

## **MEDICAID CASELOAD**

### **INTRODUCTION**

Biannually, the Department of Health Care Policy and Financing submits its estimated funding need for the Medical Services Premiums line item. The first step in generating the November and February submissions is to project the Medicaid caseload. Medicaid caseload does not represent the number of uninsured individuals in Colorado, nor does it represent the number of Colorado residents living in poverty. Caseload figures only represent individuals that the Department expects will enroll in Medicaid because they meet specific eligibility requirements in one of three groups: 1) Families, Pregnant Women, and Children; 2) Aged and Disabled; or 3) Other.

Federal Medicaid statute defines over 50 groups of individuals that may qualify for Medicaid. Some groups are mandatory, while others are optional and each state decides which of the optional groups it will cover. From the inception of Medicaid in 1965 (Public Law 89-97) to the 1980s, the program was targeted at low-income families, elderly, and the disabled. During the 1980s, Medicaid expanded to include pregnant women and children with greater income levels, as well as some optional elderly and disabled groups. In 2000, Medicaid coverage was extended to women with breast and cervical cancer. From the 1990s to the present, other Medicaid categories have been added through State initiated demonstration waivers. All eligibility categories have specific income limits and some have additional criteria such as age, resources or disability status. For budgetary purposes, the Department groups clients with similar characteristics and costs together. For example, clients grouped in the Eligible Children category have similar characteristics and costs, but might have gained Medicaid eligibility through different criteria. Since each category of eligibility is affected by unique factors, the Department projects each category separately. Projecting an aggregate caseload would be easier, but could be less precise.

Historic caseload data are used in conjunction with economic data to project caseload in each category. To make a projection, the Department uses several different statistical techniques (as described in the Methodology section below), and chooses the projection that best fits the data. After projections are chosen for each category, the Department presents its recommendations to the Office of State Planning and Budgeting. The Department then meets with the Office of State Planning and Budgeting, and the two agencies agree on an Executive caseload proposal. It is important to note that the methodology the Department used to generate its projections is not wholly reflected by the Executive caseload proposal presented in this document since those figures are often the result of compromises with the Office of State Planning and Budgeting.

In 2003, the process of projecting the Medicaid caseload was drastically affected by SB 03-196, which mandated that the Department transition from accrual to cash based accounting. From that point forward, caseload numbers no longer incorporated retroactivity. Retroactivity caused historical adjustments to caseload to account for clients who were found to be eligible for Medicaid for past months, thus increasing the count of persons eligible for Medicaid. Since most clients are eligible back to the date of their application, retroactivity adjustments assured that all months were accounted for. However, this caused variability in the caseload reports, as monthly caseload was adjusted for months, even years, after the month had ended. It also required special manually run reports to make these adjustments. Under the cash accounting system, a monthly caseload report is created from the Medicaid Management Information System and that caseload is considered final.

If the Department had only applied the accounting conversion to the FY 2003-04 caseload projection, this would have produced a synthetic drop in caseload relative to the prior year when retroactivity was still applicable. To control for this manufactured decrease in caseload, and to develop a more accurate portrayal of history, the Department recreated ten years of Medicaid caseload history without retroactivity. By rebuilding the caseload without retroactivity, the Department was able to put the FY 2003-04 projection in perspective, and test the historical data for accuracy. Medicaid eligibility, retroactive back to the date of application, is still in effect. However it is no longer reported in caseload. For a complete explanation of how the historical data was rebuilt and tested, refer to the November 3, 2003 Budget Request, pages K-98 and K-99.

Through June 2008, the Department utilized the REX01/COLD (MARS) R-464600 report for caseload levels, which is a standard report from the Medicaid Management Information System. Eligibility information included in the Medicaid Management Information System is fluid, and is updated from the Colorado Benefits Management System on a daily basis. This report is run on the Friday before the last Tuesday of every month, and does not incorporate eligibility changes that occurred between the run date and the last day of the given month. In addition, the report is a one-time snapshot and cannot be replicated in the future because of the fluid nature of eligibility. The limitations of this report prevent the Department from analyzing caseload by characteristics other than eligibility types, such as gender, county of residence, or age.

