health Plan Premium Costs** -- The Department is requested to submit a report by November 1, 2009 regarding the implementation of the Vaccines for Children program for clients served by the Children's Basic Health Plan. The Department is requested to provide information in the report regarding the amount of administrative costs associated with implementing this program and the amount of savings achieved or projected.

Comment: The Department submitted the report as requested. In the report, the Department stated that "due to the heavy volume of work and resources that the Colorado Department of Public Health and Environment (CDPHE) must dedicate to the H1N1 virus, the staff working in the Immunization Program that operates Vaccines for Children (VFC) will be unable to facilitate the introduction of Children's Basic Health Plan providers into the VFC program."

- 25 Department of Health Care Policy and Financing, Other Medical Services, S.B. 97-101 Public School Health Services** -- The Department is requested to submit a report by November 1 of each year to the Joint Budget Committee on the services that receive reimbursement from the federal government under the S.B. 97-101 public school health services program. The report should include information on the type of services, how those services meet the definition of medical necessity, and the total amount of federal dollars that was distributed to each school under the program. The report should also include information on how many children were served by the program.

Comment: The Department complied with this request and submitted the report. In FY 2008-09, 96 School Health Services Program Providers received Medicaid reimbursement totaling \$9,542,048.44.

MEMORANDUM

TO: John Ziegler, JBC Staff Director

FROM: Melodie Beck, JBC Analyst

SUBJECT: Department of Health Care Policy -- 5 Year Forecast

DATE: November 4, 2009

Per your request, attached is my five-year forecast for the Department of Health Care Policy and Financing. My forecast does not include programs administered by the Department of Human Services. The General Fund impact for these programs are included in the DHS Team's forecast and excluded here to avoid double counting.

Key Assumptions:

Executive Director's Office: The forecast assumes steady administrative costs over the five-year period. The forecast does not include any changes related to salary survey because these costs are forecasted as part of the common policy forecast. The forecast reflects the impacts of H.B. 09-1293 as indicated in the original fiscal note.

Medical Service Premiums: The forecast is based on caseload changes and assumptions related to the utilization and cost of medical services provided. The forecast does not assume any policy changes -- i.e. it is a base line forecast based on current law. The forecast includes the caseload and hospital reimbursement impacts from H.B. 09-1293. The forecast does include impacts from the Governor's August and October FY 2009-10 supplemental requests, except for:

- (1) Any proposed change that would require a statutory change to enact. Therefore, proposed rate changes to nursing home facilities, changes to H.B. 09-1293 to allow for increased FMAP, shutting down the Medicaid payments for an extra week in FY 2009-10, and transferring additional tobacco settlement funds into the General Fund are **not** included.
- (2) Changes related to closing facilities/institutions in the Department of Human Services.

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Medicaid Mental Health: The forecast is based on the same caseload assumptions as Medical Service Premiums for those aid categories eligible for mental health services, including caseload changes associated with H.B. 09-1293. The forecast assumes a 3.98 percent growth to the capitation rates based on the four year average for national medical inflation. The forecast incorporates the Governor's proposed rate decreases from the August submittal.

Indigent Care Program: The forecast for the Children's Basic Health Plan is based on caseload changes and assumptions related to the utilization and cost of medical services provided. The forecast assumes approximately 4.0 percent growth to average capitation rates during the forecast period. The forecast assumes that General Fund will be necessary to support the CBHP Trust Fund costs due to the Fund having insufficient moneys for future expenses. The forecast for the Indigent Care Program also reflects the Governor's budget reduction actions from August 2009, except for those that require statutory changes. Therefore, staff has reduced the funding for the Health Care Services Fund program and reduced the General Fund payments for the private hospitals participating in the Colorado Indigent Care Program. Lastly, the forecast incorporates the caseload and hospital payment estimates from H.B. 09-1293.

Other Medical Services: The forecast assumes steady costs for the programs in this division over the five-year period except for the Medicare Modernization Act State Contribution payment. The increases to this program are based a caseload forecast and forecasted adjustments to the State Contribution rate based on the federal formula.

Department of Human Services - Medicaid Programs: The General Fund impact for these programs are shown in the DHS forecast in order to avoid duplication. Please see the DHS team's analysis for information on these programs.

General Fund Summary:

Staff is currently forecasting that the current FY 2009-10 appropriation will revert \$5.6 million in General Fund based on the Governor's non-statutory budget reductions netted against increased caseload and cost assumptions. The actual General Fund reversion will be higher if the General Assembly passes legislation to enact other cost savings as proposed by the Governor in August 2009 and October 2009 or any other savings necessary to balance

the FY 2009-10 budget. This is a *preliminary* estimate only and will be revised once bills are introduced and additional caseload and cost information becomes available. Staff's FY 2009-10 revised estimate is shown in Table 1 below.

Table 1
Department of Health Care Policy and Financing*
Estimated FY 2009-10 Supplemental
Millions of Dollars

Year	Medicaid Service Premiums	Medicaid Mental Health	Indigent Care	Other Medical Services	Executive Director's Office	Total*	Difference
FY 2009-10 Current App. Base	\$1,112.7	\$99.1	\$37.7	\$91.1	\$38.5	\$1,379.1	/ / / / / / / /
FY 2009-10 Revised Est.	\$1,130.0	\$97.2	\$18.8	\$91.1	\$36.4	\$1,373.5	(\$5.6)

*Does Not Include the Department of Human Services Medicaid Programs Division. For the General Fund appropriation and forecast for these programs, please see the Department of Human Services Team memo.

In the tables that follow, the FY 2010-11 estimated need is compared to the **current** FY 2009-10 appropriation -- NOT staff's revised estimate. The estimated FY 2009-10 reversion was provided for informational purposes.

Based on caseload growth, cost of medical services, and eliminating one-time only fund offsets, staff is currently forecasting that the FY 2010-11 appropriation will need to grow by \$162.4 million over the **current** FY 2009-10 appropriation. In addition, the loss of the enhanced federal match from the American Recovery Act of 2009 (ARRA) will result in the need of an additional \$150.1 million General Fund. Therefore, the total General Fund increase needed in FY 2010-11 is \$312.5 million (30% increase). In FY 2011-12, the State will need back fill the loss of \$176.4 million ARRA funds. Therefore, the total General Fund growth in FY 2011-13, is \$245.2 million (18% increase). Lastly, in FY 2012-13, the Health Care Expansion Fund goes into deficit spending, without a law change the General Fund will need to back fill \$69.1 million in Health Care Expansion Funds for total General Fund growth of \$132.6 million (8.2% increase). Table 2 shows the forecasted growth for the General Fund over the five-year forecast period.

Table 2
Department of Health Care Policy and Financing*
Estimated General Fund Need for Five Year Forecast

Department of Health Care Policy and Financing (does not include DHS programs) Part 1 -- Growth without ARRA adjustment						
\$'s	FY 2009-10 Appropriation	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate	FY 2013-14 Estimate	FY 2014-15 Estimate
General Fund*	1,379,008,845	1,541,441,583	1,610,249,606	1,742,825,866	1,842,491,718	1,960,328,667
\$ Increase	n/a	162,432,738	68,808,023	132,576,260	99,665,852	117,836,949
% Increase	n/a	11.78%	4.46%	8.23%	5.72%	6.40%

*This is the current General Fund appropriation **without** the DHS Division (the DHS program growth was included in the DHS net General Fund number and therefore is not included here in order to avoid double counting).

Department of Health Care Policy and Financing (includes all ARRA adjustment forecasted -- including DHS programs) Part 2 -- ARRA General Fund Offset						
\$'s	FY 2009-10 New Estimate	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate	FY 2013-14 Estimate	FY 2014-15 Estimate
General Fund*	(326,518,524)	(176,435,906)	0	0	0	0
\$ Increase	n/a	150,082,618	176,435,906	0	0	0
% Increase	n/a	-45.96%	-100.00%	N/A	N/A	N/A

*The DHS memo does not include ARRA adjustments. Therefore, the estimated ARRA adjustment for DHS programs is included here.

Department of Health Care Policy and Financing Part 3 -- Total General Fund Growth Needed						
\$'s	FY 2009-10 Appropriation	FY 2009-10 Estimate	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate	FY 2013-14 Estimate
General Fund*	1,052,490,321	1,365,005,677	1,610,249,606	1,742,825,866	1,842,491,718	1,960,328,667
\$ Increase	n/a	312,515,356	245,243,929	132,576,260	99,665,852	117,836,949
% Increase	n/a	29.69%	17.97%	8.23%	5.72%	6.40%

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As you can see, the loss of the ARRA funds, eliminating one-time cost savings and fund adjustments, and the looming deficit in the Health Care Expansion Fund results in extremely high growth General Fund growth rates for FY 2010-11, FY 2011-12, and FY 2012-13. This is despite the fact that staff has moderate to declining caseload forecasts during these years. Once all of these funding issues are resolved by FY 2013-14, staff's forecast resumes forecasted growth in the 5.7 percent to 6.4 percent range (similar to historical growth rates in past 5 year forecasts). Staff would note that if federal health care reform is passed, the anticipated impacts from the federal legislation would begin affecting the state budget in FY 2012-13. In summary, the Department of Health Care Policy and Financing's budget needs will be very challenging for at least the next 3 to 5 years.

Please note that this a baseline forecast -- it assumes only statutory required increases and includes no policy changes. In staff's opinion, this the minimal amount needed.

Table 3 shows the Joint Budget Committee staff's estimates for the annual increases in General Fund needed for each division from the *current* FY 2009-10 appropriation (does not include ARRA impacts -- they are only included in the Table 2 series). The last column shows the cumulative needs for the department over the amount appropriated in FY 2009-10. These figures are based on information available through September 2009.

Table 3
 Department of Health Care Policy and Financing
 Future General Fund Needs - **Increase Over the Previous Year**
 Millions of Dollars

Increase over Current FY 2009-10 Appropriation and Prior Year								
Year	Medicaid Service Premiums	Medicaid Mental Health	Indigent Care	Other Medical Services	Executive Director's Office	HCEF Back-Fill	Total*	Commutative Total (w/o ARRA)
FY 2010-11	\$157.5	\$15.4	(\$11.4)	\$3.0	(\$2.1)	\$0.0	\$162.4	\$162.4
FY 2011-12	\$58.3	\$5.8	\$1.6	\$3.1	\$0.0	\$0.0	\$68.8	\$231.2
FY 2012-13	\$53.1	\$5.5	\$1.7	\$3.1	\$0.0	\$69.1	\$132.5	\$363.7
FY 2013-14	\$71.9	\$7.3	\$1.8	\$3.2	\$0.0	\$15.6	\$99.8	\$463.5
FY 2014-15	\$92.7	\$8.9	\$1.9	\$3.3	\$0.0	\$11.1	\$117.9	\$581.4

*Excludes DHS Division -- See DHS Team forecast for this GF impact.

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Forecast Detail

The **Medicaid** program was enacted by the federal government by Title XIX of the Social Security Act Amendments of 1965 (P.L. 89-87) and was first administered in Colorado during FY 1968-69. Medicaid is a means-tested entitlement program that provides short- and long-term care to the poor, disabled, and elderly.

The Department of Health Care Policy and Financing is the single state agency for the receipt of federal Medicaid funds. Because the department does not administer all of the state's Medicaid program, transfers of federal funds are made each year to the Departments of Education, Higher Education, Human Services, Public Health and Environment, and Regulatory Agencies. The Department of Health Care Policy and Financing administers the medical services premiums program, which is the meat of the Medicaid program, and most of the community-based mental health Medicaid programs in the state.

Medical Services Premiums Division

Medical services premium expenditures are that part of the Medicaid budget related to medical expenses only, and received nearly three-quarters of total appropriations to programs administered by the Department of Health Care Policy and Financing in FY 2009-10. Costs to this program are driven by caseload growth and growth in the cost-per-client. The forecast presented in Table 2 represents a baseline forecast -- the minimum expenditure growth forecasted under current law based estimated caseload growth and estimated cost of medical care. Table 4 shows the caseload forecast and the forecast for the cost-per-client that were assumed to determine the General Fund need increases shown in Table 2. The caseload forecast assumes higher caseload growth in FY 2009-10 through FY 2010-11 based on the economic climate. However, the forecast assumes that caseload growth will begin to stabilize after FY 2010-11 and will actually decline again beginning in FY 2011-12 as unemployment rates and the economy begins to recover. The cost-per-client is extremely difficult to forecast. Joint Budget Committee Staff assumed different rates of growth for the different aid categories based on historical patterns. When there are periods of high caseload growth, cost-per-client estimates actually tend to decline. This is because most of the caseload growth tends to be in the low-income children and adult categories. These aid categories have lower costs than the disabled and elderly aid categories. Therefore, high

caseload growth in these aid categories drives down the overall cost-per-client for the Medicaid program.

Table 4
Medicaid Caseload and Cost-Per-Client

Year	Caseload	Caseload % Growth	Cost-Per-Client Overall	Cost-Per-Client % Growth
FY 2009-10 Current Appropriation*	381,390	-1.7%	\$6,088.51	5.61%
FY 2009-10 Revised Estimate	432,327	9.8%	\$5,481.50	-5.18%
FY 2010-11	456,758	5.7%	\$5,481.07	-0.01%
FY 2011-12	465,449	1.9%	\$5,716.40	4.29%
FY 2012-13	463,416	-0.4%	\$6,114.88	6.97%
FY 2013-14	454,523	-1.9%	\$6,591.54	7.80%
FY 2014-15	451,203	-0.7%	\$7,053.01	7.00%

*Excludes H.B. 09-1293 caseload impacts from this table since there is no General Fund impact for those populations.

The **Medicaid Mental Health Program** provides mental health services to the Medicaid aid categories that qualify for the services. The Joint Budget Committee Staff's estimate is based on the Medicaid caseload estimate discussed earlier and an average 3.7 percent yearly increase to the average capitation rates for each category. The 3.7 percent yearly increase is based on the increase to rates based on the trends from the last four years.

The **Indigent Care Program** provides health care services to individuals and families who have income and/or assets equal to or less than 225 to 250 percent of the federal poverty level and do not qualify for Medicaid. The Indigent Care Program includes:

The *Safety Net Provider Payment Program*, which provides reimbursement to participating hospitals and clinics that serve uninsured or under-insured people. General Fund appropriations have been flat or slightly down in the past and are assumed to be flat in the future. Costs are driven by the amount drawn down by the federal government. The five-year forecast shows a loss of \$15.0 million in General Fund and federal funds beginning in FY 2010-11 when the statutory required yearly

General Fund appropriation from S.B. 06-44 expires. No other changes are forecasted for this program at this time.

The *Children's Basic Health Plan (CBHP)*, which provides health care insurance to otherwise uninsured children and prenatal care to otherwise uninsured adult pregnant women. The costs of the Children's Basic Health Plan are driven by caseload increases and medical inflation. Most of it is cash-funded. The forecast assumes that the General Fund will need to subsidize this program beginning in FY 2009-10. Table 5 below shows the forecasted General Fund subsidy for this program.

Table 5
General Fund Subsidy for CBHP Trust Fund
(in millions)

Year	General Fund Subsidy to the CBHP Trust Fund	Change from prior year
FY 2009-10	\$5.6	\$5.6
FY 2010-11	\$6.7	\$1.1
FY 2011-12	\$7.9	\$1.2
FY 2012-13	\$9.0	\$1.1
FY 2013-14	\$10.2	\$1.2

The *Comprehensive Primary and Preventive Care Grants Program*, which provides grants to providers that serve a designated medically underserved area or population. In the past, this program has been entirely funded with tobacco settlement funds. This program's costs were assumed to remain flat through FY 2013-14.

Other Medical Services the only program in this division with forecasted increases included in the baseline forecast is the Medicare Modernization Act (MMA) State Contribution Payment. This payment is based on the Medicaid forecast for individuals eligible for both the Medicaid and Medicare programs and the cost of providing prescription drugs for these individuals based the formula in federal law. Table 6 shows the General Fund increases estimated for this program.

Table 6
General Fund Increases for the MMA State Contribution Payment
(in millions)

Year	General Fund Requirement for MMA	Change from prior year
FY 2009-10	\$85.3	\$1.9
FY 2010-11	\$87.2	\$1.9
FY 2011-12	\$89.1	\$1.9
FY 2012-13	\$91.0	\$1.9
FY 2013-14	\$92.9	\$1.9

Attached:

Department Five Year Forecast by Division
Medicaid Caseload Forecast

**Health Care Policy and Financing
5-Year Forecast -- October 2009**

Source: JBC Staff Working Paper/MJB

	FY 2009-10 Appropriation*	FY 2009-10 New Estimate*	Estimated Supplemental**	FY 2010-11 Forecast	Growth Over CUR App.	FY 2011-12 Forecast	Growth Prior Year	FY 2012-13 Forecast	Growth Prior Year	FY 2013-14 Forecast	Growth Prior Year	FY 2014-15 Forecast	Growth Prior Year
Executive Director's	114,333,199	113,166,431	(1,166,768)	118,543,697	4,210,498	120,953,539	2,409,842	122,255,964	1,302,425	122,255,964	0	122,255,964	0
FTE	287.8	287.8	0	316.8	29	332.80	16	332.80	0	332.80	0	332.80	0
General Fund	38,499,212	36,347,561	(2,151,651)	36,347,561	(2,151,651)	36,347,561	0	36,347,561	0	36,347,561	0	36,347,561	0
Cash Funds	8,066,543	9,802,899	1,736,356	12,491,532	4,424,989	13,696,453	1,204,921	14,347,666	651,213	14,347,666	0	14,347,666	0
Reappropriated Funds	1,796,135	1,796,135	0	1,796,135	0	1,796,135	0	1,796,135	0	1,796,135	0	1,796,135	0
Federal Funds	65,971,309	65,219,836	(751,473)	67,908,469	1,937,160	69,113,390	1,204,921	69,764,603	651,213	69,764,603	0	69,764,603	0
Medical Services Premiums	2,572,042,638	2,907,632,142	335,589,504	3,196,819,872	624,777,234	3,476,461,883	279,642,011	3,802,211,369	325,749,486	4,114,464,901	312,253,532	4,346,644,843	232,179,941
General Fund	1,112,661,142	1,130,003,524	17,342,382	1,270,267,184	157,606,042	1,328,538,635	58,271,450	1,381,618,973	53,080,338	1,453,476,563	71,857,590	1,546,143,393	92,666,830
Cash Funds	167,097,000	316,424,462	149,327,462	320,868,427	153,771,427	402,777,340	81,908,914	513,257,873	110,480,532	600,305,901	87,048,028	624,336,681	24,030,780
Reappropriated Funds	2,746,329	2,726,519	(19,810)	2,937,856	191,527	3,083,536	145,680	3,126,661	43,125	1,171,502	(1,955,159)	1,218,128	46,626
Federal Funds	1,289,538,167	1,458,477,636	168,939,469	1,602,746,405	313,208,238	1,742,062,371	139,315,966	1,904,207,862	162,145,491	2,059,510,935	155,303,073	2,174,946,640	115,435,705
Medicaid Mental Health	215,104,388	214,821,261	(283,127)	256,815,368	41,710,980	286,452,269	29,636,900	321,963,067	35,510,798	355,087,501	33,124,434	376,970,183	21,882,682
General Fund	99,097,143	97,212,170	(1,884,973)	114,502,711	15,405,568	120,350,356	5,847,645	125,890,952	5,540,596	133,187,858	7,296,906	142,136,929	8,949,071
Cash Funds	8,434,054	10,173,898	1,739,844	13,874,104	5,440,050	22,837,925	8,963,820	35,048,762	12,210,837	44,312,408	9,263,646	46,301,304	1,988,896
Reappropriated Funds	9,208	9,208	(0)	11,667	2,459	13,480	1,812	14,016	536	14,574	558	15,154	580
Federal Funds	107,563,983	107,425,986	(137,997)	128,426,886	20,862,903	143,250,508	14,823,623	161,009,337	17,758,829	177,572,661	16,563,323	188,516,796	10,944,135
Indigent Care Program	556,535,683	587,964,476	31,428,793	671,310,013	114,774,330	742,254,286	70,944,273	793,760,976	51,506,690	833,130,349	39,369,374	869,214,683	34,211,992
General Fund	37,651,659	18,757,238	(18,894,421)	26,223,206	(11,428,453)	27,853,668	1,630,462	29,561,151	1,707,483	31,349,207	1,788,056	33,221,548	1,872,341
Cash Funds	220,738,573	258,568,263	37,829,690	285,091,487	64,352,914	311,967,187	26,875,700	329,959,400	17,992,213	343,579,437	13,620,037	355,929,858	12,350,420
Reappropriated Funds	14,844,000	3,752,912	(11,091,088)	11,218,880	(3,625,120)	12,849,342	1,630,462	14,556,825	1,707,483	16,344,881	1,788,056	18,217,222	1,872,341
Federal Funds	283,301,451	306,886,063	23,584,612	348,776,439	65,474,988	389,584,089	40,807,649	419,683,599	30,099,511	441,856,825	22,173,225	461,846,056	19,989,231
Other Medical Services	134,295,632	134,295,632	0	137,202,566	2,906,934	140,163,031	2,960,465	143,176,443	3,013,412	146,239,923	143,279,458	149,391,692	3,151,769
General Fund	91,099,689	91,099,689	0	94,006,623	2,906,934	96,967,088	2,960,465	99,980,500	3,013,412	103,043,980	3,063,480	106,195,749	3,151,769
Cash Funds	25,840,683	25,840,683	0	25,840,683	0	25,840,683	0	25,840,683	0	25,840,683	0	25,840,683	0
Reappropriated Funds	4,025,000	4,025,000	0	4,025,000	0	4,025,000	0	4,025,000	0	4,025,000	0	4,025,000	0
Federal Funds	13,330,260	13,330,260	0	13,330,260	0	13,330,260	0	13,330,260	0	13,330,260	0	13,330,260	0
DHS Programs	See DHS	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a
General Fund	See DHS	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a
Cash Funds	See DHS	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a
Reappropriated Funds	See DHS	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a
Federal Funds	See DHS	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a	See DHS	n/a
Fund Offsets (Due to Projected Cash Fund Deficits in HCE)													
Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
General Fund	0	0	0	0	0	0	0	69,134,678	69,134,678	84,693,087	15,558,409	95,785,691	11,092,605
Cash Funds	0	0	0	0	0	0	0	(69,134,678)	(69,134,678)	(84,693,087)	(15,558,409)	(95,785,691)	(11,092,605)
DEPARTMENT TOTAL w/o DHS Programs	3,583,877,486	3,957,879,942	374,002,456	4,366,817,412	782,939,926	4,743,447,083	376,629,671	5,148,319,057	404,871,974	5,526,866,230	378,547,173	5,818,176,060	291,309,830
FTE	287.80	287.80	0	316.80	29	332.80	16	332.80	0	332.80	0	332.80	0
General Fund	1,379,008,845	1,373,420,183	(5,588,662)	1,541,347,285	162,338,440	1,610,057,308	68,710,023	1,742,533,815	132,476,507	1,842,098,255	99,564,441	1,959,830,871	117,732,616
Cash Funds	421,742,799	620,810,205	199,067,406	644,292,129	222,549,330	754,281,664	109,989,535	814,270,944	59,989,280	899,380,600	85,109,656	924,669,196	25,288,596
Reappropriated Funds	23,420,672	12,309,774	(11,110,898)	19,989,539	(3,431,133)	21,767,493	1,777,955	23,518,637	1,751,144	23,352,092	(166,545)	25,271,639	1,919,547
Federal Funds	1,759,705,170	1,951,339,781	191,634,611	2,161,188,459	401,483,289	2,357,340,618	196,152,159	2,567,995,661	210,655,043	2,762,035,283	194,039,621	2,908,404,354	146,369,071

*FY 2009-10 Original Estimate does not show the contingent HB 09-1293 appropriation (matches 10 year history) while the revised HB 09-1293 does.

** Does not incorporate any Governor proposal that involves a law change or closes facilities in DHS -- Does incorporate rate changes enacted in Sept and proposed for Dec.

**JBC STAFF
BASE FORECAST WITHOUT ANY POLICY ADJUSTMENTS -- CURRENT LAW**

	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant Adults	Non-Citizens	Partial Dual Eligibles	Total
FY 2005-06 ACTUAL	36,207	6,042	47,855	58,885	0	188	214,158	16,460	5,119	6,212	11,092	402,218
FY 2006-07 ACTUAL	35,888	6,059	48,799	50,687	5,162	228	205,390	16,724	5,182	5,201	12,908	392,228
FY 2007-08 ACTUAL	36,284	6,146	49,933	44,555	8,918	270	204,022	17,141	6,288	4,191	14,214	391,962
FY 2008-09 ACTUAL	37,619	6,447	51,355	49,147	12,727	317	235,129	18,033	6,976	3,987	15,075	436,812

Current FY 2009-10 Appropriation Estimate -- Based on April JBC Staff Forecast (LONG BILL ONLY)

Traditional Medicaid	37,731	6,521	50,754	49,821	0	220	230,713	17,594	7,307	4,255	15,615	420,531
Legal Immigrants	548	93	743	938	0	0	2,709	188	84	0	714	6,017
Expansion Medicaid	0	0	757	6,338	16,015	101	25,992	881	0	0	0	50,084
TOTAL CASELOAD	38,279	6,614	52,254	57,097	16,015	321	259,414	18,663	7,391	4,255	16,329	476,632
HB 1293 Expansion	0	0	0	0	12,900	0	0	0	0	0	0	12,900
TOTAL CASELOAD	38,279	6,614	52,254	57,097	28,915	321	259,414	18,663	7,391	4,255	16,329	489,532

Revised FY 2009-10 (JBC Staff OCTOBER Estimate)

Traditional Medicaid	37,927	6,860	51,477	51,877	0	318	245,552	17,311	7,209	3,604	15,240	437,375
Legal Immigrants	548	93	743	938	0	0	2,709	188	84	0	714	6,017
Amendment 35 Expansion	0	0	757	6,503	16,888	101	27,366	881	0	0	0	52,497
TOTAL LB CASELOAD	38,475	6,953	52,977	59,319	16,888	419	275,628	18,380	7,293	3,604	15,954	495,888
HB 1293 Expansion	0	0	0	0	12,900	0	0	0	0	0	0	12,900
TOTAL CASELOAD	38,475	6,953	52,977	59,319	29,788	419	275,628	18,380	7,293	3,604	15,954	508,788
% Growth from prior year	2.28%	7.85%	3.16%	20.70%	134.05%	32.04%	17.22%	1.92%	4.54%	-9.60%	5.83%	16.48%
YTD AVERAGE (Sept)	38,237	6,861	52,533	55,838	15,501	397	263,135	18,270	7,158	3,830	15,490	477,250

Department November 2009 Forecast

TOTAL CASELOAD												0
Staff - Department Forecast												
Total Caseload	38,475	6,953	52,977	59,319	29,788	419	275,628	18,380	7,293	3,604	15,954	508,788

FY 2010-11 (JBC Staff OCTOBER Forecast)

Traditional Medicaid	38,438	6,971	52,462	59,229	0	350	264,919	17,774	7,412	3,373	16,607	467,535
Legal Immigrants	555	95	757	1,054	0	0	2,854	193	86	0	753	6,347
Amendment 35 Expansion	0	0	777	7,308	20,159	126	28,833	905	0	0	0	58,108
HB 1293 Expansion	0	0	0	0	30,100	0	0	0	0	0	0	30,100
TOTAL CASELOAD	38,993	7,065	53,996	67,591	50,259	476	296,607	18,871	7,499	3,373	17,360	562,090
% Growth forecasted	1.35%	1.62%	1.92%	13.95%	68.72%	13.73%	7.61%	2.67%	2.83%	-6.42%	8.81%	10.48%

Department November 2009 Forecast

TOTAL CASELOAD												0
Staff - Department Forecast												
Total Caseload	38,993	7,065	53,996	67,591	50,259	476	296,607	18,871	7,499	3,373	17,360	562,090

**JBC STAFF
BASE FORECAST WITHOUT ANY POLICY ADJUSTMENTS -- CURRENT LAW**

	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant Adults	Non- Citizens	Partial Dual Eligibles	Total
FY 2011-12 Forecast												
Traditional Medicaid	38,946	7,063	53,443	61,284	0	451	258,876	18,264	6,771	3,373	17,971	466,441
Legal Immigrants	563	96	771	1,090	0	0	2,841	198	78	0	819	6,456
Amendment 35 Expansion	0	0	777	7,559	21,937	140	28,695	929	0	0	0	60,037
HB 1293 Expansion	0	0	3,800	0	38,700	0	13,250	0	0	0	0	55,750
HB 1293 Childless Adults	0	0	0	0	16,400	0	0	0	0	0	0	16,400
TOTAL CASELOAD	39,509	7,159	58,791	69,933	77,037	591	303,661	19,391	6,849	3,373	18,790	605,083
% Growth forecasted	1.31%	1.30%	8.16%	3.35%	34.76%	19.41%	2.32%	2.68%	-9.49%	0.00%	7.61%	7.11%
FY 2012-13 Forecast												
Traditional Medicaid	39,467	7,155	54,425	60,432	0	508	250,536	18,753	6,548	3,412	19,333	460,569
Legal Immigrants	570	97	785	1,075	0	0	2,799	204	76	0	886	6,491
Amendment 35 Expansion	0	0	777	7,451	22,890	140	28,276	954	0	0	0	60,488
HB 1293 Expansion	0	0	7,600	0	43,000	0	36,375	0	0	0	0	86,975
HB 1293 Childless Adults	0	0	0	0	49,200	0	0	0	0	0	0	49,200
TOTAL CASELOAD	40,037	7,252	63,587	68,958	115,090	648	317,986	19,910	6,624	3,412	20,220	663,723
% Growth forecasted	1.34%	1.30%	8.16%	-1.39%	49.40%	9.70%	4.72%	2.68%	-3.29%	1.16%	7.61%	9.69%
FY 2013-14 Forecast /1												
Traditional Medicaid	39,987	7,247	55,406	60,732	0	508	253,857	19,242	6,820	3,471	20,701	467,971
Legal Immigrants	578	98	799	1,080	0	0	2,793	209	79	0	949	6,584
Amendment 35 Expansion	0	0	777	7,489	23,560	140	28,211	979	0	0	0	61,156
HB 1293 Expansion	0	0	9,000	0	44,259	0	48,500	0	0	0	0	101,759
HB 1293 Childless Adults	0	0	0	0	82,000	0	0	0	0	0	0	82,000
TOTAL CASELOAD	40,565	7,345	65,982	69,301	149,819	648	333,361	20,430	6,899	3,471	21,650	719,470
% Growth forecasted	1.32%	1.29%	3.77%	0.50%	30.18%	0.00%	4.84%	2.61%	4.15%	1.73%	7.07%	8.40%
FY 2014-15 Forecast /1												
Traditional Medicaid	40,508	7,438	56,388	62,806	0	543	265,164	19,732	7,079	3,506	22,068	485,231
Legal Immigrants	585	99	813	1,118	0	0	2,879	214	82	0	1,012	6,803
Amendment 35 Expansion	0	0	777	7,753	23,560	140	29,088	1,003	0	0	0	62,322
HB 1293 Expansion	0	0	9,000	0	44,259	0	48,500	0	0	0	0	101,759
HB 1293 Childless Adults	0	0	0	0	82,000	0	0	0	0	0	0	82,000
TOTAL CASELOAD	41,093	7,538	66,978	71,677	149,819	683	345,632	20,949	7,161	3,506	23,080	738,115
% Growth forecasted	1.30%	2.62%	1.51%	3.43%	0.00%	5.47%	3.68%	2.54%	3.80%	1.01%	6.60%	2.59%

/1 Does NOT include the possible impacts of federal health care reform legislation.

