

CHAPTER 292

APPROPRIATIONS

SENATE BILL 97-180

BY SENATORS Lacy, Blickensderfer, Rizzuto, and Hernandez;
also REPRESENTATIVES Grampas, Owen, and Romero.

AN ACT

**CONCERNING A SUPPLEMENTAL APPROPRIATION TO THE DEPARTMENT OF HEALTH CARE POLICY
AND FINANCING.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Part V of section 2 of chapter 324, Session Laws of Colorado 1996,
is amended to read:

Section 2. **Appropriation.**

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

APPROPRIATION FROM

| ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|--------------------|-------|--------------------|---------------------------|---------------|-------------------------|------------------|
| | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ |

**PART V
DEPARTMENT OF HEALTH CARE POLICY AND FINANCING**

(1) EXECUTIVE DIRECTOR'S OFFICE³¹

| | | | | | | |
|---|------------|------------|--|----------------------|--|---------|
| Personal Services | 872,331 | 303,187(M) | | 15,000 ^a | | 554,144 |
| | (15.1 FTE) | | | | | |
| Health, Life, and Dental | 283,700 | 141,850(M) | | | | 141,850 |
| Short-term Disability | 11,051 | 4,862(M) | | | | 6,189 |
| Salary Survey and Anniversary Increases | 216,494 | 108,158(M) | | | | 108,336 |
| Workers' Compensation | 119,689 | 59,844(M) | | | | 59,845 |
| Operating Expenses | 133,524 | 96,759(M) | | | | 36,765 |
| Legal Services for 3,980 hours | 188,838 | 94,419(M) | | | | 94,419 |
| Third Party Recovery/ Legal Services for 3,387 hours | 160,702 | | | 160,702 ^b | | |
| Administrative Law Judge Services for 1,993 Hours | 171,220 | 85,610(M) | | | | 85,610 |
| Systems Costs | 330,339 | 132,698(M) | | 32,471 ^c | | 165,170 |

| | | | |
|---|---------------|----------------------|---------|
| Payment to Risk Management and Property Funds | 24,748 | 12,374(M) | 12,374 |
| Capitol Complex Leased Space | 209,680 | 104,840(M) | 104,840 |
| Department of Human Services Administration | 274,734 | 137,367(M) | 137,367 |
| COLORADO BENEFITS MANAGEMENT SYSTEM | <u>54,070</u> | 27,035(M) | 27,035 |
| | | 2,997,050 | |
| | | 3,051,120 | |

^a This amount shall be from the Cooperative Health Care Agreements Fund FUND.

^b This amount shall be from third party recoveries.

^c This amount shall be from the Old Age Pension Fund.

(2) MEDICAL PROGRAMS

(A) Administration^{32,33}

| | | | | |
|--|----------------------|-------------------------|----------------------|----------------------|
| Personal Services | 6,027,610 | 2,824,560(M) | 6,006 ^a | 3,197,044 |
| | | 2,766,614(M) | | 3,254,990 |
| (114.9 FTE) | | | | |
| Operating Expenses | 575,324 | 277,939(M) | | 297,385 |
| Medicaid Management | | | | |
| Information System Contract | 10,713,990 | 2,773,407(M) | 182,012 ^b | 7,758,571 |
| Department of Public Health and Environment Facility | | | | |
| Survey and Certification | 3,228,600 | 865,944(M) | | 2,362,656 |
| Contractual Utilization | | | | |
| Review | 3,263,208 | 815,802(M) | | 2,447,406 |
| | 3,392,221 | 848,055(M) | | 2,544,166 |