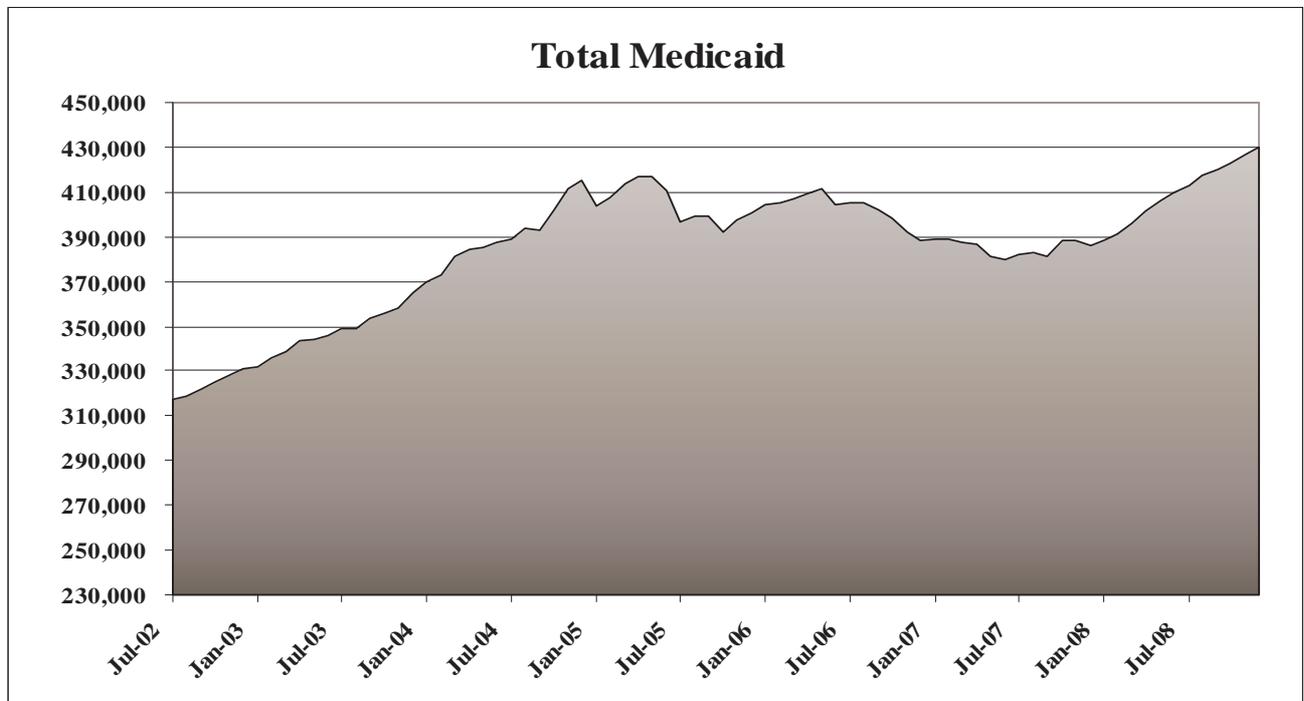
The Department has developed a new caseload report that it believes measures caseload more accurately, the REX01/COLD (MARS) R-474701. This report captures eligibility movements for the entire month in question, and also stores the data table that underlies the report. As a result, the Department is able to analyze caseload by many other demographic and geographic characteristics while still balancing to the official Medicaid caseload. The Department began to use this new caseload report with the July 2008 caseload report to the Joint Budget Committee. Because of the differences between the methodologies used in the original and new caseload reports, the Department restated historical Medicaid caseload through FY 2002-03. All caseload history and forecasts included in the following narrative, as well as the Medical Services Premiums and Medicaid Mental Health projections, are the official restated caseload. Exhibit Q includes graphs of historical caseload by eligibility type.

In addition to estimating the funding need for the Medical Services Premiums line item, Medicaid caseload is used to determine the funding need for the Medicaid Mental Health Community Programs. Comprehensive mental health services are available to eligible Medicaid clients. Thus, the Medicaid Mental Health caseload is the Medicaid caseload less Partial Dual Eligibles and Non-Citizens, which are not eligible for full Medicaid benefits. The following table displays a comparison of historical caseloads in Medicaid Medical Services Premiums and Mental Health.