Department's Recommended Model

Name	Fee Paid	IP Supplemental Payment	OP Supplemental Payment	Total CICP/DSH Payments	Estimated CICP Payment w/o 1293	Net before Other Supplementals ++	Other Supplementals +++	Total Payments	Gain / (Loss) relative to no 1293
State Hospitals									
Colorado Mental Health Institute-Ft Logan	-	-	-	-	-	-	-	-	-
Colorado Mental Health Institute-Pueblo	-	-	-	-	-	-	-	-	-
University of Colorado Hospital	14,337,161	5,751,583	8,490,265	38,236,430	36,264,181	1,876,936	-	52,478,278	1,876,936
State Hospitals Total	14,337,160.63	5,751,582.91	8,490,265.27	38,236,429.60	36,264,181.00	1,876,936.15	-	52,478,277.78	1,876,936.15
Government Hospitals									
Arkansas Valley Regional Medical Center	1,731,466	379,600	855,712	2,157,619	1,374,965	286,500	768,575	4,161,507	1,055,075
Aspen Valley Hospital	643,940	55,619	56,698	822,331	490,839	(200,131)	233,425	1,168,073	33,294
Delta County Memorial Hospital	2,138,004	134,526	335,596	2,139,235	912,623	(441,271)	450,375	3,059,731	9,104
Denver Health Medical Center	13,352,229	2,213,284	2,971,953	89,161,018	64,455,024	16,539,002	-	94,346,255	16,539,002
East Morgan County Hospital	240,773	5,352	288,107	716,873	175,025	594,534	200,650	1,210,982	795,184
Estes Park Medical Center	314,200	40,770	83,374	956,573	435,234	331,283	177,650	1,258,367	508,933
Grand River Medical Center	422,342	28,328	275,197	872,943	190,609	563,517	292,650	1,469,118	856,167
Gunnison Valley Hospital	296,961	54,843	169,754	64,401	42,048	(50,012)	159,500	448,497	109,488
Haxtun Hospital	69,219	601	59,742	66,562	-	57,686	4,400	131,305	62,086
Heart of the Rockies Regional Medical Center	658,869	61,715	264,068	726,223	247,500	145,637	278,850	1,330,856	424,487
Keefe Memorial Hospital	149,420	9,811	35,562	77,326	-	(26,721)	29,700	152,399	2,979
Kit Carson County Memorial Hospital	264,761	38,376	189,972	21,347	-	(15,066)	175,925	425,620	160,859
Kremmling Memorial Hospital	447,284	6,055	81,700	52,761	117,393	(424,160)	593,575	734,092	169,415
Lincoln Community Hospital and Nursing Home	175,653	11,074	428,810	-	-	264,230	135,300	575,183	399,530
Melissa Memorial Hospital	345,152	8,841	279,915	93,321	40,279	(3,354)	31,900	413,978	28,546
The Memorial Hospital	559,955	61,427	299,866	160,808	167,785	(205,638)	281,725	803,826	76,087
Memorial Hospital	17,461,110	4,712,305	8,414,847	28,024,582	16,142,511	7,548,113	-	41,151,733	7,548,113
Montrose Memorial Hospital	2,472,193	200,392	529,762	2,383,643	1,054,452	(412,848)	876,975	3,990,771	464,127
North Colorado Medical Center	12,958,997	2,181,245	3,072,931	14,084,352	6,182,516	197,016	2,558,700	21,897,229	2,755,716
Pagosa Mountain Hospital	259,372	8,236	425,804	25,192	-	199,861	54,450	513,682	254,311
Pioneers Hospital	106,821	1,406	112,842	52,855	-	60,282	31,900	199,003	92,182
Poudre Valley Hospital	11,599,817	1,191,366	1,641,268	13,658,135	5,935,254	(1,044,301)	3,319,750	19,810,519	2,275,449
Prowers Medical Center	1,093,325	183,512	692,406	1,307,667	407,322	682,937	489,975	2,673,559	1,172,912
Rangely District Hospital	73,601	1,195	63,970	36,744	-	28,308	118,800	220,709	147,108
Sedgwick County Memorial Hospital	142,902	14,181	73,730	70,101	27,239	(12,130)	85,800	243,812	73,670
Southeast Colorado Hospital	237,112	8,048	183,949	145,494	34,179	66,200	96,800	434,292	163,000
Southwest Memorial Hospital	1,291,956	153,294	545,744	786,257	383,352	(190,012)	769,575	2,254,871	579,563
Spanish Peaks Regional Health Center	293,739	28,877	330,230	429,274	135,879	358,763	313,575	1,101,957	672,338
St. Vincent General Hospital District	174,599	21,243	163,730	123,920	118,153	16,141	86,900	395,794	103,041
Weisbrod Memorial County Hospital	26,396	601	92,986	17,383	-	84,575	9,900	120,870	94,475
Wray Community District Hospital	286,122	33,648	155,857	407,080	107,405	203,057	75,900	672,484	278,957
Yuma District Hospital	287,654	17,567	348,357	313,932	98,017	294,185	444,375	1,124,231	738,560
Gov't Hospitals Total	70,575,944.95	11,867,339.07	23,524,440.09	159,955,951.82	99,275,603.00	25,496,183.03	13,147,575.90	208,495,305.98	38,643,758.03
Public Hospitals Total									
	84,913,105.57	17,618,921.98	32,014,705.36	198,192,381.42	135,539,784.00	27,373,119.18	13,147,575.90	260,973,583.76	40,520,694.18
Private Hospitals									
Animas Surgical Center	306,856	7,303	505,914	25,192	-	231,553	20,900	559,309	252,453
Boulder Community Hospital	8,618,478	590,770	1,354,579	4,603,274	1,063,630	(3,133,484)	3,739,200	10,287,824	605,716
Cedar Springs Behavior Health System	-	-	-	-	-	-	-	-	-
Centennial Peaks Hospital	-	-	-	-	-	-	-	-	-
Centura Health - Avista Adventist Hospital	3,276,274	909,629	290,935	681,853	-	(1,393,856)	4,227,510	6,109,927	2,833,654
Centura Health - Littleton Adventist Hospital	6,963,451	351,445	485,808	1,553,471	-	(4,572,726)	504,450	2,895,174	(4,068,276)
Centura Health - Parker Adventist Hospital	3,186,318	351,208	303,754	536,091	-	(1,995,265)	1,523,970	2,715,023	(471,295)
Centura Health - Penrose - St. Francis Health Services	19,337,063	1,557,983	2,274,809	9,101,662	2,195,836	(8,598,445)	4,245,750	17,180,204	(4,352,695)

Hospital Provider Fee Oversight and Advisory Board

Name	Fee Paid	IP Supplemental Payment	OP Supplemental Payment	Total CICP/DSH Payments	Estimated CICP Payment w/o 1293	Net before Other Supplementals ++	Other Supplementals +++	Total Payments	Gain / (Loss) relative to no 1293
Centura Health - Porter Adventist Hospital	10,296,543	495,637	750,309	2,046,969	-	(7,003,627)	3,626,040	6,918,956	(3,377,587)
Centura Health - Saint Anthony Central Hospital	12,580,272	1,450,900	2,075,128	6,218,674	-	(2,835,570)	8,855,385	18,600,086	6,019,815
Centura Health - Saint Anthony North Hospital	6,034,335	1,172,903	1,229,915	1,501,544	-	(2,129,972)	4,130,340	8,034,703	2,000,368
Centura Health - Saint Anthony Summit Hospital	724,052	115,230	113,331	684,967	-	189,476	493,575	1,407,103	683,051
Centura Health - St. Mary-Corwin Medical Center	9,531,447	1,119,955	2,735,230	10,829,903	2,978,448	2,175,191	2,856,750	17,541,837	5,031,941
Centura Health - St. Thomas More Hospital	2,226,405	286,037	495,680	2,761,457	779,972	536,797	978,175	4,521,349	1,514,972
Colorado Acute Long Term Hospital	-	3,311	-	-	-	3,311	-	3,311	3,311
Colorado Plains Medical Center	1,121,465	332,238	405,379	688,771	162,836	142,086	609,975	2,036,363	752,061
HealthOne Medical Center of Aurora	15,219,589	1,998,639	2,076,158	5,289,854	-	(5,854,938)	2,858,250	12,222,902	(2,996,688)
HealthOne North Suburban Medical Center	4,992,233	1,015,455	1,159,160	1,992,713	-	(824,904)	1,173,150	5,340,478	348,246
Presbyterian/St. Luke's Medical Center	11,667,636	1,883,384	2,022,964	1,710,436	-	(6,050,852)	15,831,555	21,448,339	9,780,703
HealthOne Rose Medical Center	10,445,299	1,569,922	1,167,670	2,403,810	-	(5,303,897)	9,494,595	14,635,997	4,190,698
HealthOne Sky Ridge Medical Center	5,777,549	321,265	427,331	678,451	-	(4,350,502)	1,723,845	3,150,892	(2,626,657)
HealthOne Spalding Rehabilitation Hospital	-	78,920	33,820	-	-	112,741	-	112,741	112,741
HealthOne Swedish Medical Center	14,674,065	1,576,167	1,365,697	3,919,694	-	(7,812,507)	2,469,450	9,331,008	(5,343,057)
Community Hospital	1,636,452	26,877	523,006	774,145	170,542	(482,966)	52,750	1,376,778	(430,216)
Conjos County Hospital	310,130	19,126	263,939	430,741	99,884	303,791	592,775	1,306,581	896,566
Eating Recovery Center	-	-	-	-	-	-	-	-	-
Craig Hospital	-	439,029	-	-	-	439,029	-	439,029	439,029
Exempla Good Samaritan Medical Center	7,305,953	281,720	528,713	946,632	-	(5,548,889)	1,964,925	3,721,990	(3,583,964)
Exempla Lutheran Medical Center	16,719,243	1,666,304	1,934,017	3,947,632	-	(9,171,290)	9,708,390	17,256,343	537,100
Exempla Saint Joseph Hospital	15,282,590	1,696,275	1,160,885	2,525,274	-	(9,900,156)	9,601,635	14,984,069	(298,521)
Family Health West Hospital	28,967	888	7,809	-	-	(20,270)	3,300	11,997	(16,970)
Haven Behavioral Senior Care at St. Mary-Corwin	-	-	-	-	-	-	-	-	-
Highlands Behavioral Health System	-	-	-	-	-	-	-	-	-
HealthSouth Rehabilitation Hospital	-	48,397	25,709	-	-	74,106	-	74,106	74,106
Kindred Hospital	-	23,734	-	-	-	23,734	-	23,734	23,734
Longmont United Hospital	7,342,950	874,122	1,052,753	5,620,661	1,633,746	(1,429,160)	3,659,250	11,206,786	2,230,090
McKee Medical Center	4,144,624	477,713	1,297,410	7,018,704	2,131,572	2,517,630	1,009,750	9,803,577	3,527,380
Medical Center of the Rockies	3,171,631	205,230	218,494	3,197,494	1,584,786	(1,135,199)	369,000	3,990,218	(766,199)
Mercy Medical Center	2,828,882	377,673	656,945	2,524,231	534,968	194,998	735,575	4,294,424	930,573
Mount San Rafael Hospital	1,077,822	64,812	365,840	634,672	134,622	(147,120)	243,775	1,309,098	96,655
National Jewish Medical and Research Center	277,057	16,663	858,548	2,596,343	1,682,780	1,511,716	105,780	3,577,333	1,617,496
Vibra Psychiatric Hospital	-	-	-	-	-	-	-	-	-
Vibra Long Term Acute Care Hospital	-	41,733	-	-	-	41,733	-	41,733	41,733
Northern Colorado Rehabilitation Hospital	-	28,451	11,357	-	-	39,807	-	39,807	39,807
Parkview Medical Center	14,099,016	2,012,278	3,940,381	13,047,598	3,603,807	1,297,433	5,954,250	24,954,507	7,251,683
Pikes Peak Regional Hospital	53,060	19,831	13	343,795	55,614	254,965	14,300	377,939	269,265
Platte Valley Medical Center	2,471,213	868,104	1,169,772	2,273,494	1,499,298	340,858	724,950	5,036,319	1,065,808
Rio Grande Hospital	453,510	20,476	271,857	258,975	51,020	46,777	157,300	708,608	204,077
San Luis Valley Regional Medical Center	2,118,645	549,358	996,644	1,889,815	962,324	354,848	982,875	4,418,692	1,337,723
Select Long Term Care Hospital	-	-	-	-	-	-	-	-	-
Select Specialty Hospital - Denver	-	-	-	-	-	-	-	-	-
Select Specialty Hospital - Denver South Campus	-	-	-	-	-	-	-	-	-

Hospital Provider Fee Oversight and Advisory Board

Name	Fee Paid	IP Supplemental Payment	OP Supplemental Payment	Total CICP/DSH Payments	Estimated CICP Payment w/o 1293	Net before Other Supplementals ++	Other Supplementals +++	Total Payments	Gain / (Loss) relative to no 1293
St. Mary's Hospital and Medical Center	12,314,491	1,782,982	1,341,262	6,905,561	1,747,192	(4,031,878)	4,632,550	14,662,355	600,672
Sterling Regional MedCenter	1,415,958	179,549	420,032	2,745,588	794,952	1,134,258	662,375	4,007,543	1,796,633
The Children's Hospital	6,728,888	4,708,519	11,555,137	4,408,791	2,854,794	11,088,765	-	20,672,447	11,088,765
Triumph Hospital	-	6,701	-	-	-	6,701	-	6,701	6,701
Vail Valley Medical Center	1,591,475	258,245	167,563	1,032,693	-	(132,973)	709,575	2,168,076	576,602
Valley View Hospital	2,551,681	618,912	887,707	1,894,529	444,750	404,717	903,675	4,304,823	1,308,392
West slope Mental Health Stabilization Center	-	-	-	-	-	-	-	-	-
Yampa Valley Medical Center	1,025,803	174,783	268,772	758,659	168,950	7,462	611,575	1,813,789	619,037
Private Hospitals Total	251,929,372	34,676,784	51,198,134	123,004,814	27,336,323	(70,385,963)	112,763,195	321,642,927	42,377,232
Totals	336,842,478	52,295,706	83,212,839	321,197,196	162,876,107	(43,012,844)	125,910,770	582,616,511	82,897,926

++ Net before Other Supplementals = IP Supplemental + OP Supplemental + Total CICP/DSH - Estimated CICP w/o 1293 - Fee Paid

+++ Includes Rural Supplemental Metro Denver Supplemental and Non-Denver Metro Non-Rural Supplemental

Psychiatric Hospitals	-	-	-	-	-	-	-	-	-
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State of Colorado

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COLORADO GENERAL ASSEMBLY OFFICE OF LEGISLATIVE LEGAL SERVICES

091 State Capitol Building
Denver, Colorado 80203-1782
Telephone (303) 866-2045
Facsimile (303) 866-4157
E-mail: olls.ga@state.co.us

Director Douglas G. Brown

Deputy Director and Revisor of Statutes Charles W. Pike

Senior Staff Attorneys

Jeremiah B. Barry
Christine B. Chase
Gregg W. Fraser
Duane H. Gall
Jason Gelender
Jennifer G. Gilroy
Robert S. Lackner
Thomas Morris
Julie A. Pelegrin

Senior Attorneys

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Staff Attorneys

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MEMORANDUM

TO: Joint Budget Committee

FROM: Office of Legislative Legal Services

DATE: January 15, 2003

SUBJECT: Changing state employees' pay day to the first working day of the next month¹

ISSUE: Does the Colorado constitution prohibit the general assembly from enacting a statute that provides for paying state employees on the first working day of a month for work performed during the previous month?

CONCLUSION: No.

1. The Colorado constitution does not expressly or indirectly prescribe the day upon which state employees must be paid for work performed. Pursuant to its plenary power, the general assembly has the authority to enact a statute that provides for paying state employees on the first working day of a month for work performed during the previous month.
2. Such a statute does not implicate the provisions of article X of section 20 of the Colorado constitution ("TABOR") requiring voter approval of the creation of a direct or indirect debt or multiple-fiscal year financial obligation of the state.

¹ This legal memorandum results from a request made to the Office of Legislative Legal Services (OLLS), a staff agency of the General Assembly. OLLS legal memoranda do not represent an official legal position of the General Assembly or the State of Colorado and do not bind the members of the General Assembly. They are intended for use in the legislative process and as information to assist the members in the performance of their legislative duties. Consistent with the OLLS' position as a staff agency of the General Assembly, OLLS legal memoranda generally resolve doubts about whether the General Assembly has authority to enact a particular piece of legislation in favor of the General Assembly's plenary power.

ANALYSIS:

Background

Since February of 1973, salaries for positions in the state personnel system have been statutorily required to be paid on a monthly basis as of the last working day of the month.² An exception to this statutory requirement was enacted in 1979 to allow most state personnel system employees in the state department of highways (now the Colorado department of transportation) to be paid their December salaries on the first working day of the following January.³

As part of the budget reduction proposals to deal with a significant revenue shortfall in the 2002-03 state fiscal year, the governor is currently proposing that the general assembly amend section 24-50-104 (8) (a), C.R.S., to provide that state personnel system employees be paid on the first working day of the month following the month in which employees worked. This statutory change is estimated to reduce state expenditures in the 2002-03 fiscal year by approximately \$133.9 million as the state would pay state personnel system employees' salaries for only eleven months, instead of for twelve months.

It is within this context that the question has arisen whether the Colorado constitution prohibits the general assembly from amending existing statutes to implement the governor's proposal to change the day upon which state employees are paid.

Plenary authority of the general assembly

The Colorado supreme court has repeatedly held that the general assembly's power is plenary and is limited only by express or implied provisions of the constitution.⁴ The scope and breadth of legislative power is reflected in the following statement: "Because state legislatures have plenary power for all purposes of civil government, state constitutions are limitations upon that power."⁵ Especially when it comes to revenue, spending, and other

² Section 24-50-104 (8) (a), C.R.S.; Senate Bill 16, Chapter 118, Session Laws of Colorado 1973.

³ Section 24-50-104 (8) (a), C.R.S.; House Bill 1494, Chapter 242, Session Laws of Colorado 1979.

⁴ *People v. Y.D.M.*, 197 Colo. 403, 593 P.2d 1356 (1979).

⁵ *Colorado State Civil Service Employees Ass'n v. Love*, 167 Colo. 436, 448, 448 P.2d 624, 628 (1968).

fiscal matters, the general assembly has broad legislative responsibilities, subject only to "express or implied restraints imposed thereon by specific constitutional provisions."⁶

Because the general assembly has the legislative power to enact any laws not forbidden by the constitution, the exact scope of legislative power cannot be precisely defined. Only when the state constitution directly or indirectly addresses the limits of legislative power or when the judiciary defines the extent of that power in the context of a particular decision are the boundaries precisely known.

Accordingly, the general assembly has the authority to amend existing statutes to provide that state employees be paid on the first working day of the month following the month in which employees worked unless expressly or impliedly prohibited by the Colorado constitution.⁷

Constitutional provisions regarding compensation of state officers and employees

No provision of the Colorado constitution expressly prescribes on what day of the month state employees are to be paid for work performed. While there are various constitutional provisions that relate to the compensation of state officers and employees in certain respects, none of these provisions establish a day upon which such compensation is to be paid.⁸

⁶ *Dempsey v. Romer*, 825 P.2d 44, 51 (Colo. 1992).

⁷ The statute allowing certain personnel system employees of the state department of highways (now the Colorado department of transportation) to be paid their December salaries on the first working day of the following January, *see note 3*, supports the position that the general assembly's plenary authority to specify the pay day of state employees is not constitutionally limited. Such statute is duly enacted and presumed constitutional. *Colo. Ass'n of Public Employees v. Board of Regents of University of Colorado*, 804 P.2d 138, 142 (Colo. 1990).

⁸ Most relevant to this issue is section 13 of article XII of the Colorado constitution, which establishes the personnel system for state employees. While this constitutional provision specifies that persons in the personnel system "shall be graded and compensated according to standards of efficient service which shall be the same for all persons having like duties," this provision does not specify when such compensation is to be paid.

In addition, several other constitutional provisions address the compensation of state officers and employees. Article IV, section 19 of the Colorado constitution specifies that the governor, lieutenant governor, secretary of state, state treasurer, and attorney general "shall receive for their services a salary to be established by law, which shall not be increased or diminished" during their terms. Article V, section 6 specifies that "Each member of the general assembly shall receive such salary and expenses as are prescribed by law." Section 27 of article V requires the general assembly to "prescribe by law or joint resolution the number, duties, and compensation" of its appointed officers and employees. Section 28 of article V prohibits the enactment of any bill providing for the payment of "extra compensation to any public officer or employee, agent, or contractor after services have been rendered or contract made."

Section 13 of article VI of the Colorado constitution states that "District attorneys shall receive such salaries and perform such duties as provided by law." Article VI, section 18 provides that "justices and judges shall receive such
(continued...)

Accordingly, the general assembly has authority to statutorily direct that state employees be paid on the first working day of the month for work performed during the previous month unless the Colorado constitution indirectly prohibits such a statutory change.

Section 2 of article X of the Colorado constitution

Section 2 of article X of the Colorado constitution reads as follows:

Section 2. Tax provided for state expenses. The general assembly shall provide by law for an annual tax sufficient, with other resources, to defray the estimated expenses of the state government for each fiscal year.

Article X, section 2 mandates the general assembly to provide by law for an annual state tax, which shall be sufficient, with other resources, to defray the estimated expenses of the state government for each fiscal year. "It limits [the general assembly's] otherwise plenary power to act or not to act by requiring an *annual* tax to be provided sufficient, when supplemented by other resources of the state, to defray the estimated state expenses for each fiscal year. The mandate is not absolute, but contingent; contingent on the estimated expense exceeding the other resources which might be derived from various sorts of excise taxation." [Emphasis in original]⁹ Accordingly, it is the imperative duty of the general assembly to provide by law for such a tax.¹⁰ The general assembly cannot refuse to exercise its authority to impose taxes needed to cover the entire expenses of state government as "it must enact tax statutes so that governmental operations may be funded."¹¹

⁸ (...continued)

compensation as may be provided by law, which may be increased but may not be decreased during their term of office." Similarly, article XII, section 11 prohibits the salary of any elected public officer from being increased or decreased during the officer's term of office. While all of these constitutional provisions relate in some manner to compensation for state officials and employees, none of these provisions specify a day upon which compensation is to be paid to such state officers and employees.

⁹ *Johnson v. McDonald*, 97 Colo. 324, 347, 49 P.2d 1017, 1028 (1935), citing *Parsons v. People*, 32 Colo. 221, 234, 76 P. 666 (1904).

¹⁰ *People ex rel. Regents of the State University v. State Board of Equalization*, 20 Colo. 220, 230, 37 P. 964, 968 (1894); *In re Appropriations by General Assembly*, 13 Colo. 316, 326, 22 P. 464, 467 (1889).

¹¹ *Vail Associates, Inc. v. Colorado State Board of Equalization*, 19 P.3d 1263, 1274 (Colo. 2001).

However, article X, section 2 only relates to the raising of revenue as "[i]t says nothing about the expenditure of revenue."¹² The pay day proposal only involves when state revenues are expended to pay state employees' salaries. Accordingly, article X, section 2 does not limit the plenary authority of the general assembly to enact statutes that establish the first day of the month as the pay day of state employees.

Section 16 of article X of the Colorado constitution

Section 16 of article X of the Colorado constitution states:

Section 16. Appropriations not to exceed tax - exceptions. No appropriation shall be made, nor any expenditure authorized by the general assembly, whereby the expenditure of the state, during any fiscal year, shall exceed the total tax then provided for by law and applicable for such appropriation or expenditure, unless the general assembly making such appropriation shall provide for levying a sufficient tax, not exceeding the rates allowed in section eleven of this article, to pay such appropriation or expenditure within such fiscal year. This provision shall not apply to appropriations or expenditures to suppress insurrection, defend the state, or assist in defending the United States in time of war.

This constitutional provision limits the general assembly's plenary authority to make appropriations by prohibiting the general assembly from making appropriations in excess of the revenues available for expenditure during any given fiscal year except for extraordinary purposes.¹³ Any appropriations in excess of the revenue available for such appropriations are void and of no effect.¹⁴ However, the determination of whether any appropriations made by the general assembly are in violation of article X, section 16 and thereby void cannot be made until the fiscal year has expired and all revenue available for expenditure has been exhausted.¹⁵

¹² *Johnson v. McDonald, supra*, note 9, at 347, 1028.

¹³ *In re Continuing Appropriations*, 18 Colo. 192, 32 P. 272 (1893); *In re Appropriations by General Assembly, supra*, note 10.

¹⁴ *In re Appropriations by General Assembly, supra*, note 10; *Parks, Auditor v. Commissioners for the Soldiers' and Sailors' Home*, 22 Colo. 86, 43 P. 542 (1896).

¹⁵ *People ex rel. Colorado State Hospital et al. v. Armstrong, State Treasurer*, 104 Colo. 238, 90 P.2d 522 (1939).

The purpose of this constitutional inhibition is "to prohibit the making of appropriations authorizing expenditures for any fiscal year in excess of the revenue provided for the payment thereof during said period, to the end that indebtedness beyond the current means of discharging the same may be precluded."¹⁶ Within this constitutional limit, the general assembly may appropriate the public funds of the state as it chooses, but once this limit has been reached, further appropriations are of no force and effect, for the reason that there is no revenue available to meet such appropriations.¹⁷

The amendment of state statutes to provide for the payment of state employees on the first working day of the month following the month in which work is performed is not expressly prohibited by article X, section 16 as such a statutory change itself does not constitute an appropriation of moneys. Some may argue that this statutory amendment departs from the statutorily-required and commonly accepted principles underlying the accrual system of accounting,¹⁸ thereby implicating the requirements of article X, section 16.¹⁹ However, use

¹⁶ *People ex rel. Colorado State Hospital et al. v. Armstrong, State Treasurer, supra*, note 15, at 244, 525. See also *In re Appropriations by General Assembly, supra*, note 10.

¹⁷ *Parks, Auditor v. Commissioners for the Soldiers' and Sailors' Home, supra*, note 14.

¹⁸ Section 24-30-202 (12), C.R.S., requires the state controller to create and implement a unified and integrated system of accounts for the state, which "shall be based upon the accrual system of accounting."

The accrual system of accounting keeps "accounts which shows expenses incurred and income earned for a given period, although such expenses and income may not have been actually paid or received. Right to receive and not the actual receipt determines inclusion of amount in gross income. When right to receive an amount becomes fixed, right accrues. Obligations payable to or by taxpayer are treated as if discharged when incurred. Entries are made of credits and debits when liability arises, whether received or disbursed." Black's Law Dictionary, p. 18 (5th edition, 1979).

"Governmental fund revenues and expenditures should be recognized on the modified accrual basis. Revenues should be recognized in the accounting period in which they become available and measurable. Expenditures should be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and on special assessment indebtedness secured by interest-bearing special assessment levies, which should be recognized when due." Governmental Accounting and Financial Reporting Standards, National Council on Governmental Accounting, Government Accounting Standards Board (GASB), Statement No. 1, Paragraph 57.8.a., p. 23 (June 20, 2002).

¹⁹ The proposal to change the pay day of state employees would reduce the amount of expenditures for state employees' salaries in the 2002-03 fiscal year as state employees would be paid for work performed in June of 2003 on July 1, 2003, the first day of fiscal year 2003-04. This change would reduce expenditures in fiscal year 2002-03, thereby making approximately \$133.9 million available for appropriation in that fiscal year for other state purposes. However, under the accrual system of accounting, the amount to be paid state employees on July 1, 2003, for work performed in June of 2003 would be recorded in the state's financial statements as a liability or financial obligation for fiscal year 2002-03 even though that amount would actually be expended in fiscal year 2003-04. Under the accrual system, the proposed change would not free up \$133.9 million for appropriation for other state purposes in the 2002-03 fiscal year as this amount would still be shown as due and payable in fiscal year 2002-03 to state employees for their June work, regardless of whether that amount was expended in that fiscal year. In the absence of the proposed statutory change, or unless additional state revenues become
(continued...)

of the accrual system of accounting is not prescribed by the Colorado constitution.²⁰ Furthermore, the general assembly has enacted statutory exceptions to the use of the accrual system of accounting.²¹ In short, the general assembly has the plenary authority to choose the state's accounting methodology and, consequently, the basis for estimating state revenues in a manner consistent with the methodology. Accordingly, such statutes, including a statute

¹⁹ (...continued)

available for appropriation, any appropriation of the \$133.9 million for purposes other than to pay state employees would result in the state's financial statements showing that appropriations exceed the amount of state revenues available for appropriation for fiscal year 2002-03.

²⁰ While constitutional provisions relating to governmental indebtedness, such as article X, section 16, provide the basis for the conclusion that the framers of the Colorado constitution intended to establish the state's financial system on a basis that closely approximates the basis of cash, *Lake County v. Rollins*, 130 U.S. 662, 672, 9 S. Ct. 651, 653 (1889), no provision of Colorado's constitution expressly prescribes whether the state's accounting methodology should be based upon the cash system or the accrual system. Thus, the general assembly has the plenary authority to choose the state accounting methodology and, consequently, the basis for estimating state revenues in a manner consistent with that methodology. Furthermore, it is within the general assembly's authority to modify such methodology by creating exceptions as appropriate and in light of any constitutional requirements and limitations.

²¹ The general assembly first exercised its power to statutorily establish the basis for the state's financial system in 1969. The state's financial system was required to be based upon the accrual or modified accrual system of accounting commencing with fiscal year 1969-70. *See* Senate Bill 46, Chapter 27, Session Laws of Colorado 1969. The statute was amended in 1992 to adopt the accrual system of accounting. *See* House Bill 92-1088, Chapter 162, Session Laws of Colorado 1992.

Since 1992, the general assembly has enacted statutes that allow for departure from the accrual system of accounting. For example, state financial statements prepared for purposes of ascertaining compliance with article X of section 20 of the Colorado constitution ("TABOR") are to be prepared in accordance with generally accepted accounting principles except as otherwise provided by law or unless an unreconcilable conflict exists between such accounting principles and the provisions of TABOR. Section 24-77-101 (2) (f), C.R.S. In addition, section 24-77-106.5 (3), C.R.S., enacted in 1998, prohibits the state's TABOR financial statements from including any unrealized gains or losses on investments held by the state notwithstanding general accepted accounting principles.

Another exception to the requirement that the state's financial system be based on the accrual system of accounting was also enacted in 1998. Section 24-75-201, C.R.S., was amended to specify that the general fund surplus be determined based on the accrual system, except that any revenues designated as revenues in excess of the state fiscal year spending limitation imposed by TABOR are to be unrestricted revenues in the general fund surplus for the fiscal year in which the excess revenues accrued and such excess revenues shall be restricted in the next fiscal year. *See* House Bill 98-1414, Chapter 229, Section 2, Session Laws of Colorado 1998. This statutory change was necessitated by the fact that, under the accrual system of accounting, the obligation of the state to make a required refund of excess revenues would have been recorded as a liability against the general fund reserve in the year the excess revenues were collected, even though the state would not make the expenditure to pay out such excess revenues as refunds until the next fiscal year. With this accounting restriction, these revenues in the general fund reserve would not otherwise be available for appropriation for state purposes. While ensuring that the required amount of excess revenues is available in the fiscal year in which it is to be refunded, the general assembly enacted this exception to the accrual accounting method to allow the appropriation of excess moneys in the general fund reserve in the fiscal year in which the excess moneys are collected.

to move the pay day of state employees to the first working day of the next month, do not run afoul of the Colorado constitution.²²

Pursuant to its plenary power, the general assembly may enact a statute that specifies: 1) state employees are to be paid on the first working day of a month following the month during which work is performed; and 2) revenues to pay state employees for work performed shall be restricted in the fiscal year in which state employees are paid.²³ Such a statutory enactment would eliminate the possible argument that enacting the pay day proposal and appropriating the resulting savings for other state purposes would violate article X, section 16.

Section 20 (4) (b) of article X of the Colorado constitution

Section 20 of article X of the Colorado constitution, commonly referred to as "TABOR," imposes limitations on the ability of the general assembly to take certain actions relating to state government finance, spending, and taxation. To protect taxpayers from unwarranted tax increases, TABOR "requires voter approval for certain state and local government tax increases and restricts property, income, and other taxes."²⁴ TABOR also requires prior voter approval for state and local governments to assume certain multiple-year financial obligations.²⁵ It also "limits the growth of state revenues . . . by restricting the increase of fiscal year spending to the rate of inflation plus population increase, unless voter approval for an increase in spending is obtained."²⁶ However, beyond these specific limitations, TABOR does not affect the contours of the legislative power to deal with revenue and spending matters. The contours of these and other legislative powers remain to be determined in the course of the legislative process, the administration of the laws, and judicial review.

²² Duly enacted statutes are presumed constitutional. *Colo. Ass'n of Public Employees v. Board of Regents of University of Colorado*, *supra*, note 7.

²³ This memorandum does not address any policy issues that may arise from the enactment of a statute establishing such an exception to generally accepted accounting principles under the accrual system of accounting.

²⁴ *Submission of Interrogatories on Senate Bill 93-74*, 852 P.2d 1, 4 (Colo. 1993).

²⁵ *Submission of Interrogatories on House Bill 99-1325*, 979 P.2d 549, 556 (Colo. 1998).

²⁶ *Submission of Interrogatories on Senate Bill 93-74*, *supra*, note 24. See also *Bickel v. City of Boulder*, 885 P.2d 215, 225 (Colo. 1994); *Zaner v. City of Brighton*, 917 P.2d 280, 284 (Colo. 1996).

Since no provision of TABOR specifically addresses the day upon which state employees are paid, TABOR does not expressly restrict the general assembly's plenary authority to modify existing statutes so state employees are paid on the first working day of the month following the month state employees work. However, TABOR would require prior voter approval of the pay day proposal if it creates any direct or indirect debt or multiple-fiscal year financial obligation of the state.²⁷

Under the pay day proposal, state employees who work during June will be paid for their work in July. Therefore, state employees paid for work performed in June will be paid in a fiscal year other than the fiscal year in which the work was performed. The fact that the state's obligation to pay employees for work performed in one fiscal year is not discharged before the end of that fiscal year and is carried into another fiscal year raises the issue of whether changing the pay day of state employees creates a multiple-fiscal year financial obligation requiring prior voter approval under TABOR.

