



Colorado General Assembly  
Joint Budget Committee

# Joint Budget Committee Staff

## FY 2015-16 Budget Briefing Summary

### Department of Health Care Policy and Financing

The Department of Health Care Policy and Financing helps pay health and long-term care expenses for low-income and vulnerable populations. To assist with these costs the Department receives significant federal matching funds, but must adhere to federal rules regarding program eligibility, benefits, and other features, as a condition of accepting the federal money. The Department's FY 2014-15 appropriation represents 32.0 percent of statewide operating appropriations and 25.4 percent of statewide General Fund appropriations.

## FY 2014-15 Appropriation and FY 2015-16 Request

Department of Health Care Policy and Financing						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2014-15 Appropriation</b>						
HB 14-1336 (Long Bill)	\$7,855,593,433	\$2,259,525,686	\$946,748,434	\$7,782,578	\$4,641,536,735	389.1
Other legislation	<u>21,262,030</u>	<u>4,945,577</u>	<u>5,529,056</u>	<u>0</u>	<u>10,787,397</u>	<u>1.8</u>
<b>TOTAL</b>	<b>\$7,876,855,463</b>	<b>\$2,264,471,263</b>	<b>\$952,277,490</b>	<b>\$7,782,578</b>	<b>\$4,652,324,132</b>	<b>390.9</b>
<b>FY 2015-16 Requested Appropriation</b>						
FY 2014-15 Appropriation	\$7,876,855,463	2,264,471,263	\$952,277,490	\$7,782,578	\$4,652,324,132	390.9
R1 Medical Services Premiums	557,958,547	130,769,564	54,975,173	0	372,213,810	0.0
R2 Behavioral Health Programs	77,148,072	21,340,878	467,470	0	55,339,724	0.0
R3 Children's Basic Health Plan	(15,392,141)	(21,502,903)	(12,922,721)	0	19,033,483	0.0
R4 Medicare Modernization Act	15,613,436	20,315,956	0	0	(4,702,520)	0.0
R5 Office of Community Living	22,459,283	11,002,803	0	0	11,456,480	0.0
R6 Enrollment simplification	1,050,191	147,729	213,004	0	689,458	0.0
R7 Participant directed programs	1,708,633	816,371	0	0	892,262	0.9
R8 Children with autism waiver	10,616,568	367,564	4,840,203	0	5,408,801	0.0
R9 Personal health records	772,570	122,257	0	0	650,313	0.0
R10 Customer service center	2,077,065	674,424	364,111	0	1,038,530	20.8
R11 Public health and Medicaid alignment	1,400,000	495,740	190,120	0	714,140	0.0
R12 Provider rates	32,910,761	11,389,124	716,803	0	20,804,834	0.0
R13 ACC reprourement preparation	250,000	125,000	0	0	125,000	0.0
R14 Primary Care Fund audit	0	0	0	0	0	0.0
R15 Managed care organization audits	300,000	150,000	0	0	150,000	0.0
R16 Comprehensive primary care	84,952	42,476	0	0	42,476	0.0

## Department of Health Care Policy and Financing

	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
R17 School-based early intervention and prevention	4,216,324	1,999,674	0	0	2,216,650	0.0
R18 DDDWeb stabilization	205,260	102,629	0	0	102,631	0.0
R19 Public school health services	5,476,888	0	2,683,127	0	2,793,761	0.0
Annualize prior year budget decisions*	32,933,996	37,201,699	2,303,306	(7,600)	(6,563,409)	0.2
Centrally appropriated line items	3,112,363	1,438,617	167,071	138,691	1,367,984	0.0
Human Services programs	<u>556,455</u>	<u>117,511</u>	<u>(453)</u>	<u>0</u>	<u>439,397</u>	<u>0.0</u>
<b>TOTAL*</b>	<b>\$8,632,314,686</b>	<b>\$2,481,588,376</b>	<b>\$1,006,274,704</b>	<b>\$7,913,669</b>	<b>\$5,136,537,937</b>	<b>412.8</b>
<b>Increase/(Decrease)</b>	\$755,459,223	\$217,117,113	\$53,997,214	\$131,091	\$484,213,805	21.9
Percentage Change	9.6%	9.6%	5.7%	1.7%	10.4%	5.6%

\* Includes a reduction of \$1,950,000 General Fund for the annualization of S.B. 14-215 (Disposition of Legal Marijuana Related Revenue) that was not included in the Governor's November 1, 2014 submission. OSPB indicates the omission was a technical error, and so including the annualization better reflects the Governor's request.

## Summary of Issues Presented to the Joint Budget Committee

**Forecast trends:** This issue brief provides a brief overview of forecast trends in enrollment and expenditures for Medical Service Premiums, the Children's Basic Health Plan, and the Medicare Modernization Act State Contribution Payment.

**Affordable Care Act Expansion (and R10 Call Center):** This issue brief discusses the Affordable Care Act implementations impact on the state and some of the effects on the Department's workload, including the Department's request for new FTE to address call center volume.

**Federal medical assistance percentage (FMAP):** This issue brief discusses changes in the federal match rates for Medicaid and the Children's Basic Health Plan (CHP+).

**Provider Rate Setting Process (R12, RFI #1, and RFI #2):** This issue brief discusses the Department's request for rate increases for FY 2015-16 and a plan the Department submitted for how an annual rate review process could be implemented for future years.

**Determining income and other eligibility calculations (R6):** This issue brief discusses the effect of the Affordable Care Act (ACA) on income determinations for eligibility purposes and the Department's R6 request for additional changes to the eligibility criteria.

**Children with Autism Waiver Expansion (R8):** This issue brief discusses the Department's R8 request for the JBC to sponsor legislation to expand and modify the Children with Autism waiver.

**Hospital Provider Fee TABOR impact:** This issue brief discusses the interaction of the Hospital Provider Fee and TABOR.

## For More Information

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**To read the entire briefing:** [http://www.tornado.state.co.us/gov\\_dir/leg\\_dir/jbc/2014-15/hcpbrf1.pdf](http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/2014-15/hcpbrf1.pdf)