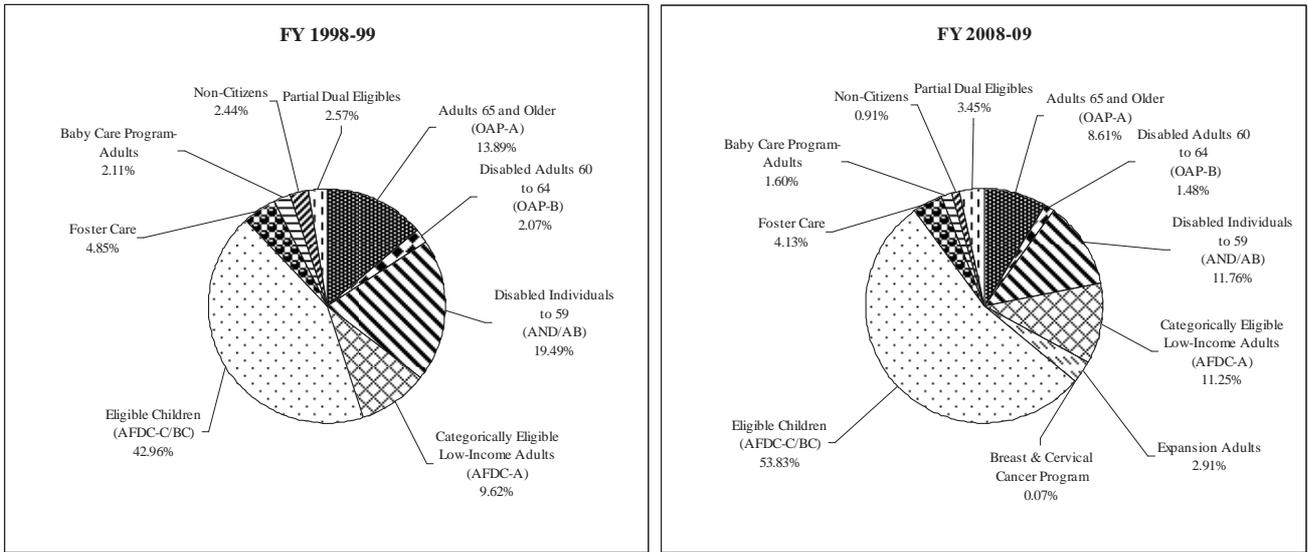
<b>Fiscal Year</b>	<b>Medical Services Premiums Caseload</b>	<b>Less: Mental Health Ineligible Categories</b>	<b>Mental Health Caseload</b>
FY 2002-03	331,800	(13,072)	318,728
FY 2003-04	367,559	(14,635)	352,924
FY 2004-05	406,024	(14,755)	391,269
FY 2005-06	402,218	(17,304)	384,914
FY 2006-07	392,228	(18,109)	374,119
FY 2007-08	391,962	(18,405)	373,557
FY 2008-09	436,812	(19,062)	417,750

**Recent Caseload History**

Exhibit B tabulates actual caseload figures and growth rates by eligibility category from FY 1995-96 to FY 2008-09. Projections for FY 2009-10 to FY 2011-12 are also presented in the table and will be discussed in the Categorical Projections section of this document. A graphical representation of aggregate Medicaid caseload history from FY 2002-03 is shown below. Medicaid in Colorado had double-digit growth rates in FY 2003-04 and FY 2004-05 of 10.78% and 10.48%, respectively. These high rates of growth ceased in FY 2005-06, and caseload declined by 0.95% in FY 2005-06 and by a further 2.48% in FY 2006-07. Monthly declines continued in the first half of FY 2007-08 but ceased in the second half, resulting in a nearly flat decline of 0.07% for the fiscal year. With the weakening economy, caseload continued to grow at an increasing rate in FY 2008-09, resulting in annual growth of 11.44%. Caseload has continued to increase in the first half of FY 2008-09. Reasons for these recent growth rates will be discussed below.