In construing TABOR, the Colorado supreme court has held that the goal is to determine and give effect to the will of the people in adopting that provision. To accomplish this goal, the terms of the provision should be given their ordinary and popular meaning.²⁸ The phrase "any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever" is not defined by TABOR. For terms not defined by the constitutional provision, the Colorado supreme court has relied upon prior case law.²⁹

The court has stated that "debt by loan in any form," prohibited by article XI, section 3 of the Colorado constitution, may be characterized by the following: "[T]hat the obligation pledges revenues of future years, that it requires use of revenue from a tax otherwise available for general purposes, that it is a legally enforceable obligation against the state in future years,

²⁷ Section 20 (4) (b) of article X of the Colorado constitution reads:

Section 20. The Taxpayer's Bill of Rights. (4) Required elections. Starting November 4, 1992, districts must have voter approval in advance for:

(b) Except for refinancing district bonded debt at a lower interest rate or adding new employees to existing district pension plans, creation of any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.

²⁸ *Zaner v. City of Brighton*, *supra*, note 25; *Bolt v. Arapahoe County School District Number Six*, 898 P.2d 525 (Colo. 1995).

²⁹ *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo. 1995); *Bickel v. City of Boulder*, 885 P.2d 215 (Colo. 1994).

or that appropriation by future legislatures of monies in payment of the obligation is nondiscretionary."³⁰

Article XI, section 3 debt does not include financing devices where the funds borrowed by a government through the issuance of bonds are repaid out of revenue generated by the improvement built with bond proceeds,³¹ where the borrowing entity is a public entity independent from government,³² or where a government enters into a lease-purchase agreement in which the parties are not bound to renew the lease at the end of each year.³³ For purposes of TABOR (4) (b), "debt" has been held to have the same meaning as article XI, section 3 debt.³⁴

The Colorado supreme court has stated that TABOR (4) (b) encompasses a broad scope of financial obligations not limited to article XI, section 3 debt. As a result, revenue bonds, transportation revenue anticipation notes, and the repayment of intergovernmental loans not subject to annual appropriation have been held to be financial obligations under the terms of TABOR (4) (b).³⁵ While the supreme court did not define "financial obligation" in reaching this conclusion, the court recognized that the term "financial obligation" is not open-ended, and does not include every conceivable type of financial obligation.

Relying on the fact that the Legislative Council Analysis of Ballot Issues informed voters that TABOR (4) (b) would "require voter approval for the creation of most financial obligations that extend beyond the current fiscal year" unless the government sets aside the money in advance, the court recognized that, if read literally, the phrase "multiple-fiscal year financial obligation whatsoever" could encompass many financial obligations that would include something other than borrowing money. The court declined to give the phrase its "plain meaning", stating that such an interpretation could lead to absurd results that the voters did

³⁰ *Glennon Heights, Inc. v. Central Bank & Trust*, 658 P.2d 872, 878-879 (Colo. 1983).

³¹ *Perl-Mack Civic Ass'n v. Board of Directors of Baker Metro. and Sanitation District*, 140 Colo. 371, 344 P.2d 685 (1959).

³² *In re Interrogatories by the Colorado State Senate*, 193 Colo. 298, 566 P.2d 350 (1977).

³³ *Glennon Heights, Inc. v. Central Bank & Trust*, *supra*, note 30.

³⁴ *Submission of Interrogatories on House Bill 99-1325*, *supra*, note 25; *Nicholl v. E-470 Public Highway Authority*, *supra*, note 29; *Boulder v. Dougherty, Dawkins*, 890 P.2d 199 (Colo. App. 1994).

³⁵ *Submission of Interrogatories on House Bill 99-1325*, *supra*, note 25; *Nicholl v. E-470 Public Highway Authority*, *supra*, note 29.

not intend when approving TABOR.³⁶ Consistent with this interpretation, the court has refused to find that a multiple-year lease agreement for equipment like copy machines or computers or a lease-purchase agreement for a road grader constitutes a multiple-fiscal year financial obligation requiring voter approval under TABOR.³⁷

Although the payment of state employees' salaries does not constitute article XI, section 3 debt, the payment of such salaries might be regarded as a financial obligation of the state. By agreeing to employ state employees, state agencies may make a financial commitment to pay compensation to state employees for the term of employment. As a result, the promise to pay salary may constitute a direct financial obligation that is legally enforceable against the state since state agencies are part of the state for purposes of TABOR. Under the pay day proposal, state employees would not be paid for all of the work performed in one fiscal year by the end of that fiscal year. Instead, state employees would be paid for work performed in the month of June in the following fiscal year and some might argue that this fact may make the financial obligation of the state a multiple-fiscal year financial obligation requiring prior voter approval.

For the following reasons, the enactment of a statute delaying the pay day of state employees to the following month does not appear to create a financial obligation of the state that requires statewide voter approval under TABOR:

- 1) As previously stated, in construing a constitutional amendment, the goal of the Colorado supreme court "is to determine and give effect to the will of the people in adopting the measure."³⁸ In interpreting TABOR, the court found that "As presented to the electorate, [TABOR] was designed to protect citizens from unwarranted tax increases."³⁹ Further, the court has held that "Amendment 1's requirement of electoral approval is not a *grant* of new powers or rights to the people, but is more properly viewed as a *limitation* on the power of the people's elected representatives." [Emphasis in original]⁴⁰ "By adopting Amendment 1, the voters of this state intended to exercise 'greater direct control over government growth by, among other things, setting various spending and revenue limits and requiring voter approval of measures

³⁶ *Submission of Interrogatories on House Bill 99-1325, supra*, note 25.

³⁷ *Id.*

³⁸ *Bolt v. Arapahoe County School District Number Six, supra*, note 28.

³⁹ *Submission of Interrogatories on Senate Bill 93-74*, 852 P.2d 1, 4 (Colo. 1993).

⁴⁰ *Bickel v. City of Boulder, supra*, note 26.

that would increase debt, spending, or taxes."⁴¹ Since changing the pay day of state employees does not increase state debt, spending, or taxes, it does not appear that voters intended to affect on what day state employees are paid one way or another.

- 2) Since the revenues used to pay state employees are subject to annual appropriation by the general assembly and switching the day upon which state employees are paid does not "entail the borrowing of funds or pledge the credit of the state,"⁴² changing the day upon which the state is obligated to pay state employees does not constitute debt or the type of financial obligation that voters intended to require a statewide vote on when approving TABOR. To apply TABOR's voter approval requirement to the pay day proposal would require an unreasonable result.⁴³
- 3) The employment relationship between the state and its employees is in the nature of a contractual relationship that is subject to available revenues. Lack of revenue to compensate a state employee is recognized as a legitimate reason to terminate the employment relationship between the state and a state employee.⁴⁴ Accordingly, the employment relationship does not give rise to any direct or indirect debt or multiple-fiscal year financial obligation of the state.
- 4) TABOR (1) provides that TABOR's "preferred interpretation shall reasonably restrain most the growth of government." To interpret the pay day proposal as being exempt from the voter approval requirement is consistent with the preferred interpretation of TABOR. In this situation, there does not appear to be any resulting growth in government. Changing the pay day does not increase the number of persons employed by the state or the amount of salaries to be paid to state employees. The proposal only changes when state employees are paid. Government does not grow just because the pay day proposal may result in more persons being employed by the state than if the proposal is not enacted, in which case additional state expenditure reductions would be made resulting in the termination of some state employees. The supreme court has refused to "adopt a rigid interpretation of [TABOR] that would

⁴¹ *Havens v. Board of Cty. Comm.*, 924 P.2d 517 (Colo. 1996).

⁴² The Colorado supreme court held that a lease/purchase agreement for a road grader was not a multiple-fiscal year financial obligation requiring voter approval under TABOR because the agreement "did not entail the borrowing of funds or pledge the credit of the state." *Submission of Interrogatories on House Bill 99-1325*, *supra*, note 25, at 557.

⁴³ "An unjust, absurd or unreasonable result should be avoided when construing a constitutional provision." *Bickel v. City of Boulder*, *supra*, note 26, at 229.

⁴⁴ *Bardsley v. Dept. of Public Safety*, 870 P.2d 641 (Colo. App. 1994); *People ex rel. Kelly v. Milliken*, 74 Colo. 456, 223 P. 40 (1923).

have the effect of working a reduction in government services."⁴⁵ In addition, any revenues expended for state employees' salaries will continue to be subject to the spending limits imposed by TABOR, regardless of what day on which employees are paid. Thus, growth in government does not result from either interpretation.

Since statutorily changing the pay day of state employees does not constitute the type of financial obligation that requires statewide voter approval under TABOR (4) (b), the general assembly has the authority to change the pay day of state employees to the first working day of the month without obtaining prior voter approval.

Conclusion

The Colorado constitution does not expressly or indirectly limit the plenary authority of the general assembly to statutorily prescribe the day upon which state employees must be paid for work performed. Therefore, the general assembly has the authority to enact a statute that provides for paying state employees on the first working day of a month for work performed during the previous month.

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⁴⁵ *Bolt v. Arapahoe County School District Number Six*, *supra*, note 28.

JBC STAFF - EXAMPLE model of Primary Care Fund and Health Care Services Fund - Based on FY 2008-09 Distributions

Provider	FY 2008-09 Distributions					FY 2009-10 With Budget Reductions (based on FY 08-09 Disbursement)				
	Constitutional	Statutory	Statutory	Statutory	Total	Law	Law & Governor Proposal	Governor Proposal	Governor Proposal	Total
	Primary Care Fund	Comprehensive Primary Care Grant Fund	Health Care Services Fund	Rural & Public Hospital Grant Program		Primary Care Fund	Comprehensive Primary Care Grant Fund	Health Care Services Fund	Rural & Public Hospital Grant Program	
Denver Health and Hospital Authority	6,378,160	0	5,400,000	1,495,610	13,273,770	5,175,436	0	0	0	5,175,436
Plan de Salud Del Valle / Salud Family Health Centers	4,452,051	200,000	3,556,794	0	8,208,845	3,612,532	8,519	0	0	3,621,050
Metro Community Provider Network	3,262,057	0	3,113,627	0	6,375,684	2,646,934	0	0	0	2,646,934
Peak Vista Community Health Center	2,936,305	0	3,568,800	0	6,505,105	2,382,608	0	0	0	2,382,608
Clinica Campesina Family Health Services	2,534,100	300,000	1,626,569	0	4,460,669	2,056,247	12,778	0	0	2,069,025
Sunrise Community Health Center	1,680,737	0	1,336,715	0	3,017,452	1,363,802	0	0	0	1,363,802
Valley-Wide Health Systems	1,394,269	400,000	1,654,405	0	3,448,674	1,131,353	17,037	0	0	1,148,390
Pueblo Community Health Center	1,126,535	250,000	2,122,915	0	3,499,450	914,105	10,648	0	0	924,753
Colorado Coalition for the Homeless	1,026,815	394,805	2,419,468	0	3,841,088	833,189	16,816	0	0	850,005
Marillac Clinic	919,843	100,000	353,273	0	1,373,116	746,389	4,259	0	0	750,648
Inner City Health Center	645,763	250,000	0	0	895,763	523,992	10,648	0	0	534,640
Mountain Family Health Centers	480,772	0	421,724	0	902,496	390,113	0	0	0	390,113
Summit County Care Clinic	425,775	87,808	0	0	513,583	345,487	3,740	0	0	349,227
Rocky Mountain Youth Clinics	405,831	0	0	0	405,831	329,304	0	0	0	329,304
High Plains Community Health Center	374,706	0	495,135	0	869,841	304,048	0	0	0	304,048
Clinica Tepeyac, Inc.	357,179	0	0	0	357,179	289,826	0	0	0	289,826
Fort Collins Family Medicine Residency Program	245,674	0	0	0	245,674	199,347	0	0	0	199,347
St. Mary-Corwin Health Foundation	215,154	158,761	0	0	373,915	174,583	6,762	0	0	181,345
Exempla St. Joseph Hospital, Bruner Family Medicine	191,584	0	0	0	191,584	155,457	0	0	0	155,457
SET Family Medical Clinics	155,624	0	0	0	155,624	126,278	0	0	0	126,278
St. Anthony Family Medicine	140,213	0	0	0	140,213	113,773	0	0	0	113,773
Doctors Care	124,197	0	0	0	124,197	100,777	0	0	0	100,777
Eagle Care Medical Clinic	99,116	99,112	0	0	198,228	80,426	4,221	0	0	84,647
North Colorado Family Medicine - Residency Program	92,166	0	0	0	92,166	74,786	0	0	0	74,786
Northwest Colorado Visting Nurses Assoc. (1st time funded)	86,122	0	0	0	86,122	69,882	0	0	0	69,882
Commerce City Community Health Services	85,215	0	0	0	85,215	69,146	0	0	0	69,146
Plains Medical Center	82,194	0	18,403	0	100,597	66,695	0	0	0	66,695
Dove Creek / Community Health	69,502	0	0	0	69,502	56,396	0	0	0	56,396
Mission Medical Clinic	62,854	238,421	0	0	301,275	51,002	10,155	0	0	61,157
Basin Clinic (new provider)	60,134	0	0	0	60,134	48,795	0	0	0	48,795
Olathe Medical Clinic	55,299	0	0	0	55,299	44,871	0	0	0	44,871
Uncompahgre Medical Center	52,279	125,000	82,068	0	259,347	42,421	5,324	0	0	47,745
San Luis Valley Regional Medical Center	0	396,972	0	300,348	697,320	0	16,908	0	0	16,908
Community Health Clinic	0	0	68,628	0	68,628	0	0	0	0	0
Custer County Medical Center	0	0	16,715	0	16,715	0	0	0	0	0
Denver Indian Health & Family Clinic	0	0	11,303	0	11,303	0	0	0	0	0
Northwest Colorado Community Health Center	0	0	43,458	0	43,458	0	0	0	0	0
University of Colorado Hospital	0	0	546,603	447,426	994,029	0	0	0	0	0
Banner Health East Morgan County Hospital	0	0	63,072	0	63,072	0	0	0	0	0
Melissa Memorial Hospital	0	0	44,980	7,352	52,332	0	0	0	0	0
Memorial Hospital - Colorado Springs	0	0	771,061	246,354	1,017,415	0	0	0	0	0
Poudre Valley Hospital	0	0	460,859	100,328	561,187	0	0	0	0	0
Sedgwick County Memorial Hospital	0	0	31,189	5,928	37,117	0	0	0	0	0
Southeast Colorado Hospital and LTC	0	0	36,431	758	37,189	0	0	0	0	0
Wray Community District Hospital	0	0	48,425	37,868	86,293	0	0	0	0	0
Yuma District Hospital	0	0	95,332	26,358	121,690	0	0	0	0	0
Banner Health Sterling Regional MedCenter	0	0	123,033	0	123,033	0	0	0	0	0
Centura Health - Penrose - St. Francis Health Services	0	0	26,232	0	26,232	0	0	0	0	0
Centura Health - St. Mary - Corwin Medical Center	0	0	1,032,841	0	1,032,841	0	0	0	0	0
Centura Health - St. Thomas More Hospital	0	0	0	297,406	297,406	0	0	0	0	0
Colorado Plains Medical Center	0	0	5,875	62,092	67,967	0	0	0	0	0
Conejos County Hospital Corporation	0	0	164,641	38,086	202,727	0	0	0	0	0
Longmont United Hospital	0	0	13,035	0	13,035	0	0	0	0	0
Mount San Rafael Hospital	0	0	21,409	0	21,409	0	0	0	0	0

JBC STAFF - EXAMPLE model of Primary Care Fund and Health Care Services Fund - Based on FY 2008-09 Distributions

Provider	FY 2008-09 Distributions					FY 2009-10 With Budget Reductions (based on FY 08-09 Disbursement)				
	Constitutional	Statutory	Statutory	Statutory		Law	Law & Governor Proposal	Governor Proposal	Governor Proposal	
	Primary Care Fund	Comprehensive Primary Care Grant Fund	Health Care Services Fund	Rural & Public Hospital Grant Program	Total	Primary Care Fund	Comprehensive Primary Care Grant Fund	Health Care Services Fund	Rural & Public Hospital Grant Program	Total
Rio Grande Hospital	0	0	80,999	19,454	100,453	0	0	0	0	0
St. Mary's Hospital and Medical Center, Inc.	0	0	123,983	0	123,983	0	0	0	0	0
Arkansas Valley Regional Medical Center	0	0	0	15,942	15,942	0	0	0	0	0
Aspen Valley Hospital	0	0	0	67,964	67,964	0	0	0	0	0
Delta County memorial Hospital	0	0	0	205,896	205,896	0	0	0	0	0
East Morgan County Hospital District	0	0	0	59,886	59,886	0	0	0	0	0
Estes Park Medical Center	0	0	0	7,000	7,000	0	0	0	0	0
Grand River Medical Center	0	0	0	62,678	62,678	0	0	0	0	0
Heart of the Rockies Regional Medical Center	0	0	0	64,506	64,506	0	0	0	0	0
Memorial Hospital - Craig	0	0	0	14,030	14,030	0	0	0	0	0
Montrose Memorial Hospital	0	0	0	258,044	258,044	0	0	0	0	0
North Colorado Medical Center	0	0	0	116,994	116,994	0	0	0	0	0
Prowers Medical Center	0	0	0	122,346	122,346	0	0	0	0	0
Southwest Memorial Hospital	0	0	0	72,664	72,664	0	0	0	0	0
Spanish Peaks Regional Health Center	0	0	0	43,708	43,708	0	0	0	0	0
St. Vincent General Hospital District	0	0	0	10,532	10,532	0	0	0	0	0
Mercy Regional Medical Center	0	0	0	203,986	203,986	0	0	0	0	0
Mt. San Rafael Hospital	0	0	0	51,332	51,332	0	0	0	0	0
Sterling Regional Medcenter	0	0	0	303,118	303,118	0	0	0	0	0
Valley View Hospital Association	0	0	0	169,586	169,586	0	0	0	0	0
Yampa Valley Medical Center	0	0	0	64,420	64,420	0	0	0	0	0
Total	30,218,225	3,000,879	30,000,000	5,000,000	68,219,104	24,520,000	127,816	0	0	24,647,816
State Funds (Before ARRA)	30,218,225	3,000,879	15,000,000	2,500,000	50,719,104	24,520,000	127,816	0	0	24,647,816
Federal Funds (Before ARRA)	0	0	15,000,000	2,500,000	17,500,000	0	0	0	0	0
State Funds (After ARRA)	n/a	n/a	n/a	n/a	n/a	24,520,000	127,816	0	0	24,647,816
Federal Funds (After ARRA)	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0

JBC STAFF - EXAMPLE model of Primary Care Fund and Health Care Services Fund - Based on FY 2008-09 Distributions

Provider	FY 2009-10 Staff Illustration of Maximize Federal Funds --									
	Reduction	Staff Proposal Primary Care Fund	Law & Governor Proposal Comprehensive Primary Care Grant Fund	Staff Proposal Health Care Services Fund	Governor Proposal Rural & Public Hospital Grant Program	Total	Reduction	Additional Funding Available to Providers	Harmless to Governor's August Proposal	
Denver Health and Hospital Authority	(8,098,334)	3,381,341	0	3,510,000	0	6,891,341	(6,382,429)	1,715,905	0	
Plan de Salud Del Valle / Salud Family Health Centers	(4,587,795)	2,360,227	8,519	2,311,916	0	4,680,661	(3,528,184)	1,059,611	0	
Metro Community Provider Network	(3,728,750)	1,729,359	0	2,023,858	0	3,753,216	(2,622,468)	1,106,283	0	
Peak Vista Community Health Center	(4,122,497)	1,556,663	0	2,319,720	0	3,876,383	(2,628,722)	1,493,775	0	
Clinica Campesina Family Health Services	(2,391,644)	1,343,437	12,778	1,057,270	0	2,413,485	(2,047,184)	344,460	0	
Sunrise Community Health Center	(1,653,650)	891,032	0	868,865	0	1,759,897	(1,257,555)	396,095	0	
Valley-Wide Health Systems	(2,300,284)	739,163	17,037	1,075,363	0	1,831,563	(1,617,111)	683,173	0	
Pueblo Community Health Center	(2,574,697)	597,225	10,648	1,379,895	0	1,987,768	(1,511,682)	1,063,015	0	
Colorado Coalition for the Homeless	(2,991,083)	544,359	16,816	1,572,654	0	2,133,830	(1,707,258)	1,283,824	0	
Marillac Clinic	(622,468)	487,649	4,259	229,627	0	721,536	(651,580)	(29,113)	29,113	
Inner City Health Center	(361,123)	342,347	10,648	0	0	352,995	(542,768)	(181,645)	181,645	
Mountain Family Health Centers	(512,383)	254,878	0	274,121	0	528,999	(373,497)	138,886	0	
Summit County Care Clinic	(164,356)	225,722	3,740	0	0	229,462	(284,121)	(119,765)	119,765	
Rocky Mountain Youth Clinics	(76,527)	215,149	0	0	0	215,149	(190,682)	(114,155)	114,155	
High Plains Community Health Center	(565,793)	198,648	0	321,838	0	520,486	(349,355)	216,438	0	
Clinica Tepeyac, Inc.	(67,353)	189,356	0	0	0	189,356	(167,823)	(100,470)	100,470	
Fort Collins Family Medicine Residency Program	(46,327)	130,243	0	0	0	130,243	(115,431)	(69,105)	69,105	
St. Mary-Corwin Health Foundation	(192,570)	114,063	6,762	0	0	120,825	(253,090)	(60,520)	60,520	
Exempla St. Joseph Hospital, Bruner Family Medicine	(36,127)	101,567	0	0	0	101,567	(90,017)	(53,890)	53,890	
SET Family Medical Clinics	(29,346)	82,503	0	0	0	82,503	(73,121)	(43,775)	43,775	
St. Anthony Family Medicine	(26,440)	74,333	0	0	0	74,333	(65,880)	(39,440)	39,440	
Doctors Care	(23,420)	65,842	0	0	0	65,842	(58,355)	(34,935)	34,935	
Eagle Care Medical Clinic	(113,581)	52,546	4,221	0	0	56,767	(141,461)	(27,880)	27,880	
North Colorado Family Medicine - Residency Program	(17,380)	48,861	0	0	0	48,861	(43,305)	(25,925)	25,925	
Northwest Colorado Visting Nurses Assoc. (1st time funded)	(16,240)	45,657	0	0	0	45,657	(40,465)	(24,225)	24,225	
Commerce City Community Health Services	(16,069)	45,176	0	0	0	45,176	(40,039)	(23,970)	23,970	
Plains Medical Center	(33,902)	43,575	0	11,962	0	55,537	(45,060)	(11,158)	11,158	
Dove Creek / Community Health	(13,106)	36,846	0	0	0	36,846	(32,656)	(19,550)	19,550	
Mission Medical Clinic	(240,118)	33,322	10,155	0	0	43,477	(257,798)	(17,680)	17,680	
Basin Clinic (new provider)	(11,339)	31,880	0	0	0	31,880	(28,254)	(16,915)	16,915	
Olathe Medical Clinic	(10,428)	29,316	0	0	0	29,316	(25,983)	(15,555)	15,555	
Uncompahgre Medical Center	(211,602)	27,715	5,324	53,344	0	86,384	(172,963)	38,639	0	
San Luis Valley Regional Medical Center	(680,412)	0	16,908	0	0	16,908	(680,412)	0	0	
Community Health Clinic	(68,628)	0	0	44,608	0	44,608	(24,020)	44,608	0	
Custer County Medical Center	(16,715)	0	0	10,865	0	10,865	(5,850)	10,865	0	
Denver Indian Health & Family Clinic	(11,303)	0	0	7,347	0	7,347	(3,956)	7,347	0	
Northwest Colorado Community Health Center	(43,458)	0	0	28,248	0	28,248	(15,210)	28,248	0	
University of Colorado Hospital	(994,029)	0	0	355,292	0	355,292	(638,737)	355,292	0	
Banner Health East Morgan County Hospital	(63,072)	0	0	40,997	0	40,997	(22,075)	40,997	0	
Melissa Memorial Hospital	(52,332)	0	0	29,237	0	29,237	(23,095)	29,237	0	
Memorial Hospital - Colorado Springs	(1,017,415)	0	0	501,190	0	501,190	(516,225)	501,190	0	
Poudre Valley Hospital	(561,187)	0	0	299,558	0	299,558	(261,629)	299,558	0	
Sedgwick County Memorial Hospital	(37,117)	0	0	20,273	0	20,273	(16,844)	20,273	0	
Southeast Colorado Hospital and LTC	(37,189)	0	0	23,680	0	23,680	(13,509)	23,680	0	
Wray Community District Hospital	(86,293)	0	0	31,476	0	31,476	(54,817)	31,476	0	
Yuma District Hospital	(121,690)	0	0	61,966	0	61,966	(59,724)	61,966	0	
Banner Health Sterling Regional MedCenter	(123,033)	0	0	79,971	0	79,971	(43,062)	79,971	0	
Centura Health - Penrose - St. Francis Health Services	(26,232)	0	0	17,051	0	17,051	(9,181)	17,051	0	
Centura Health - St. Mary - Corwin Medical Center	(1,032,841)	0	0	671,347	0	671,347	(361,494)	671,347	0	
Centura Health - St. Thomas More Hospital	(297,406)	0	0	0	0	0	(297,406)	0	0	
Colorado Plains Medical Center	(67,967)	0	0	3,819	0	3,819	(64,148)	3,819	0	
Conejos County Hospital Corporation	(202,727)	0	0	107,017	0	107,017	(95,710)	107,017	0	
Longmont United Hospital	(13,035)	0	0	8,473	0	8,473	(4,562)	8,473	0	
Mount San Rafael Hospital	(21,409)	0	0	13,916	0	13,916	(7,493)	13,916	0	

JBC STAFF - EXAMPLE model of Primary Care Fund and Health Care Services Fund - Based on FY 2008-09 Distributions

Provider	FY 2009-10 Staff Illustration of Maximize Federal Funds --									
	Reduction	Staff Proposal Primary Care Fund	Law & Governor Proposal	Staff Proposal	Governor Proposal	Total	Reduction	Additional Funding Available to Providers	Harmless to Governor's August Proposal	
			Comprehensive Primary Care Grant Fund	Health Care Services Fund	Rural & Public Hospital Grant Program					
Rio Grande Hospital	(100,453)	0	0	52,649	0	52,649	(47,804)	52,649	0	
St. Mary's Hospital and Medical Center, Inc.	(123,983)	0	0	80,589	0	80,589	(43,394)	80,589	0	
Arkansas Valley Regional Medical Center	(15,942)	0	0	0	0	0	(15,942)	0	0	
Aspen Valley Hospital	(67,964)	0	0	0	0	0	(67,964)	0	0	
Delta County memorial Hospital	(205,896)	0	0	0	0	0	(205,896)	0	0	
East Morgan County Hospital District	(59,886)	0	0	0	0	0	(59,886)	0	0	
Estes Park Medical Center	(7,000)	0	0	0	0	0	(7,000)	0	0	
Grand River Medical Center	(62,678)	0	0	0	0	0	(62,678)	0	0	
Heart of the Rockies Regional Medical Center	(64,506)	0	0	0	0	0	(64,506)	0	0	
Memorial Hospital - Craig	(14,030)	0	0	0	0	0	(14,030)	0	0	
Montrose Memorial Hospital	(258,044)	0	0	0	0	0	(258,044)	0	0	
North Colorado Medical Center	(116,994)	0	0	0	0	0	(116,994)	0	0	
Prowers Medical Center	(122,346)	0	0	0	0	0	(122,346)	0	0	
Southwest Memorial Hospital	(72,664)	0	0	0	0	0	(72,664)	0	0	
Spanish Peaks Regional Health Center	(43,708)	0	0	0	0	0	(43,708)	0	0	
St. Vincent General Hospital District	(10,532)	0	0	0	0	0	(10,532)	0	0	
Mercy Regional Medical Center	(203,986)	0	0	0	0	0	(203,986)	0	0	
Mt. San Rafael Hospital	(51,332)	0	0	0	0	0	(51,332)	0	0	
Sterling Regional Medcenter	(303,118)	0	0	0	0	0	(303,118)	0	0	
Valley View Hospital Association	(169,586)	0	0	0	0	0	(169,586)	0	0	
Yampa Valley Medical Center	(64,420)	0	0	0	0	0	(64,420)	0	0	
Total	(43,571,288)	16,020,000	127,816	19,500,000	0	35,647,816	(32,571,288)	11,000,000	1,029,671	
State Funds (Before ARRA)	(26,071,288)	16,020,000	127,816	9,750,000	0	25,897,816	(24,821,288)			
Federal Funds (Before ARRA)	(17,500,000)	0	0	9,750,000	0	9,750,000	(7,750,000)			
State Funds (After ARRA)	(26,071,288)	16,020,000	127,816	7,489,950	0	23,637,766	(27,081,338)			
Federal Funds (After ARRA)	(17,500,000)	0	0	12,010,050	0	12,010,050	(5,489,950)			

JBC STAFF - EXAMPLE model of Primary Care Fund and Health Care Services Fund - Based on FY 2008-09 Distributions

Provider	FY 2010-11 Staff Illustration of Maximize Federal Funds --							Harmless to Governor's August Proposal
	Staff Proposal	Law & Governor	Staff Proposal	Governor			Additional Funding Available to Providers	
		Proposal		Rural & Public				
				Hospital Grant Program	Total	Reduction		
	Primary Care Fund	Comprehensive Primary Care Grant Fund	Health Care Services Fund					
Denver Health and Hospital Authority	0	3,510,000	3,364,033	6,891,341	13,765,374	13,765,374	13,765,374	0
Plan de Salud Del Valle / Salud Family Health Centers	0	2,311,916	2,353,683	4,680,661	9,346,260	9,346,260	9,346,260	0
Metro Community Provider Network	0	2,023,858	1,720,507	3,753,216	7,497,581	7,497,581	7,497,581	0
Peak Vista Community Health Center	0	2,319,720	1,548,696	3,876,383	7,744,799	7,744,799	7,744,799	0
Clinica Campesina Family Health Services	0	1,057,270	1,344,866	2,413,485	4,815,621	4,815,621	4,815,621	0
Sunrise Community Health Center	0	868,865	886,471	1,759,897	3,515,233	3,515,233	3,515,233	0
Valley-Wide Health Systems	0	1,075,363	746,454	1,831,563	3,653,380	3,653,380	3,653,380	0
Pueblo Community Health Center	0	1,379,895	601,090	1,987,768	3,968,753	3,968,753	3,968,753	0
Colorado Coalition for the Homeless	0	1,572,654	552,503	2,133,830	4,258,987	4,258,987	4,258,987	0
Marillac Clinic	0	229,627	487,921	721,536	1,439,084	1,439,084	1,409,972	0
Inner City Health Center	0	0	347,516	352,995	700,512	700,512	518,867	0
Mountain Family Health Centers	0	274,121	253,574	528,999	1,056,693	1,056,693	1,056,693	0
Summit County Care Clinic	0	0	226,998	229,462	456,459	456,459	336,694	0
Rocky Mountain Youth Clinics	0	0	214,047	215,149	429,196	429,196	315,041	0
High Plains Community Health Center	0	321,838	197,631	520,486	1,039,955	1,039,955	1,039,955	0
Clinica Tepeyac, Inc.	0	0	188,387	189,356	377,743	377,743	277,273	0
Fort Collins Family Medicine Residency Program	0	0	129,576	130,243	259,818	259,818	190,713	0
St. Mary-Corwin Health Foundation	0	0	117,874	120,825	238,699	238,699	178,179	0
Exempla St. Joseph Hospital, Bruner Family Medicine	0	0	101,047	101,567	202,614	202,614	148,724	0
SET Family Medical Clinics	0	0	82,081	82,503	164,584	164,584	120,809	0
St. Anthony Family Medicine	0	0	73,953	74,333	148,286	148,286	108,845	0
Doctors Care	0	0	65,505	65,842	131,347	131,347	96,412	0
Eagle Care Medical Clinic	0	0	55,021	56,767	111,788	111,788	83,908	0
North Colorado Family Medicine - Residency Program	0	0	48,611	48,861	97,472	97,472	71,547	0
Northwest Colorado Visting Nurses Assoc. (1st time funded)	0	0	45,423	45,657	91,080	91,080	66,855	0
Commerce City Community Health Services	0	0	44,945	45,176	90,121	90,121	66,151	0
Plains Medical Center	0	11,962	43,352	55,537	110,850	110,850	99,692	0
Dove Creek / Community Health	0	0	36,657	36,846	73,503	73,503	53,953	0
Mission Medical Clinic	0	0	39,752	43,477	83,229	83,229	65,549	0
Basin Clinic (new provider)	0	0	31,716	31,880	63,596	63,596	46,681	0
Olathe Medical Clinic	0	0	29,166	29,316	58,483	58,483	42,928	0
Uncompahgre Medical Center	0	53,344	31,034	86,384	170,762	170,762	170,762	0
San Luis Valley Regional Medical Center	0	0	10,990	16,908	27,898	27,898	27,898	0
Community Health Clinic	0	44,608	0	44,608	89,216	89,216	89,216	0
Custer County Medical Center	0	10,865	0	10,865	21,730	21,730	21,730	0
Denver Indian Health & Family Clinic	0	7,347	0	7,347	14,694	14,694	14,694	0
Northwest Colorado Community Health Center	0	28,248	0	28,248	56,495	56,495	56,495	0
University of Colorado Hospital	0	355,292	0	355,292	710,584	710,584	710,584	0
Banner Health East Morgan County Hospital	0	40,997	0	40,997	81,994	81,994	81,994	0
Melissa Memorial Hospital	0	29,237	0	29,237	58,474	58,474	58,474	0
Memorial Hospital - Colorado Springs	0	501,190	0	501,190	1,002,379	1,002,379	1,002,379	0
Poudre Valley Hospital	0	299,558	0	299,558	599,117	599,117	599,117	0
Sedgwick County Memorial Hospital	0	20,273	0	20,273	40,546	40,546	40,546	0
Southeast Colorado Hospital and LTC	0	23,680	0	23,680	47,360	47,360	47,360	0
Wray Community District Hospital	0	31,476	0	31,476	62,953	62,953	62,953	0
Yuma District Hospital	0	61,966	0	61,966	123,932	123,932	123,932	0
Banner Health Sterling Regional MedCenter	0	79,971	0	79,971	159,943	159,943	159,943	0
Centura Health - Penrose - St. Francis Health Services	0	17,051	0	17,051	34,102	34,102	34,102	0
Centura Health - St. Mary - Corwin Medical Center	0	671,347	0	671,347	1,342,693	1,342,693	1,342,693	0
Centura Health - St. Thomas More Hospital	0	0	0	0	0	0	0	0
Colorado Plains Medical Center	0	3,819	0	3,819	7,638	7,638	7,638	0
Conejos County Hospital Corporation	0	107,017	0	107,017	214,033	214,033	214,033	0
Longmont United Hospital	0	8,473	0	8,473	16,946	16,946	16,946	0
Mount San Rafael Hospital	0	13,916	0	13,916	27,832	27,832	27,832	0

