Colorado Health Care Affordability Act

House Bill 09-1293, the Colorado Health Care Affordability Act, was signed into law on April 21, 2009. The Act authorized the Department of Health Care Policy and Financing to collect a hospital provider fee to increase Medicaid and Colorado Indigent Care Program (CICP) payments to hospitals. When fully implemented, the Act will expand health care coverage to more than 100,000 Coloradans.

How does the hospital provider fee work?

- A fee, not to exceed 6 percent of net patient revenues, is accessed on hospital providers. This fee is then matched by federal dollars.

How much total funding is expected to be generated?

- By September 30, 2011: $1.8 billion, $900 million in fees, $900 million in federal matching dollars.
- October 2011 and September 2012, expected $1.29 billion, $645 million in fees, $645 million in federal matching dollars.
- FY 2011-12 hospital funds will provide $50 million in general fund relief.
- FY 2012-13 hospital funds will provide $25 million in general fund relief.

Program Milestones

- Implemented Medicaid eligibility for parents up to 100% federal poverty level (FPL)
- Implemented CHP+ eligibility for children and pregnant women up to 250% FPL
- By September 30, 2011, provide $280 million in new funding to hospitals

Future Plans

- Quality incentive payments to hospitals
- Medicaid Buy-In program for people with disabilities up to 450% FPL
- Benefits for adults without dependent children up to 100% FPL
- 12 month continuous eligibility for children on Medicaid

Who provides oversight?

- A 13-member Hospital Provider Fee Oversight and Advisory Board including five hospital members; one statewide hospital organization member; one health insurance organization or carrier member; one health care industry member; two consumers; one health insurance member; and, two Department of Health Care Policy and Financing members.
- Additional information about the Board, including meeting agendas and minutes, can be found at Colorado.gov/hcpf under "Boards & Committees."

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Improving access to cost-effective, quality health care services for Coloradans
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