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Appropriations

Appropriations

| | ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|--|--------------------|-------|-----------------------|---------------------------|------------------------|-------------------------|--------------------|
| | | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Early and Periodic Screening, Diagnosis, and Treatment Program | 2,688,990 | | 1,344,495(M) | | | | 1,344,495 |
| Nursing Home Audits | 818,834 | | 409,417(M) | | | | 409,417 |
| Hospital Audits | 202,700 | | 101,350(M) | | | | 101,350 |
| | 129,140 | | 64,570(M) | | | | 64,570 |
| Nursing Home Preadmission and Resident Assessments | 1,368,583 | | 342,146(M) | | | | 1,026,437 |
| Nurse Aide Certification | 296,138 | | 135,225(M) | | | 12,844(T) ^c | 148,069 |
| Nursing Home Quality Assessments | 28,873 | | 7,218(M) | | | | 21,655 |
| Estate Recovery | 361,528 | | 180,764(M) | | | | 180,764 |
| | 443,200 | | 221,600(M) | | | | 221,600 |
| Single Entry Point Administration | 60,000 | | 30,000(M) | | | | 30,000 |
| Single Entry Point Audits | 63,628 | | 31,814(M) | | | | 31,814 |
| Automated Medical Payments System (AMPs) | 1,400,000 | | | | 1,400,000 ^d | | |
| Phone Triage/Advice | 315,000 | | 118,125(M) | | | | 196,875 |
| | | | 78,750(M) | | | | 236,250 |

| | | | |
|--|------------------|--------------|-----------|
| Automated Drug Rebate Tracking System | 531 | 131(M) | 400 |
| MEDICAID MANAGEMENT INFORMATION SYSTEM | | | |
| TRANSITION COSTS | <u>8,804,584</u> | 1,423,819(M) | 7,380,765 |
| | 31,413,537 | | |
| | 40,355,246 | | |

^a This amount shall be from grants and donations collected pursuant to Section 26-4-519 (12), C.R.S.

^b This amount shall be from the Old Age Pension Health and Medical Care Fund pursuant to Section 26-2-117, C.R.S.

^c This amount shall be from the Department of Regulatory Agencies.

^d This amount shall be from transaction fees paid by Medicaid providers.

(B) Medical Services^{7, 34, 35, 36}

Services for ~~32,521~~ 33,033

Old Age Pensioners (OAP-A)

at an average cost of

~~\$12,357.35~~ \$12,404.85 ~~401,873,519~~

409,769,384

Services for ~~4,553~~ 4,681 Old

Age Pensioners (OAP-B) at

an average cost of ~~\$7,413.64~~

\$7,941.53

~~33,754,310~~

37,174,298

Old Age Pension State

Medical Program for ~~3,193~~

3,142 clients at an average

cost of ~~\$2,986.52~~ \$3,007.93

~~9,535,969~~

9,450,916

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Appropriations

Appropriations

| ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|--|-------|--------------------|---------------------------------------|---------------|-------------------------|------------------|
| | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Services for 55,623 52,797 Recipients of Aid to the Needy Disabled - Social SUPPLEMENTAL Security Income at an average cost of \$6,096.49 \$5,601.76 | | | 339,104,911 295,756,028 | | | |
| Services for 168 162 Recipients of Aid to the Blind at an average cost of \$2,975.34 \$3,453.15 | | | 499,857 559,410 | | | |
| Services for 41,709 38,013 Adult Recipients of Aid to Families with Dependent Children at an average cost of \$2,348.61 \$2,480.16 | | | 97,958,182 94,278,318 | | | |

| | |
|--|---------------------------------------|
| Services for 108,531 109,521 Child Recipients of Aid to Families with Dependent Children at an average cost of \$961.17 \$1,122.93 | 104,316,879 122,984,499 |
| Services for 9,304 9,543 Foster Children at an average cost of \$2,680.66 \$2,951.36 | 24,940,850 28,164,793 |
| Services for 8,678 6,831 Baby Care Program Adults (BC-A) at an average cost of \$5,705.67 \$5,594.48 | 49,513,829 38,215,893 |
| Services for 17,019 10,900 Baby Care Program Children (BC-C) at an average cost of \$1,373.11 \$1,359.62 | 23,368,955 14,819,858 |
| Services for 4,541 4,276 Qualified Medicare Beneficiaries (QMBs) at an average cost of \$1,907.32 \$1,433.38 | 8,661,129 6,129,125 |

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Appropriations

| ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|--|---|---|---------------------|------------------------|-------------------|---------------------------------------|
| | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Services for 6,331 5,557 Undocumented Aliens at an Average Cost of \$2,383.79 \$2,571.00 | 14,287,047 | | | | | |
| H.B. 95-1081 Payments to the Department of Corrections Enhanced Prenatal Care Services | 29,432 <u>2,025,000</u> | | | | | |
| | 1,110,674,594 1,073,644,001 | 525,684,525(M) 508,428,083(M) | | 9,817,988 ^a | | 575,172,081 555,397,930 |

^a This amount shall be from the Old Age Pension Health and Medical Care Fund pursuant to Section 26-2-117, C.R.S.

