**COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING**

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

May 21, 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 April 30, 2007, coinciding with the close of Period 10 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 spending authority for the Children's Basic Health Plan lines has been updated to include the Add-On sections from SB 07-239.

The Long Bill, SB 07-239, that contains Add-On sections to change spending authority of some budgeted line items in FY 06-07, was signed by the Governor on May 2, 2007, and is, therefore, reflected in the available spending authority for this month.

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
Josh Harwood, Economist, OSPB
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