COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

A Fact Sheet

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BA-20 Technical Adjustment for SB 07-196 FY 2009-10 Fiscal Impact

Request: The Department is requesting a reduction in funding in the amount of $36,785 total funds in FY 2009-10 to (1) Executive Director's Office; (A) General Administration, Personal Services.

SB 07-196 was passed in the 2007 Legislative Session to create a health information technology advisory committee and expand the use of telemedicine for Medicaid clients. The Legislative Council fiscal note dated June 11, 2007 identified costs to the Department of $127,288 in FY 2007-08 and $188,315 in FY 2008-09. FY 2008-09 costs included funding for a contract auditor to perform reimbursement rate setting.

The Department's fiscal note dated May 8, 2007 included additional information that was not included in the Legislative Council fiscal note. FY 2008-09 funding included one-year costs to develop a home health prospective payment system in the amount of $128,748. Beginning in FY 2009-10 and in all subsequent years, ongoing cost report audits and rate setting activities for the home health prospective payment system were estimated to cost $91,963.

Summary of Request FY 2009-10	Total Funds	General Fund	Federal Funds
(1) Executive Director's Office; (A) General Administration, Personal Services	($36,785)	($18,392)	($18,393)

Need Being Addressed: The Department's base request submitted November 3, 2008 includes $36,785 that can be removed from the base budget in (1) Executive Director's Office; (A) General Administration, Personal Services as these are one time costs related to developing a home heath prospective payment system. Continuation funding needed for this program is estimated to be $91,963.

Action: The Department requests that (1) Executive Director's Office; (A) General Administration, Personal Services be reduced by $36,785.

Highlight: There is a $36,785 decrease in continuation funding needs beginning in FY 2009-10 for ongoing cost report audits and rate setting activities to implement SB 07-196.

For more information about this Department and its programs, please call Ginny Brown at 303-866-3972 or Nicole Storm at 303-866-3180.

For media inquires, please call Joanne Lindsay at 303-866-3144.