



# OFFICE OF THE STATE AUDITOR



## FOR IMMEDIATE RELEASE

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### INELIGIBLE MEDICAID RECIPIENTS MAY STILL RECEIVE BENEFITS

DENVER—The Colorado Office of the State Auditor (OSA) has released its audit of Colorado's Medicaid program and found that the Department of Health Care Policy and Financing needs to improve its monitoring to ensure recipients are removed from the program when they are no longer eligible.

As of June 2016, 1.3 million Coloradans were enrolled in Medicaid, the federal-state program that provides health care coverage and services to eligible low-income individuals and families with children. In Fiscal Year 2016, about \$6.8 billion was appropriated to Medicaid in Colorado, of which about \$2.6 billion were State funds.

The audit, which came from a request by legislators, found that the Department does not have mechanisms in place to ensure recipients who become ineligible for Medicaid due to changes in their circumstances, such as income, are disenrolled from the program in a timely manner so the State does not continue to pay their medical costs. Auditors also found that counties lacked clear guidance from the Department on disenrolling ineligible recipients, contributing to ineligible recipients remaining in Medicaid longer than necessary. Auditors made one recommendation in this area.

However, in other areas, auditors found that the parts of the system they looked at work well. When auditors looked at how Medicaid processes

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online applications through the PEAK website, they found that the Department ensures that eligibility determinations are timely and accurate. Between October 2013 and December 2015, the Department met its strategic goal of processing at least 95 percent of eligibility determinations within required federal timeframes. Auditors found that most applicants (62 percent) apply for Medicaid online through the Department's PEAK website, and on average receive determinations within 21 days; all other applicants receive determinations within 27 days. The Department also verified the information that applicants submitted on their online applications and conducted annual redeterminations of recipients' eligibility, as required by federal regulations.

The full report is available on the OSA's website: [www.colorado.gov/auditor](http://www.colorado.gov/auditor)

Under the direction of the state auditor, the OSA is the state's nonpartisan, independent external auditor with broad authority to audit state agencies, departments, institutions of higher education, and the Judicial and Legislative Branches. The OSA's professional staff serve the people of Colorado by addressing relevant public issues through high-quality, objective audits and reviews that promote accountability and positive change in government. Performance audits address whether programs operate in compliance with laws and regulations and in a manner that accomplishes intended program goals. Financial audits include annual audits of the state's basic financial statements and federal grants on a statewide level. IT audits review procedures and technology to ensure the confidentiality, integrity and availability of the state's critical computer systems and taxpayer data. The OSA also tracks about 4,000 Colorado local governments for compliance with the Local Government Audit Law.