

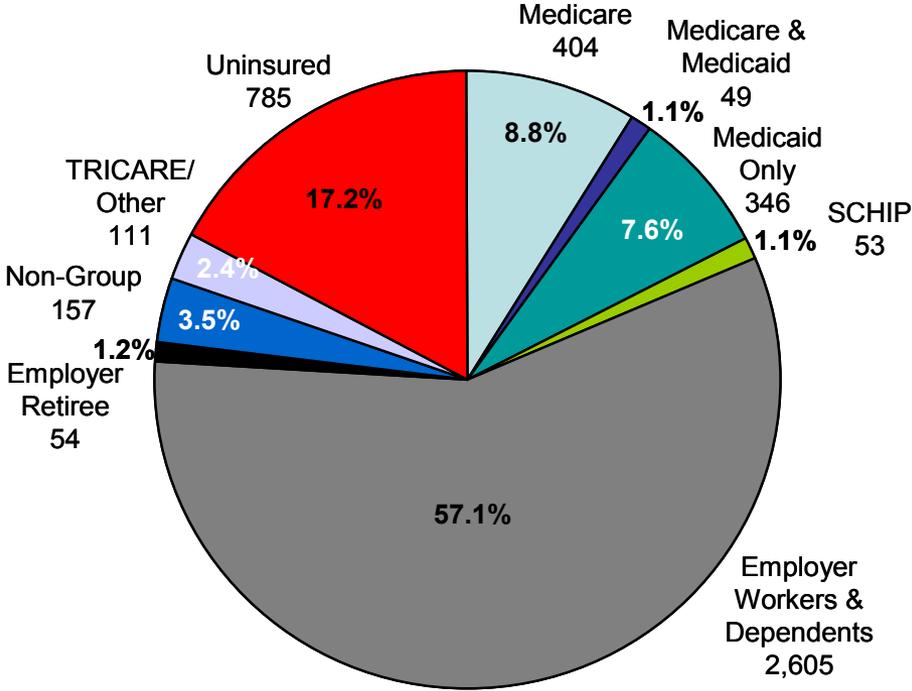
Colorado Baseline Coverage and Spending

June 19, 2007

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&
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The **LEWIN GROUP**
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Colorado Residents by Average Monthly Primary Source of Health Insurance ^{a/} (thousands)

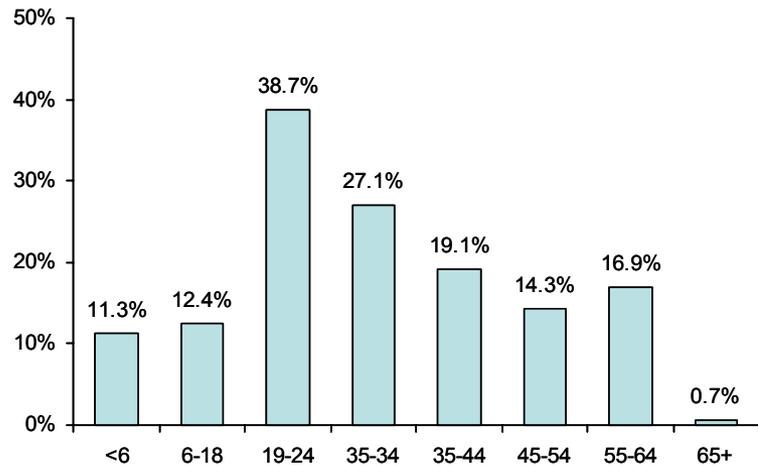


Total Population = 4,564

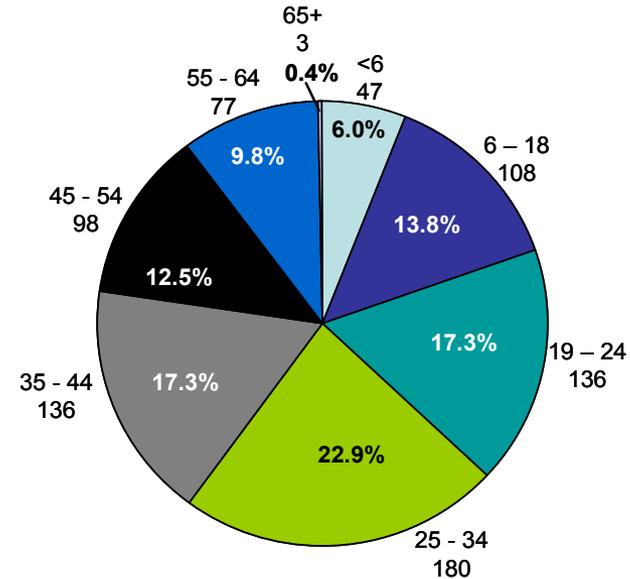
a/ Primary payer is determined on the basis of prevailing coordination of benefits practices now in use. Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

Percent of Colorado Residents Who are Uninsured by Age

Percent Uninsured by Age



Percent of Total Uninsured by Age (thousands)