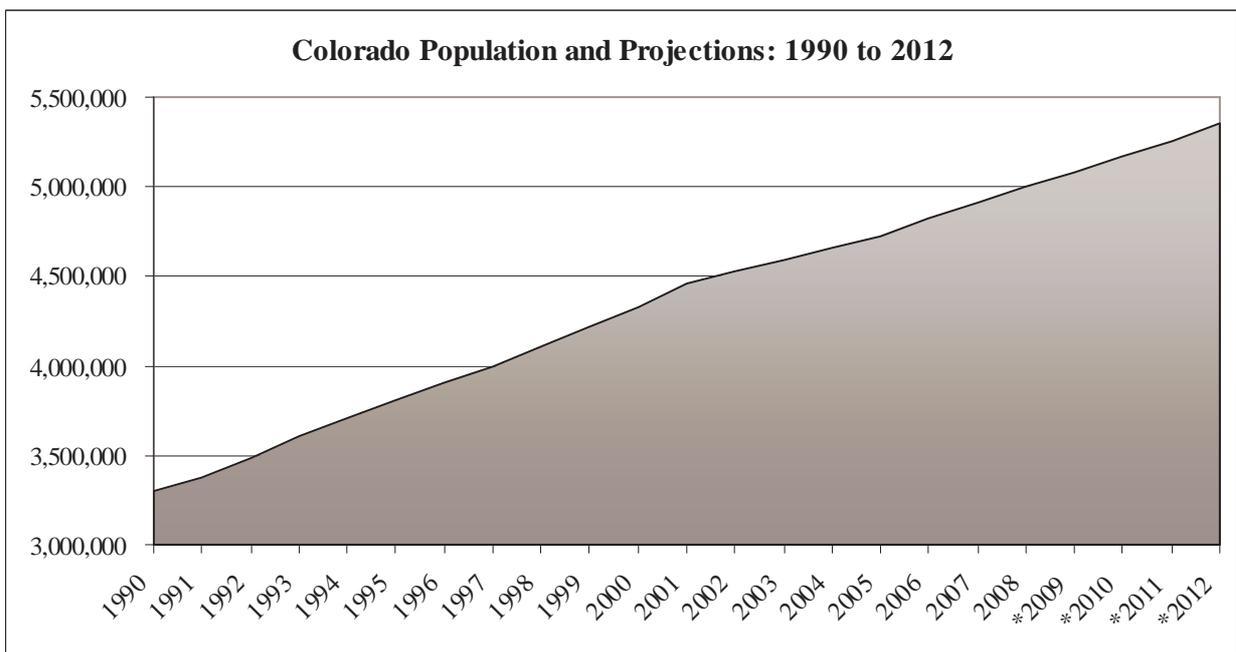


The charts below show a side-by-side comparison of the Medicaid caseload by category as a percentage of the overall caseload for FY 1998-99 and FY 2008-09. As a percentage of the entire Medicaid caseload, Eligible Children have increased by nearly eleven percentage points, the largest gain when compared with all other categories. The percentage of overall caseload in the Disabled Individuals to 59 (AND/AB) category has declined by approximately eight percentage points, and Adults 65 and Older (OAP-A) has decreased by five percentage points. This change in case mix implies that increases in a less expensive category (Eligible Children) has been coupled with decreases in more expensive categories (Disabled Individuals to 59 (AND/AB) Adults 65 and Older (OAP-A)) over the last ten years.



Medicaid caseload trends are influenced by a number of factors including: population trends, in-State migration, age of the population, length of stay, economic conditions, and State and federal policy changes. Projecting annual caseload is complicated by the fact that each of these factors can contribute to categorical changes, some of which may be contradictory. For example, the State may enact legislation that removes clients from a Medicaid category who are aged 65 and older, while the population of adults aged 65 and older is increasing. Therefore, projections represent the *net effect* of what the Department expects will happen. Each factor and its expected impact on the Medicaid caseload are discussed below.

