COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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Bill Ritter, Jr., Governor • Joan Henneberry, Executive Director

July 16, 2007

Melodie Beck
Joint Budget Committee Staff
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Ms. Beck:

Enclosed please find a report to the Joint Budget Committee on the Health Care Policy and Financing Medical Services Premiums expenditures and Medicaid Caseload pursuant to Footnote 20 of the Long Bill, H.B. 06-1385:

> *"The Department is requested to submit monthly Medicaid expenditure and Caseload reports on the Medical Services Premiums budget to the Joint Budget Committee, by the third Monday of each month. The Department is requested to include in the report the managed care organization caseload by aid category. The Department is also requested to provide caseload and expenditure data for The Children's Basic Health Plan within the monthly report."*

The data contained in this month's Medicaid expenditure and caseload report is reflected as of June 30, 2007, coinciding with the close of Period 12 in the Colorado Financial Reporting System. The current report contains a separate worksheet for Medical Services Premiums expenditures by service category and Medicaid caseload data by eligibility category, which includes the monthly growth rate. Year to date averages, including months from February forward, for clients in health maintenance organizations and the Primary Care Physician Program appear in the Medicaid caseload worksheet.

For the Children's Basic Health Plan, caseload figures shown for the current month include a manual adjustment for anticipated retroactivity. Recent experience of retroactive capitation payments is used as a guide for estimating the manual adjustment each month. Client counts for the current month will be updated in next month's report to reflect the impact of actual retroactive capitations made. The Children's Basic Health Plan actual caseload is compared to the caseload requested in the Department's Emergency Supplemental Request that was approved by the Joint Budget Committee June 20, 2007. Please note that June expenditures for children's medical and prenatal include a $4,661,297 accounting adjustment for the reversal of a FY 05-06 accounts receivable, as described in the Department's Emergency Supplemental Request.

If you have any questions, please contact me at (303) 866-2854.

Sincerely,

John Bartholomew
Director, Budget Division

Cc: Senator Abel Tapia, Joint Budget Committee Chairman
Representative Bernie Buescher, Joint Budget Committee Vice-Chairman
John Ziegler, Staff Director, Joint Budget Committee Staff
Todd Saliman, Director, OSPB
Lisa Esgar, Deputy Director, OSPB
Luke Huwar, Budget Analyst, OSPB
Patrick Byrne, Economist, OSPB
Sue Williamson, Deputy Director, Client and Community Relations Office
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Gayle Fowler, Eligibility Section Manager
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