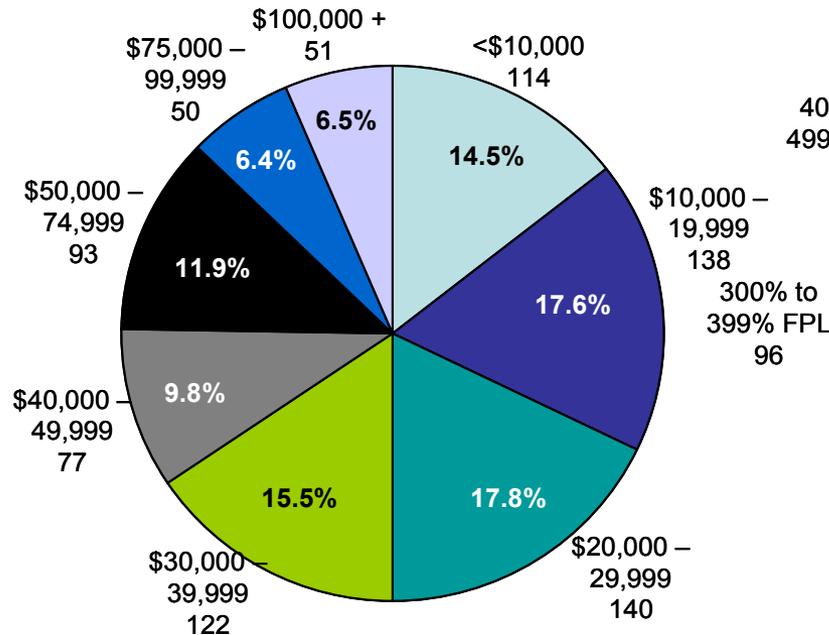


Total Uninsured = 785,200

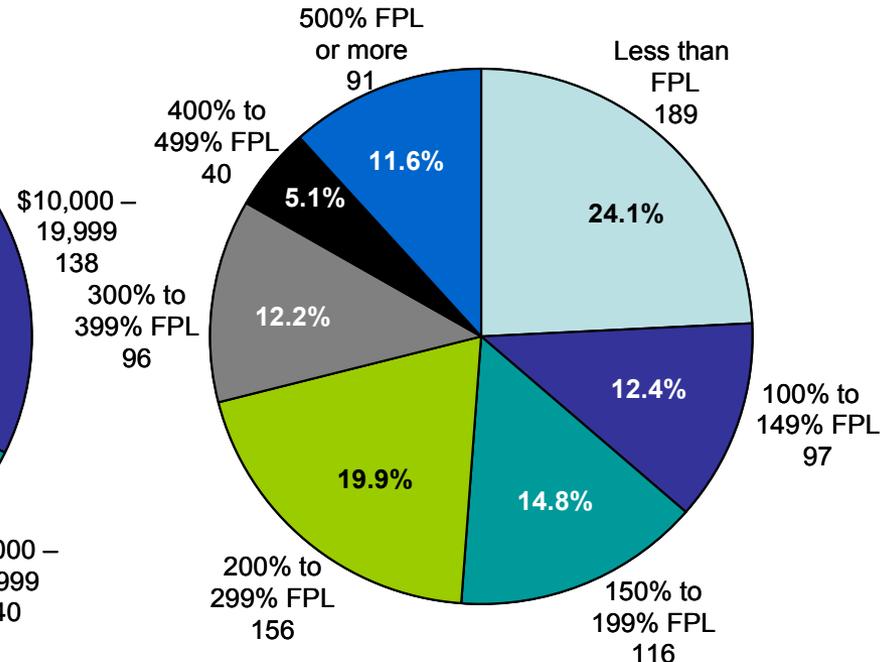
Source: The Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

Average Monthly Uninsured in Colorado by Family Income and Income as a Percent of the Federal Poverty Level (FPL) (thousands)

Uninsured by Family Income



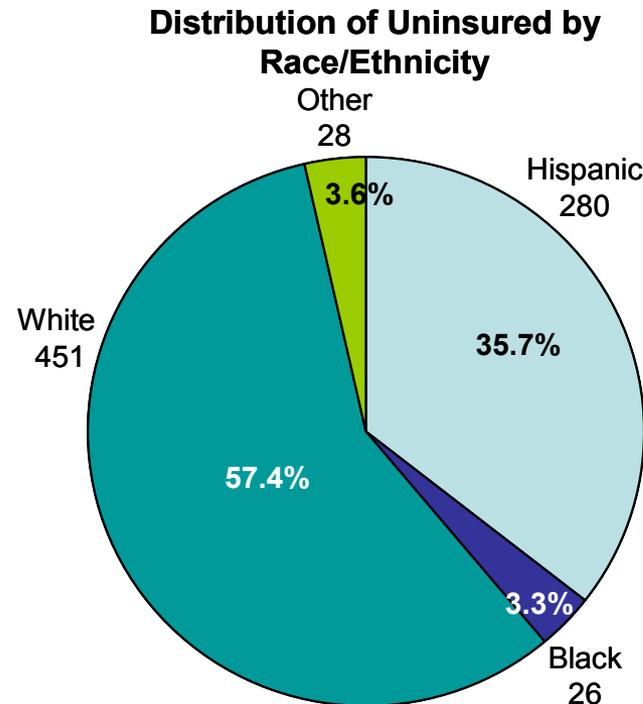
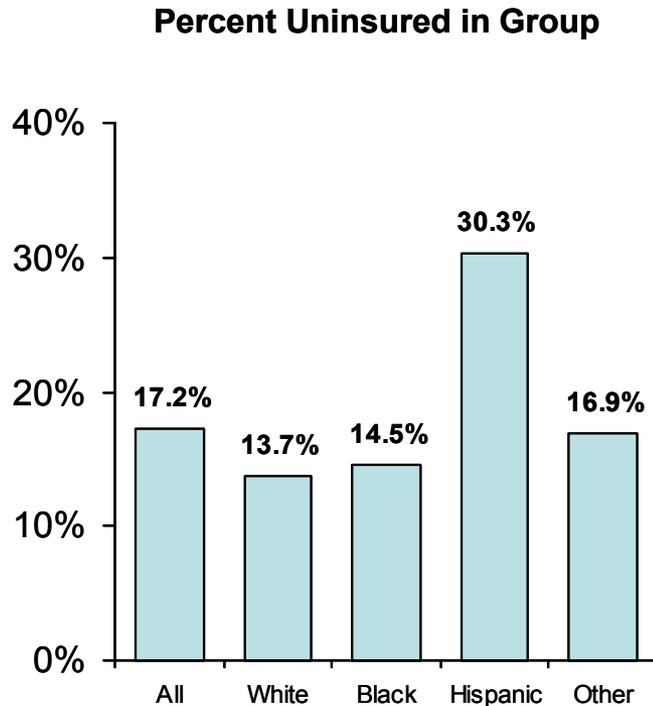
Uninsured by Income as a Percent of FPL



Average Monthly Uninsured = 785,200

Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

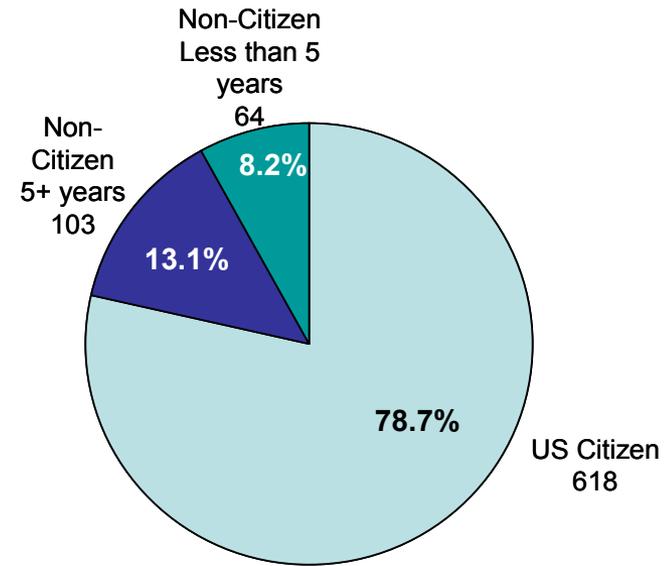
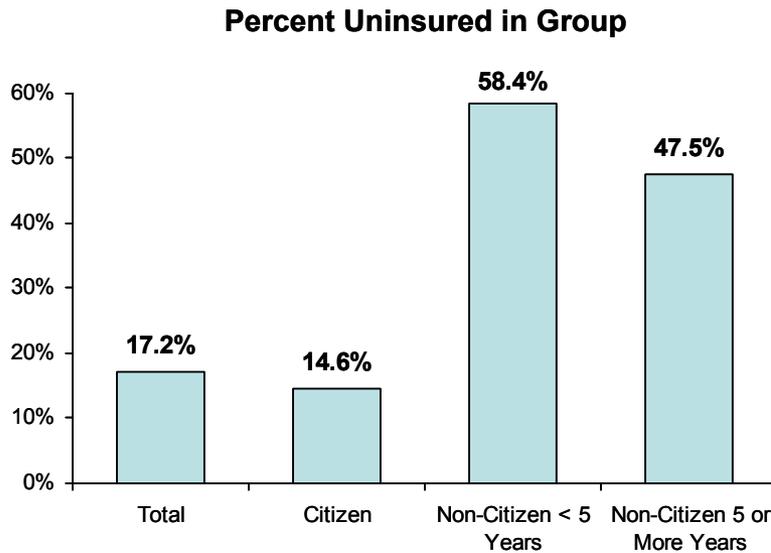
Uninsured by Race and Ethnicity in Colorado (thousands)



