

Title of Rule: Revision to the Medical Assistance Rule concerning the Colorado Indigent Care Program, Section 8.904  
Rule Number: MSB 11-07-28-A  
Division / Contact / Phone: Financial and Administrative Services Office / Nancy Dolson / 303-866-3698

**STATEMENT OF BASIS AND PURPOSE**

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

Currently, applicants for the Colorado Indigent Care Program (CICP) who appear to meet Medicaid eligibility requirements must be receive a denial of Medicaid eligibility before being enrolled in the CICP. On March 1, 2012, the Department will implement an expansion of Medicaid to Adults without Dependent Children (AwDC) up to 10% of the federal poverty level (FPL) for 10,000 enrollees. After the first 10,000 enrollees, there will be a waiting list for enrollment in Medicaid. The CICP rules are being revised to clarify that applicants who are on the Medicaid waiting list can be enrolled in CICP.

2. An emergency rule-making is imperatively necessary

to comply with state or federal law or federal regulation and/or

for the preservation of public health, safety and welfare.

Explain:

3. Federal authority for the Rule, if any:

4. State Authority for the Rule:

25.5-1-301 through 25.5-1-303, C.R.S. (2010);

Initial Review **12/09/2011**  
Proposed Effective Date **03/01/2012**

Final Adoption **01/13/2012**  
Emergency Adoption

**DOCUMENT # 05**

Title of Rule: Revision to the Medical Assistance Rule concerning the Colorado Indigent Care Program, Section 8.904

Rule Number: MSB 11-07-28-A

Division / Contact / Phone: Financial and Administrative Services Office / Nancy Dolson / 303-866-3698

## REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

The CICIP provides funding to participating hospitals and community health clinics to partially offset the uncompensated care cost for low-income Coloradans who do not qualify for Medicaid or the Child Health Plan Plus (CHP+). Allowing applicants who are on a waiting list for Medicaid under the AwDC expansion to continue to be enrolled in CICIP will prevent the most medically needy from not receiving medical care.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

These rules will not impact the number of clients participating in the CICIP, as clients on the Medicaid waiting list would otherwise be eligible for CICIP before the AwDC expansion.

Funding for CICIP providers is limited by the available appropriation. Each provider receives CICIP funding in proportion to its write-off costs for services provided to CICIP clients compared to all providers' write-off costs. For providers, allowing clients on the Medicaid waiting list to be enrolled in CICIP means that providers can submit their write-off costs for waiting list clients to the Department to be used in the calculation of each provider's share of the available appropriation.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

None. Available funding for CICIP providers is limited by the available appropriation. There are no any additional costs to the Department.

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

The benefits of the proposed rule are that clients will be able to continue to receive discounted health care services from CICIP providers while waiting to be enrolled in Medicaid. CICIP providers will continue to be able to submit write-off costs to the Department to be included in the calculation of the distribution of CICIP funding. There are no costs to the Department or other agencies to implement the proposed rules. If there is inaction, individuals who are on a waiting list for Medicaid will not be eligible for discounted

Title of Rule: Revision to the Medical Assistance Rule concerning the Colorado Indigent Care Program, Section 8.904

Rule Number: MSB 11-07-28-A

Division / Contact / Phone: Financial and Administrative Services Office / Nancy Dolson / 303-866-3698

health care services through the CICP and will have to forego health care or pay higher out-of-pocket costs.

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

There are no less costly alternatives as there are no anticipated costs associated with the proposed rule.

6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

The Department does not have an alternative method for achieving the purpose for the proposed rule. Without the rule, clients on a waiting list for Medicaid enrollment will have to wait until they are denied Medicaid eligibility for categorical reasons before being eligible for the CICP.

1 **8.904 PROVISIONS APPLICABLE TO CLIENTS [Eff. 3/30/2008]**

2 F. Applicants Not Eligible

3 1. The following individuals are not eligible to receive discounted services under available CICP  
4 funds:

5 a. Individuals for whom lawful presence cannot be verified.

6 b. Individuals who are being held or confined involuntarily under governmental control in  
7 State or federal prisons, jails, detention facilities or other penal facilities. This  
8 includes those individuals residing in detention centers awaiting trial, at a  
9 wilderness camp, residing in half-way houses who have not been released on  
10 parole, and those persons in the custody of a law enforcement agency  
11 temporarily released for the sole purpose of receiving health care.

12 c. College students whose residence is from outside Colorado or the United States that  
13 are in Colorado for the purpose of higher education. These students are not  
14 Colorado residents and cannot receive services under the CICP.

15 d. Visitors from other states or countries temporarily visiting Colorado and have primary  
16 residences outside of Colorado.

17 2. Persons who qualify for Medicaid. However, applicants whose only Medicaid benefits are the  
18 following shall not be excluded from consideration for CICP eligibility:

19 a. QMB benefits described at section 10 C.C.R. 2505-10, Section 8.111.1 (2007) of  
20 these regulations;

21 b. SLMB benefits described at section 10 C.C.R. 2505-10, Section 8.122 (2007), or

22 c. The QI1 benefits described at section 10 C.C.R. 2505-10, Section 8.123 (2007).

23 d. Applicants who are on a waitlist to become enrolled in Medicaid.

24 3. Individuals who are eligible for the Children's Basic Health Plan. However, individuals who are  
25 waiting to become an enrollee in the Children's Basic Health Plan and/or have incurred  
26 charges at a participating qualified health care provider in the 90 days prior to the  
27 application date shall not be excluded from consideration for eligibility on a temporary  
28 basis. Once the applicant becomes enrolled in the Children's Basic Health Plan, the  
29 applicant is no longer eligible to receive discounted health care services under available  
30 CICP funding.