(C) Indigent Care Program³⁷

| | | | | | | |
|--|--|--|--|--|--|--|
| Program Administration | 252,758 | 252,758 (3.0 FTE) | | | | |
| Denver Indigent Care Specialty and Outstate Programs | 9,682,775 15,382,304 17,879,584 | 4,616,747(M) 8,409,691(M) 10,698,121(M) | | | | 5,066,028 6,972,613 7,181,463 |

| | | | | |
|--|---------------------------------------|---|-------------------------------------|-------------------------------------|
| University Hospital | <u>10,727,750</u> | 5,114,991(M) | | 5,612,759 |
| | 36,045,587 | | | |
| | 38,542,867 | | | |
| (D) Other Medical Services | | | | |
| Home Care Allowance for 6,729 6,006 Recipients at an average monthly cost of \$217.84 ^{7,38} | 17,590,144 15,700,164 | 16,895,617 15,007,207 | 694,527(L) 692,957(L) | |
| Adult Foster Care for 393 359 Recipients at an average monthly cost of \$192.83 ⁷ | 909,386 830,712 | 863,696 787,254 | 45,690(L) 43,458(L) | |
| Physician Incentive Pool | 5,431,236 4,431,236 | 2,577,121(M) 2,100,521(M) | | 2,854,115 2,330,715 |
| Disproportionate Share Payments to Providers | 122,733,322 121,745,322 | 61,238,950(M) 59,277,015(M) | | 61,494,372 62,468,307 |
| High Risk Pregnant Women Program | 205,324 | 97,857(M) | | 107,467 |
| H.B. 92-1208 Immunizations | 848,630 20,586 | 404,457(M) 10,188(M) | | 444,173 10,398 |
| Poison Control | 1,148,034 | 1,148,034 | | |
| University of Colorado Family Medicine Residency Training Programs | 1,918,755 | 914,479(M) | | 1,004,276 |
| Enhanced Prenatal Care Training and Technical Assistance | <u>60,000</u> | 30,000(M) | | 30,000 |

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| ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|------------------------|-------|--------------------|---------------------------|---------------|-------------------------|------------------|
| | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 150,844,831 | | | | | | |
| 146,060,133 | | | | | | |

(E) Department of Human Services

| | | | |
|--|------------------------|---------------------------------------|------------------------|
| Transfer to the Department of Human Services | 258,067,020 | 122,528,875(M)^a | 135,538,145 |
| | 276,130,996 | 131,138,166(M) ^a | 144,992,830 |

^a Of this amount, ~~\$2,856,098~~ \$3,593,078 is appropriated pursuant to final court orders, including ~~\$2,763,704~~ \$3,500,684 for a final court order for the Child Welfare lawsuit, Case #94-M-1417, and \$92,394 for Goebel vs. Colorado Department of Institutions, Case #81 MH 270 and Case #81 CV 6961 (Consolidated). These amounts are exempt from the statutory limit on state General Fund appropriations pursuant to Section 24-75-201.1(1)(a)(III)(B), C.R.S.

~~1,587,045,569~~
1,574,733,243

**TOTALS PART V
(HEALTH CARE
POLICY AND
FINANCING)^{2,3}**

| | | | | | |
|--|----------------------------|--------------------------|---------------------------|----------------------------------|--------------------------|
| | \$1,590,042,619 | \$762,318,103 | \$11,608,173 ^a | \$759,067^b | \$815,357,276 |
| | <u>\$1,577,784,363</u> | <u>\$752,551,568</u> | | <u>\$755,265^b</u> | <u>\$812,869,357</u> |

^a Of this amount, \$10,000,000 is included as information for purposes of complying with the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution. As this amount is continuously appropriated by a constitutional provision, it is not subject to the limitation of General Fund appropriations as set forth in Section 24-75-201.1, C.R.S.