Average Monthly Uninsured = 785,200

Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

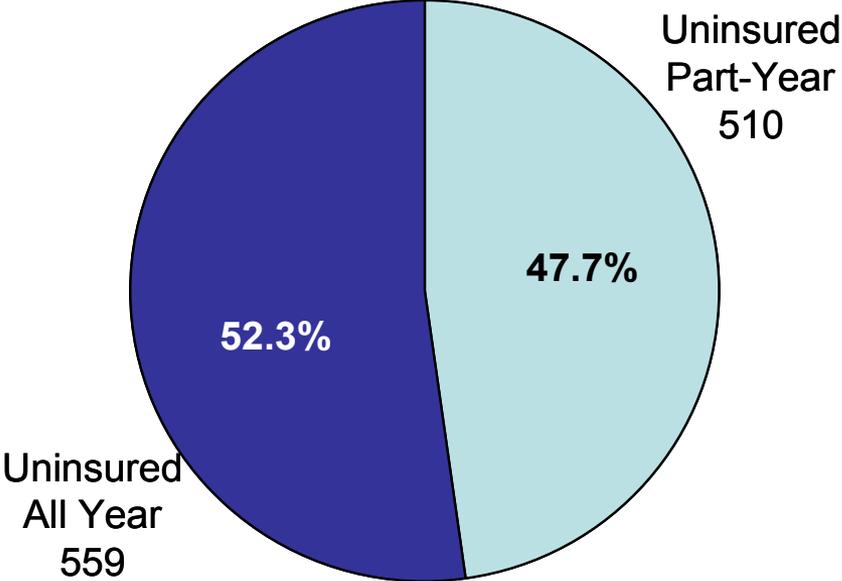
Uninsured in Colorado by Citizenship Status (thousands)



Average Monthly Uninsured = 785,200

Source: Lewin Group estimates using the Health Benefits Simulations Model (HBSM)

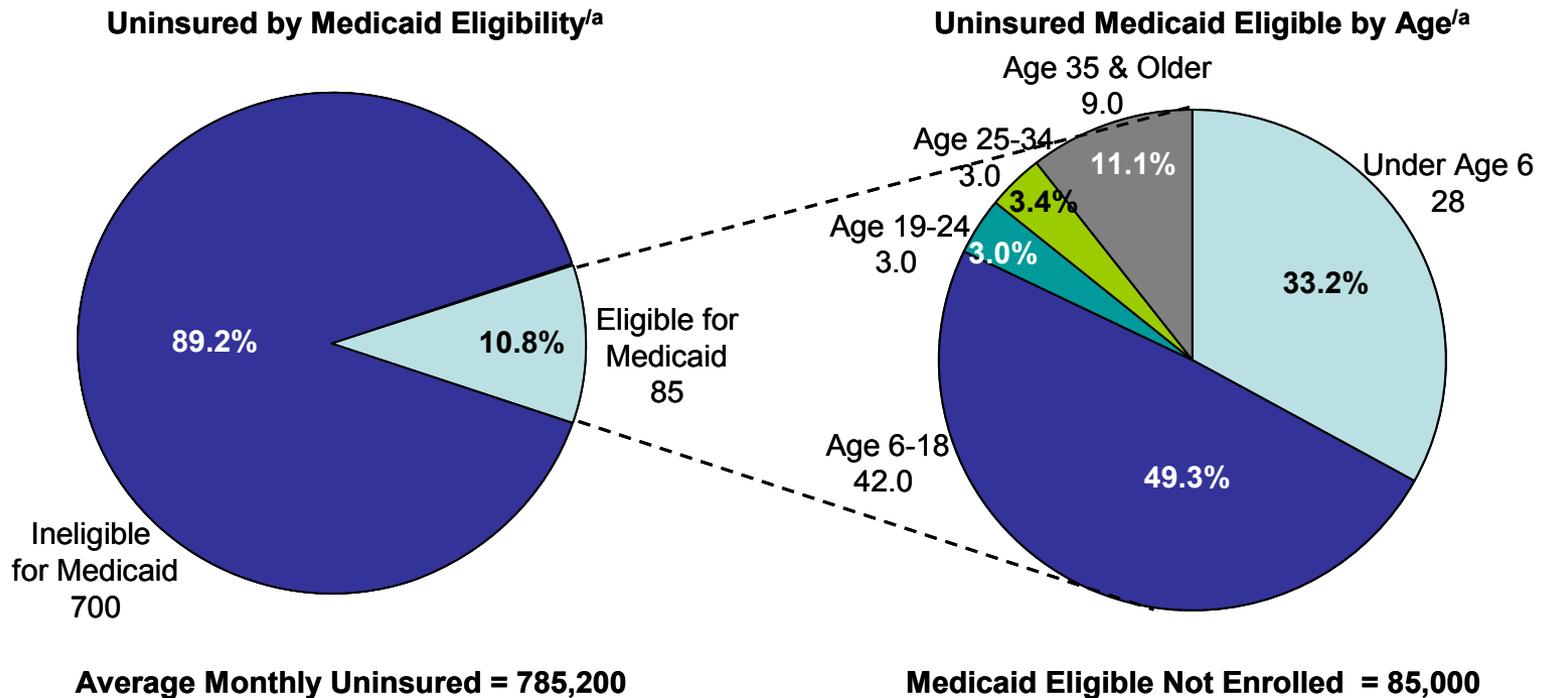
Full-Year and Part-Year Uninsured in Colorado in 2005 (thousands)



Even Uninsured in Year = 1,069,000

Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

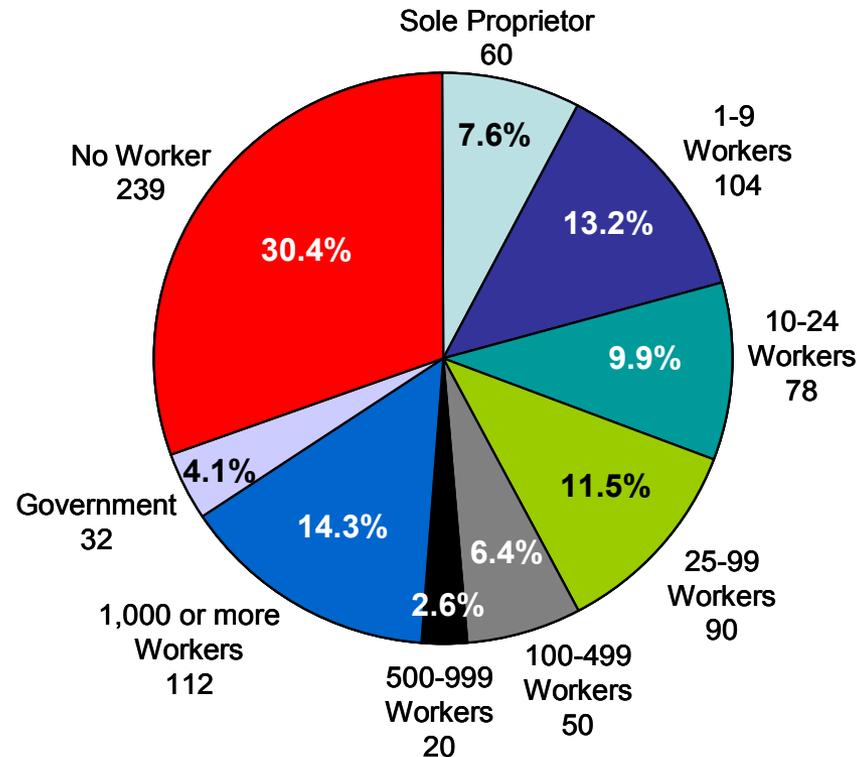
Average Monthly Uninsured by Medicaid Eligibility Status (thousands)



a/ Medicaid includes SCHIP

Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

Average Monthly Uninsured Workers and Dependents in Colorado by Type of Worker (thousands)