JBC STAFF - EXAMPLE model of Primary Care Fund and Health Care Services Fund - Based on FY 2008-09 Distributions

Provider	FY 2010-11 Staff Illustration of Maximize Federal Funds --								Harmless to Governor's August Proposal
	Staff Proposal	Law & Governor Proposal	Staff Proposal	Governor Proposal	Total		Reduction	Additional Funding Available to Providers	
		Comprehensive Primary Care Grant Fund		Rural & Public Hospital Grant Program					
Primary Care Fund	Grant Fund	Services Fund	Program						
Rio Grande Hospital	0	52,649	0	52,649	105,299	105,299	105,299	0	
St. Mary's Hospital and Medical Center, Inc.	0	80,589	0	80,589	161,178	161,178	161,178	0	
Arkansas Valley Regional Medical Center	0	0	0	0	0	0	0	0	
Aspen Valley Hospital	0	0	0	0	0	0	0	0	
Delta County memorial Hospital	0	0	0	0	0	0	0	0	
East Morgan County Hospital District	0	0	0	0	0	0	0	0	
Estes Park Medical Center	0	0	0	0	0	0	0	0	
Grand River Medical Center	0	0	0	0	0	0	0	0	
Heart of the Rockies Regional Medical Center	0	0	0	0	0	0	0	0	
Memorial Hospital - Craig	0	0	0	0	0	0	0	0	
Montrose Memorial Hospital	0	0	0	0	0	0	0	0	
North Colorado Medical Center	0	0	0	0	0	0	0	0	
Prowers Medical Center	0	0	0	0	0	0	0	0	
Southwest Memorial Hospital	0	0	0	0	0	0	0	0	
Spanish Peaks Regional Health Center	0	0	0	0	0	0	0	0	
St. Vincent General Hospital District	0	0	0	0	0	0	0	0	
Mercy Regional Medical Center	0	0	0	0	0	0	0	0	
Mt. San Rafael Hospital	0	0	0	0	0	0	0	0	
Sterling Regional Medcenter	0	0	0	0	0	0	0	0	
Valley View Hospital Association	0	0	0	0	0	0	0	0	
Yampa Valley Medical Center	0	0	0	0	0	0	0	0	
Total	0	19,500,000	16,021,080	35,647,816	71,168,896	71,168,896	70,139,225	0	
State Funds (Before ARRA)	(8,372,184)	19,500,000	8,010,540	0	19,138,356	19,138,356			
Federal Funds (Before ARRA)	0	0	8,010,540	0	8,010,540	8,010,540			
State Funds (After ARRA)	(8,372,184)	19,500,000	6,153,697	0	17,281,513	17,281,513			
Federal Funds (After ARRA)	0	0	9,867,383	0	9,867,383	9,867,383			

**Joint Budget Committee - Staff Document
FY 2010-11 Briefing -- Caseload History Exhibit**

Item	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Baby Care Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
FY 1995-96 Actuals	31,321	4,261	44,736	36,690	-	-	113,439	8,376	7,223	4,100	3,937	254,083
FY 1996-97 Actuals	32,080	4,429	46,090	33,250	-	-	110,586	9,261	5,476	4,610	4,316	250,098
FY 1997-98 Actuals	32,664	4,496	46,003	27,179	-	-	103,912	10,453	4,295	5,032	4,560	238,594
Percent Change	1.82%	1.51%	-0.19%	-18.26%	-	-	-6.04%	12.87%	-21.57%	9.15%	5.65%	-4.60%
FY 1998-99 Actuals	33,007	4,909	46,310	22,852	-	-	102,074	11,526	5,017	5,799	6,104	237,598
Percent Change	1.05%	9.19%	0.67%	-15.92%	-	-	-1.77%	10.26%	16.81%	15.24%	33.86%	-0.42%
FY 1999-00 Actuals	33,135	5,092	46,386	23,515	-	-	109,816	12,474	6,174	9,065	7,597	253,254
Percent Change	0.39%	3.73%	0.16%	2.90%	-	-	7.58%	8.22%	23.06%	56.32%	24.46%	6.59%
FY 2000-01 Actuals	33,649	5,157	46,046	27,081	-	-	123,221	13,076	6,561	12,451	8,157	275,399
Percent Change	1.55%	1.28%	-0.73%	15.16%	-	-	12.21%	4.83%	6.27%	37.35%	7.37%	8.74%
FY 2001-02 Actuals	33,916	5,184	46,349	33,347	-	-	143,909	13,121	7,131	4,028	8,428	295,413
Percent Change	0.79%	0.52%	0.66%	23.14%	-	-	16.79%	0.34%	8.69%	-67.65%	3.32%	7.27%
FY 2002-03 Actuals	34,704	5,431	46,647	40,798	-	47	169,311	13,967	7,823	4,084	8,988	331,800
Percent Change	2.32%	4.76%	0.64%	22.34%	-	-	17.65%	6.45%	9.70%	1.39%	6.64%	12.32%
FY 2003-04 Actuals	34,329	5,548	46,789	47,562	-	105	195,279	14,914	8,398	4,793	9,842	367,559
Percent Change	-1.08%	2.15%	0.30%	16.58%	-	123.40%	15.34%	6.78%	7.35%	17.36%	9.50%	10.78%
FY 2004-05 Actuals	35,780	6,082	47,929	57,140	-	87	222,472	15,795	6,034	5,150	9,605	406,074
Percent Change	4.23%	9.63%	2.44%	20.14%	-	-17.14%	13.93%	5.91%	-28.15%	7.45%	-2.41%	10.48%
FY 2005-06 Actuals	36,207	6,042	47,855	58,885	-	188	214,158	16,460	5,119	6,212	11,092	402,218
Percent Change	1.19%	-0.66%	-0.15%	3.05%	-	116.09%	-3.74%	4.21%	-15.16%	20.62%	15.48%	-0.95%
FY 2006-07 Actuals	35,888	6,059	48,799	50,687	5,162	228	205,390	16,724	5,182	5,201	12,908	392,228
Percent Change	-0.88%	0.28%	1.97%	-13.92%	-	21.28%	-4.09%	1.60%	1.23%	-16.27%	16.37%	-2.48%
FY 2007-08 Actuals	36,284	6,146	49,933	44,555	8,918	270	204,022	17,141	6,288	4,191	14,214	391,962
Percent Change	1.10%	1.44%	2.32%	-12.10%	72.76%	18.42%	-0.67%	2.49%	21.34%	-19.42%	10.12%	-0.07%
FY 2008-09 Actuals	37,619	6,447	51,355	49,147	12,727	317	235,129	18,033	6,976	3,987	15,075	436,812
Percent Change	3.68%	4.90%	2.85%	10.31%	42.71%	17.41%	15.25%	5.20%	10.94%	-4.87%	6.06%	11.44%
FY 2009-10 Appropriation	38,279	6,614	52,254	57,097	16,015	321	259,414	18,663	7,391	4,255	16,329	476,632
Percent Change	1.75%	2.59%	1.75%	16.18%	25.83%	1.26%	10.33%	3.49%	5.95%	6.72%	8.32%	9.12%
FY 2009-10 Dept. Request	38,556	6,837	52,711	59,581	29,636	424	277,805	18,715	7,448	3,963	15,735	511,411
Percent Change (to FY 08-09 Actual)	2.49%	6.05%	2.64%	21.23%	132.86%	33.75%	18.15%	3.78%	6.77%	-0.60%	4.38%	17.08%
FY 2010-11 Dept. Request	39,030	7,009	53,517	65,879	49,037	487	304,891	19,329	7,639	4,102	16,563	567,483
Percent Change (to FY 09-10 Department Request)	1.23%	2.52%	1.53%	10.57%	65.46%	14.86%	9.75%	3.28%	2.56%	3.51%	5.26%	10.96%
FY 2011-12 Dept. Request	39,510	7,152	54,181	68,718	58,605	547	329,699	21,069	7,791	4,255	17,391	608,918
Percent Change (to FY 10-11 Department Request)	1.23%	2.04%	1.24%	4.31%	19.51%	12.32%	8.14%	9.00%	1.99%	3.73%	5.00%	7.30%
Average 10 Year Growth Rate	1.33%	2.80%	1.05%	8.76%	n/a	n/a	9.02%	4.60%	4.53%	3.23%	9.69%	6.41%

**Joint Budget Committee - Staff Document
FY 2010-11 Briefing -- Caseload Comparison Exhibit**

Item	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
FY 2008-09 Actuals	37,619	6,447	51,355	49,147	12,727	317	235,129	18,033	6,976	3,987	15,075	436,812
Percent Change	3.68%	4.90%	2.85%	10.31%	42.71%	17.41%	15.25%	5.20%	10.94%	-4.87%	6.06%	11.44%
FY 2009-10 Original Appropriation	38,279	6,614	52,254	57,097	16,015	321	259,414	18,663	7,391	4,255	16,329	476,632
Percent Change	1.75%	2.59%	1.75%	16.18%	25.83%	1.26%	10.33%	3.49%	5.95%	6.72%	8.32%	9.12%
FY 2009-10 Dept. Request	38,556	6,837	52,711	59,581	29,636	424	277,805	18,715	7,448	3,963	15,735	511,411
Percent Change (to FY 08-09 Actual)	2.49%	6.05%	2.64%	21.23%	132.86%	33.75%	18.15%	3.78%	6.77%	-0.60%	4.38%	17.08%
FY 2009-10 Staff Revised Estimate	38,475	6,953	52,977	59,319	29,788	419	275,628	18,380	7,293	3,604	15,954	508,790
Percent Change (to FY 08-09 Actual)	2.28%	7.85%	3.16%	20.70%	134.05%	32.18%	17.22%	1.92%	4.54%	-9.61%	5.83%	16.48%
FY 2009-10 Staff-Dept	(81)	116	266	(262)	152	(5)	(2,177)	(335)	(155)	(359)	219	(2,621)
Percent Difference	-0.21%	1.70%	0.50%	-0.44%	0.51%	-1.18%	-0.78%	-1.79%	-2.08%	-9.06%	1.39%	-0.51%
FY 2010-11 Dept. Request	39,030	7,009	53,517	65,879	49,037	487	304,891	19,329	7,639	4,102	16,563	567,483
Percent Change (to FY 09-10 Department Request)	1.23%	2.52%	1.53%	10.57%	65.46%	14.86%	9.75%	3.28%	2.56%	3.51%	5.26%	10.96%
FY 2010-11 Staff Estimate	38,993	7,065	53,996	67,591	50,259	476	296,607	18,871	7,499	3,373	17,360	562,090
Percent Change (to FY 09-10 Staff Revised Estimate)	1.35%	1.61%	1.92%	13.94%	68.72%	13.60%	7.61%	2.67%	2.82%	-6.41%	8.81%	10.48%
FY 2010-11 Staff-Dept	(37)	56	479	1,712	1,222	(11)	(8,284)	(458)	(140)	(729)	797	(5,393)
Percent Difference	-0.09%	0.80%	0.90%	2.60%	2.49%	-2.26%	-2.72%	-2.37%	-1.83%	-17.77%	4.81%	-0.95%
FY 2011-12 Dept. Forecast	39,510	7,152	54,181	68,718	58,605	547	329,699	21,069	7,791	4,255	17,391	608,918
Percent Change (to FY 10-11 Department Request)	1.23%	2.04%	1.24%	4.31%	19.51%	12.32%	8.14%	9.00%	1.99%	3.73%	5.00%	7.30%
FY 2011-12 Staff Estimate	39,509	7,159	58,791	69,933	77,037	591	303,661	19,391	6,849	3,373	18,790	605,084
Percent Change (to FY 10-11 Staff Estimate)	1.32%	1.33%	8.88%	3.46%	53.28%	24.16%	2.38%	2.76%	-8.67%	0.00%	8.24%	7.65%
FY 2011-12 Staff-Dept	(1)	7	4,610	1,215	18,432	44	(26,038)	(1,678)	(942)	(882)	1,399	(3,834)
Percent Difference	0.00%	0.10%	8.51%	1.77%	31.45%	8.04%	-7.90%	-7.96%	-12.09%	-20.73%	8.04%	-0.63%

Joint Budget Committee - Staff Document
FY 2010-11 Briefing -- Caseload by Funding Sources for Department & Staff Estimates

Item	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
FY 2008-09 Actuals	37,619	6,447	51,355	49,147	12,727	317	235,129	18,033	6,976	3,987	15,075	436,812
Percent Change	3.68%	4.90%	2.85%	10.31%	42.71%	17.41%	15.25%	5.20%	10.94%	-4.87%	6.06%	11.44%
FY 2009-10 Original Appropriation	38,279	6,614	52,254	57,097	16,015	321	259,414	18,663	7,391	4,255	16,329	476,632
Percent Change	1.75%	2.59%	1.75%	16.18%	25.83%	1.26%	10.33%	3.49%	5.95%	6.72%	8.32%	9.12%
FY 2009-10 Dept Request	<u>38,556</u>	<u>6,837</u>	<u>52,711</u>	<u>59,581</u>	<u>29,636</u>	<u>424</u>	<u>277,805</u>	<u>18,715</u>	<u>7,448</u>	<u>3,963</u>	<u>15,735</u>	<u>511,411</u>
-- Traditional & TT Caseload*	38,556	6,837	52,711	59,581	16,736	424	277,805	18,715	7,448	3,963	15,735	498,511
-- H.B. 09-1293 Hospital Fee Exp.	0	0	0	0	12,900	0	0	0	0	0	0	12,900
FY 2010-11 Dept Request	<u>39,030</u>	<u>7,009</u>	<u>53,517</u>	<u>65,879</u>	<u>49,037</u>	<u>487</u>	<u>304,891</u>	<u>19,329</u>	<u>7,639</u>	<u>4,102</u>	<u>16,563</u>	<u>567,483</u>
-- Traditional & TT Caseload*	39,030	7,009	53,517	65,879	18,937	487	304,891	19,329	7,639	4,102	16,563	537,383
-- H.B. 09-1293 Hospital Fee Exp.	0	0	0	0	30,100	0	0	0	0	0	0	30,100
FY 2009-10 Staff Revised Estimate	<u>38,475</u>	<u>6,953</u>	<u>52,977</u>	<u>59,319</u>	<u>29,788</u>	<u>419</u>	<u>275,628</u>	<u>18,380</u>	<u>7,293</u>	<u>3,604</u>	<u>15,954</u>	<u>508,790</u>
-- Traditional Caseload	37,927	6,860	51,477	51,877	0	318	245,552	17,311	7,209	3,604	15,240	437,375
-- Tobacco Tax Caseload	548	93	1,500	7,441	16,888	101	30,075	1,069	84	0	714	58,513
-- H.B. 09-1293 Hospital Fee Exp.	0	0	0	0	12,900	0	0	0	0	0	0	12,900
FY 2010-11 Staff Estimate	<u>38,993</u>	<u>7,065</u>	<u>53,996</u>	<u>67,591</u>	<u>50,259</u>	<u>476</u>	<u>296,607</u>	<u>18,871</u>	<u>7,499</u>	<u>3,373</u>	<u>17,360</u>	<u>562,090</u>
-- Traditional Caseload	38,438	6,971	52,462	59,229	0	350	264,919	17,774	7,412	3,373	16,607	467,535
-- Tobacco Tax Caseload	555	95	1,534	8,362	20,159	126	31,687	1,098	86	0	753	64,455
-- H.B. 09-1293 Hospital Fee Exp.	0	0	0	0	30,100	0	0	0	0	0	0	30,100
FY 2011-12 Staff Estimate	<u>39,509</u>	<u>7,159</u>	<u>58,791</u>	<u>69,933</u>	<u>77,037</u>	<u>591</u>	<u>303,661</u>	<u>19,391</u>	<u>6,849</u>	<u>3,373</u>	<u>18,790</u>	<u>605,084</u>
-- Traditional Caseload	38,946	7,063	53,443	61,284	0	451	258,876	18,264	6,771	3,373	17,971	466,442
-- Tobacco Tax Caseload	563	96	1,548	8,649	21,937	140	31,536	1,127	78	0	819	66,493
-- H.B. 09-1293 Hospital Fee Exp.	0	0	3,800	0	55,100	0	13,250	0	0	0	0	72,150

* The Department does not do an estimate for caseload attributed to the removal of the Medicaid asset test for low-income adults and children (therefore, this caseload estimate is contained in Department's traditional caseload funding. Rather the Department uses an "allocation" methodology to assign Amendment 35 Funding for this caseload. Staff has included all Tobacco Tax Caseloads in this number.

* Staff "backs" into an estimated caseload amount related to the removal of the Medicaid asset test based on the Department's "allocation" methodology, original fiscal assumption regarding the number of child and adults, and current estimated cost per client information. Because this caseload can not be tracked separately, staff's estimate is an approximation and is used by staff to consistently assign fund splits only.

Joint Budget Committee - Staff Document

FY 2010-11 Briefing -- FY 2008-09 Final 2009 Appropriation By Service Area and Aid Category

FY 2008-09 Final Appropriation -- Acute Care Services	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults BCA Program	Non-Citizens	Partial Dual Eligibles	TOTAL
Subtotal of Acute Care	99,317,039	54,072,255	485,472,023	208,347,076	21,134,942	6,516,786	400,530,384	59,971,160	59,924,708	59,321,952	2,978,153	1,457,586,478
FY 2008-09 Final Appropriation - Community Based Long Term Care Services	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Subtotal of Community Based Long Term Care	134,727,351	18,614,227	116,751,704	50,841	-	-	311,436	5,860,649	-	-	330,925	276,647,133
FY 2008-09 Appropriation - Institutional and Managed Care Long Term Care & Insurance Premiums	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Subtotal Long Term Care	490,965,081	34,230,594	80,213,605	103,518	-	-	-	-	-	-	270,085	605,782,883
Subtotal Insurance	50,440,030	2,946,762	27,328,862	171,382	-	-	17,595	1,217	2,254	-	14,700,292	95,608,394
Subtotal of Long Term Care and Insurance	541,405,111	37,177,356	107,542,467	274,900	-	-	17,595	1,217	2,254	-	14,970,377	701,391,277
FY 2008-09 Appropriation - Administrative Services/Case Management Costs	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Subtotal of Service Management	12,342,413	2,093,658	11,504,444	1,102,261	110,124	18,439	3,412,677	389,707	213,089	-	128,818	31,315,630
FY 2008-09 Services Appropriation Total	787,791,914	111,957,496	721,270,638	209,775,078	21,245,066	6,535,225	404,272,092	66,222,733	60,140,051	59,321,952	18,408,273	2,466,940,518
Bottom of the Line Financing Issues / Repayments	7,050,768	1,133,938	7,386,091	2,562,340	308,129	0	8,018,988	665,075	901,824	1,251,869	150,169	29,429,191
TOTAL FINAL 2009 SESSION FY 2008-09 APP.	794,842,682	113,091,434	728,656,729	212,337,418	21,553,195	6,535,225	412,291,080	66,887,808	61,041,875	60,573,821	18,558,442	2,496,369,709

Analysis of Overexpenditure

Service Costs -- Appropriation	787,791,914	111,957,496	721,270,638	209,775,078	21,245,066	6,535,225	404,272,092	66,222,733	60,140,051	59,321,952	18,408,273	2,466,940,518
Service Costs -- Actual	777,967,697	114,169,211	730,958,471	208,581,897	31,678,022	7,056,855	432,023,182	67,574,818	60,370,299	59,238,905	18,918,298	2,508,537,655
Difference: + Overestimate / (Underestimate)	9,824,217	(2,211,715)	(9,687,833)	1,193,181	(10,432,956)	(521,630)	(27,751,090)	(1,352,085)	(230,248)	83,047	(510,025)	(41,597,137)

By Service Area

Acute Care Costs	(2,866,516)	(1,579,702)	(6,183,584)	959,114	(10,438,470)	(526,501)	(28,268,418)	(1,719,976)	(235,906)	139,865	(908,323)	(51,628,418)
Community Long Term Costs	(954,613)	(178,716)	(3,039,221)	(2,044)	(8,935)	-	(16,829)	308,031	(2,017)	-	28,780	(3,865,564)
Long Term Care Costs	12,811,997	(454,184)	(909,674)	81,324	-	-	-	-	-	-	13,199	11,542,661
Insurance Premiums	447,669	28,287	206,459	2,434	-	-	1,034	1,217	1,754	-	234,281	923,134
Service Management	385,681	(27,400)	238,187	152,353	14,449	4,871	533,124	58,643	5,921	(56,818)	122,039	1,431,049
Subtotal	9,824,217	(2,211,715)	(9,687,833)	1,193,181	(10,432,956)	(521,630)	(27,751,090)	(1,352,085)	(230,248)	83,047	(510,025)	(41,597,137)

Appropriated Caseload	37,578	6,393	51,298	48,693	12,484	301	232,414	18,010	6,986	4,000	15,147	433,304
Actual Caseload	37,619	6,447	51,355	49,147	12,727	317	235,129	18,033	6,976	3,987	15,075	436,812
Difference: + Overestimate / (Underestimate)	(41)	(54)	(57)	(454)	(243)	(16)	(2,715)	(23)	10	13	72	(3,508)
Error Rate	-0.11%	-0.84%	-0.11%	-0.93%	-1.95%	-5.32%	-1.17%	-0.13%	0.14%	0.33%	0.48%	-0.81%

Estimated Service Per Capita - Appropriation	\$20,964.18	\$17,512.51	\$14,060.40	\$4,308.12	\$1,701.78	\$21,711.71	\$1,739.45	\$3,677.00	\$8,608.65	\$14,830.49	\$1,215.31	\$5,693.33
Estimated Service Per Capita - Actual	\$20,680.18	\$17,708.89	\$14,233.44	\$4,244.04	\$2,489.04	\$22,261.37	\$1,837.39	\$3,747.29	\$8,654.00	\$14,858.01	\$1,254.95	\$5,742.83
Difference: + Overestimate / (Underestimate)	\$284.00	(\$196.38)	(\$173.04)	\$64.07	(\$787.26)	(\$549.66)	(\$97.94)	(\$70.29)	(\$45.35)	(\$27.53)	(\$39.64)	(\$49.51)
Error Rate	1.35%	-1.12%	-1.23%	1.49%	-46.26%	-2.53%	-5.63%	-1.91%	-0.53%	-0.19%	-3.26%	-0.87%

Cost Associated With Extra Caseload Growth	(847,887)	(956,280)	(811,306)	(1,926,795)	(604,837)	(356,182)	(4,988,508)	(86,188)	86,540	193,154	90,356	(20,145,852)
Cost Associated With Extra Per Capita Costs	10,683,748	(1,266,039)	(8,886,390)	3,149,066	(10,019,423)	(174,243)	(23,028,488)	(1,267,514)	(316,334)	(109,749)	(597,527)	(21,624,953)
Compounding	(11,644)	10,604	9,863	(29,090)	191,304	8,795	265,907	1,617	(453)	(358)	(2,854)	173,668
	9,824,217	(2,211,715)	(9,687,833)	1,193,181	(10,432,956)	(521,630)	(27,751,090)	(1,352,085)	(230,248)	83,047	(510,025)	(41,597,137)

Joint Budget Committee - Staff Document

FY 2010-11 Briefing -- FY 2008-09 Actual Expenditures By Service Area and Aid Category

FY 2008-09 Actual -- Acute Care Services	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Physician Services & EPSDT	4,994,147	6,222,450	45,788,069	45,929,303	6,388,849	-	89,495,781	9,896,241	15,568,366	8,628,882	603	232,912,692
Emergency Transportation	137,865	236,302	1,633,597	984,736	129,300	-	1,342,177	176,882	183,755	109,310	157	4,934,082
Non-emergency Medical Transportation	2,169,408	784,497	4,355,943	402,309	-	-	809,400	131,628	35,042	791	-	8,689,018
Dental Services	982,210	236,181	3,967,399	3,245,522	643,081	-	61,485,476	5,488,468	396,626	11,462	-	76,456,424
Family Planning	-	120	9,036	115,099	35,198	-	101,028	34,059	23,734	1,150	-	319,424
Health Maintenance Organizations	8,589,196	7,896,327	59,131,526	15,481,484	2,413,999	-	33,428,257	1,052,528	1,081,509	-	-	129,074,827
Inpatient Hospitals	16,801,697	13,598,479	98,702,338	57,489,437	5,455,282	-	84,101,547	6,535,184	27,109,511	46,764,468	18,694	356,576,636
Outpatient Hospitals	3,004,874	3,827,049	40,287,696	35,275,504	7,081,071	-	52,180,563	5,471,149	5,159,881	1,612,752	1,216	153,901,754
Lab & X-Ray	541,036	700,896	5,345,769	9,211,276	1,364,038	-	5,923,803	1,888,019	3,098,394	364,434	158	28,437,823
Durable Medical Equipment	19,191,857	4,023,304	40,203,019	1,972,489	450,132	-	7,113,934	3,897,828	147,294	8,611	3,345	77,011,816
Prescription Drugs	8,113,773	12,092,935	104,378,704	32,051,410	6,442,536	1,722	47,409,911	21,136,869	1,959,449	78,621	378	233,666,309
Drug Rebate	(3,188,270)	(4,751,863)	(41,015,133)	(12,594,454)	(2,531,565)	(677)	(18,629,507)	(8,305,636)	(769,957)	(30,894)	(148)	(91,818,104)
Rural Health Centers	50,160	147,174	965,699	1,145,962	272,843	-	4,193,025	300,376	348,898	34,346	-	7,458,484
Federally Qualified Health Centers	964,422	691,839	5,907,249	10,952,551	1,637,957	-	44,940,460	2,237,254	4,162,016	1,595,266	-	73,089,013
Co-Insurance (Title XVIII-Medicare)	13,247,112	1,936,238	8,768,139	(1,273)	363,789	-	31,202	20,241	41,983	1,112	3,689,845	28,098,389
Breast and Cervical Cancer Treatment Program	-	-	-	-	-	7,042,030	-	-	-	-	-	7,042,030
Prepaid Inpatient Health Plan Services	2,152,814	1,391,106	11,142,648	5,273,126	1,349,442	-	11,529,742	1,563,092	1,587,226	-	-	35,989,196
Other Medical Services	3,147	1,760	15,560	7,453	-	212	13,048	2,059	-	1,776	148	46,946
Home Health	24,428,105	6,617,163	102,068,348	446,028	77,460	-	3,328,955	10,164,895	25,103	-	172,081	147,328,138
Presumptive Eligibility	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal of Acute Care	102,183,555	55,651,957	491,655,607	207,387,962	31,573,412	7,043,287	428,798,802	61,691,136	60,160,614	59,182,087	3,886,476	1,509,214,896
FY 2008-09 Actual - Community Based Long Term Care Services	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
HCBS - Elderly, Blind, and Disabled	97,156,797	13,604,791	65,434,378	15,005	395	-	-	77,857	-	-	192,447	176,481,671
HCBS - Mental Illness	3,588,896	2,137,938	17,180,010	-	1,005	-	-	6,584	-	-	44,433	22,958,866
HCBS - Disabled Children	-	-	1,747,600	-	-	-	50	33	-	-	-	1,747,683
HCBS - Persons Living with AIDS	12,764	32,458	546,457	-	-	-	-	-	-	-	1,066	592,744
HCBS - Consumer Directed Attendant Support	2,271,433	318,067	1,529,803	351	-	-	-	1,820	-	-	4,499	4,125,973
HCBS - Brain Injury	159,346	507,164	11,361,726	-	-	-	-	-	-	-	-	12,028,236
HCBS - Children with Autism	-	-	1,293,932	-	-	-	-	-	-	-	-	1,293,932
HCBS - Pediatric Hospice	-	-	26,940	-	-	-	-	2,372	-	-	-	29,312
Private Duty Nursing	725,106	186,844	14,728,104	-	-	-	250,793	5,460,562	-	-	-	21,351,408
Hospice	31,767,623	2,005,681	5,941,975	37,529	7,535	-	77,422	3,390	2,017	-	59,700	39,902,873
Subtotal of Community Based Long Term Care	135,681,964	18,792,943	119,790,925	52,885	8,935	-	328,265	5,552,618	2,017	-	302,145	280,512,697
FY 2008-09 Actuals - Institutional and Managed Care Long Term Care & Insurance Premiums	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Class I Nursing Facilities	423,682,370	29,953,087	77,004,135	22,194	-	-	-	-	-	-	256,886	530,918,672
Class II Nursing Facilities	-	335,754	1,935,960	-	-	-	-	-	-	-	-	2,271,714
Program of All-Inclusive Care for the Elderly	54,470,714	4,395,937	2,183,184	-	-	-	-	-	-	-	-	61,049,836
Subtotal Long Term Care	478,153,084	34,684,778	81,123,279	22,194	-	-	-	-	-	-	256,886	594,240,222
Supplemental Medicare Insurance Benefit	49,992,538	2,915,276	26,205,375	163,913	-	-	-	-	-	-	14,466,011	93,743,114
Health Insurance Buy-In Program	(177)	3,200	917,027	5,034	-	-	16,561	5,000	500	-	-	942,145
Subtotal Insurance	49,992,361	2,918,476	27,122,402	168,948	-	-	16,561	-	500	-	14,466,011	94,685,260
Subtotal of Long Term Care and Insurance	528,145,446	37,603,253	108,245,682	191,142	-	-	16,561	-	500	-	14,722,898	688,925,481
FY 2008-09 Actuals - Administrative Services/Case Management Costs	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Single Entry Points	11,356,087	1,927,170	9,708,485	3,228	-	-	1,507	7,102	-	56,818	6,779	23,067,175
Disease Management	201,459	112,661	996,159	477,141	-	13,568	835,312	131,805	114,165	-	-	2,882,271
Prepaid Inpatient Health Plan Administration	399,187	81,227	561,613	469,538	95,675	-	2,042,735	192,157	93,003	-	-	3,935,134
Subtotal of Service Management	11,956,732	2,121,058	11,266,257	949,908	95,675	13,568	2,879,553	331,064	207,168	56,818	6,779	29,884,581
FY 2008-09 COFRS Total	777,967,697	114,169,211	730,958,471	208,581,897	31,678,022	7,056,855	432,023,182	67,574,818	60,370,299	59,238,905	18,918,298	2,508,537,655

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FY 2010-11 Briefing -- FY 2008-09 Actual Expenditures % By Service Area and Aid Category