**Population** - Colorado's total population increased 21.2% from July of 1999 to July of 2009. The Department of Local Affairs forecasts that Colorado's population will increase a further 2.6% from July of 2009 to July of 2011. As the overall population has grown, so too has the Medicaid caseload. This positive correlation implies that if population is projected to grow in the future, Medicaid caseload may also increase.



When using population data to project caseload, the Department marries population subgroups to their appropriate Medicaid category. For example, when projecting caseload for Eligible Children, the Department uses population statistics for Colorado residents aged 0 to 18. By using subgroups instead of total population figures, the Department is able to capture subgroup specific trends.

*In-State Migration* - Like population, in-State migration is positively correlated with Medicaid caseload. As more individuals move to Colorado from other states, Medicaid caseloads will increase. During economic downturns, people usually move from states with worse economic conditions to states with better conditions in search of jobs. Although most experts agree that Colorado experienced some of the worst economic conditions in the United States during the recent recession, net migration remained positive in 2003 at 24,893<sup>1</sup>. An increase of 24,893 persons in a population of over 4.5 million may not be significant, but a positive migration rate means more people who could conceivably be eligible for Medicaid. Conversely, as the economy recovers, in-state migration is expected to increase. Net migration grew to an estimated 52,346 in 2006, to overtake natural increase (births minus deaths) as the major component of population growth. In-state migration is projected to remain positive throughout the forecast period, buoyed by rates of unemployment and housing value deflation that are lower than the national average.

*Age* - The age of the population can provide some insight as to why Medicaid caseloads have been increasing. As the population ages, so too does the demand for medical care. Generally, as individuals age their health becomes more fragile and the more likely they are to seek health care. From 1999 to 2009, Colorado's median age increased by 1.8 years.<sup>2</sup> This may be the result of retirees moving to the State, increased longevity, or fewer births. Regardless of the reason, an aging population has a direct effect on the demand for medical services, though not necessarily Medicaid. According to 2008 data from the United States Census Bureau, Colorado had the 11<sup>th</sup> lowest median age and the 3<sup>rd</sup> lowest old-age dependency ratio (defined as the population 65 and older as a percent of population 18 to 64) in the nation.<sup>3</sup> While the population over 60 in Colorado is projected to increase by 36.8% between 2000 and 2010, which is expected to cause an increase in the State's median age. Additionally, Colorado's old-age dependency ratio is projected to increase from 15.6 in 2000 to 17.3 in 2010, a 10.9% increase.<sup>4</sup> This growth is significantly higher than the nation average, which is projected to increase by 2.8% over the same timeframe. This suggests that Colorado will be aging faster than the average state over the forecast period. In 2008, Colorado did experience increases in the eligibility categories that include older individuals, though the growth was not as high as population growth in the general population aged 60 and over. This may be the result of a healthier aging population and demographic factors, such as the elderly population working longer and the baby-boom generation not yet reaching retirement age.

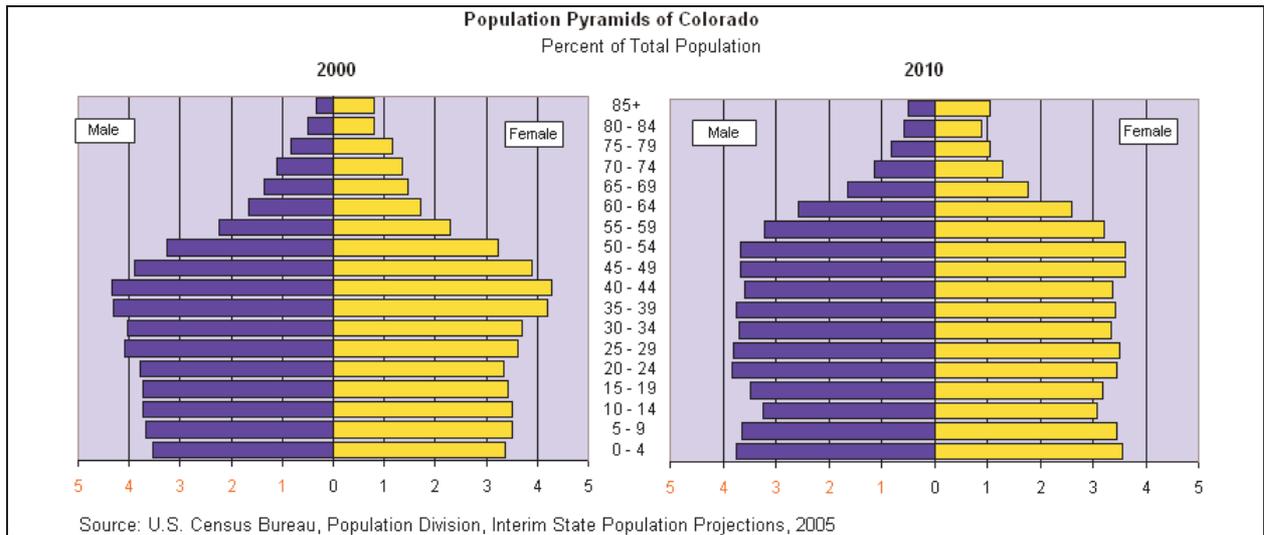
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<sup>1</sup> Source: Department of Local Affairs, Demography Division