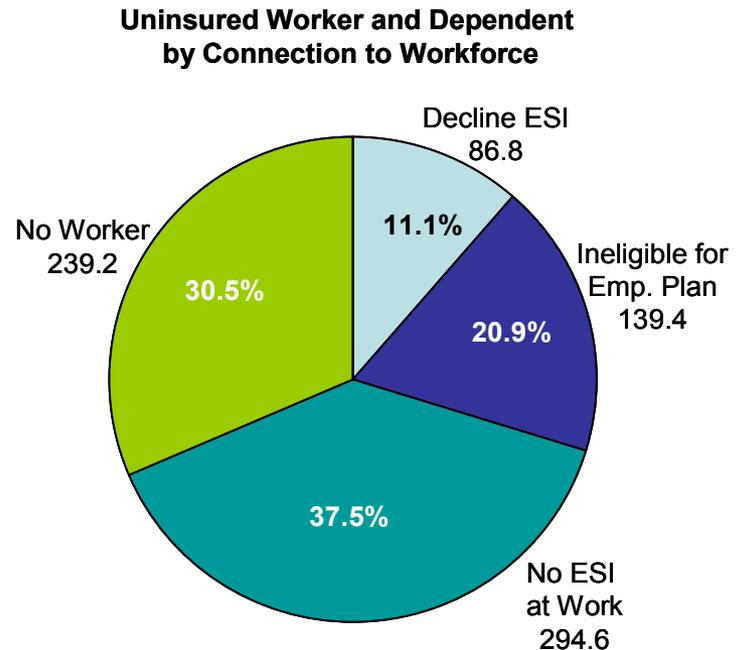


Uninsured Workers and Dependents = 785,200

Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

Average Monthly Uninsured in Colorado by Connection to Workforce (thousands)

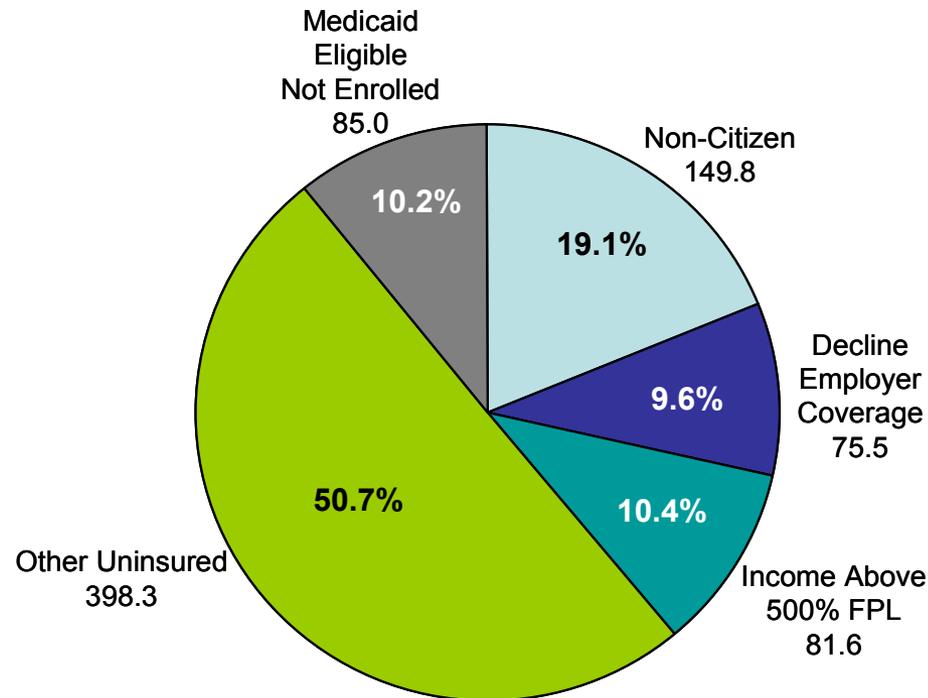
	Average Monthly Uninsured
Uninsured dependent of covered worker	25.2
Decline coverage offered through work	86.8
Workers	70.9
Dependents	15.9
Worker ineligible for plan at work	139.4
Workers	111.5
Dependents	27.9
No employer coverage at work	294.6
Workers	210.6
Dependents	84.0
Families with no worker	239.1
Total average monthly uninsured	785.2



Average Monthly Uninsured = 785,200

Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

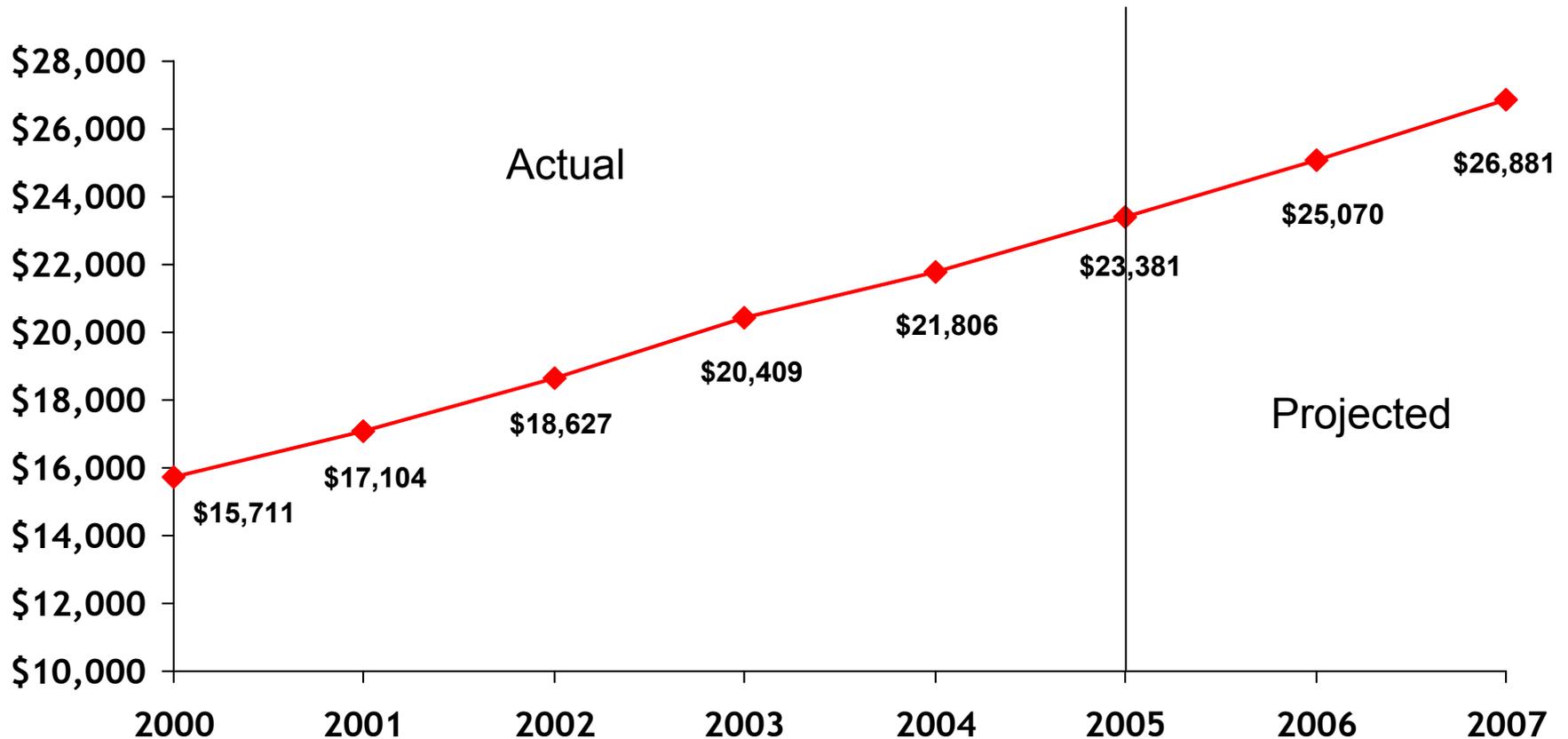
Colorado Uninsured Population by Policy Relevant Characteristics (thousands) ^{a/}