FY 2008-09 Actual -- Acute Care Services	Adults	Disabled	Disabled	Categorically	Expansion	Breast & Cervical	Eligible	Foster	Pregnant-	Non-	Partial Dual	TOTAL
	65 and Older	Adults 60 to 64	Individuals to 59	Eligible Low-Income Adults	Adults	Cancer Program	Children	Care	Adults	Citizens	Eligibles	
Physician Services & EPSDT	2.14%	2.67%	19.66%	19.72%	2.74%	0.00%	38.42%	4.25%	6.68%	3.70%	0.00%	100.00%
Emergency Transportation	2.79%	4.79%	33.11%	19.96%	2.62%	0.00%	27.20%	3.58%	3.72%	2.22%	0.00%	100.00%
Non-emergency Medical Transportation	24.97%	9.03%	50.13%	4.63%	0.00%	0.00%	9.32%	1.51%	0.40%	0.01%	0.00%	100.00%
Dental Services	1.28%	0.31%	5.19%	4.24%	0.84%	0.00%	80.42%	7.18%	0.52%	0.01%	0.00%	100.00%
Family Planning	0.00%	0.04%	2.83%	36.03%	11.02%	0.00%	31.63%	10.66%	7.43%	0.36%	0.00%	100.00%
Health Maintenance Organizations	6.65%	6.12%	45.81%	11.99%	1.87%	0.00%	25.90%	0.82%	0.84%	0.00%	0.00%	100.00%
Inpatient Hospitals	4.71%	3.81%	27.68%	16.12%	1.53%	0.00%	23.59%	1.83%	7.60%	13.11%	0.01%	100.00%
Outpatient Hospitals	1.95%	2.49%	26.18%	22.92%	4.60%	0.00%	33.91%	3.55%	3.35%	1.05%	0.00%	100.00%
Lab & X-Ray	1.90%	2.46%	18.80%	32.39%	4.80%	0.00%	20.83%	6.64%	10.90%	1.28%	0.00%	100.00%
Durable Medical Equipment	24.92%	5.22%	52.20%	2.56%	0.58%	0.00%	9.24%	5.06%	0.19%	0.01%	0.00%	100.00%
Prescription Drugs	3.47%	5.18%	44.67%	13.72%	2.76%	0.00%	20.29%	9.05%	0.84%	0.03%	0.00%	100.00%
Drug Rebate	3.47%	5.18%	44.67%	13.72%	2.76%	0.00%	20.29%	9.05%	0.84%	0.03%	0.00%	100.00%
Rural Health Centers	0.67%	1.97%	12.95%	15.36%	3.66%	0.00%	56.22%	4.03%	4.68%	0.46%	0.00%	100.00%
Federally Qualified Health Centers	1.32%	0.95%	8.08%	14.99%	2.24%	0.00%	61.49%	3.06%	5.69%	2.18%	0.00%	100.00%
Co-Insurance (Title XVIII-Medicare)	47.15%	6.89%	31.21%	0.00%	1.29%	0.00%	0.11%	0.07%	0.15%	0.00%	13.13%	100.00%
Breast and Cervical Cancer Treatment Program	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Prepaid Inpatient Health Plan Services	5.98%	3.87%	30.96%	14.65%	3.75%	0.00%	32.04%	4.34%	4.41%	0.00%	0.00%	100.00%
Other Medical Services	6.70%	3.75%	33.14%	15.88%	0.00%	0.45%	27.79%	4.39%	3.80%	3.78%	0.32%	100.00%
Home Health	16.58%	4.49%	69.28%	0.30%	0.05%	0.00%	2.26%	6.90%	0.02%	0.00%	0.12%	100.00%
Presumptive Eligibility	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Subtotal of Acute Care	6.77%	3.69%	32.58%	13.74%	2.09%	0.47%	28.41%	4.09%	3.99%	3.92%	0.26%	100.00%
FY 2008-09 Actual - Community Based Long Term Care Services	Adults	Disabled	Disabled	Categorically	Expansion	Breast & Cervical	Eligible	Foster	Pregnant-	Non-	Partial Dual	TOTAL
	65 and Older	Adults 60 to 64	Individuals to 59	Eligible Low-Income Adults	Adults	Cancer Program	Children	Care	Adults	Citizens	Eligibles	
HCBS - Elderly, Blind, and Disabled	55.05%	7.71%	37.08%	0.01%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.11%	100.00%
HCBS - Mental Illness	15.63%	9.31%	74.83%	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.19%	100.00%
HCBS - Disabled Children	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
HCBS - Persons Living with AIDS	2.15%	5.48%	92.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.18%	100.00%
HCBS - Consumer Directed Attendant Support	55.05%	7.71%	37.08%	0.01%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.11%	100.00%
HCBS - Brain Injury	1.32%	4.22%	94.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
HCBS - Children with Autism	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
HCBS - Pediatric Hospice	0.00%	0.00%	91.91%	0.00%	0.00%	0.00%	0.00%	8.09%	0.00%	0.00%	0.00%	100.00%
Private Duty Nursing	3.40%	0.88%	68.98%	0.00%	0.00%	0.00%	1.17%	25.57%	0.00%	0.00%	0.00%	100.00%
Hospice	79.61%	5.03%	14.89%	0.09%	0.02%	0.00%	0.19%	0.01%	0.01%	0.00%	0.15%	100.00%
Subtotal of Community Based Long Term Care	48.37%	6.70%	42.70%	0.02%	0.00%	0.00%	0.12%	1.98%	0.00%	0.00%	0.11%	100.00%

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FY 2010-11 Briefing -- FY 2008-09 Actual Expenditures % By Service Area and Aid Category

FY 2008-09 Actuals - Institutional and Managed Care Long Term Care & Insurance Premiums	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
	Class I Nursing Facilities	79.80%	5.64%	14.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%
Class II Nursing Facilities	0.00%	14.78%	85.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Program of All-Inclusive Care for the Elderly	89.22%	7.20%	3.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Subtotal Long Term Care	80.46%	5.84%	13.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	100.00%
Supplemental Medicare Insurance Benefit	53.33%	3.11%	27.95%	0.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	15.43%	100.00%
Health Insurance Buy-In Program	-0.02%	0.34%	97.33%	0.53%	0.00%	0.00%	1.76%	0.00%	0.05%	0.00%	0.00%	100.00%
Subtotal Insurance	52.80%	3.08%	28.64%	0.18%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	15.28%	100.00%
Subtotal of Long Term Care and Insurance	76.66%	5.46%	15.71%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.14%	100.00%
FY 2008-09 Actuals - Administrative Services/Case Management Costs	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
	Single Entry Points	49.23%	8.35%	42.09%	0.01%	0.00%	0.00%	0.01%	0.03%	0.00%	0.25%	0.03%
Disease Management	6.99%	3.91%	34.56%	16.55%	0.00%	0.47%	28.98%	4.57%	3.96%	0.00%	0.00%	100.00%
Prepaid Inpatient Health Plan Administration	10.14%	2.06%	14.27%	11.93%	2.43%	0.00%	51.91%	4.88%	2.36%	0.00%	0.00%	100.00%
Subtotal of Service Management	40.01%	7.10%	37.70%	3.18%	0.32%	0.05%	9.64%	1.11%	0.69%	0.19%	0.02%	100.00%
FY 2008-09 COFRS Total	31.01%	4.55%	29.14%	8.31%	1.26%	0.28%	17.22%	2.69%	2.41%	2.36%	0.75%	100.00%

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FY 2010-11 Briefing -- Current FY 2009-10 Appropriation By Service Area and Bill Source

FY 2009-10 Current Appropriation	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Appropriated Caseload	38,279	6,614	52,254	57,097	16,015	321	259,414	18,663	7,391	4,255	16,329	476,632
Acute Care												
S.B. 09-259 (Long Bill Estimate)	98,777,235	54,961,570	499,041,944	229,448,283	40,153,138	7,101,235	433,032,852	62,019,339	64,327,174	63,721,345	3,798,278	1,556,382,394
Community Long Term Care												
S.B. 09-259 (Long Bill Estimate)	138,337,764	19,868,788	125,794,144	57,390	(145)	0	334,071	6,421,459	0	0	336,370	291,149,841
Class 1 Nursing Facilities												
S.B. 09-259 (Long Bill Estimate)	455,056,321	31,080,541	81,204,172	117,868	0	0	0	0	0	0	123,871	567,582,772
S.B. 09-263 (NF Rate Reduction Bill)	(21,210,913)	(1,448,714)	(3,785,058)	(5,494)	0	0	0	0	0	0	(5,774)	(26,455,954)
Class 2 Nursing Facilities												
S.B. 09-259 (Long Bill Estimate)	0	366,883	1,872,527	0	0	0	0	0	0	0	0	2,239,409
PACE												
S.B. 09-259 (Long Bill Estimate)	68,798,107	5,938,677	2,640,375	0	0	0	0	0	0	0	0	77,377,160
Medicare Premiums												
S.B. 09-259 (Long Bill Estimate)	52,831,542	3,131,464	27,732,251	210,927	0	0	0	0	0	0	16,429,033	100,335,217
Health Care Buy In												
S.B. 09-259 (Long Bill Estimate)	3,408	1,925	913,652	1,973	0	0	19,640	1,261	2,517	0	0	944,377
Single Entry Point												
S.B. 09-259 (Long Bill Estimate)	12,169,648	2,043,873	10,392,421	3,384	0	0	2,565	5,114	0	0	140,051	24,757,055
Disease Management												
S.B. 09-259 (Long Bill Estimate)	358,004	202,555	1,793,072	826,419	0	27,533	1,406,170	245,619	189,136	0	0	5,048,510
Prepaid Inpatient Hospitals												
S.B. 09-259 (Long Bill Estimate)	448,416	92,173	688,536	620,333	173,425	0	2,704,723	231,099	96,309	0	0	5,055,014
Bottom Line Financing (UPL)												
S.B. 09-259 (Long Bill Estimate)	7,825,280	1,116,359	7,242,150	2,191,007	380,549	67,381	4,163,820	662,480	621,395	607,808	196,631	25,074,860
S.B. 09-265 (Delay Payment)	(17,928,189)	(2,557,646)	(16,592,203)	(5,019,729)	(871,861)	(154,374)	(9,539,563)	(1,517,782)	(1,423,653)	(1,392,525)	(450,493)	(57,448,018)
Total Medicaid Medical Services Premiums												
S.B. 09-259 (Long Bill Appropriation)	834,605,726	118,804,809	759,315,244	233,477,584	40,706,967	7,196,149	441,663,841	69,586,371	65,236,532	64,329,153	21,024,234	2,655,946,610
S.B. 09-261 (OAP Medical Refinance)	0	0	0	0	0	0	0	0	0	0	0	0
S.B. 09-262 (BCCT Fund Refinance)	0	0	0	0	0	0	0	0	0	0	0	0
S.B. 09-263 (NF Rate Reduction Bill)	(21,210,913)	(1,448,714)	(3,785,058)	(5,494)	0	0	0	0	0	0	(5,774)	(26,455,954)
S.B. 09-265 (Delay Payment)	(17,928,189)	(2,557,646)	(16,592,203)	(5,019,729)	(871,861)	(154,374)	(9,539,563)	(1,517,782)	(1,423,653)	(1,392,525)	(450,493)	(57,448,018)
S.B. 09-271 (Amend #35 Refinance)	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL Medical Services Premiums	795,466,623	114,798,448	738,937,983	228,452,360	39,835,106	7,041,775	432,124,278	68,068,590	63,812,879	62,936,628	20,567,967	2,572,042,638

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FY 2010-11 Briefing -- Current FY 2009-10 Appropriation By Service Area and Bill Source

FY 2009-10 Current Appropriation	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
Current Appropriation Per Capitas (S.B. 09-259 (without BTL Financing) & S.B. 09-263 Only)												
Acute Care	\$2,580.45	\$8,309.88	\$9,550.31	\$4,018.57	\$2,507.22	\$22,122.23	\$1,669.27	\$3,323.12	\$8,703.45	\$14,975.64	\$232.61	\$3,265.38
Community Long Term Care	\$3,613.93	\$3,004.05	\$2,407.36	\$1.01	(\$0.01)	\$0.00	\$1.29	\$344.07	\$0.00	\$0.00	\$20.60	\$610.85
Class 1 Nursing Facilities	\$11,333.77	\$4,480.17	\$1,481.59	\$1.97	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7.23	\$1,135.31
Class 2 Nursing Facilities	\$0.00	\$55.47	\$35.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.70
PACE	\$1,797.28	\$897.89	\$50.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$162.34
Medicare Premiums	\$1,380.17	\$473.46	\$530.72	\$3.69	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,006.13	\$210.51
Health Care Buy In	\$0.09	\$0.29	\$17.48	\$0.03	\$0.00	\$0.00	\$0.08	\$0.07	\$0.34	\$0.00	\$0.00	\$1.98
Single Entry Point	\$317.92	\$309.02	\$198.88	\$0.06	\$0.00	\$0.00	\$0.01	\$0.27	\$0.00	\$0.00	\$8.58	\$51.94
Disease Management	\$9.35	\$30.63	\$34.31	\$14.47	\$0.00	\$85.77	\$5.42	\$13.16	\$25.59	\$0.00	\$0.00	\$10.59
Prepaid Inpatient Hospitals	\$11.71	\$13.94	\$13.18	\$10.86	\$10.83	\$0.00	\$10.43	\$12.38	\$13.03	\$0.00	\$0.00	\$10.61
Total Per Capitas -- Service Costs	\$21,044.69	\$17,574.80	\$14,320.21	\$4,050.67	\$2,518.04	\$22,208.00	\$1,686.49	\$3,693.08	\$8,742.41	\$14,975.64	\$1,275.14	\$5,464.21
Check	\$21,044.69	\$17,574.80	\$14,320.21	\$4,050.67	\$2,518.04	\$22,208.00	\$1,686.49	\$3,693.08	\$8,742.41	\$14,975.64	\$1,275.14	\$5,464.21
Bottom Line Finance Per Capita Adj.	(\$263.93)	(\$217.91)	(\$178.93)	(\$49.54)	(\$30.68)	(\$271.01)	(\$20.72)	(\$45.83)	(\$108.55)	(\$184.42)	(\$15.55)	(\$67.92)
Total Per Capitas -- Original Appropriation	\$20,780.76	\$17,356.89	\$14,141.27	\$4,001.13	\$2,487.36	\$21,936.99	\$1,665.77	\$3,647.25	\$8,633.86	\$14,791.22	\$1,259.60	\$5,396.29
Check	\$20,780.76	\$17,356.89	\$14,141.27	\$4,001.13	\$2,487.36	\$21,936.99	\$1,665.77	\$3,647.25	\$8,633.86	\$14,791.22	\$1,259.60	\$5,396.29

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FY 2010-11 Briefing -- FY 2009-10 Department Estimate By Service Area And Aid Category

FY 2009-10 Department Revised Request	Disabled			Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
	Adults 65 and Older	Adults 60 to 64	Disabled Individuals to 59									
Appropriated Caseload	38,279	6,614	52,254	57,097	16,015	321	259,414	18,663	7,391	4,255	16,329	476,632
Department November Estimate	38,556	6,837	52,711	59,581	16,736	424	277,805	18,715	7,448	3,963	15,735	498,511
Department HB 09-1293 Estimate	0	0	0	0	12,900	0	0	0	0	0	0	12,900
Total FY 2009-10 Dept Estimate	38,556	6,837	52,711	59,581	29,636	424	277,805	18,715	7,448	3,963	15,735	511,411
Acute Care Appropriation Est.	98,777,235	54,961,570	499,041,944	229,448,283	40,153,138	7,101,235	433,032,852	62,019,339	64,327,174	63,721,345	3,798,278	1,556,382,394
Payment Delay SB 09-265	(2,178,821)	(1,212,338)	(11,007,832)	(5,061,154)	(885,695)	(156,639)	(9,551,808)	(1,368,018)	(1,418,924)	(1,405,561)	(83,782)	(34,330,572)
Estimated FY 2009-10 Adjusted App.	96,598,414	53,749,231	488,034,113	224,387,129	39,267,443	6,944,596	423,481,044	60,651,321	62,908,250	62,315,784	3,714,496	1,522,051,822
Acute Care Department Nov Estimate	101,958,419	55,996,808	497,548,727	224,961,104	43,591,801	9,148,142	464,693,196	63,474,220	64,383,826	58,635,547	4,271,372	1,588,663,162
Add - Back Emergency Sup Impacts	1,382,398	759,230	6,745,990	3,050,124	591,037	124,035	6,300,519	860,612	872,945	795,007	57,913	21,539,810
Department Estimated BASE	103,340,817	56,756,038	504,294,717	228,011,228	44,182,838	9,272,177	470,993,715	64,334,832	65,256,771	59,430,554	4,329,285	1,610,202,972
ACUTE CARE BASE SUPPLEMENTAL	6,742,403	3,006,806	16,260,604	3,624,099	4,915,396	2,327,580	47,512,671	3,683,511	2,348,521	(2,885,230)	614,789	88,151,150
Community LTC Appropriation Est.	138,337,764	19,868,788	125,794,144	57,390	(145)	0	334,071	6,421,459	0	0	336,370	291,149,841
Payment Delay SB 09-265	(3,051,445)	(438,264)	(2,774,758)	(1,266)	3	0	(7,369)	(141,644)	0	0	(7,420)	(6,422,162)
Estimated FY 2009-10 Adjusted App.	135,286,319	19,430,524	123,019,386	56,124	(142)	0	326,702	6,279,815	0	0	328,951	284,727,679
Community LTC Department Nov Estimate	140,711,098	20,566,241	127,573,519	27,018	5,593	0	335,597	5,981,894	(107)	0	252,122	295,452,975
Add - Back Emergency Sup Impacts	2,082,267	304,343	1,887,854	400	83	0	4,966	88,521	(2)	0	3,731	4,372,163
Department Estimated BASE	142,793,365	20,870,584	129,461,373	27,418	5,676	0	340,563	6,070,415	(109)	0	255,853	299,825,138
Community LTC BASE SUPPLEMENTAL	7,507,045	1,440,060	6,441,988	(28,706)	5,818	0	13,861	(209,400)	(109)	0	(73,098)	15,097,459
Class I Nursing Facility Appropriation Est.	433,845,407	29,631,827	77,419,114	112,374	0	0	0	0	0	0	118,097	541,126,818
Payment Delay SB 09-265	(9,569,731)	(653,617)	(1,707,705)	(2,479)	0	0	0	0	0	0	(2,605)	(11,936,137)
Estimated FY 2009-10 Adjusted App.	424,275,676	28,978,210	75,711,408	109,895	0	0	0	0	0	0	115,492	529,190,682
Class I NF Department Nov Estimate	417,683,793	29,529,005	75,913,896	21,880	0	0	0	0	0	0	253,249	523,401,823
Add - Back Emergency Sup Impacts	1,522,241	107,618	276,667	80	0	0	0	0	0	0	923	1,907,528
Department Estimated BASE	419,206,034	29,636,623	76,190,563	21,960	0	0	0	0	0	0	254,172	525,309,351
Class I NF BASE SUPPLEMENTAL	(5,069,642)	658,413	479,155	(87,936)	0	0	0	0	0	0	138,680	(3,881,331)
Class II Nursing Facility Appropriation Est.	0	366,883	1,872,527	0	0	0	0	0	0	0	0	2,239,409
Payment Delay SB 09-265	0	(8,093)	(41,304)	0	0	0	0	0	0	0	0	(49,397)
Estimated FY 2009-10 Adjusted App.	0	358,790	1,831,223	0	0	0	0	0	0	0	0	2,190,013
Class II NF Department Nov Estimate	0	341,160	1,967,129	0	0	0	0	0	0	0	0	2,308,289
Add - Back Emergency Sup Impacts	0	0	0	0	0	0	0	0	0	0	0	0
Department Estimated BASE	0	341,160	1,967,129	0	0	0	0	0	0	0	0	2,308,289
Class II NF BASE SUPPLEMENTAL	0	(17,630)	135,906	0	0	0	0	0	0	0	0	118,276

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FY 2010-11 Briefing -- FY 2009-10 Department Estimate By Service Area And Aid Category

FY 2009-10 Department Revised Request	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
	PACE Appropriation Estimate	68,798,107	5,938,677	2,640,375	0	0	0	0	0	0	0	0
Payment Delay SB 09-265	(1,517,544)	(130,995)	(58,241)	0	0	0	0	0	0	0	0	(1,706,780)
Estimated FY 2009-10 Adjusted App.	67,280,564	5,807,682	2,582,134	0	0	0	0	0	0	0	0	75,670,380
PACE Department Nov Estimate	63,472,003	4,810,722	2,418,397	0	0	0	0	0	0	0	0	70,701,122
Add - Back Emergency Sup Impacts	581,260	44,055	22,147	0	0	0	0	0	0	0	0	647,462
Department Estimated BASE	64,053,263	4,854,777	2,440,544	0	0	0	0	0	0	0	0	71,348,584
PACE BASE SUPPLEMENTAL	(3,227,301)	(952,905)	(141,590)	0	0	0	0	0	0	0	0	(4,321,796)
Sup Medicaid Insurance App. Est.	52,831,542	3,131,464	27,732,251	210,927	0	0	0	0	0	0	16,429,033	100,335,217
Payment Delay SB 09-265	(1,165,354)	(69,074)	(611,716)	(4,653)	0	0	0	0	0	0	(362,390)	(2,213,187)
Estimated FY 2009-10 Adjusted App.	51,666,188	3,062,390	27,120,535	206,274	0	0	0	0	0	0	16,066,643	98,122,030
SMI Department Nov Estimate	51,987,681	3,136,925	27,291,083	201,623	0	0	0	0	0	0	15,320,743	97,938,055
SMI BASE SUPPLEMENTAL	(843,861)	5,461	(441,168)	(9,304)	0	0	0	0	0	0	(1,108,290)	(2,397,162)
Health Insurance Buy-In Appropriation Est.	3,408	1,925	913,652	1,973	0	0	19,640	1,261	2,517	0	0	944,377
Payment Delay SB 09-265	(75)	(42)	(20,153)	(44)	0	0	(433)	(28)	(56)	0	0	(20,831)
Estimated FY 2009-10 Adjusted App.	3,333	1,883	893,499	1,930	0	0	19,207	1,234	2,462	0	0	923,546
HIBI Department Nov Estimate	0	4,475	1,282,660	6,622	0	0	21,782	0	739	0	0	1,316,278
HIBI BASE SUPPLEMENTAL	(3,333)	2,592	389,161	4,692	0	0	2,575	(1,234)	(1,723)	0	0	392,732
Single Entry Point Appropriation Est.	12,169,648	2,043,873	10,392,421	3,384	0	0	2,565	5,114	0	0	140,051	24,757,055
Payment Delay SB 09-265	(268,437)	(45,084)	(229,235)	(75)	0	0	(57)	(113)	0	0	(3,089)	(546,089)
Estimated FY 2009-10 Adjusted App.	11,901,211	1,998,789	10,163,185	3,309	0	0	2,508	5,001	0	0	136,962	24,210,965
SEP Department Nov Estimate	11,761,589	1,996,117	10,055,821	3,344	0	0	1,560	7,356	0	58,850	7,022	23,891,659
Add - Back Emergency Sup Impacts	133,823	22,712	114,415	38	0	0	18	84	0	670	80	271,839
Department Estimated BASE	11,895,412	2,018,829	10,170,236	3,382	0	0	1,578	7,440	0	59,520	7,102	24,163,498
SEP BASE SUPPLEMENTAL	(5,799)	20,039	7,051	73	0	0	(931)	2,439	0	59,520	(129,860)	(47,467)
Disease Management	358,004	202,555	1,793,072	826,419	0	27,533	1,406,170	245,619	189,136	0	0	5,048,510
Payment Delay SB 09-265	(7,897)	(4,468)	(39,551)	(18,229)	0	(607)	(31,017)	(5,418)	(4,172)	0	0	(111,360)
Estimated FY 2009-10 Adjusted App.	350,107	198,087	1,753,521	808,190	0	26,926	1,375,153	240,201	184,964	0	0	4,937,150
DM Department Nov Estimate	4,438	2,482	21,942	10,510	0	299	18,399	2,903	2,515	0	0	63,488
Add - Back Emergency Sup Impacts	22,194	12,412	109,731	52,560	0	1,495	92,012	14,518	12,577	0	0	317,500
Department Estimated BASE	26,632	14,894	131,673	63,070	0	1,794	110,411	17,421	15,092	0	0	380,988
DM BASE SUPPLEMENTAL	(323,475)	(183,193)	(1,621,848)	(745,120)	0	(25,131)	(1,264,742)	(222,780)	(169,872)	0	0	(4,556,162)

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FY 2010-11 Briefing -- FY 2009-10 Department Estimate By Service Area And Aid Category

FY 2009-10 Department Revised Request	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
	Prepaid Inpatient Health Plan App. Est.	448,416	92,173	688,536	620,333	173,425	0	2,704,723	231,099	96,309	0	0
Payment Delay SB 09-265	(9,891)	(2,033)	(15,188)	(13,683)	(3,825)	0	(59,661)	(5,098)	(2,124)	0	0	(111,503)
Estimated FY 2009-10 Adjusted App.	438,525	90,140	673,349	606,649	169,600	0	2,645,063	226,002	94,185	0	0	4,943,511
PIHP Department Nov Estimate	439,405	93,970	1,166,112	566,923	60,604	0	2,432,462	222,460	103,744	0	0	5,085,680
Add - Back Embergency Sup Impacts	5,400	1,155	14,329	6,966	745	0	29,891	2,734	1,275	0	0	62,494
Department Estimated BASE	444,805	95,125	1,180,441	573,889	61,349	0	2,462,353	225,194	105,019	0	0	5,148,174
PIHP BASE SUPPLEMENTAL	(9,011)	1,797	477,576	(53,410)	(112,821)	0	(272,261)	(8,639)	7,435	0	0	30,666
Upper Payment Limit Appropriation Est.	7,825,280	1,116,359	7,242,150	2,191,007	380,549	67,381	4,163,820	662,480	621,395	607,808	196,631	25,074,860
UPL Department Nov Estimate	6,399,232	912,918	5,922,369	1,791,727	311,199	55,102	3,405,022	541,752	508,154	497,043	160,798	20,505,317
UPL BASE SUPPLEMENTAL	(1,426,048)	(203,441)	(1,319,781)	(399,280)	(69,350)	(12,279)	(758,798)	(120,728)	(113,241)	(110,765)	(35,833)	(4,569,543)
Total FY 2009-10 Appropriation	813,394,812	117,356,094	755,530,186	233,472,090	40,706,967	7,196,149	441,663,841	69,586,371	65,236,532	64,329,153	21,018,460	2,629,490,656
Estimated FY 2009-10 Adjusted App.	(17,769,195)	(2,564,008)	(16,505,684)	(5,101,582)	(889,517)	(157,246)	(9,650,344)	(1,520,318)	(1,425,276)	(1,405,561)	(459,286)	(57,448,018)
TOTAL FY 2009-10 Original Appropriation	795,625,617	114,792,086	739,024,502	228,370,508	39,817,449	7,038,903	432,013,497	68,066,053	63,811,256	62,923,592	20,559,174	2,572,042,638
Total Department Estimate	794,417,658	117,390,823	751,161,655	227,590,751	43,969,197	9,203,543	470,908,018	70,230,585	64,998,871	59,191,440	20,265,306	2,629,327,848
Add Back ES Supplemental Impacts	5,729,582	1,251,525	9,171,133	3,110,168	591,865	125,530	6,427,406	966,468	886,796	795,677	62,647	29,118,796
TOTAL BASE	800,147,240	118,642,348	760,332,788	230,700,918	44,561,062	9,329,073	477,335,424	71,197,053	65,885,667	59,987,117	20,327,953	2,658,446,644
BASE SUPPLEMENTAL	4,521,623	3,850,261	21,308,286	2,330,411	4,743,613	2,290,170	45,321,928	3,131,001	2,074,411	(2,936,475)	(231,221)	86,404,006

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FY 2010-11 Briefing -- FY 2009-10 Department Estimate By Service Area And Aid Category

FY 2009-10 Department Revised Request	Disabled			Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
	Adults 65 and Older	Adults 60 to 64	Disabled Individuals to 59									
Department Request With All Supplementals Requested												
Acute Care Services	101,958,419	55,996,808	497,548,727	224,961,104	43,591,801	9,148,142	464,693,196	63,474,220	64,383,826	58,635,547	4,271,372	1,588,663,162
HB 09-1293 AC Impacts	0	0	0	0	33,600,277	0	0	0	0	0	0	33,600,277
HB 09-1293 AC Impacts	16,647,094	9,142,787	81,236,455	36,730,156	7,117,380	1,493,648	75,872,022	10,363,649	10,512,164	9,573,623	697,401	259,386,380
Dec Provider Rate Reduction	(431,895)	(237,202)	(2,107,610)	(952,932)	(184,654)	(38,751)	(1,968,434)	(268,876)	(272,729)	(248,379)	(18,093)	(6,729,557)
Delay Extra Week of Payments	<u>(2,622,803)</u>	<u>(995,793)</u>	<u>(8,859,498)</u>	<u>(3,783,283)</u>	<u>(732,399)</u>	<u>(153,701)</u>	<u>(7,807,832)</u>	<u>(1,066,450)</u>	<u>(1,081,745)</u>	<u>(985,154)</u>	<u>(339,874)</u>	<u>(28,428,531)</u>
	115,550,815	63,906,600	567,818,073	256,955,045	83,392,405	10,449,338	530,788,952	72,502,544	73,541,516	66,975,637	4,610,806	1,846,491,731
Community Long-Term Care	140,711,098	20,566,241	127,573,519	27,018	5,593	0	335,597	5,981,894	(107)	0	252,122	295,452,975
HB 09-1293 CC Impacts	0	0	0	0	4,311	0	0	0	0	0	0	4,311
Dec Provider Rate Reduction	(603,484)	(88,205)	(547,139)	(116)	(24)	0	(1,439)	(25,655)	0	0	(1,081)	(1,267,143)
Delay Extra Week of Payment	<u>(2,378,017)</u>	<u>(347,569)</u>	<u>(2,155,992)</u>	<u>(457)</u>	<u>(95)</u>	<u>0</u>	<u>(5,672)</u>	<u>(101,094)</u>	<u>2</u>	<u>0</u>	<u>(4,261)</u>	<u>(4,993,155)</u>
	137,729,597	20,130,467	124,870,388	26,446	9,785	0	328,486	5,855,145	(105)	0	246,780	289,196,988
Institutional Long-Term Care	481,155,796	34,680,887	80,299,422	21,880	0	0	0	0	0	0	253,249	596,411,234
Dec Provider Rate Reduction	(154,003)	(11,100)	(25,701)	(7)	0	0	0	0	0	0	(81)	(190,893)
Delay Extra Week of Payment	<u>(8,588,364)</u>	<u>(619,035)</u>	<u>(1,433,300)</u>	<u>(391)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(39)</u>	<u>0</u>	<u>0</u>	<u>(4,520)</u>	<u>(10,645,610)</u>
	472,413,428	34,050,752	78,840,420	21,482	0	0	0	0	0	0	248,648	585,574,731
Insurance	51,987,681	3,141,400	28,573,743	208,245	0	0	21,782	0	739	0	15,320,743	99,254,333
Delay Extra Week of Payment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	51,987,681	3,141,400	28,573,743	208,245	0	0	21,782	0	739	0	15,320,743	99,254,333
Administration	12,205,432	2,092,569	11,243,875	580,777	60,604	299	2,452,421	232,719	106,259	58,850	7,022	29,040,827
HB 09-1293 ADMIN Costs	0	0	0	0	46,714	0	0	0	0	0	0	46,714
Dec Provider Rate Reduction	(60,992)	(10,457)	(56,187)	(2,902)	(303)	(1)	(12,255)	(1,163)	(531)	(294)	(35)	(145,120)
Delay Extra Week of Payment	<u>(251,268)</u>	<u>(43,079)</u>	<u>(231,473)</u>	<u>(11,956)</u>	<u>(1,248)</u>	<u>(6)</u>	<u>(50,487)</u>	<u>(4,791)</u>	<u>(2,188)</u>	<u>(1,212)</u>	<u>(145)</u>	<u>(597,851)</u>
	11,893,172	2,039,033	10,956,215	565,919	105,768	291	2,389,679	226,765	103,541	57,344	6,842	28,344,570
UPL	6,399,232	912,918	5,922,369	1,791,727	311,199	55,102	3,405,022	541,752	508,154	497,043	160,798	20,505,317
SERVICE COSTS	788,018,426	116,477,905	745,239,286	225,799,024	43,657,998	9,148,441	467,502,996	69,688,833	64,490,717	58,694,397	20,104,508	2,608,822,531
HB 09-1293 IMPACTS	16,647,094	9,142,787	81,236,455	36,730,156	40,768,682	1,493,648	75,872,022	10,363,649	10,512,164	9,573,623	697,401	293,037,682
DEC PROVIDER RATE REDUCTION	(1,250,373)	(346,964)	(2,736,637)	(955,957)	(184,981)	(38,753)	(1,982,129)	(295,694)	(273,260)	(248,674)	(19,291)	(8,332,713)
DELAY EXTRA WEEK OF PAYMENT	(13,840,453)	(2,005,476)	(12,680,263)	(3,796,087)	(733,741)	(153,707)	(7,863,990)	(1,172,334)	(1,083,931)	(986,365)	(348,799)	(44,665,147)
UPL	<u>6,399,232</u>	<u>912,918</u>	<u>5,922,369</u>	<u>1,791,727</u>	<u>311,199</u>	<u>55,102</u>	<u>3,405,022</u>	<u>541,752</u>	<u>508,154</u>	<u>497,043</u>	<u>160,798</u>	<u>20,505,317</u>
TOTAL DEPARTMENT FY 09-10 REQUEST	795,973,926	124,181,171	816,981,209	259,568,863	83,819,157	10,504,731	536,933,921	79,126,206	74,153,845	67,530,025	20,594,617	2,869,367,670

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FY 2010-11 Briefing -- FY 2010-11 Department Request By Service Area And Aid Category