^b Of this amount, ~~\$740,217~~ \$736,415 contains an (L) notation, and \$12,844 contains a (T) notation.

FOOTNOTES -- The following statements are referenced to the numbered footnotes throughout section 2.

2 (Governor lined through this provision. See L. 96, p. 2258.)

3 All Departments, Totals -- The General Assembly requests that copies of all reports requested in other footnotes contained in this act be delivered to the Joint Budget Committee and the majority and minority leadership in each house of the General Assembly.

7 (Governor lined through this provision. See L. 96, p. 2258.)

31 (Governor lined through this provision. See L. 96, p. 2258.)

32 Department of Health Care Policy and Financing, Medical Programs, Administration -- The Department is requested to report to the Joint Budget Committee on the delineation of FY 1994-95 program expenditures by cost components for each of the following programs: home care allowance, adult foster care, home and community based services for the elderly, blind, and disabled (HCBS-EBD), home and community based services for persons living with AIDS (HCBS-PLWA), home health, and the Katie Beckett/model 200 waiver. For purposes of this report, the cost components are defined as: personal services, operating, lab/medical, food, and other. The Joint Budget Committee requests that this information be provided no later than December 1, 1996.

33 Department of Health Care Policy and Financing, Medical Programs, Administration -- The Department is requested to report to the Joint Budget Committee on the effectiveness of the primary care rate indexing initiated by the Department in FY 1994-95. The report shall include: the change in the reimbursement for physicians, dentists, and emergency and county transportation for FY 1993-94 through FY 1996-97; the change in the number of Medicaid participating providers for the

Appropriations

| ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|--------------------|-------|--------------------|---------------------------|---------------|-------------------------|------------------|
| | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ |

same time period relative to the need of the Medicaid eligible population; and recommendations for reimbursement methodologies for FY 1997-98. The Joint Budget Committee requests that this information be provided no later than October 15, 1996.

- 34 Department of Health Care Policy and Financing, Medical Programs, Medical Services; and Department of Public Health and Environment, Family and Community Health Services Division, Family Planning, Purchase of Services -- The Departments are requested to provide a preliminary report to the Joint Budget Committee by November 1, 1996, and a final report by February 1, 1997, outlining the progress made in reducing the rate of low birth-weight babies as a result of the enhanced prenatal program appropriation. The final report shall delineate, by fiscal year, the total, General Fund, and federal fund savings achieved as a result of the FY 1995-96 and FY 1996-97 program appropriation and recommendations for further programmatic and funding changes based on the findings.
- 35 Department of Health Care Policy and Financing, Medical Programs, Medical Services -- It is the intent of the General Assembly that expenditures for these services shall be recorded only against the Long Bill group total for Medical Services.
- 36 Department of Health Care Policy and Financing, Medical Programs, Medical Services -- The General Assembly has determined that the average appropriated rates provide sufficient funds to pay reasonable and adequate compensation to efficient and economical providers. The Department should take actions to ensure that the average appropriated rates are not exceeded.
- 37 (Governor lined through this provision. See L. 96, p. 2260.)

38 Department of Health Care Policy and Financing, Medical Programs, Other Medical Services, Home Care Allowance for 6,729 Recipients at an average monthly cost of \$217.84 -- The Department is requested to report to the Joint Budget Committee by November 1, 1996, on the causes for the caseload increase in the home care allowance program, the program criteria that recipients currently meet, and specific recommendations for program containment.

SECTION 2. Part VI (2) (B) and (2) (E) and the affected totals of Part VI of section 2 of chapter 283, Session Laws of Colorado 1995, as amended by section 1 of chapter 308, Session Laws of Colorado 1996, as further amended by section 7 of chapter 324, Session Laws of Colorado 1996, are amended to read:

Section 2. **Appropriation.**

**PART VI
DEPARTMENT OF HEALTH CARE POLICY AND FINANCING**

(2) MEDICAL PROGRAMS ³²

(B) Medical Services ^{15, 33, 34, 35}

| | |
|---|-------------|
| Services for 32,099 Old Age Pensioners (OAP-A) at an average cost of \$11,171.51 | 358,594,374 |
| Services for 4,387 Old Age Pensioners (OAP-B) at an average cost of \$6,975.50 | 30,601,507 |
| Old Age Pension State Medical Program for 3,142 clients at an average cost of \$2,926.46 | 9,194,929 |