Total Uninsured at Point in Time = 785,200

a/ These counts are dependent upon the order in which individual are classified.
Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

Total Health Care Spending for Colorado on a Calendar Year Basis 2000-2007 (in millions)



a/ Excludes administration.

Source: Lewin projections using historical health spending data for Colorado from Centers for Medicare & Medicaid Services.

Projected Spending in Colorado by Type of Service: FY 2007-2008 (in millions)

Type of Service	CY 2000	Average Annual Growth Rate 2000-2004	CY 2004	Projected Average Annual Growth Rate 2004-2007	Provider Estimate FY07-08	Resident Estimate FY07-08
Hospital	\$5,598	9.1%	\$7,926	8.1%	\$10,426	\$10,438
Physician	\$4,719	8.7%	\$6,599	6.9%	\$8,343	\$8,563
Dental	\$1,168	7.8%	\$1,577	7.2%	\$2,013	\$2,065
Other Professional	\$738	7.0%	\$967	6.6%	\$1,208	\$1,240
Home Health	\$305	4.6%	\$365	5.6%	\$442	\$435
Prescription Drugs	\$1,335	8.4%	\$1,846	4.6%	\$2,163	\$2,163
Medical Durables	\$372	4.8%	\$449	4.6%	\$526	\$540
Nursing Home	\$938	6.2%	\$1,192	6.1%	\$1,464	\$1,434
Other Personal Care	\$538	13.3%	\$885	10.5%	\$1,254	\$1,254
Total	\$15,711	8.5%	\$21,806	7.1%	\$27,838	\$28,130

Source: Lewin Estimates using data from Centers for Medicare & Medicaid Services

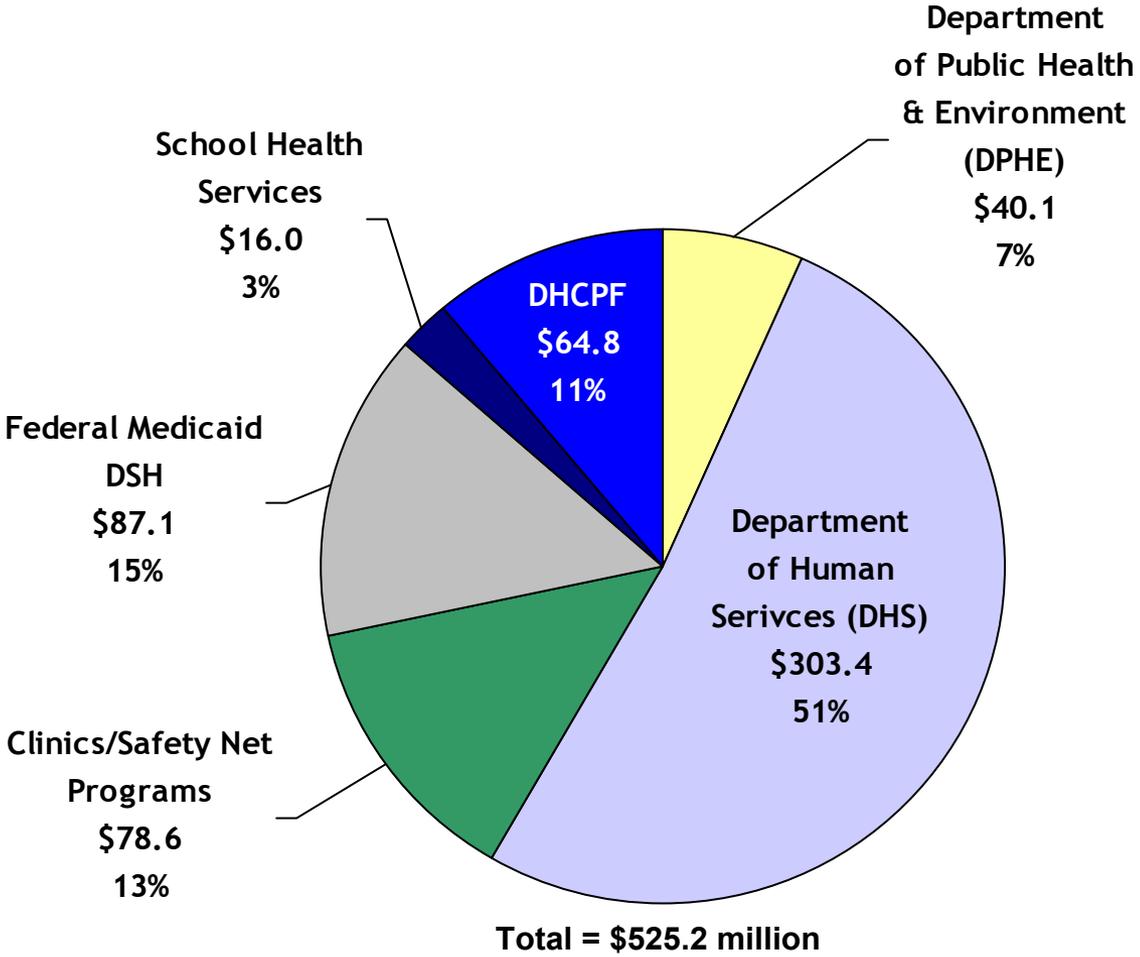
Medicaid Funds - Medical Services Premiums, CHP+, and Other Programs: FY 2007-2008 (in millions)

	Medical Services Premiums	Children's Health Insurance+	Other ^{a/}	Total
Hospital	\$524	\$27	\$286	\$836
Physician	\$235	\$39	\$23	\$296
Dental	\$52	\$7	\$0	\$59
Other Professional	\$1	\$1	\$3	\$6
Home Health	\$183	\$3	\$0	\$186
Prescription Drugs	\$160	\$17	\$5	\$182
Medical Durables	\$80	\$4	\$0	\$84
Nursing Home	\$602	\$0	\$0	\$602
Other Personal Care	\$180	\$0	\$386	\$566
Admin	\$25	\$6	\$126	\$156
Total	\$2,041	\$102	\$828	\$2,972
Other Funds – DSH, “clawback,” Medicare premiums, Other Public and CPE funds	\$89	--	\$229	\$318

^{a/} Includes Mental Health, Indigent Care, Other Medical Services, Executive Director's Office, recently passed legislation and DHS funds.