FY 2010-11 Budget Request	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
FY 2009-10 Revised Caseload												
Department November Estimate	38,556	6,837	52,711	59,581	16,736	424	277,805	18,715	7,448	3,963	15,735	498,511
Department HB 09-1293 Estimate	0	0	0	0	12,900	0	0	0	0	0	0	12,900
Total FY 2009-10 Dept Estimate	38,556	6,837	52,711	59,581	29,636	424	277,805	18,715	7,448	3,963	15,735	511,411
FY 2010-11 Caseload Forecast												
Department November Estimate	39,030	7,009	53,517	65,879	18,937	487	304,891	19,329	7,639	4,102	16,563	537,383
Department HB 09-1293 Estimate	0	0	0	0	30,100	0	0	0	0	0	0	30,100
Total FY 2010 - 11 Dept Estimate	39,030	7,009	53,517	65,879	49,037	487	304,891	19,329	7,639	4,102	16,563	567,483
Increase To Traditional	474	172	806	6,298	2,201	63	27,086	614	191	139	828	38,872
Increase To HB 09-1293	0	0	0	0	17,200	0	0	0	0	0	0	17,200
FY 2009-10 Total NOV/DEC REQUEST Includes All Supplementals Submitted to Date												
Acute Care	115,550,815	63,906,600	567,818,073	256,955,045	83,392,405	10,449,338	530,788,952	72,502,544	73,541,516	66,975,637	4,610,806	1,846,491,731
Community Long Term Care	137,729,597	20,130,467	124,870,388	26,446	9,785	0	328,486	5,855,145	(105)	0	246,780	289,196,988
Institutional Long Term Care	472,413,428	34,050,752	78,840,420	21,482	0	0	0	0	0	0	248,648	585,574,731
Insurance	51,987,681	3,141,400	28,573,743	208,245	0	0	21,782	0	739	0	15,320,743	99,254,333
Administrative	11,893,172	2,039,033	10,956,215	565,919	105,768	291	2,389,679	226,765	103,541	57,344	6,842	28,344,570
UPL Financing	<u>6,399,232</u>	<u>912,918</u>	<u>5,922,369</u>	<u>1,791,727</u>	<u>311,199</u>	<u>55,102</u>	<u>3,405,022</u>	<u>541,752</u>	<u>508,154</u>	<u>497,043</u>	<u>160,798</u>	<u>20,505,317</u>
Total Costs	795,973,926	124,181,171	816,981,209	259,568,863	83,819,157	10,504,731	536,933,921	79,126,206	74,153,845	67,530,025	20,594,617	2,869,367,670
FY 2009-10 OVERALL PER CAPITA COST												
Acute Care	\$2,996.96	\$9,347.17	\$10,772.29	\$4,312.70	\$2,813.89	\$24,644.66	\$1,910.65	\$3,874.03	\$9,874.00	\$16,900.24	\$293.03	\$3,610.58
Community Long Term Care	\$3,572.20	\$2,944.34	\$2,368.96	\$0.44	\$0.33	\$0.00	\$1.18	\$312.86	(\$0.01)	\$0.00	\$15.68	\$565.49
Institutional Long Term Care	\$12,252.66	\$4,980.36	\$1,495.71	\$0.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15.80	\$1,145.02
Insurance	\$1,348.37	\$459.47	\$542.08	\$3.50	\$0.00	\$0.00	\$0.08	\$0.00	\$0.10	\$0.00	\$973.67	\$194.08
Administrative	\$308.46	\$298.24	\$207.85	\$9.50	\$3.57	\$0.69	\$8.60	\$12.12	\$13.90	\$14.47	\$0.43	\$55.42
UPL Financing	<u>\$165.97</u>	<u>\$133.53</u>	<u>\$112.36</u>	<u>\$30.07</u>	<u>\$10.50</u>	<u>\$129.96</u>	<u>\$12.26</u>	<u>\$28.95</u>	<u>\$68.23</u>	<u>\$125.42</u>	<u>\$10.22</u>	<u>\$40.10</u>
Total Costs	\$20,644.62	\$18,163.11	\$15,499.25	\$4,356.57	\$2,828.29	\$24,775.31	\$1,932.77	\$4,227.96	\$9,956.21	\$17,040.13	\$1,308.84	\$5,610.69
FY 2010-11 DEPARTMENT BASE REQUEST - NOVEMBER/DECEMBER SUBMITTAL (INCLUDES EBA #1)												
Acute Care Base	122,141,686	69,706,235	610,315,714	281,321,218	152,415,130	12,181,005	578,730,824	77,898,310	78,913,530	73,064,765	5,756,564	2,062,444,981
Community Long Term Care Base	148,327,297	22,138,746	136,124,380	22,117	12,626	0	334,983	6,786,547	(77)	0	188,168	313,934,786
Long Term Care Base	523,717,484	37,400,211	85,808,582	23,337	0	0	0	0	0	0	270,113	647,219,728
Insurance Base	54,929,916	3,361,353	30,256,450	239,173	0	0	21,325	0	813	0	16,832,259	105,641,289
Administrative Funding	14,073,747	2,609,451	14,999,304	2,722,598	558,011	27,604	10,970,176	1,008,003	510,185	62,262	7,429	47,548,769
UPL Financing	<u>784,933</u>	<u>447,961</u>	<u>3,922,139</u>	<u>1,807,885</u>	<u>979,482</u>	<u>78,280</u>	<u>3,719,162</u>	<u>500,606</u>	<u>507,131</u>	<u>469,544</u>	<u>36,994</u>	<u>13,254,117</u>
TOTAL BASE	863,975,063	135,663,956	881,426,569	286,136,328	153,965,249	12,286,889	593,776,468	86,193,467	79,931,582	73,596,571	23,091,528	3,190,043,670
FY 2010-11 BASE PER CAPITA COST												
Acute Care	\$3,129.43	\$9,945.25	\$11,404.15	\$4,270.27	\$3,108.17	\$25,012.33	\$1,898.16	\$4,030.13	\$10,330.35	\$17,811.99	\$347.56	\$3,634.37
Community Long Term Care	\$3,800.34	\$3,158.62	\$2,543.57	\$0.34	\$0.26	\$0.00	\$1.10	\$351.11	(\$0.01)	\$0.00	\$11.36	\$553.21
Institutional Long Term Care	\$13,418.33	\$5,336.03	\$1,603.39	\$0.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$16.31	\$1,140.51
Insurance	\$1,407.38	\$479.58	\$565.36	\$3.63	\$0.00	\$0.00	\$0.07	\$0.00	\$0.11	\$0.00	\$1,016.26	\$186.16
Administrative	\$360.59	\$372.30	\$280.27	\$41.33	\$11.38	\$56.68	\$35.98	\$52.15	\$66.79	\$15.18	\$0.45	\$83.79
UPL Financing	<u>\$20.11</u>	<u>\$63.91</u>	<u>\$73.29</u>	<u>\$27.44</u>	<u>\$19.97</u>	<u>\$160.74</u>	<u>\$12.20</u>	<u>\$25.90</u>	<u>\$66.39</u>	<u>\$114.47</u>	<u>\$2.23</u>	<u>\$23.36</u>
Total Costs	\$22,136.18	\$19,355.68	\$16,470.03	\$4,343.36	\$3,139.78	\$25,229.75	\$1,947.50	\$4,459.28	\$10,463.62	\$17,941.63	\$1,394.16	\$5,621.39
ANALYSIS OF WHAT IS DRIVING THE BASE COSTS												
Caseload Growth	474	172	806	6,298	19,401	63	27,086	614	191	139	828	56,072
Per Capita Change	\$1,491.56	\$1,192.57	\$970.77	(\$13.21)	\$311.49	\$454.44	\$14.73	\$231.33	\$507.41	\$901.50	\$85.32	\$10.70
Cost Associated with Caseload Growth	9,785,549	3,124,055	12,492,399	27,437,685	54,871,625	1,560,844	52,351,081	2,595,965	1,901,636	2,368,578	1,083,721	169,573,138
Cost Associated with Per Capita Change	57,508,588	8,153,609	51,170,516	(787,027)	9,231,277	192,683	4,092,452	4,329,262	3,779,186	3,572,659	1,342,544	142,585,748
Compounding Change	<u>706,999</u>	<u>205,122</u>	<u>782,445</u>	<u>(83,193)</u>	<u>6,043,191</u>	<u>28,630</u>	<u>399,014</u>	<u>142,034</u>	<u>96,915</u>	<u>125,309</u>	<u>70,647</u>	<u>8,517,113</u>
Total Change	68,001,137	11,482,786	64,445,360	26,567,465	70,146,092	1,782,158	56,842,548	7,067,261	5,777,737	6,066,546	2,496,911	320,676,000

Joint Budget Committee - Staff Document
FY 2010-11 Briefing -- FY 2010-11 Department Request By Service Area And Aid Category

FY 2010-11 Budget Request	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
DEPARTMENT'S FY 2010-11 BUDGET REQUEST WITH ALL DECISION ITEMS												
Acute Care Base	122,141,686	69,706,235	610,315,714	281,321,218	152,415,130	12,181,005	578,730,824	77,898,310	78,913,530	73,064,765	5,756,564	2,062,444,981
BRI #1: Dental Hygienists Procedure	(868)	(209)	(3,505)	(2,867)	(568)	0	(54,316)	(4,848)	(350)	(10)	0	(67,541)
BRI #1: Non-Emergency Transportation	8,481	3,067	17,029	1,573	0	0	3,164	515	137	3	0	33,968
BRI #2: FQHC Payment/ BHO Issue	(990)	(565)	(4,945)	(2,279)	(1,235)	(99)	(4,689)	(631)	(639)	(592)	(47)	(16,711)
BRI #2: Increase clients into Medicare	(1,511,425)	(220,914)	(1,000,398)	145	(41,506)	0	(3,560)	(2,309)	(4,790)	(127)	(420,992)	(3,205,876)
BRI #3: Expand State Maximum Pharmacy	(36,719)	(54,726)	(472,363)	(145,048)	(29,156)	(8)	(214,552)	(95,654)	(8,867)	(356)	(2)	(1,057,450)
BRI #4: Medicaid Efficiencies	(1,674,185)	(453,509)	(6,995,274)	(30,569)	(5,309)	0	(228,151)	(696,653)	(1,720)	0	(11,794)	(10,097,162)
BRI #5: Payment Timing	(6,470,808)	(3,692,889)	(32,333,233)	(14,903,802)	(8,074,631)	(645,324)	(30,659,932)	(4,126,887)	(4,180,672)	(3,870,816)	(304,971)	(109,263,964)
BRI #6: Medicaid Provider Rate Cuts	(809,086)	(461,745)	(4,042,830)	(1,863,517)	(1,009,622)	(80,689)	(3,833,607)	(516,011)	(522,736)	(483,993)	(38,132)	(13,661,969)
BRI #6: Mid-Level Provider Rate Cut	(83,954)	(47,912)	(419,498)	(193,365)	(104,762)	(8,373)	(397,788)	(53,543)	(54,241)	(50,221)	(3,957)	(1,417,613)
BRI #6: DME Reductions	(138,170)	(78,854)	(690,466)	(318,238)	(172,416)	(13,779)	(654,676)	(88,121)	(89,269)	(82,653)	(6,512)	(2,333,095)
NP #3: DHS OAP Issue	0	(257,550)	0	0	0	0	0	0	0	0	0	(257,550)
Total Acute Care	111,423,964	64,440,429	564,370,292	263,863,250	142,975,925	11,432,733	542,682,716	72,314,167	74,050,382	68,576,000	4,970,159	1,921,100,018
Community Long Term Care Base	148,327,297	22,138,746	136,124,380	22,117	12,626	0	334,983	6,786,547	(77)	0	188,168	313,934,786
BRI #5 Payment Timing	(8,559,906)	(1,277,618)	(7,855,680)	(1,276)	(729)	0	(19,332)	(391,649)	4	0	(10,859)	(18,117,044)
BRI #6: Medicaid Provider Rate Cuts	(1,310,561)	(195,609)	(1,202,741)	(195)	(112)	0	(2,960)	(59,963)	1	0	(1,663)	(2,773,803)
Total Community Long Term Care	138,456,830	20,665,519	127,065,958	20,645	11,786	0	312,691	6,334,935	(72)	0	175,646	293,043,939
Long Term Care Base	523,717,484	37,400,211	85,808,582	23,337	0	0	0	0	0	0	270,113	647,219,728
BRI #2 Nursing Facility Audits	(287,286)	(20,310)	(52,214)	(15)	0	0	0	0	0	0	(174)	(360,000)
BRI #5 Payment Timing	(36,432,415)	(31,005,146)	(31,545,380)	(30,588,022)	(30,587,762)	(30,587,762)	(30,587,762)	(30,587,762)	(30,587,762)	(30,587,762)	(30,590,776)	(37,810,692)
BRI #6: Medicaid Provider Rate Cuts	(4,588,432)	(327,673)	(751,792)	(204)	0	0	0	0	0	0	(2,367)	(5,670,469)
BRI #6: Nursing Facility Per Diem GF Cut	(2,446,315)	(174,699)	(400,817)	(109)	0	0	0	0	0	0	(1,262)	(3,023,201)
Total Long Term Care	479,963,036	5,872,383	53,058,378	(30,565,014)	(30,587,762)	(30,587,762)	(30,587,762)	(30,587,762)	(30,587,762)	(30,587,762)	(30,324,466)	600,355,366
Insurance Base	54,929,916	3,361,353	30,256,450	239,173	0	0	21,325	0	813	0	16,832,259	105,641,289
Administrative Base	14,073,747	2,609,451	14,999,304	2,722,598	558,011	27,604	10,970,176	1,008,003	510,185	62,262	7,429	47,548,769
BRI #5 Payment Timing	(430,451)	(79,811)	(458,759)	(83,272)	(17,067)	(844)	(335,527)	(30,830)	(15,604)	(1,904)	(227)	(1,454,296)
BRI #6: Medicaid Provider Rate Cuts	(68,396)	(12,681)	(72,894)	(13,231)	(2,712)	(134)	(53,313)	(4,899)	(2,479)	(303)	(36)	(231,079)
BRI #6: Refinance GF with DM	(591,971)	(109,759)	(630,902)	(114,518)	(23,471)	(1,161)	(461,428)	(42,399)	(21,459)	(2,619)	(312)	(2,000,000)
Total Administration	12,982,929	2,407,200	13,836,749	2,511,577	514,761	25,464	10,119,907	929,875	470,642	57,436	6,853	43,863,394
UPL Financing	784,933	447,961	3,922,139	1,807,885	979,482	78,280	3,719,162	500,606	507,131	469,544	36,994	13,254,117
Total BASE FUNDING	863,975,063	135,663,956	881,426,569	286,136,328	153,965,249	12,286,889	593,776,468	86,193,467	79,931,582	73,596,571	23,091,528	3,190,043,670
BRI #1: Prevention & Benefits	7,613	2,858	13,524	(1,294)	(568)	0	(51,152)	(4,334)	(213)	(7)	0	(33,573)
BRI #2: Payment Reform	(1,799,701)	(241,789)	(1,057,557)	(2,149)	(42,741)	(99)	(8,249)	(2,941)	(5,429)	(719)	(421,212)	(3,582,587)
BRI #3: Expand State Max Pharmacy Rates	(36,719)	(54,726)	(472,363)	(145,048)	(29,156)	(8)	(214,552)	(95,654)	(8,867)	(356)	(2)	(1,057,450)
BRI #4: Medicaid Efficiencies	(1,674,185)	(453,509)	(6,995,274)	(30,569)	(5,309)	0	(228,151)	(696,653)	(1,720)	0	(11,794)	(10,097,162)
BRI #5: Payment Timing	(51,893,579)	(36,055,463)	(72,193,053)	(45,576,372)	(38,680,188)	(31,233,930)	(61,602,553)	(35,137,128)	(34,784,033)	(34,460,483)	(30,906,833)	(166,645,996)
BRI #6: Medicaid Reductions	(10,036,885)	(1,408,933)	(8,211,880)	(2,503,379)	(1,313,095)	(104,136)	(5,403,772)	(764,935)	(690,184)	(619,788)	(54,241)	(31,111,229)
NP #3: DHS - OAP Issue	0	(257,550)	0	0	0	0	0	0	0	0	0	(257,550)
NP #4: DPHE Amendment 35 Refinance	0	0	0	0	0	0	0	0	0	0	0	0
BRI #8: ARRA Adjustments	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL FY 2010-11 PREMIUMS	798,541,608	97,194,844	792,509,966	237,877,517	113,894,192	(19,051,284)	526,268,039	49,491,822	44,441,133	38,515,219	(8,302,554)	2,977,258,123

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FY 2010-11 Briefing -- FY 2009-10 & FY 2010-11 Department Request Mental Health Capitation

MENTAL HEALTH DIVISION	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
FY 2009-10 Appropriated Caseload	38,279	6,614	52,254	57,097	16,015	321	259,414	18,663	7,391	0	0	456,048
FY 2009-10 Revised Caseload												
Department November Estimate	38,556	6,837	52,711	59,581	16,736	424	277,805	18,715	7,448	0	0	478,813
Department HB 09-1293 Estimate	0	0	0	0	12,900	0	0	0	0	0	0	12,900
Total FY 2009-10 Dept Estimate	38,556	6,837	52,711	59,581	29,636	424	277,805	18,715	7,448	0	0	491,713
FY 2010-11 Caseload Forecast												
Department November Estimate	39,030	7,009	53,517	65,879	18,937	487	304,891	19,329	7,639	0	0	516,718
Department HB 09-1293 Estimate	0	0	0	0	30,100	0	0	0	0	0	0	30,100
Total FY 2010 - 11 Dept Estimate	39,030	7,009	53,517	65,879	49,037	487	304,891	19,329	7,639	0	0	546,818
Increase To Traditional	474	172	806	6,298	2,201	63	27,086	614	191	0	0	37,905
Increase To HB 09-1293	0	0	0	0	17,200	0	0	0	0	0	0	17,200
FY 2009-10 Total NOV/DEC REQUEST Includes All Supplementals Submitted to Date												
Base Appropriation (Long Bill)	6,320,794	11,050,936	87,308,073	14,805,823	4,152,850	83,611	49,986,484	55,419,592	1,916,560	0	0	231,044,723
Payment Delay (SB 09-265)	(483,457)	(845,250)	(6,677,912)	(1,132,450)	(317,638)	(6,395)	(3,823,305)	(4,238,865)	(146,591)	0	0	(17,671,864)
Original Appropriation	5,837,337	10,205,686	80,630,161	13,673,373	3,835,212	77,216	46,163,179	51,180,727	1,769,969	0	0	213,372,859
Department Cost Estimates	5,678,427	10,533,710	80,429,813	12,149,236	9,043,277	100,067	48,284,510	48,140,822	1,408,765	0	0	215,768,627
Subtract 1293 Impact	0	0	0	0	(3,016,154)	0	0	0	0	0	0	(3,016,154)
Add Back In Emergency Supplementals	208,902	387,522	2,958,909	446,955	332,690	3,681	1,776,325	1,771,039	51,827	0	0	7,937,849
Base Costs W/O Recoupments	5,887,329	10,921,232	83,388,722	12,596,190	6,359,814	103,748	50,060,835	49,911,861	1,460,591	0	0	220,690,322
Estimated Recoupment	(92,995)	(172,509)	(1,317,185)	(198,966)	(148,100)	(1,639)	(790,747)	(788,394)	(23,071)	0	0	(3,533,606)
Base Request W/O Emergency Sup.	5,794,334	10,748,723	82,071,537	12,397,225	6,211,714	102,110	49,270,088	49,123,467	1,437,520	0	0	217,156,716
Supplemental / Caseload Capitation	(43,003)	543,037	1,441,376	(1,276,149)	2,376,502	24,894	3,106,908	(2,057,260)	(332,448)	0	0	3,783,857
Original Appropriation -- Capitation	5,837,337	10,205,686	80,630,161	13,673,373	3,835,212	77,216	46,163,179	51,180,727	1,769,969	0	0	213,372,859
HB 09-1293 Impact	0	0	0	0	3,016,154	0	0	0	0	0	0	3,016,154
ES #2 -- Provider Rate Reductions	(233,093)	(407,527)	(3,219,672)	(545,996)	(153,145)	(3,083)	(1,843,358)	(2,043,716)	(70,677)	0	0	(8,520,268)
ES NP #5 -- Close Beds at Fort Logan	582,420	0	0	0	0	0	0	0	0	0	0	582,420
Caseload Supplemental Estimate	49,992	715,546	2,758,561	(1,077,183)	2,524,602	26,532	3,897,655	(1,268,866)	(309,377)	0	0	7,317,463
TOTAL Estimate	6,236,656	10,513,705	80,169,050	12,050,194	9,222,823	100,665	48,217,476	47,868,145	1,389,914	0	0	215,768,628
Estimated Recoupment	(92,995)	(172,509)	(1,317,185)	(198,966)	(148,100)	(1,639)	(790,747)	(788,394)	(23,071)	0	0	(3,533,606)
TOTAL FY 2009-10 Capitation Request	6,143,662	10,341,196	78,851,865	11,851,228	9,074,723	99,026	47,426,729	47,079,751	1,366,843	0	0	212,235,022
Original Appropriation -- Fee for Service	50,123	84,369	643,316	96,689	74,037	808	386,933	384,102	11,151	0	0	1,731,529
ES #7 -- Delay Payments	(1,135)	(1,910)	(14,562)	(2,189)	(1,676)	(18)	(8,758)	(8,694)	(252)	0	0	(39,194)
Caseload Adjustment	7,740	13,028	99,338	14,930	11,432	125	59,748	59,311	1,722	0	0	267,375
TOTAL FY 2009-10 FEE FOR SERVICE	56,729	95,487	728,093	109,430	83,793	914	437,923	434,719	12,621	0	0	1,959,710

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FY 2010-11 Briefing -- FY 2009-10 & FY 2010-11 Department Request Mental Health Capitation

MENTAL HEALTH DIVISION	Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Categorically Eligible Low-Income Adults	Expansion Adults	Breast & Cervical Cancer Program	Eligible Children	Foster Care	Pregnant-Adults	Non-Citizens	Partial Dual Eligibles	TOTAL
FY 2010-11 Department November Request - Capitation												
FY 2009-10 Revised Request	6,143,662	10,341,196	78,851,865	11,851,228	9,074,723	99,026	47,426,729	47,079,751	1,366,843	0	0	212,235,022
Add Back-In Payment Delay (SB 09-265)	483,457	845,250	6,677,912	1,132,450	317,638	6,395	3,823,305	4,238,865	146,591	0	0	17,671,864
Add Back-In ES #2 Reductions	48,067	80,907	616,918	92,721	70,998	775	371,055	368,340	10,694	0	0	1,660,475
Annualize Closing Fort Logan	582,419	0	0	0	0	0	0	0	0	0	0	582,419
Caseload Growth (DI #2) & Restore												
Recoupment	<u>(945,808)</u>	<u>1,094,894</u>	<u>8,369,129</u>	<u>4,237,530</u>	<u>3,072,573</u>	<u>21,679</u>	<u>6,942,607</u>	<u>408,268</u>	<u>493,737</u>	<u>0</u>	<u>0</u>	<u>23,694,609</u>
FY 2010-11 Request Before Recoupments	6,311,796	12,362,247	94,515,824	17,313,929	12,535,932	127,875	58,563,696	52,095,225	2,017,865	0	0	255,844,389
New Recoupment Estimate	<u>(40,089)</u>	<u>(78,519)</u>	<u>(600,319)</u>	<u>(109,970)</u>	<u>(79,622)</u>	<u>(812)</u>	<u>(371,968)</u>	<u>(330,884)</u>	<u>(12,817)</u>	<u>0</u>	<u>0</u>	<u>(1,625,000)</u>
FY 2010-11 Department BASE Request	6,271,707	12,283,728	93,915,505	17,203,959	12,456,310	127,063	58,191,728	51,764,341	2,005,049	0	0	254,219,389
Medicaid Timing Issue BRI #5	(525,983)	(1,030,187)	(7,876,319)	(1,442,827)	(1,044,661)	(10,656)	(4,880,308)	(4,341,269)	(168,155)	0	0	(21,320,366)
Provider Rate Reductions BRI #6	(101,712)	(199,212)	(1,523,078)	(279,006)	(202,011)	(2,061)	(943,726)	(839,490)	(32,517)	0	0	(4,122,811)
Enforce Sponsorship OAP - NP #3	0	(7,988)	0	0	0	0	0	0	0	0	0	(7,988)
TOTAL FY 2010-11 DEPARTMENT REQUEST	5,644,012	11,046,341	84,516,108	15,482,126	11,209,638	114,346	52,367,693	46,583,582	1,804,376	0	0	228,768,224
FY 2010-11 Fee for Service November Request												
FY 2009-10 Revised Request	56,729	95,487	728,093	109,430	83,793	914	437,923	434,719	12,621	0	0	1,959,710
Restore ES #7	1,135	1,910	14,562	2,189	1,676	18	8,758	8,694	252	0	0	39,194
DI #2 and Base Request	<u>8,883</u>	<u>14,952</u>	<u>114,008</u>	<u>17,135</u>	<u>13,121</u>	<u>143</u>	<u>68,572</u>	<u>68,070</u>	<u>1,976</u>	<u>0</u>	<u>0</u>	<u>306,859</u>
FY 2010-11 Department BASE Request	66,746	112,349	856,662	128,754	98,590	1,076	515,253	511,484	14,850	0	0	2,305,763
Medicaid Payment Timing BRI #5	<u>(3,912)</u>	<u>(6,586)</u>	<u>(50,215)</u>	<u>(7,547)</u>	<u>(5,779)</u>	<u>(63)</u>	<u>(30,203)</u>	<u>(29,982)</u>	<u>(870)</u>	<u>0</u>	<u>0</u>	<u>(135,158)</u>
TOTAL FY 2010-11 DEPARTMENT REQUEST	62,833	105,763	806,447	121,207	92,810	1,013	485,050	481,502	13,979	0	0	2,170,605

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FY 2010-11 Briefing -- FY 2009-10 & FY 2010-11 Department Request Children's Basic Health Plan

	FY 2009-10 Department Request				FY 2010-11 Department Request			
	CBHP Trust Caseload	HCE Fund Caseload	Hospital Fee Caseload	Total Caseload	CBHP Trust Caseload	HCE Fund Caseload	Hospital Fee Caseload	Total Caseload
Children's Medical Program -- Premiums								
Caseload Estimate	43,162	22,697	6,300	72,159	43,277	25,954	14,700	83,931
Up to 185% FPL	41,786	18,667	0	60,453	41,786	21,722	0	63,508
185% to 200% FPL	0	4,030	0	4,030	0	4,232	0	4,232
200% to 205% FPL	1,376	0	0	1,376	1,491	0	0	1,491
205% to 250% FPL	0	0	6,300	6,300	0	0	14,700	14,700
Estimated Per Capita Annual Cost	\$1,931.91	\$1,931.91	\$1,931.91	\$1,931.91	\$2,074.10	\$2,074.10	\$2,074.10	\$2,074.10
Annual Cost	\$83,385,099	\$43,848,561	\$12,171,033	\$139,404,693	\$89,760,826	\$53,831,191	\$30,489,270	\$174,081,287
Fund Splits								
Est. Enrollment Fee in CHBP Trust				\$429,346				\$548,909
CHBP Trust Enrollment Fees	\$429,346	\$0	\$0	\$429,346	\$548,909	\$0	\$0	\$548,909
CBHP Trust Fund	\$29,034,514	\$0	\$0	\$29,034,514	\$31,224,171	\$0	\$0	\$31,224,171
Health Care Expansion Fund	\$0	\$15,346,996	\$0	\$15,346,996	\$0	\$18,840,917	\$0	\$18,840,917
Hospital Provider Fee	\$0	\$0	\$4,259,862	\$4,259,862	\$0	\$0	\$10,671,245	\$10,671,245
Federal Funds	\$53,921,239	\$28,501,565	\$7,911,171	\$90,333,976	\$57,987,746	\$34,990,274	\$19,818,026	\$112,796,046
Total Funds	\$83,385,099	\$43,848,561	\$12,171,033	\$139,404,693	\$89,760,826	\$53,831,191	\$30,489,270	\$174,081,287
Adult Prenatal Program								
Caseload Estimate	179	1,477	750	2,406	199	1,524	1,750	3,473
Up to 185% FPL	101	1,304	0	1,405	101	1,339	0	1,440
185% to 200% FPL	0	173	0	173	0	185	0	185
200% to 205% FPL	78	0	0	78	98	0	0	98
205% to 250% FPL	0	0	750	750	0	0	1,750	1,750
Estimated Per Capita Annual Cost	\$10,552.63	\$10,552.63	\$10,552.63	\$10,552.63	\$11,006.39	\$11,006.39	\$11,006.39	\$11,006.39
Annual Cost	\$1,888,921	\$15,586,235	\$7,914,473	\$25,389,629	\$2,190,271	\$16,773,738	\$19,261,183	\$38,225,192
CBHP Trust Fund	\$661,122	\$0	\$0	\$661,122	\$766,595	\$0	\$0	\$766,595
Health Care Expansion Fund	\$0	\$5,455,182	\$0	\$5,455,182	\$0	\$5,870,808	\$0	\$5,870,808
Hospital Provider Fee	\$0	\$0	\$2,770,066	\$2,770,066	\$0	\$0	\$6,741,414	\$6,741,414
Federal Funds	\$1,227,799	\$10,131,053	\$5,144,407	\$16,503,259	\$1,423,676	\$10,902,930	\$12,519,769	\$24,846,375
Total Funds	\$1,888,921	\$15,586,235	\$7,914,473	\$25,389,629	\$2,190,271	\$16,773,738	\$19,261,183	\$38,225,192
Total CBHP Medical Premiums								
Fund Splits								
Est. Enrollment Fee in CBHP Trust	\$429,346	\$0	\$0	\$429,346	\$548,909	\$0	\$0	\$548,909
CBHP Trust Fund	\$27,415,399	\$0	\$0	\$27,415,399	\$29,358,887	\$0	\$0	\$29,358,887
Offset to CBHP Trust Fund - Immunization	\$464,761	\$0	\$0	\$464,761	\$498,931	\$0	\$0	\$498,931
Offset to CHHP Trust Fund - CBHP Account	\$1,815,476	\$0	\$0	\$1,815,476	\$2,132,948	\$0	\$0	\$2,132,948
Health Care Expansion Fund	\$0	\$20,802,179	\$0	\$20,802,179	\$0	\$24,711,725	\$0	\$24,711,725
Hospital Provider Fee	\$0	\$0	\$7,029,927	\$7,029,927	\$0	\$0	\$17,412,659	\$17,412,659
Federal Funds	\$55,149,038	\$38,632,617	\$13,055,579	\$106,837,234	\$59,411,422	\$45,893,204	\$32,337,794	\$137,642,421
Total Funds	\$85,274,020	\$59,434,796	\$20,085,506	\$164,794,322	\$91,951,097	\$70,604,929	\$49,750,453	\$212,306,479

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FY 2010-11 Briefing -- FY 2009-10 & FY 2010-11 Department Request Children's Basic Health Plan

	FY 2009-10 Department Request				FY 2010-11 Department Request			
	CBHP Trust Caseload	HCE Fund Caseload	Hospital Fee Caseload	Total Caseload	CBHP Trust Caseload	HCE Fund Caseload	Hospital Fee Caseload	Total Caseload
Children's Dental Program								
Caseload Estimate	43,162	22,697	6,300	72,159	43,277	25,954	14,700	83,931
Up to 185% FPL	41,786	18,667	0	60,453	41,786	21,722	0	63,508
185% to 200% FPL	0	4,030	0	4,030	0	4,232	0	4,232
200% to 205% FPL	1,376	0	0	1,376	1,491	0	0	1,491
205% to 250% FPL	0	0	6,300	6,300	0	0	14,700	14,700
Estimated Per Capita Annual Cost	\$162.35	\$162.35	\$162.35	\$162.35	\$164.35	\$164.35	\$164.35	\$164.35
Annual Cost	\$7,007,351	\$3,684,858	\$1,022,805	\$11,715,014	\$7,112,575	\$4,265,540	\$2,415,945	\$13,794,060
Fund Splits								
CBHP Trust Fund	\$2,452,573	\$0	\$0	\$2,452,573	\$2,489,401	\$0	\$0	\$2,489,401
Health Care Expansion Fund	\$0	\$1,289,700	\$0	\$1,289,700	\$0	\$1,492,939	\$0	\$1,492,939
Provider Fee	\$0	\$0	\$357,982	\$357,982	\$0	\$0	\$845,581	\$845,581
Federal Funds	\$4,554,778	\$2,395,158	\$664,823	\$7,614,759	\$4,623,174	\$2,772,601	\$1,570,364	\$8,966,139
Total Funds	\$7,007,351	\$3,684,858	\$1,022,805	\$11,715,014	\$7,112,575	\$4,265,540	\$2,415,945	\$13,794,060
TOTAL PROGRAM COSTS								
Does Not Include Administration								
Est. Enrollment Fee in CBHP Trust	\$429,346	\$0	\$0	\$429,346	\$548,909	\$0	\$0	\$548,909
CBHP Trust Fund	\$29,867,972	\$0	\$0	\$29,867,972	\$31,848,288	\$0	\$0	\$31,848,288
Offset to CBHP Trust Fund - Immunization	\$464,761	\$0	\$0	\$464,761	\$498,931	\$0	\$0	\$498,931
Offset to CHHP Trust Fund - CBHP Account	\$1,815,476	\$0	\$0	\$1,815,476	\$2,132,948	\$0	\$0	\$2,132,948
Health Care Expansion Fund	\$0	\$22,091,879	\$0	\$22,091,879	\$0	\$26,204,664	\$0	\$26,204,664
Hospital Provider Fee	\$0	\$0	\$7,387,909	\$7,387,909	\$0	\$0	\$18,258,239	\$18,258,239
Federal Funds	\$59,703,816	\$41,027,775	\$13,720,402	\$114,451,993	\$64,034,596	\$48,665,805	\$33,908,159	\$146,608,560
Total Funds	\$92,281,371	\$63,119,654	\$21,108,311	\$176,509,336	\$99,063,672	\$74,870,469	\$52,166,398	\$226,100,539