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Appropriations

| ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|---|---------------------------------------|--------------------|---------------------------|---------------|-------------------------|------------------|
| | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Services for 51,295 Recipients of Aid to the Needy Disabled - Social Security Income at an average cost of \$5,703.00 | 292,535,348 289,752,818 | | | | | |
| Services for 169 Recipients of Aid to the Blind at an average cost of \$3,122.08 | 527,632 | | | | | |
| Services for 42,412 Adult Recipients of Aid to Families with Dependent Children at an average cost of \$2,231.91 | 94,659,949 | | | | | |
| Services for 109,749 Child Recipients of Aid to Families with Dependent Children at an average cost of \$944.03 | 103,606,286 | | | | | |

| | | | | |
|---|--------------------------|---------------------------|------------------------|-------------|
| Services for 8,592 Foster Children at an average cost of \$2,741.49 | 23,554,869 | | | |
| Services for 8,701 Baby Care Program Adults (BC-A) at an average cost of \$5,319.30 | 46,283,195 | | | |
| Services for 16,966 Baby Care Program Children (BC-C) at an average cost of \$1,396.19 | 23,687,768 | | | |
| Services for 3,976 Qualified Medicare Beneficiaries (QMBs) at an average cost of \$1,697.74 | 6,750,195 | | | |
| Services for 5,225 Undocumented Aliens at an Average Cost of \$2,457.55 | 12,840,687 | | | |
| Enhanced Prenatal Care Services | <u>2,025,000</u> | | | |
| | 1,004,861,739 | 474,367,755(M) | 9,194,929 ^a | 521,299,055 |
| | 1,002,079,209 | 471,585,225(M) | | |

^a This amount shall be from the Old Age Pension Health and Medical Care Fund pursuant to Section 26-2-117, C.R.S.

(E) Department of Human Services

| | | | | |
|--|--------------------------|------------------------------|--|-------------|
| Transfer to the Department of Human Services | 237,209,576 ^a | 112,101,802 (M) ^b | | 125,107,774 |
|--|--------------------------|------------------------------|--|-------------|

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Appropriations

Appropriations

| ITEM & SUBTOTAL | TOTAL | APPROPRIATION FROM | | | | |
|--------------------|-------|--------------------|---------------------------|---------------|-------------------------|------------------|
| | | GENERAL FUND | GENERAL FUND EXEMPT | CASH FUNDS | CASH FUNDS EXEMPT | FEDERAL FUNDS |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ |

^a This amount does not include any disproportionate share payments appropriated to the Department of Human Services Mental Health Institutes.

^b Of this amount, ~~\$5,899,261~~ \$4,922,357 is appropriated pursuant to a final court order, including ~~\$5,464,900~~ \$4,487,996 for a final court order for the Child Welfare lawsuit, Case #94-M-1417, and \$434,361 for Goebel vs. Colorado Department of Institutions, Case #81 MH 270 and Case #81 CV 6961 (Consolidated). This amount is exempt from the statutory limit on state General Fund appropriations pursuant to Section 24-75-201.1(1)(a)(III)(B), C.R.S.

~~1,438,737,241~~
1,435,954,711

**TOTALS PART VI
(HEALTH CARE
POLICY AND
FINANCING)^{10, 11, 11a}**

| | | | | | |
|----------------------------|--------------------------|--|---------------------------|------------------------|---------------|
| \$1,441,849,135 | \$688,167,127 | | \$11,048,310 ^a | \$710,974 ^b | \$741,922,724 |
| <u>\$1,439,066,605</u> | <u>\$685,384,597</u> | | | | |

^a Of this amount, \$9,353,324 is included as information for purposes of complying with the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution. As this amount is continuously appropriated by a constitutional provision, it is not subject to the limitation of General Fund appropriations as set forth in Section 24-75-201.1, C.R.S.

^b Of this amount, \$704,968 contains an (L) notation.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the

immediate preservation of the public peace, health, and safety.

Approved: March 13, 1997

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