Source: Senate Bill 07-239

Other Public Spending: FY 2007-2008 (in millions)



Estimated Premiums for Employer-Sponsored Insurance FY 2007-2008 (in \$1,000s)

Employer Type	Total	Private	State and Local	Federal
Group - workers	\$11,928,643	\$9,930,318	\$1,532,144	\$466,181
Retirees	\$1,035,622	\$772,550	\$263,072	<i>a/</i>
All Enrollees	\$12,964,266	\$10,702,867	\$1,795,216	\$466,181

a/ Awaiting data

Source: Lewin Group Estimates

Private Employer Health Insurance Premium Estimates For Workers and Dependents

	2004 Total Premium (MEPS) ^{a/}	Employee Contribution Percent (MEPS)	Estimated FY 07-08 Premium per Covered Worker	2007 Estimated Number of Insured Workers CPS	Estimated FY2007-08 Spending (\$1,000s)
Single Coverage					
Under 10	\$4,118	15.8%	\$5,124	91,587	\$469,286
10-24	\$3,664	15.8%	\$4,559	62,352	\$284,265
25-99	\$3,837	21.2%	\$4,774	80,248	\$383,128
100-999	\$3,772	17.1%	\$4,693	102,364	\$480,437
1000 or more	\$3,537	19.3%	\$4,401	214,303	\$943,151
Subtotal	\$3,684	18.4%	\$4,648	550,854	\$2,560,267
Family Coverage					
Under 10	\$10,586	23.2%	\$13,172	86,156	\$1,134,841
10-24	\$9,238	32.2%	\$11,495	56,218	\$646,206
25-99	\$9,399	37.1%	\$11,695	78,835	\$921,974
100-999	\$11,210	27.6%	\$13,948	116,114	\$1,619,601
1000 or more	\$10,085	25.2%	\$12,549	242,851	\$3,047,429
Subtotal	\$10,228	27.1%	\$12,703	580,174	\$7,370,051
Total				1,131,028	\$9,930,318

a/ Data provided in the employer component of the Medical Expenditures Panel Survey (MEPS) data.

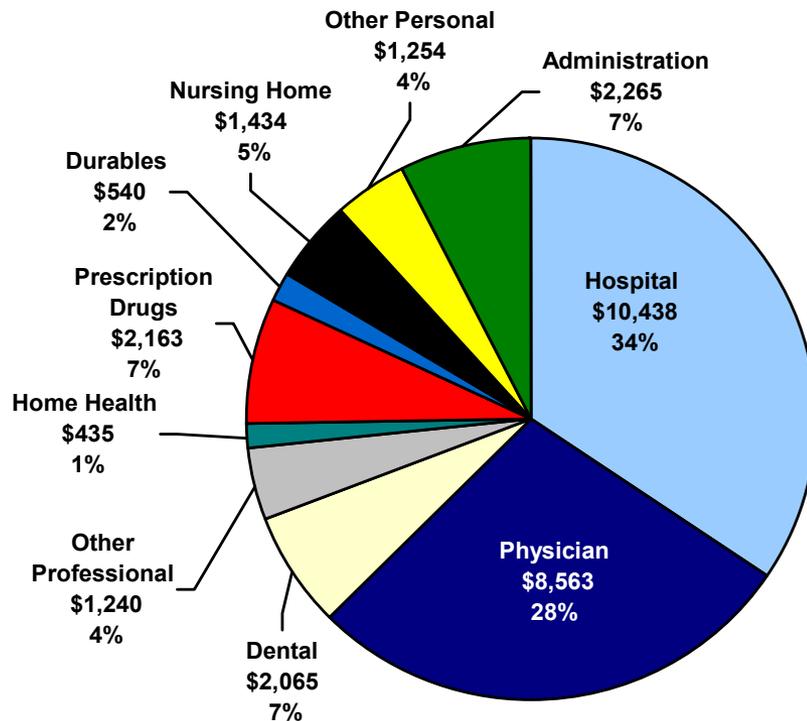
Non-Group Market (in \$1,000s)

Employer Type	Premium	Subsidy	Total
CoverColorado	\$28,667	\$38,459	\$67,125
Individual Market	\$929,223	na	\$929,223
Medicare Supplemental	\$191,911	Na	\$191,911
Total	\$1,149,800	\$38,459	\$1,188,259

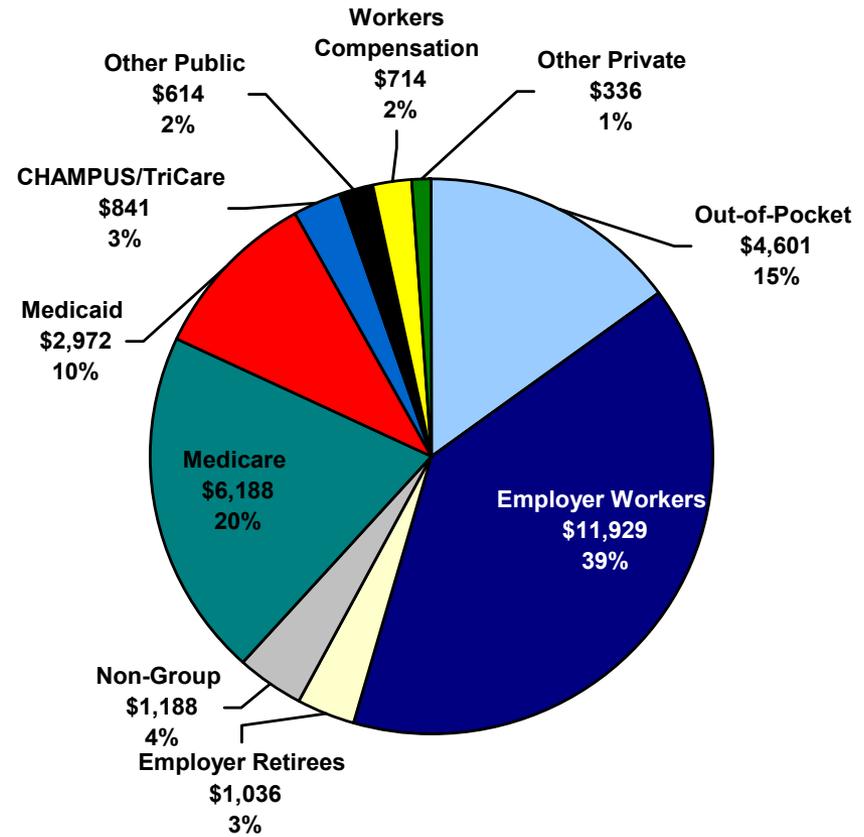
Source: Lewin Group Estimates

Personal Health Care Spending in Colorado by Type of Service and Source of Funding: FY 2007-2008 (in millions)