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FY 2010-11 Briefing -- PROVIDER RATE REDUCTIONS FOR PREMIUMS

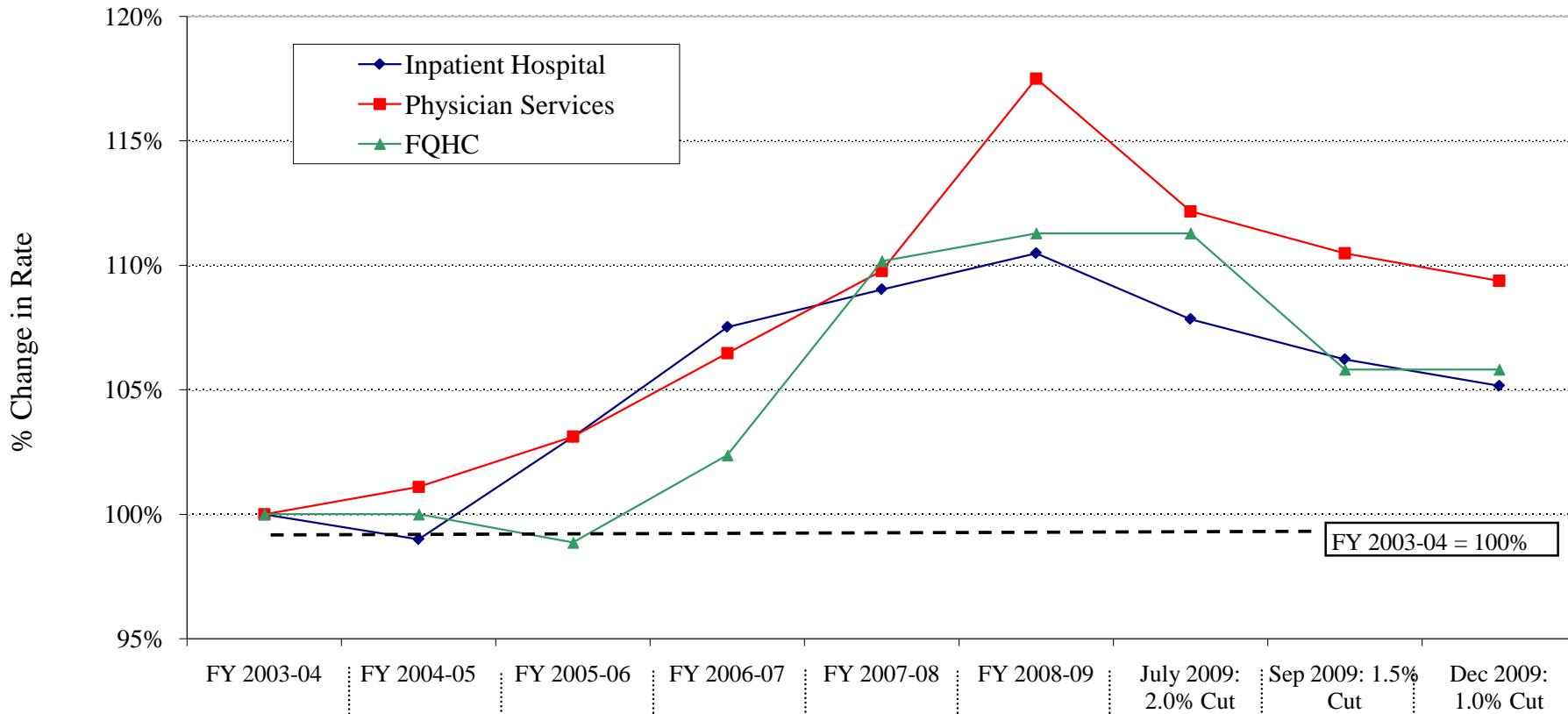
FY 2008-09 Actual -- Acute Care Services	Total FY 2009-10		Annualized August 2009	Annualized December 2009	November Request	Total FY 2010-11 Rate
	August 2009 Plan	December 2009 Plan				
Physician Services & EPSDT	(2,446,668)	(1,251,796)	(3,698,464)	(3,653,365)	(2,748,318)	(8,937,363)
Emergency Transportation	(56,174)	(26,518)	(82,692)	(83,879)	(58,220)	(196,091)
Non-emergency Medical Transportation	(99,378)	(46,699)	(146,077)	(148,391)	(102,528)	(346,000)
Dental Services	(879,684)	(410,917)	(1,290,601)	(1,313,544)	(902,168)	(3,052,346)
Family Planning	-	(1,717)	(1,717)	-	(3,770)	(3,770)
Health Maintenance Organizations	(1,106,132)	(554,045)	(1,660,177)	(1,651,676)	(1,216,406)	(3,994,899)
Inpatient Hospitals	(4,008,155)	(1,916,431)	(5,924,586)	(5,984,977)	(4,207,524)	(14,094,384)
Outpatient Hospitals	(1,742,068)	(827,149)	(2,569,217)	(2,601,256)	(1,816,006)	(6,101,350)
Lab & X-Ray	(324,817)	(152,840)	(477,657)	(485,017)	(335,560)	(1,131,761)
Durable Medical Equipment	(875,318)	(413,902)	(1,289,220)	(1,307,025)	(980,722)	(3,109,071)
Prescription Drugs	-	-	-	-	-	-
Drug Rebate	-	-	-	-	-	-
Rural Health Centers	-	-	-	-	-	-
Federally Qualified Health Centers	-	-	-	-	-	-
Co-Insurance (Title XVIII-Medicare)	(327,800)	(151,016)	(478,816)	(489,471)	(331,556)	(1,128,497)
Breast and Cervical Cancer Treatment Program	(64,858)	(30,227)	(95,085)	(96,846)	(66,363)	(224,686)
Prepaid Inpatient Health Plan Services	(331,464)	(154,481)	(485,945)	(494,942)	(339,163)	(1,148,289)
Other Medical Services	-	-	-	-	-	-
Home Health	(1,679,713)	(791,819)	(2,471,532)	(2,508,147)	(1,738,439)	(5,858,741)
Presumptive Eligibility	-	-	-	-	-	-
Subtotal of Acute Care	(13,942,229)	(6,729,557)	(20,671,786)	(20,818,536)	(14,774,743)	(13,661,969)
FY 2008-09 Actual - Community Based Long Term Care Services	Total FY 2009-10		Annualized August 2009	Annualized December 2009	November Request	Total FY 2010-11 Rate
	August 2009 Plan	December 2009 Plan				
HCBS - Elderly, Blind, and Disabled	(1,944,636)	(929,420)	(2,874,056)	(2,961,292)	(1,975,018)	(6,745,297)
HCBS - Mental Illness	(253,016)	(120,910)	(373,926)	(385,293)	(256,934)	(877,562)
HCBS - Disabled Children	(20,099)	(9,204)	(29,303)	(30,607)	(19,559)	(68,080)
HCBS - Persons Living with AIDS	(6,783)	(3,122)	(9,905)	(10,329)	(6,634)	(23,039)
HCBS - Consumer Directed Attendant Support	(44,712)	(21,729)	(66,441)	(68,087)	(46,174)	(156,553)
HCBS - Brain Injury	(137,961)	(63,345)	(201,306)	(210,087)	(134,608)	(467,988)
HCBS - Children with Autism	(15,132)	(6,814)	(21,946)	(23,043)	(14,480)	(50,786)
HCBS - Pediatric Hospice	(343)	(154)	(497)	(522)	(327)	(1,149)
Private Duty Nursing	(244,744)	(112,445)	(357,189)	(372,696)	(238,946)	(830,500)
Hospice	(116,664)	-	(116,664)	(532,968)	-	(840,453)
Subtotal of Community Based Long Term Care	(2,784,090)	(1,267,143)	(4,051,233)	(4,594,924)	(2,692,680)	(10,061,407)

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FY 2010-11 Briefing -- PROVIDER RATE REDUCTIONS FOR PREMIUMS

FY 2008-09 Actuals - Institutional and Managed Care Long Term Care & Insurance Premiums			Total FY 2009-10 Additional Rate Reductions	Annualized August 2009	Annualized December 2009	November Request	Total FY 2010-11 Rate Reductions
	August 2009 Plan	December 2009 Plan					
Class I Nursing Facilities	(1,907,528)	-	(1,907,528)	(8,043,664)	-	(4,984,721)	(13,028,385)
Class II Nursing Facilities	-	-	-	-	-	(21,288)	(21,288)
Program of All-Inclusive Care for the Elderly	(647,462)	(190,893)	(838,355)	(1,030,760)	(418,628)	(664,460)	(2,113,848)
Subtotal Long Term Care	(2,554,990)	(190,887)	(2,745,877)	(9,074,424)	(418,628)	(5,670,469)	(15,163,521)
Supplemental Medicare Insurance Benefit	-	-	-	-	-	-	-
Health Insurance Buy-In Program	-	-	-	-	-	-	-
Subtotal Insurance	-	-	-	-	-	-	-
Subtotal of Long Term Care and Insurance	(2,554,990)	(190,887)	(2,745,877)	(9,074,424)	(418,628)	(5,670,469)	(15,163,521)
FY 2008-09 Actuals - Administrative Services/Case Management Costs	August 2009 Plan	December 2009 Plan	Total FY 2009-10 Additional Rate Reductions	Annualized August 2009	Annualized December 2009	November Request	Total FY 2010-11 Rate Reductions
Single Entry Points	(271,839)	(119,458)	(391,297)	(362,452)	(250,957)	(231,079)	(844,488)
Disease Management	-	-	-	-	-	-	-
Prepaid Inpatient Health Plan Administration	(62,494)	(25,668)	(88,162)	(90,843)	(55,953)	-	(146,796)
Subtotal of Service Management	(334,333)	(145,126)	(479,459)	(453,295)	(306,910)	(231,079)	(991,284)
TOTAL	(19,615,642)	(8,332,713)	(27,948,355)	(34,941,179)	(18,192,961)	(22,337,320)	(75,543,460)

Provider Rate Changes: FY 2003-04 to FY 2009-10



Inpatient Hospital - Delivery	\$2,715.62	\$2,712.13	\$2,872.79	\$2,876.29	\$2,952.72	\$2,999.37	\$2,549.46	\$2,523.97
Physician Services - Doctor Office Visit	\$52.64	\$65.18	\$71.46	\$71.46	\$80.56	\$80.56	\$79.41	\$78.61

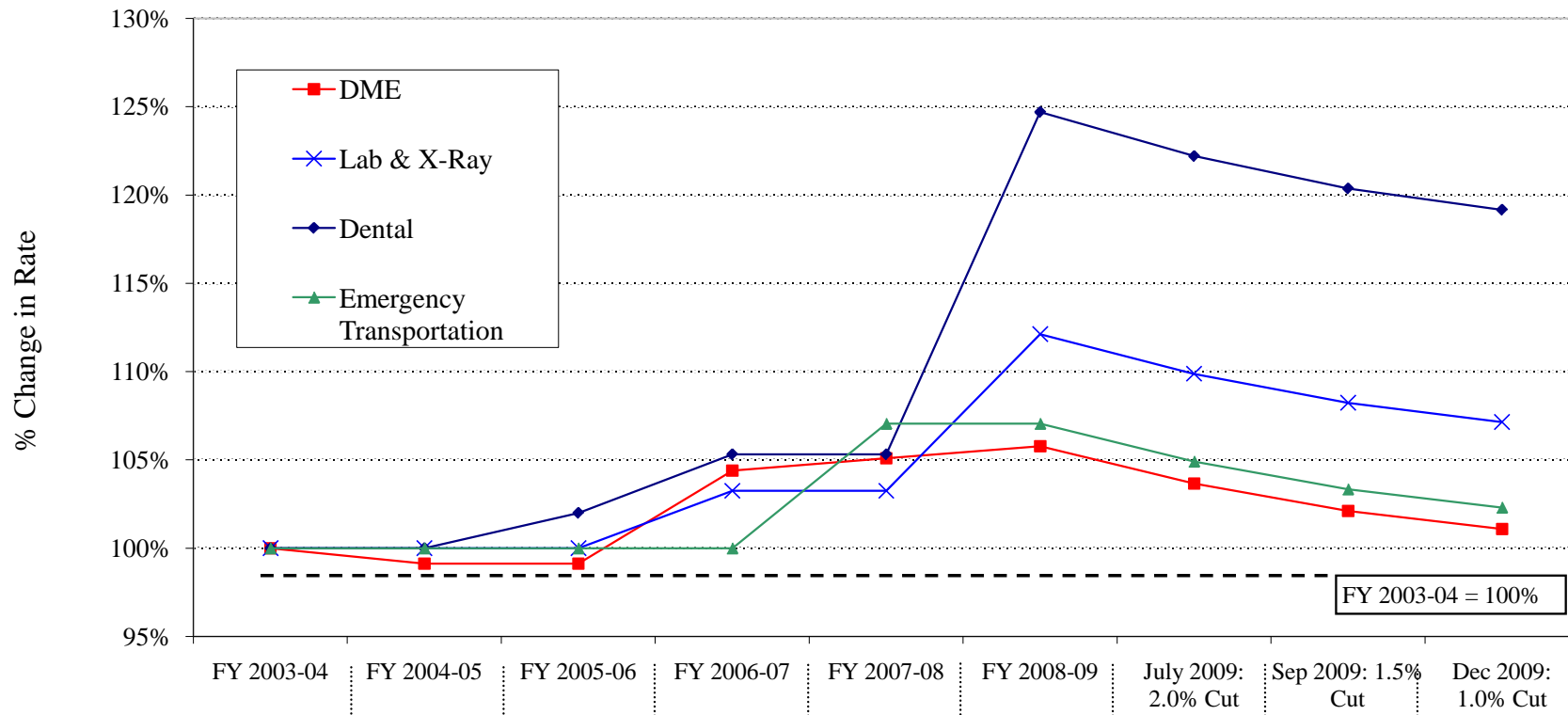
Inpatient Hospital rates are **5%** higher than during the last economic downturn. This equates to an average increase of **1.0% per year** since FY 2003-04.

Physician rates are **9%** higher than during the last economic downturn. This equates to an average increase of **1.6% per year** since FY 2003-04.

FQHC rates are **6%** higher than during the last economic downturn. This equates to an average increase of **1.0% per year** since FY 2003-04.

* Rate change calculations are based on all providers within a given service category in the State.

Provider Rate Changes: FY 2003-04 to FY 2009-10



	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	July 2009: 2.0% Cut	Sep 2009: 1.5% Cut	Dec 2009: 1.0% Cut
DME - Manual Wheelchair		\$566.01	\$566.01	\$597.56	\$597.56	\$597.56	\$585.79	\$577.00	\$571.23
Lab & X-Ray - Chest X-Ray		\$33.60	\$33.60	\$33.60	\$33.60	\$39.55	\$31.00	\$30.52	\$30.21
Dental - Dental Checkup		\$17.00	\$17.00	\$17.55	\$17.55	\$20.80	\$20.80	\$20.49	\$20.29
Emergency Transportation - Ambulance		\$131.46	\$131.46	\$131.46	\$138.03	\$138.03	\$135.27	\$133.24	\$131.91

DME rates are **1%** higher than during the last economic downturn. While this is a small increase, providers are **no worse** than in FY 2003-04.

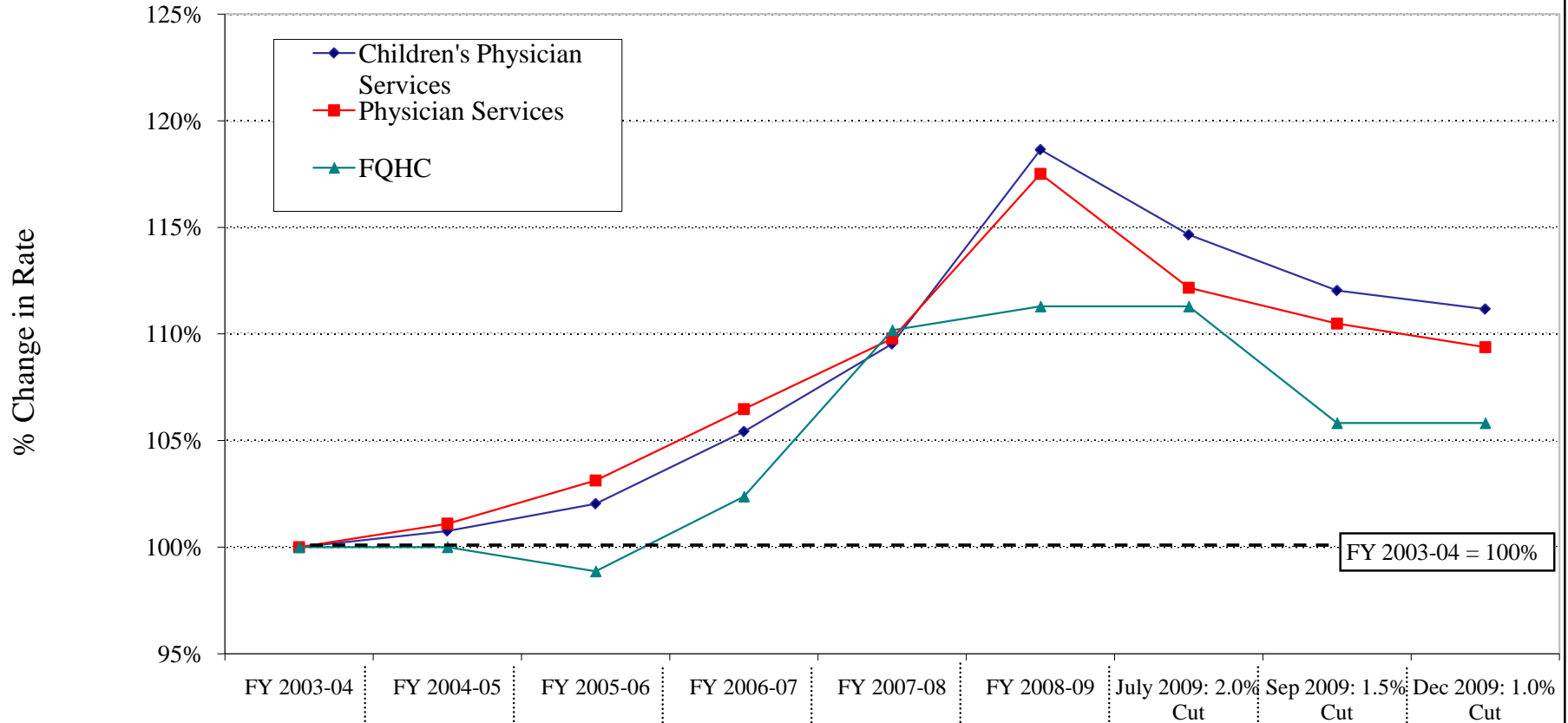
Lab & X-Ray rates are **7%** higher than during the last economic downturn. This equates to an average increase of **1.5% per year** since FY 2003-04.

Dental rates are **19%** higher than during the last economic downturn. This equates to an average increase of **3.5% per year** since FY 2003-04.

Emergency Transportation rates are **2%** higher than during the last economic downturn. While this is a small increase, providers are **no worse** than in FY 2003-04.

* Rate change calculations are based on all providers within a given service category in the State.

Provider Rate Changes: FY 2003-04 to FY 2009-10



Children's Physician - Office Visit	\$55.05	\$55.05	\$55.05	\$55.05	\$87.08	\$87.08	\$85.84	\$84.98
Physician Services - Doctor Office Visit	\$52.64	\$65.18	\$71.46	\$71.46	\$80.56	\$80.56	\$79.41	\$78.61

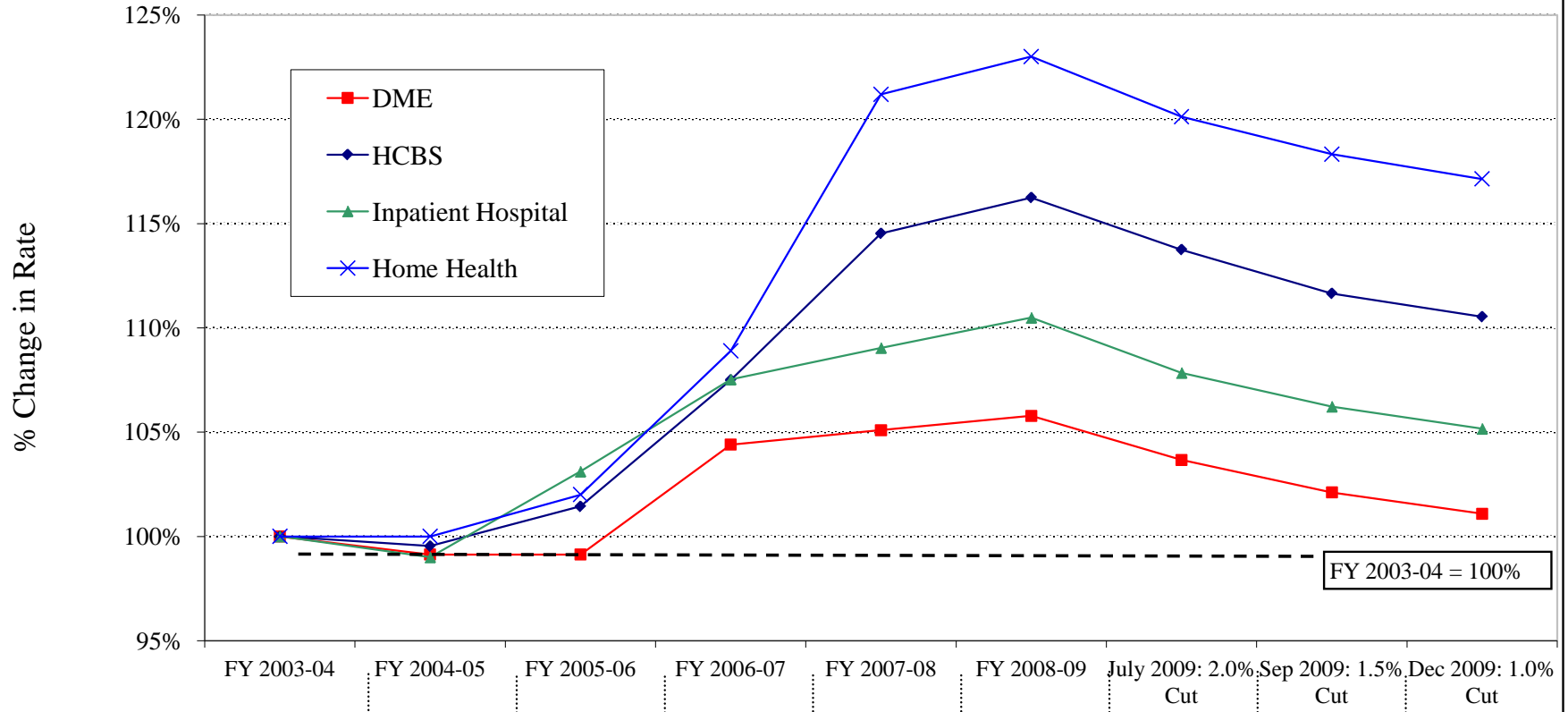
Children's Physician rates are **14%** higher than during the last economic downturn. This equates to an average increase of **2.4% per year** since FY 2003-04.

Physician rates are **9%** higher than during the last economic downturn. This equates to an average increase of **1.6% per year** since FY 2003-04.

FQHC rates are **6%** higher than during the last economic downturn. This equates to an average increase of **1.0% per year** since FY 2003-04.

* Rate change calculations are based on all providers within a given service category in the State.

Provider Rate Changes: FY 2003-04 to FY 2009-10



DME - Manual Wheelchair	\$566.01	\$566.01	\$597.56	\$597.56	\$597.56	\$585.79	\$577.00	\$571.23
HCBS - Homemaker	\$3.14	\$3.20	\$3.52	\$3.57	\$3.63	\$3.63	\$3.57	\$3.53
Inpatient Hospital - Delivery	\$2,715.62	\$2,712.13	\$2,872.79	\$2,876.29	\$2,952.72	\$2,999.37	\$2,549.46	\$2,523.97
Home Health - Nurse's Aide	\$31.66	\$32.29	\$33.65	\$34.15	\$34.66	\$34.66	\$34.14	\$33.80

DME rates are **1%** higher than during the last economic downturn. While this is a small increase, providers are **no worse** than in FY 2003-04.

HCBS rates are **11%** higher than during the last economic downturn. This equates to an average increase of **1.8% per year** since FY 2003-04.

Inpatient Hospital rates are **5%** higher than during the last economic downturn. This equates to an average increase of **1.0% per year** since FY 2003-04.

Home Health rates are **17%** higher than during the last economic downturn. This equates to an average increase of **2.7% per year** since FY 2003-04.

* Rate change calculations are based on all providers within a given service category in the State.

SIDE-BY-SIDE OF MEDICAID AND CHIP PROVISIONS: Current Law Compared to Health Reform Proposals

This side-by-side compares the Medicaid and CHIP provisions in the Affordable Health Care for America Act, passed by the House on November 7, 2009 and the Patient Protection and Affordable Care Act, introduced in the Senate on November 18, 2009 to current law. This analysis focuses on Medicaid coverage and financing changes; how Medicaid and CHIP interface with a new health insurance exchange, and other Medicaid benefits and access changes. A more comprehensive side-by-side of health reform proposals can be found at: www.kff.org/healthreform/sidebyside.cfm.

	Current Law	House Leadership Bill Affordable Health Care for America Act (HR 3962)	Senate Leadership Bill Patient Protection and Affordable Care Act (HR 3590)
Date plan announced		Introduced October 29, 2009.	Introduced November 18, 2009.
Status		Passed by the House on November 7, 2009.	Pending consideration on the floor of the Senate.
Overall approach to expanding access to coverage		Requires most individuals to have health insurance through a combination of public and private coverage expansions. Expands Medicaid to 150% of the poverty level and provides premium and cost-sharing credits to individuals/families with incomes up to 400% of poverty and not eligible for coverage through Medicaid or employers to purchase health coverage in a new Health Insurance Exchange in 2013.	Requires most individuals to have health insurance through a combination of public and private coverage expansions. Expands Medicaid to 133% of the poverty level in 2014 and maintains CHIP and Medicaid for children through 2019. Creates state-based American Health Benefit Exchanges through which individuals can purchase coverage, with premium and cost-sharing credits available to individuals / families with income between 100-400% of poverty and creates separate exchanges through which small businesses can purchase coverage.
Medicaid eligibility for children, pregnant women, parents and individuals with disabilities	Individuals must meet categorical and income standards to be eligible for Medicaid. The federal government sets minimum eligibility standards and states have flexibility to expand coverage beyond these minimum levels for most groups. In general, states also have flexibility to determine income and resource methodologies for purposes of determining Medicaid eligibility.	<ul style="list-style-type: none"> Establishes a minimum Medicaid coverage threshold for all children, parents and individuals with disabilities under age 65 (Traditional Medicaid Eligible Individuals) up to 150% FPL with no resource or asset test (Implementation: January 1, 2013). Requires states that currently cover children between 100% and 150% FPL under a separate CHIP program to transition coverage to Medicaid. 	<ul style="list-style-type: none"> Establishes a minimum Medicaid coverage threshold for children ages 6 to 19 and parents with incomes up to 133% FPL. (Implementation: January 1, 2014). Bases eligibility on modified adjusted gross income (MAGI) without income disregards, assets or resource test (maintains existing income counting rules for the elderly and groups eligible through another program like foster care, low-income Medicare beneficiaries and Supplemental Security Income (SSI)). (Implementation: January 1, 2014). MAGI would not apply to beneficiaries enrolled as of January 1, 2014, until March 31, 2014 or their next re-determination date.

	Current Law	House Leadership Bill Affordable Health Care for America Act (HR 3962)	Senate Leadership Bill Patient Protection and Affordable Care Act (HR 3590)
<p>Medicaid eligibility for children, pregnant women, parents and individuals with disabilities (continued)</p>	<p>States must cover children under age 6 with family income below 133% federal poverty level (FPL); children age 6 to 18 with family incomes below 100% FPL. Current eligibility for Medicaid and CHIP:</p> <ul style="list-style-type: none"> 4 states <200% FPL 23 states 200 – 250% FPL 24 states >250% FPL <p>States must cover pregnant women with income below 133% FPL.</p> <ul style="list-style-type: none"> 11 states at 133-184% FPL 16 states 185% FPL 24 states >185% FPL <p>States must cover parents below states' July 1996 welfare levels.</p> <p>For Parents:</p> <ul style="list-style-type: none"> 39 states <133% FPL 12 states > or = 133% FPL <p>State must cover most elderly and persons with disabilities receiving Supplemental Security Income (SSI) and certain low-income Medicare beneficiaries.</p>	<ul style="list-style-type: none"> • Extends Medicaid eligibility status to any newborn who does not have acceptable coverage for 60 days (until transition to Medicaid or other qualified coverage). If there is no determination for Medicaid or qualified coverage at the end of 60 days the child is deemed Medicaid eligible. • Preserves Medicaid eligibility for youths upon release from public institutions and requires states to ensure enrollment. 	
<p>Eligibility for adults without dependent children</p>	<p>Adults without dependent children are not included in the categories of people states can cover through Medicaid under current rules. States can only cover these adults if they obtain a waiver or create a fully state-funded program.</p> <p>As of 2009, 5 states provide coverage to childless adults that is comparable to Medicaid, 15 states only provide coverage more limited than Medicaid, and an additional 4 states solely provide premium assistance with employment-related eligibility requirements.</p>	<ul style="list-style-type: none"> • Establishes new Medicaid coverage for non-Medicare eligible childless adults under age 65 who are not eligible for Medicaid on the basis of disability or pregnancy ("Non-Traditional" Medicaid Eligible Individuals) up to 150% FPL with no resource or asset test (Implementation: January 1, 2013). 	<ul style="list-style-type: none"> • Establishes a new eligibility category for all non-pregnant, non-Medicare eligible childless adults under age 65 who are not otherwise Medicaid and requires minimum Medicaid coverage at 133% FPL based on modified adjusted gross income (MAGI) (Implementation: January 1, 2014). • Creates a state option to cover childless adults through a Medicaid State Plan Amendment (Implementation: January 2011).

	Current Law	House Leadership Bill Affordable Health Care for America Act (HR 3962)	Senate Leadership Bill Patient Protection and Affordable Care Act (HR 3590)
<p>Other coverage</p>	<p>Medicaid provides a range of assistance for low-income Medicare beneficiaries. For individuals dually eligible for Medicare and Medicaid, Medicaid pays for all Medicare premiums and cost-sharing plus wrap around coverage; for Qualified Medicare Beneficiaries (QMBs) Medicare eligibles at or below 100% FPL Medicaid pays for all Medicare premiums and cost-sharing charges; for Specified Low-Income Medicare Beneficiaries (SLMBs) between 100% FPL and 120% FPL; Medicaid pays for Medicare Part B premiums, and for Qualifying Individuals 1(QI1s) between 120% FPL and 135% FPL Medicaid pays Medicare Part B premiums but the benefit is subject to an annual funding cap.</p> <p>States have many other optional coverage categories such as: medically needy (individuals spend-down to eligibility levels by deducting medical expenses); waiver coverage for home and community based services or family planning; and uninsured women with breast or cervical cancer screened by CDC. There is a 2 year waiting period for Medicare for individuals with disabilities.</p>	<ul style="list-style-type: none"> • Provides Medicare cost-sharing under Medicaid, subject to regular federal matching rate, for Medicare beneficiaries under age 65 whose income is less than 150% of poverty but who otherwise would meet the eligibility criteria for Qualified Medicare Beneficiaries (QMB) (Implementation: January 1, 2013). • Extends the QI1 program through December 2012 and removes the annual funding cap. • Provides optional Medicaid coverage with optional presumptive eligibility determinations for family planning services to non-pregnant individuals with incomes that do not exceed the highest income eligibility for Medicaid or CHIP for pregnant women (Implementation: Upon enactment). • Provides optional Medicaid coverage to low-income HIV-infected individuals (Implementation: Upon enactment through January 1, 2013 when exchange plans are operational). This coverage would be eligible for the CHIP level (enhanced match rate). • Requires the Secretary to issue guidance regarding standards and best practices for outreach for Medicaid and CHIP targeted to vulnerable populations (Implementation: Within 12 months of enactment). • Extends TMA through December 31, 2012. • Clarifies coverage and exemption from the 5 year ban for citizens of freely associated states residing in the US (Micronesia, Republic of Marshall Islands and the Republic of Palau). • Provides a state option to disregard income in providing continued Medicaid coverage to individuals with high prescription drug costs. 	<ul style="list-style-type: none"> • Establishes Medicaid coverage (with EPSDT benefits) for children under age 25 who were in foster care for more than 6 months (Implementation: January 1, 2019). • Provides optional Medicaid coverage for family planning services to certain low-income individuals up to the highest level of eligibility for pregnant women (Implementation: Upon enactment). • Requires states to report annually beginning January 2014 on changes in Medicaid enrollment by population, outreach and enrollment processes and other data to monitor enrollment and retention of Medicaid eligible individuals. Then HHS would report findings to Congress annually on a state-by-state basis.