Type of Service

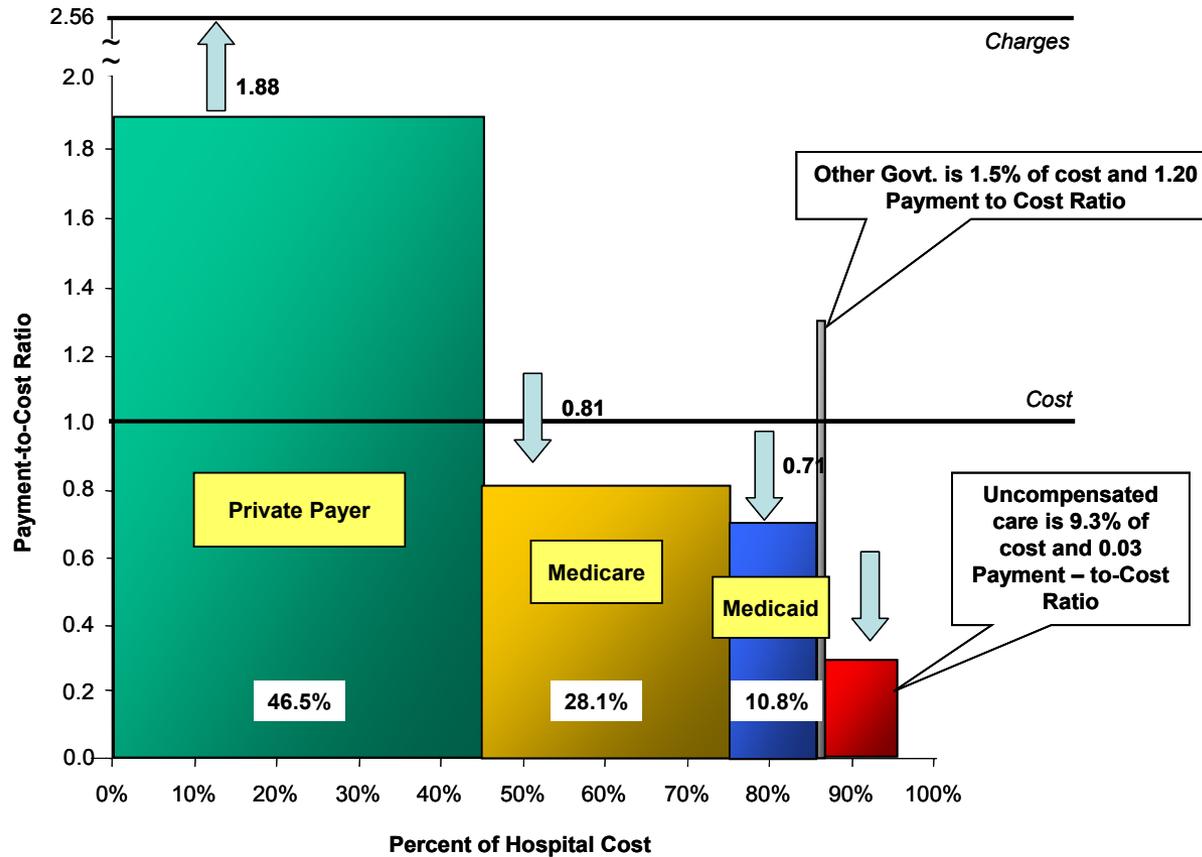


Source of Funding

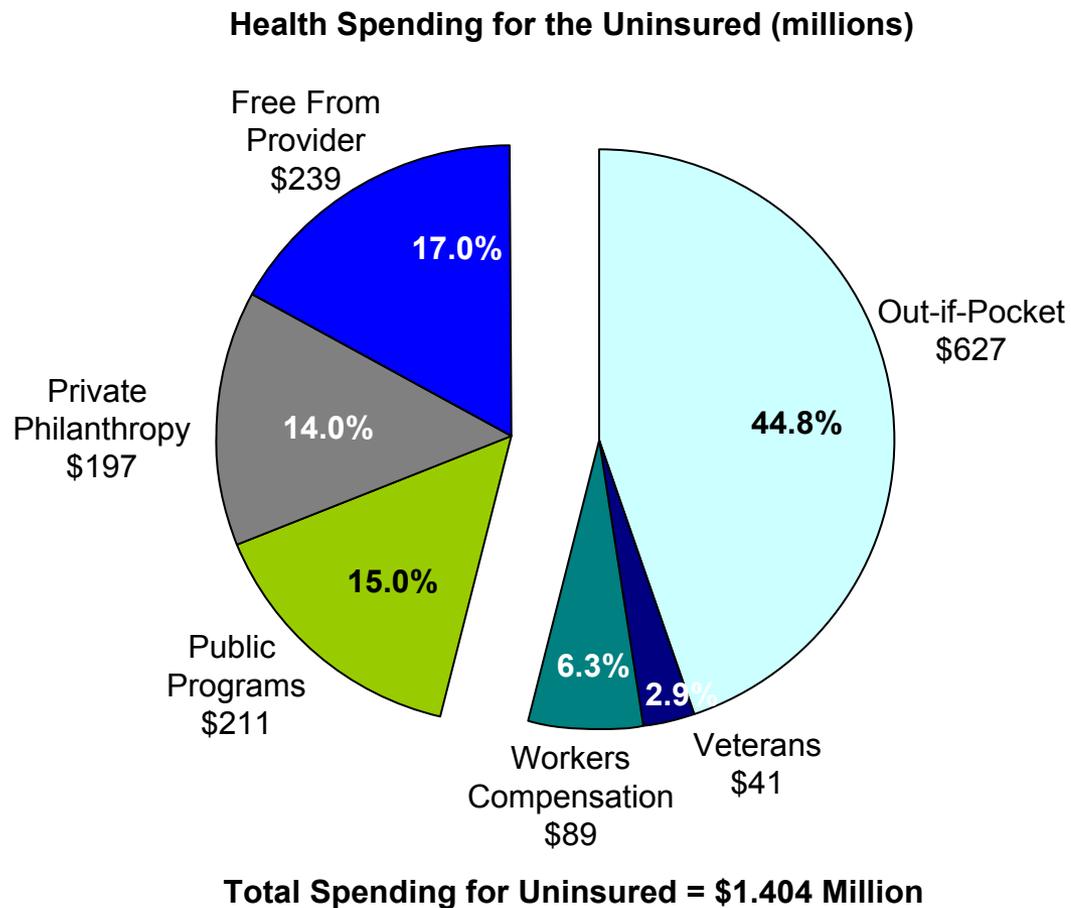


Total Spending = \$30,395 million

Hospital Cost-Shift in Colorado



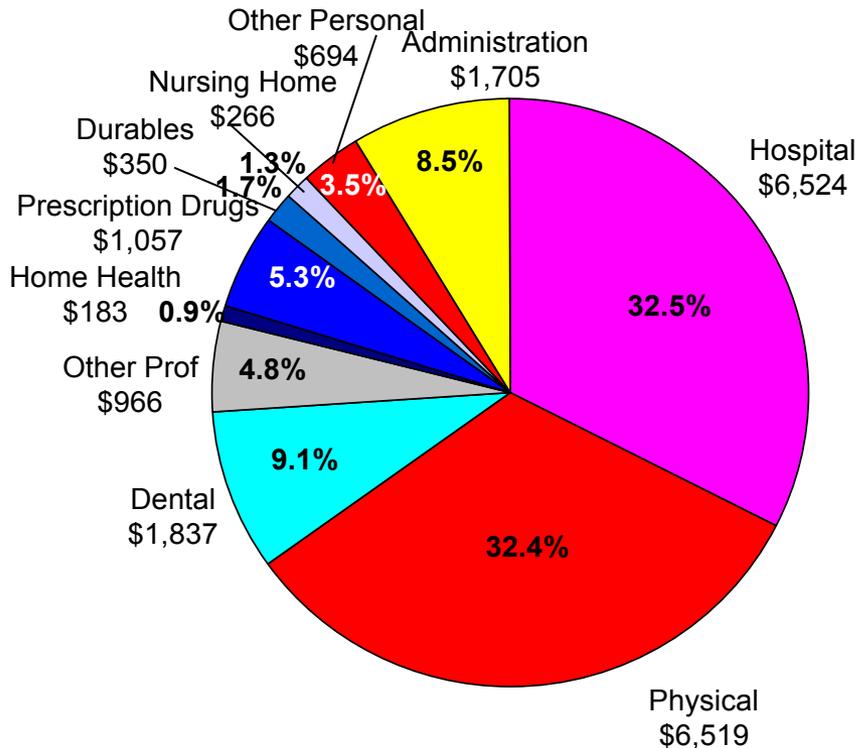
The Uninsured in Colorado Will Account for \$1.4 billion in Health spending in FY 2007 - 2008 (millions)