	Current Law	House Leadership Bill Affordable Health Care for America Act (HR 3962)	Senate Leadership Bill Patient Protection and Affordable Care Act (HR 3590)
Maintenance of Eligibility (MOE)	While states generally have flexibility to change optional eligibility levels the American Recovery and Reinvestment Act (ARRA) that provided additional funding for states in the form of an enhanced FMAP requires states to maintain eligibility levels and enrollment procedures from July 1, 2008 to be eligible for enhanced funds.	<ul style="list-style-type: none"> Requires a MOE for Medicaid to June 16, 2009. Eligibility standards, methodologies, or procedures (includes waivers) may not be more restrictive than what was in place as of June 16, 2009. Requires a MOE for CHIP to June 16, 2009 through December 31, 2013; extends the MOE for children in Medicaid expansion CHIP programs (M-CHIP) with incomes above 150% FPL. Provides an exception to the MOE for certain waivers that permit individuals to receive premium or cost-sharing subsidy for individual or group coverage provided in 2013. 	<ul style="list-style-type: none"> Requires states to maintain current income eligibility levels for children in Medicaid and CHIP through September 30, 2019. Requires states to maintain Medicaid eligibility levels until the Secretary determines that the state exchanges are fully operational (expected to be January 1, 2014). Exempts states from the maintenance of effort requirement for non-disabled adults with incomes above 133% FPL from January 2011 if the state certifies that it is experiencing a budget deficit or will experience a deficit in the following year. Requires states to establish equivalent income thresholds to implement the MOE using MAGI that ensures that individuals eligible at the time of enactment do not lose coverage.
Role of CHIP	Enacted in 1997 to cover low-income uninsured children who were not eligible for Medicaid. Provides an entitlement to funding for states, not for beneficiaries. CHIP was reauthorized through 2013 in February 2009 with expanded funding, new coverage options, new tools to increase enrollment, fiscal incentives to cover more children, new benefit requirements and new quality initiatives.	<ul style="list-style-type: none"> Requires 12-month continuous eligibility for children with incomes below 200% FPL (Implementation: January 1, 2010). Prevents the application of a coverage waiting period for children under 2 years of age for whom health coverage is unaffordable (premiums, co-payments, deductibles and other cost sharing exceed 10% of family income) (Implementation: 90 days after enactment). Requires an MOE for CHIP to June 16, 2009 through December 31, 2013. Requires the Secretary to submit a CHIP transition report to Congress by December 31, 2011 that compares benefits under an average CHIP plan to the benefit standards in the NHI Exchange. The report must include recommendations to ensure that coverage in the Exchange is at least comparable to coverage provided under an average CHIP plan and that there are procedures in effect to transition CHIP enrollees (including pregnant women) from CHIP into the Exchange by December 31, 2013 without interruption of coverage or written plan of treatment. 	<ul style="list-style-type: none"> Maintains the current CHIP structure and requires states to maintain income eligibility levels for Medicaid and CHIP through 2019. Beginning January 1, 2014, use MAGI to determine eligibility. CHIP eligible children who cannot enroll in CHIP due to federal allotment caps would be eligible for tax credits in the exchange. Does not extend the CHIPRA enrollment bonuses beyond 2013. Does not reauthorize or provide additional funding for CHIP beyond 2013.

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Role of CHIP (continued)		<ul style="list-style-type: none"> CHIP expires in 2014 and children in separate state CHIP programs with incomes above 150% FPL would obtain coverage through the exchange. CHIP enrollees with incomes between 100% and 150% FPL would be transitioned to Medicaid and states would receive the CHIP enhanced match rate for children above current levels and up to 150% FPL. Children in Medicaid expansion CHIP programs (M-CHIP) with incomes above 150% FPL would keep Medicaid coverage and states would receive the CHIP enhanced match rate for these children. 	
Medicaid financing	<p>Medicaid financing is shared across state and federal governments. The federal matching percentage for each state (officially known as the Federal Medical Assistance Percentage, or FMAP) varies by state according to a formula set in statute that relies on states per capita income. On average the federal government pays for 57% of Medicaid costs, but this varies from a floor of 50 percent to a high of 76 percent in 2010; however, states are receiving an enhanced FMAP as a result of the American Recovery and Reinvestment Act (ARRA). ARRA provided states with an enhanced federal match (FMAP) to help states support Medicaid during an economic downturn when demand for Medicaid increases and states can least afford to support their programs.</p>	<ul style="list-style-type: none"> Extends the ARRA increase in the FMAP through June 30, 2011. Provides full federal funding (100% FMAP) for children and parents between states' eligibility levels as of June 16, 2009 and 150% FPL and for childless adults for 2 years until 2015 when FMAP becomes 91%. Enhanced FMAP applies to parents currently covered by Medicaid waivers or with state funds (just above 1931 minimums and up to 150% FPL) and to childless adults currently covered by state Medicaid waivers or with state funds. CHIP enhanced match level of financing available for children above Medicaid eligibility and up to 150% FPL. Enhanced match also applies to children in M-CHIP programs with incomes above 150% FPL starting in 2014. Requires current match rate to provide Part B deductibles and cost sharing for Medicare-eligible individuals under age 65 with incomes below 150% FPL. Provides 100% FMAP for newborns without acceptable coverage for 60 days (until transition to Medicaid or other qualified coverage) for 2 years until 2015 when FMAP becomes 91%. 	<ul style="list-style-type: none"> Beginning in 2014, states will receive a 23 percentage point increase in the CHIP match rate up to a cap of 100%. Provides full federal funding (100% FMAP) for newly eligible individuals (or those eligible for a capped program, but not enrolled or on a waiting list) for 2014-2016. Increase the FMAP for expansion states by 30.3 percentage points in 2017 and 31.3 in 2018 and for other states by 34.3 in 2017 and 33.3 percentage points in 2018 for new eligibles. (Expansion states are those with coverage of parents and childless adults at or above 100% FPL (through Medicaid or state only health programs) that may be less comprehensive than Medicaid, but must be more than premium assistance, hospital-only benefits, or health savings accounts.) Increases the FMAP for all states by 32.3 percentage points (up to a cap of 95%) for newly eligible in 2019 and thereafter. Provides a special adjustment to the FMAP for certain states recovering from a major disaster (Implementation: January 1, 2011).

	Current Law	House Leadership Bill Affordable Health Care for America Act (HR 3962)	Senate Leadership Bill Patient Protection and Affordable Care Act (HR 3590)
<p>Medicaid financing (continued)</p>		<ul style="list-style-type: none"> • Provides states with enhanced (CHIP level) match rate for optional Medicaid coverage for low-income HIV-infected individuals (Implementation: Upon enactment and before January 1, 2013). • Provides additional federal financing increases in provider payment rates for primary care services for the amount that these rates exceed the rates applicable under the state plan as of June 16, 2009. The cost of the rate increases would be 100% federally financed until 2015 and then 91% FMAP [Implementation: January 1, 2010]. • Requires GAO reports on the FMAP (effect of removing floors and ceilings and revising the formula) and on administrative costs no later than February 15, 2011. • Delays the elimination of certain managed care provider taxes by 1 year until October 1, 2010. 	
<p>CBO scoring for Medicaid</p>		<ul style="list-style-type: none"> • Increases Medicaid/CHIP coverage by 15 million from 35 million by 2019. • Estimates Medicaid/CHIP costs for coverage to increase by \$425 billion from 2010 to 2019. • Estimates state spending on Medicaid and CHIP would increase by about \$34 billion over the 2010 to 2019 period as a result of the coverage provisions in the Act. • Other significant federal Medicaid costs over the 2010 to 2019 period are related to: Payments to primary care practitioners (\$57 billion); Extension of ARRA funds (\$23.5 billion); Medicare cost sharing assistance (\$7.2 billion); coverage of preventive services (\$10.7 billion); and payments for GME (\$6 billion). • Significant federal Medicaid savings over the 2010 to 2019 period are related to: Medicaid pharmacy reimbursement and prescription drug rebate provisions (-\$24.6 billion) and reductions in Medicaid disproportionate share hospital payments or DSH (-\$10 billion). 	<ul style="list-style-type: none"> • Increases Medicaid/CHIP coverage by 15 million from 35 million by 2019. • Estimates Medicaid/CHIP costs for coverage to increase by \$374 billion from 2010 to 2019. • Estimates state spending on Medicaid and CHIP would increase by about \$25 billion over the 2010 to 2019 period as a result of the coverage provisions. • Other significant federal Medicaid costs over the 2010 to 2019 period are related to: Community First Choice Option (\$6.9 billion). • Significant federal Medicaid savings over the 2010 to 2019 period are related to: Medicaid prescription drug coverage (-\$38.4 billion) and reductions in Medicaid disproportionate share hospital (-\$22.4 billion).

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Medicaid interface with the exchange		<ul style="list-style-type: none"> • States must enter into a Memorandum of Understanding with the NHI Exchange to coordinate and ensure enrollment Medicaid eligible individuals in acceptable coverage. • Includes a “Medicaid screen and enroll obligation” that would require states to auto-enroll childless adults who apply for coverage in the exchange and are found to be Medicaid eligible. States can opt to use the same auto-enrollment process for children and parents or do re-determinations of eligibility. • States may be authorized to determine eligibility for affordability credits through the NHI Exchange. The Commissioner will reimburse Medicaid agencies for the costs of the determinations. 	<ul style="list-style-type: none"> • Requires states to: enable individuals to apply or renew Medicaid coverage through a website with electronic signature; establish procedures to enable individuals to apply for Medicaid, CHIP or the Exchange through a State-run website that must be in operation by January 1, 2014, conduct outreach to enroll vulnerable and underserved populations in Medicaid and CHIP. • Allows the state Medicaid and CHIP agency to enter into an agreement with the Exchange to determine eligibility for premium subsidies to purchase coverage through the Exchange. • Permits hospitals to make presumptive eligibility determinations and allows hospitals and other providers to make presumptive eligibility determinations for all Medicaid eligible populations.
Medicaid benefits and delivery system	<p>Medicaid covers a broad range of acute and long-term care services. States must cover certain mandatory services but are permitted to cover important services that are “optional”. Medicaid benefits have been designed to serve low-income and high-need populations.</p> <p>Medicaid provides comprehensive coverage for children through the Early and Periodic Screening Diagnostic and Treatment (EPSDT) benefit.</p> <p>Some services covered that are typically not included in private plans are transportation, durable medical equipment, case management, personal care and institutional long-term care.</p> <p>Medicaid is required to cover and pay for services provided by Federally Qualified Health Centers and Rural Health Clinics (FQHC/RHC). Medicaid also contracts with other providers not typically in private insurance networks (like school health clinics).</p> <p>States have the option under current law to provide services for Medicaid beneficiaries through managed care arrangement or through fee-for-service. On average, 64.1% of Medicaid enrollees are in managed care.</p>	<ul style="list-style-type: none"> • Prohibits enrollment of childless adults in managed care plans unless that state can demonstrate that the plan has capacity to meet the health, mental health and substance abuse needs of these individuals (Implementation: January 1, 2013). • Requires any Medicaid benchmark benefit packages to meet the minimum benefits and cost-sharing standards of a basic plan offered through the NHI Exchange (Implementation: January 1, 2013). • Requires coverage for certain preventive services recommended by the Task Force for Clinical Preventive Services and vaccines with no cost sharing (Implementation: July 1, 2010). • Eliminates smoking cessation coverage from excluded drug list (Implementation: January 1, 2010). • Provides optional coverage for free-standing birth centers (Implementation: On or after enactment). • Provides optional coverage of nurse home visitation services for first-time pregnant women or children under 2 (Implementation: January 1, 2010). 	<ul style="list-style-type: none"> • Provides all newly-eligible adults with a benchmark benefit package or benchmark-equivalent that meets minimum essential health benefits in the Exchange (including prescription drugs and mental health parity at actuarial equivalence). Populations exempt from mandatory enrollment in these benchmark plans would remain exempt. • Requires states to offer premium assistance and wrap-around benefits to Medicaid beneficiaries who are offered ESI if it cost-effective to do so. (Implementation: January 1, 2014). • Provides states with a 1% increase in the FMAP for preventive services recommended by the US Preventive Services Task Force with a grade of A or B and recommended immunization for adults if offered with no cost sharing (Implementation: January 1, 2013). • Eliminates smoking cessation drugs, barbiturates, and benzodiazepines from excluded drug list (Implementation: January 1, 2014). • Requires coverage for free standing birth center services (Implementation: upon enactment except if state legislation is required).

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<p>Medicaid benefits and delivery system (continued)</p>		<ul style="list-style-type: none"> • Enhanced match for translation services in Medicaid extended to adults (Implementation: January 1, 2010). • Requires coverage of podiatrist services (Implementation: January 1, 2010). • Requires coverage of optometrist services (Implementation: 90 days after enactment). • Clarifies coverage for therapeutic foster care for eligible children in out-of-home placements. • Codifies the regulatory requirement for provision of non-emergency transportation to medically necessary services. • Requires that Medicaid programs reimburse certain school-based health clinics (those receiving grant funding under Section 2511 of the bill) using the methodology for FQHCs. 	<ul style="list-style-type: none"> • Allows Medicaid eligible children to receive hospice services concurrent with other treatment. • Allows states to provide coordinated care through a health home for individuals with chronic conditions. Provides 90% match for 2 years and \$25 million for the Secretary to award for planning grants (Implementation: January 1, 2011).
<p>Provider payment rates</p>	<p>State Medicaid programs have broad flexibility to set provider payment rates and rates vary across states. On average, hospital fees are estimated to be 5% below Medicare rates, physician fees 40% below and managed care rates about 15% below Medicare rates. On average across the country, Medicaid fees for primary care physicians are at 66% of Medicare fees.</p> <p>CHIPRA established the Medicaid and CHIP Payment and Access Commission (MACPAC) to examine payment policies and access for children and report to Congress.</p>	<ul style="list-style-type: none"> • Phases in increases in payments for primary care services in fee-for-service and managed care to adjusted Medicare payment rates (80% of Medicare in 2010, 90% in 2011, and 100% in 2012 and after). • Provides additional federal financing for the amount that these rates exceed the rates applicable under the state plan as of June 16, 2009. The cost of the rate increases would be 100% federally financed until 2015 and then 91% FMAP (Implementation: January 1, 2010). • Broadens the scope of the Medicaid and CHIP Payment and Access Commission (MACPAC) to include all eligible individuals and requires MACPAC to report to Congress on nursing facility payment policies by January 1, 2012 and pediatric sub-specialist payment policies by January 1, 2011. Requires reports related to the implementation of health reform that relate to Medicaid or CHIP including the effect of implementation on access. Provides appropriations of \$11.8 million beginning on January 1, 2010. 	<ul style="list-style-type: none"> • No similar provisions related to increase in provider payments or reporting on payment rates. • Broadens the scope of the Medicaid and CHIP Payment and Access Commission (MACPAC) to include adult services (including duals) and clarifies the topics for review including eligibility policies, enrollment and retention processes, coverage policies, quality of care, and interactions with Medicare and Medicaid. (Provides appropriations of \$11 for FY 2010). • Establishes the CMS Innovation Center designed to test, evaluate, and expand in Medicare, Medicaid, and CHIP different payment structures and methodologies to foster patient-centered care, improve quality, and slow Medicare costs growth. Payment reform models that improve quality and reduce the rate of costs could be expanded throughout the Medicare, Medicaid, and CHIP programs (Implementation: January 1, 2010).

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<p>Provider payment rates (continued)</p>		<ul style="list-style-type: none"> • Establishes the Center for Medicare and Medicaid Innovation to test payment and service delivery models to improve quality and efficiency. Evaluate all models and expand those models that improve quality without increasing spending or reduce spending without reducing quality, or both (Implementation: January 1, 2011). • Requires states to submit a state plan amendment specifying the payment rates to be paid under the state's Medicaid program that must be approved/disapproved by the Secretary within 90 days (Implementation: Upon enactment). • Requires an annual report on Medicaid payment rates and methodologies and an explanation of the process used to allow providers and the public opportunity to review and comments on rates. • Requires hospitals to report and states to provide access to information (at a minimum on a website) on information including charges for the most common inpatient and outpatient services (Implementation: States have 2 years to come into compliance). • Includes graduate medical education (GME) in the definition of medical assistance and requires states to submit information regarding GME to the Secretary for review and then reporting through rules (by December 31, 2011) on goals and requirements for use of Medicaid GME (Implementation: Upon enactment). 	
<p>Demonstrations and pilots</p>		<ul style="list-style-type: none"> • Establishes an accountable care organization pilot program in Medicaid to test payment incentive models and to assess the feasibility of reimbursing qualified patient-centered Medicaid homes. Increases the match rates for administration to 90% for 2 years and then 75% for the next 3 years (Implementation: January 1, 2012). 	<ul style="list-style-type: none"> • Establishes demonstration projects in Medicaid and CHIP to allow pediatric medical providers organized as accountable care organizations to share in cost-savings (Implementation: January 1, 2012 – December 31, 2016). • Authorizes a demonstration for stabilization of emergency medical conditions by Institutions for Mental Disease for individuals 21 to 65 who require stabilization in these settings as required by the Emergency Medical Treatment and Active Labor Act (EMTALA). Today, these hospitals are denied

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Demonstrations and pilots (continued)		<ul style="list-style-type: none"> • Authorizes a demonstration for stabilization of emergency medical conditions by Institutions for Mental Disease for individuals 21 to 65 who require stabilization in these settings as required by the Emergency Medical Treatment and Active Labor Act (EMTALA). Today, these hospitals are denied payment for care that is required under the EMTALA rules (Appropriations of \$75 million for FY 2010 available through December 31, 2012). • Establishes a 5-yr. medical home pilot program for Medicaid eligibles (including medically fragile children and high-risk pregnant women). The pilot can waive state-wideness and comparability and would increase the FMAP to 90% for 2 years and then 75% for the next 3 years for administrative costs. (Federal funding limited to \$1.235 billion over 5 years). 	<p>payment for care that is required under the EMTALA rules (Implementation: (Appropriations of \$75 million for fiscal year 2011 through 2015).</p> <ul style="list-style-type: none"> • Establishes a global payments demonstration project for up to 5 states from 2010 to 2012 for large safety-net hospital systems (Implementation: Fiscal year 2010 through 2012). • Establishes a bundled payment demonstration project for up to 8 states for acute and post-acute care (Implementation: January 1, 2012 to December 31, 2016). • Authorizes \$100 million in funding for grants for healthy lifestyle demonstration programs in Medicaid (Implementation: January 1, 2011).
Long-term care	<p>Medicaid is the primary provider of long-term care services. Medicaid provides care for 1 million nursing home residents and 2.8 community-based residents and pays for over 40% of all long-term care services in the U.S.</p>	<ul style="list-style-type: none"> • Establishes a national, voluntary insurance program for purchasing community living assistance services and supports (CLASS program). The program will provide individuals with functional limitations a cash benefit to purchase non-medical services and supports necessary to maintain community residence. The program is financed through voluntary payroll deductions: all working adults will be automatically enrolled in the program, unless they choose to opt-out. (Implementation: January 1, 2011). • Requires coordinate to assure adequate infrastructure to implement CLASS including a requirement for states to assess the extent to which there is capacity for personal care services to serve Medicaid and those receiving benefits under CLASS (Implementation: 2 years after enactment). • Requires information regarding CLASS to be available through the National Clearinghouse for long-term care information and appropriates \$7 million in FY 2011, 2012 and 2013. 	<ul style="list-style-type: none"> • Establishes a national, voluntary insurance program for purchasing community living assistance services and supports (CLASS program). Following a five-year vesting period, the program will provide individuals with functional limitations a cash benefit of not less than an average of \$50 per day to purchase non-medical services and supports necessary to maintain community residence. The program is financed through voluntary payroll deductions: all working adults will be automatically enrolled in the program, unless they choose to opt-out (Implementation: January 1, 2011). • Establishes the Community First Choice Option in Medicaid to allow states to provide community-based attendant supports and services to individuals with incomes up to 150% FPL with disabilities who require an institutional level of care through a state plan amendment (SPA). Provide states with an enhanced federal matching rate of an additional six percentage points for reimbursable expenses in the program (Implementation: October 1, 2010).

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Long-term care (continued)		<ul style="list-style-type: none"> Appropriates \$6 billion from 2010 through 2013 for the Nursing Facility Supplemental Payment Program to reimburse facilities for quality care for Medicaid-eligible individuals. 	<ul style="list-style-type: none"> Provides states with new options for offering home and community-based services through a Medicaid state plan rather than through a waiver for individuals with incomes up to 300% of the maximum SSI payment and a higher level of need and permit states to extend full Medicaid benefits to individual receiving home and community-based services under a state plan (Implementation: October 1, 2010) Extends the Medicaid Money Follows the Person Rebalancing Demonstration program through 2016 and requires that individuals reside in a nursing home for not less than 90 consecutive days (Implementation: 30 days after enactment). Allocate \$10 million per year for 2010 through 2014 to continue the Aging and Disability Resource Center initiatives. Includes protections against spousal impoverishment in Medicaid HCBS (Implementation: January 1, 2014 for five years). Includes a Sense of the Senate that Congress should address long-term services and supports in a comprehensive way that guarantees elderly and disabled individuals care they need and that care should be available in the community in addition to institutions.
Duals	<p>Medicaid provides assistance to 8.8 million low-income aged and disable who are dually eligible for Medicare (18% of Medicare beneficiaries). Medicaid provides assistance with Medicare premiums and cost-sharing and covers services not covered by Medicare. In 2005 duals represented 18% of all Medicaid enrollees but 46% of all Medicaid costs.</p>	<ul style="list-style-type: none"> Requires the Secretary to improve coordination of care for dual eligibles through a new office or program within the Centers for Medicare and Medicaid Services. Increases the asset test threshold for Medicare Savings Program and Part D Low-Income Subsidies to \$17,000 per individual and \$34,000 per couple (Implementation: 2012). 	<ul style="list-style-type: none"> Establishes the Federal Coordinated Health Care Office (CHCO) within CMS to align Medicare and Medicaid financing, benefits, administration, oversight rules, and policies for dual eligibles (Implementation: March 1, 2010). Clarifies Medicaid demonstration authority for coordinating care for the duals for up to 5 years.
Quality and program integrity	<p>Most states use managed care to implement quality initiatives. Most states have pay-for-performance programs and report quality data through HEDIS and CAHPS.</p>	<ul style="list-style-type: none"> Requires development and reporting format for maternity under Medicaid by January 1, 2012 and sets up a process to develop and report other adult health quality measures under Medicaid. Appropriates \$40 million for 5 years starting in FY 2010. 	<ul style="list-style-type: none"> Establishes the Medicaid Quality Measurement Program to establish priority for the development and advancement of quality measures for adults in Medicaid. Sets deadlines for development of measures January 2011 – initial and January 2012 core measures), standardized reporting format

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<p>Quality and program integrity (continued)</p>	<p>States have the primary responsibility for Medicaid program integrity through efficient administration of the program and through Medicaid fraud and abuse control units (MFUCs). The Deficit Reduction Act (DRA) of 2005 created the Medicaid Integrity Program (MIP) which increased federal resources and required CMS to devise a national strategy to combat Medicaid fraud, waste, and abuse. Appropriations for the MIP are now at \$75 million per year.</p>	<ul style="list-style-type: none"> • Prohibits Medicaid payment for certain health care-acquired conditions (Implementation: January 1, 2010). • Extends the 60 days that states have to repay the federal share of a Medicaid overpayment to one year or 30 days after a an amount is determined through the judicial processes (Implementation: Upon enactment). • Authorizes the Secretary to withhold matching payments when states do not report enrollee encounter data through MMIS in a timely way. • Terminates provider participation in Medicaid and CHIP if a provider is terminated under Medicare or other state or child health plan. • Excludes certain providers from Medicaid and CHIP due to ownership control or management affiliations with individuals or entities that have been excluded from participation or have unpaid overpayments. • Requires additional data reporting to MMIS to detect waste, fraud and abuse (Implementation: January 1, 2010). • Requires billing agents, clearinghouses and alternative payees to register under Medicaid. • Mandates state use of national correct coding initiative (Implementation: October 1, 2010). • Requires annual reporting on effectiveness of activities carried out by entities authorized under the Medicaid Integrity Program. • Requires providers and suppliers to adopt programs to reduce waste, fraud and abuse. • Establishes a minimum medical loss ratio for Medicaid MCOs of 85% (Implementation: For contract years beginning on or after January 1, 2010). • Prohibits payments for litigation-related misconduct for managed care organizations (Implementation: January 1, 2010). 	<p>(January 2013) and report to Congress (January 2014).</p> <ul style="list-style-type: none"> • Prohibits federal payments to states for Medicaid services related to healthcare acquired conditions (Implementation: Through regulations effective July 1, 2011). • Extends the 60 days that states have to repay the federal share of a Medicaid overpayment to one year or 30 days after a an amount is determined through the judicial processes (Implementation: Upon enactment). • Authorizes the Secretary to withhold matching payments when states do not report enrollee encounter data through MMIS in a timely way. • Terminates provider participation in Medicaid and CHIP if a provider is terminated under Medicare or other state or child health plan. • Excludes certain providers from Medicaid and CHIP due to ownership control or management affiliations with individuals or entities that have been excluded from participation or have unpaid overpayments. • Requires additional data reporting to MMIS to detect waste, fraud and abuse (Implementation: January 1, 2010). • Requires billing agents, clearinghouses and alternative payees to register under Medicaid. • Mandates state use of national correct coding initiative (Implementation: October 1, 2010). • Establishes procedures for screening, oversight, and reporting requirements for providers and suppliers that participate in Medicaid, Medicare, and CHIP. Imposes a fee on providers and suppliers for screening purposes (Implementation: varies based on whether an existing provider/supplier or a new provider/supplier; fee begins in 2010). • Permits states to impose a moratorium on enrollment of providers or suppliers under Medicaid and CHIP that are identified as being at high-risk for fraud, waste, and abuse.

	Current Law	House Leadership Bill Affordable Health Care for America Act (HR 3962)	Senate Leadership Bill Patient Protection and Affordable Care Act (HR 3590)
Quality and program integrity (continued)			<ul style="list-style-type: none"> • Requires CMS to include Medicare, Medicaid, CHIP, VA, DOD, SSA and IHS in the integrated Data Repository (IDR) and requires the Secretary to enter into data-sharing agreements with these agencies to identify waste, fraud and abuse, Allows DOJ to access the IDR to conduct law enforcement activities. • Expands the use of Civil Monetary Penalties (CMP) to individuals who order a medical service when they are not enrolled as a provider in a Federal health care program, to individuals who make false statements on applications or contracts to participate in a Federal health care program, and to individuals who are aware of an overpayment and do not return it. Each violation is subject to up to a \$50,000 penalty. • Increases funding for health care fraud and abuse control funding by \$10 million per year (Implementation: Fiscal year 2011 through 2020). • Requires states to implement fraud, waste, and abuse programs by January 1, 2011.
DSH	Medicaid disproportionate hospital share (DSH) payments are supplemental payments that states can use for reimburse hospitals that serve high levels of Medicaid and uninsured patients. Federal DSH funds are capped and represent about 5% of all Medicaid spending.	<ul style="list-style-type: none"> • Reduces federal DSH allotments by \$1.5 billion in FY 2017; \$2.5 billion in FY 2018 and \$6 billion in FY 2019 using a formula that imposes the largest percentage reductions on states that have the lowest percentages of uninsured. • Requires a report on the continued role of DSH by January 1, 2016. The report would also include recommendations about targeting DSH within states and distributing DSH across states. 	<ul style="list-style-type: none"> • Reduces a state’s Medicaid DSH allotment by 50% (25% for low DSH states) once the uninsured rate decreases by at least 45%. Further reduces allotments as uninsured declines but cannot fall below 35% of the total allotment in 2012. Exempts any portion of the DSH allotment used to expand Medicaid eligibility through a section 1115 waiver (Implementation: October 1, 2011).
Prescription drugs	Manufacturers must provide rebates to state Medicaid programs, but drugs purchased through managed care organizations are not subject to the rebate program. Medicaid payments to pharmacists include acquisition costs and dispensing fees. The DRA made changes to the way Medicaid pays pharmacists and CMS issued a rule (known as the AMP Rule) in July 2007. A U.S. District Court issued a preliminary injunction against this change.	<ul style="list-style-type: none"> • Changes payments to pharmacists based on a federal upper limit of 130% weighted average of AMP (Implementation: January 1, 2011). • Imposes additional rebates for new formulations of existing drugs; increases minimum rebate for single source drugs (Implementation: December 31, 2009). • Increases the minimum rebate for single source drugs to 23.1% (Implementation: December 31, 2009). 	<ul style="list-style-type: none"> • Increases the Medicaid drug rebate percentage for brand name drugs to 23.1% (except for clotting factor and drugs for pediatric indications increase to 17.1%), increases the Medicaid rebate for non-innovator, multiple source drugs to 13% of average manufacturer price, extends the drug rebate to Medicaid managed care plans (excludes 340B programs), and limits the total rebate liability to 100% AMP with revenue due to the federal government (Implementation: January 1, 2010).

	Current Law	House Leadership Bill Affordable Health Care for America Act (HR 3962)	Senate Leadership Bill Patient Protection and Affordable Care Act (HR 3590)
Prescription drugs (continued)		<ul style="list-style-type: none"> Extends prescription drug rebates to Medicaid managed care plans (Implementation: January 1, 2010). 	<ul style="list-style-type: none"> Calculates the Federal Upper Limit as no less than 175% weighted average AMP for therapeutically equivalent multiple source drugs (Implementation: 180 days after enactment).
Territories	Medicaid programs in the territories are subject to spending caps. The FMAP is statutorily set at 50% for the territories.	<ul style="list-style-type: none"> Increases caps for the territories for FY 2010 through 2019 totaling \$9.3 billion. (Optional Medicaid coverage to low-income HIV-infected individuals exempt from caps). Requires a report on achieving Medicaid parity payments beginning with fiscal year 2020. Requires the Secretary to submit a plan to congress by October 1, 2013. 	<ul style="list-style-type: none"> Increases spending caps for the territories by 30% and the applicable FMAP by 5 percentage points (from 50% to 55%) (Implementation: January 1, 2011). The cost of covering newly eligibles would not count toward these spending caps.
Sources of information		http://rules.house.gov/	www.democrats.senate.gov/

This publication (#7952-03) is available on the Kaiser Family Foundation's website at www.kff.org.

THE HENRY J. KAISER FAMILY FOUNDATION

www.kff.org

Headquarters: 2400 Sand Hill Road Menlo Park, CA 94025 650.854.9400 Fax: 650.854.4800

Washington Offices and Barbara Jordan Conference Center: 1330 G Street, NW Washington, DC 20005 202.347.5270 Fax: 202.347.5274

The Kaiser Family Foundation is a non-profit private operating foundation, based in Menlo Park, California, dedicated to producing and communicating the best possible analysis and information on health issues.

Federal Poverty Level

		60%	100%	133%	150%	185%	200%	205%	225%	250%	300%	400%	1000%
Family	1	6,498	10,830	14,404	16,245	20,036	21,660	22,202	24,368	27,075	32,490	43,320	108,300
Size	2	8,742	14,570	19,378	21,855	26,955	29,140	29,869	32,783	36,425	43,710	58,280	145,700
	3	10,986	18,310	24,352	27,465	33,874	36,620	37,536	41,198	45,775	54,930	73,240	183,100
	4	13,230	22,050	29,327	33,075	40,793	44,100	45,203	49,613	55,125	66,150	88,200	220,500
	5	15,474	25,790	34,301	38,685	47,712	51,580	52,870	58,028	64,475	77,370	103,160	257,900
	6	17,718	29,530	39,275	44,295	54,631	59,060	60,537	66,443	73,825	88,590	118,120	295,300
	7	19,962	33,270	44,249	49,905	61,550	66,540	68,204	74,858	83,175	99,810	133,080	332,700
	8	22,206	37,010	49,223	55,515	68,469	74,020	75,871	83,273	92,525	111,030	148,040	370,100