Source: The Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

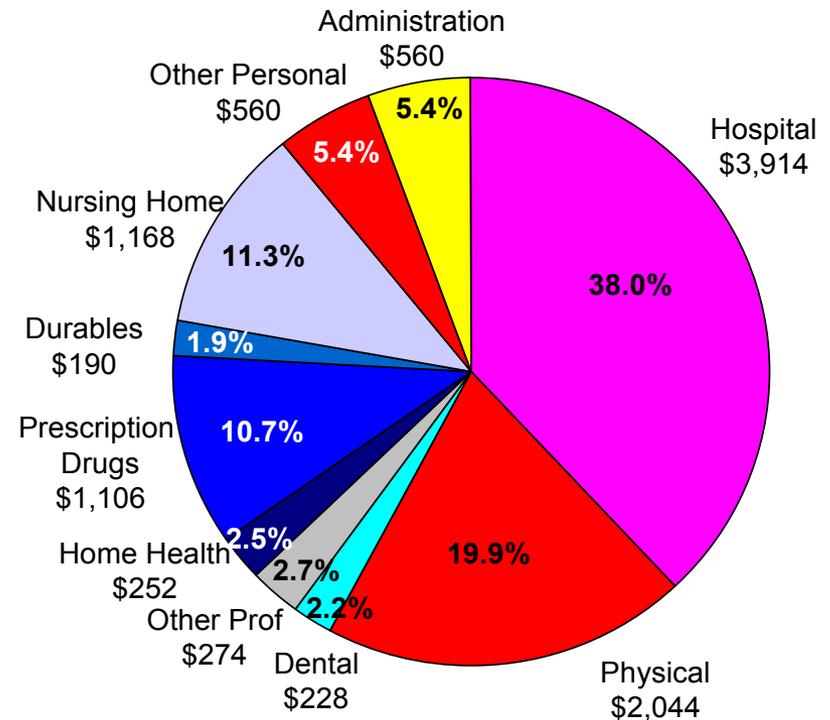
FY 2007 - 2008 Estimated Spending in Colorado for Medicare and Non-Medicare Populations (millions)

Non-Medicare Population



Total Spending = \$20.1 billion

Medicare Population



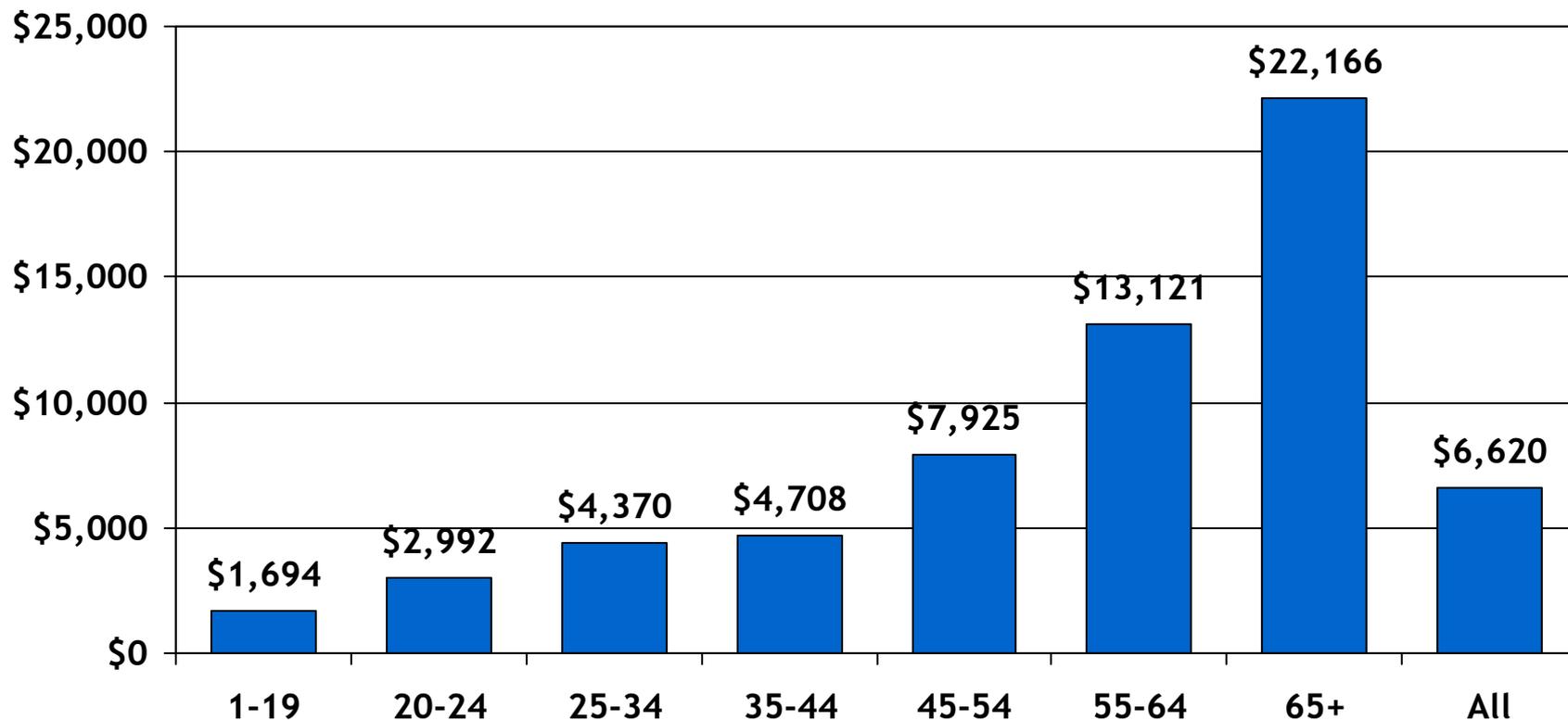
Total Spending = \$10.3 billion

Average Family Health Spending in Colorado by Family Income in FY 2007 -

	Number of Families (thousands)	Average Premium Payments	Average Out- of-Pocket Expense	Total Family Health Spending
Less than \$10,000	183	\$990	\$1,285	\$2,275
\$10,000 - \$19,999	230	\$1,665	\$1,409	\$3,074
\$20,000 - \$29,999	237	\$2,008	\$1,602	\$3,610
\$30,000 - \$39,999	236	\$2,157	\$1,328	\$3,485
\$40,000 - \$49,999	204	\$2,534	\$1,750	\$4,284
\$50,000 - 74,999	311	\$2,773	\$1,963	\$4,736
\$75,000 - \$99,999	234	\$2,918	\$1,916	\$4,834
\$100,000 - \$149,999	186	\$2,988	\$2,124	\$5,113
\$150,000	157	\$3,136	\$2,554	\$5,690
All Families	1,973	\$2,354	\$1,749	\$4,103

Source: The Lewin Group estimates using the Health Benefits simulation Model (HBSM).

Average Total Health Spending per Person in Colorado by Age in 2007



Source: The Lewin Group estimates using the Health Benefits simulation Model (HBSM).