<sup>2</sup> Source: Department of Local Affairs, Demography Division

<sup>3</sup> Source: 2008 American Community Survey <http://www.census.gov/acs/www/>

<sup>4</sup> Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005  
<http://www.census.gov/population/www/projections/index.html>



*Length of Stay*- Medicaid caseload is not only affected by the number of individuals served, but also the length of time they remain in the program. The severity and length of the recent economic downturn has prolonged the average amount of time clients remain on the Medicaid caseload. The table below shows that the average number of months on Medicaid dropped by 10.6% for adults and 8.5% for children between FY 2003-04 FY 2004-05, and in FY 2005-06 increased to levels near those for FY 2003-04. As caseload declined in FY 2006-07 and FY 2007-08, the average length of stay also declined. Preliminary data for FY 2008-09 indicate that the average length of stay for both low-income adults and children increased, which is consistent with economic conditions.

<b>Average Number of Months on Medicaid</b>		
<b>Fiscal Year</b>	<b>Categorically Eligible Low-Income Adults</b>	<b>Eligible Children</b>
FY 1999-00	6.78	8.29
FY 2000-01	6.87	8.29
FY 2001-02	7.20	8.51
FY 2002-03	7.66	8.71
FY 2003-04	7.84	8.99
FY 2004-05	7.01	8.23
FY 2005-06	7.85	8.72
FY 2006-07	7.73	8.57
FY 2007-08	7.62	8.42
FY 2008-09	7.77	8.61

*Economic Conditions* - Economic indicators help partially explain why some Medicaid caseload trends occur. Since Medicaid is a needs-based program where clients must meet income and resource limits, it follows that caseload for families and children should be countercyclical to economic conditions. For example, as the state experiences recessionary conditions, the Medicaid caseload will increase. After the recession that ended in the early 1990s, Colorado enjoyed almost ten years of economic expansion. The terror attacks on the United States in 2001 combined with the bursting of the stock market bubble in late 2000 brought that expansion to a halt. For the first time in more than a decade, Colorado experienced significant job losses coupled with falling wages. In mid-2003, the Colorado economy hit bottom after the decline that started in early 2001. Due to seasonal fluctuations and wide confidence intervals for over the month changes, employment data is best analyzed by comparing the same month for different years. The first post-recession over the year

gain in non-agricultural employment occurred in March of 2004. The State officially entered an expansionary period in early 2006, as employment surpassed the late 2000 peak. The recovery period lasted thirty months, one of the longest on record. Employment began to soften in October 2008, when 7,200 jobs were shed over-the-year. As of December 2009, the over-the-year loss was estimated to be 86,600, or 3.7%. The employment declines accelerated through the downturn; for example, the over-the-year contraction in January 2009 was 43,000, or 1.8%. The annual contractions appear to have peaked in September 2009, when job losses numbered 113,800 (4.8%) over the year. Current economic forecasts project declines in employment through the beginning of 2010, followed by a very moderate trend.

The table that follows shows historical and projected unemployment rates, non-agricultural employment, and job growth statistics.<sup>5</sup>

Year	Wage and Salary Income (billions)	Non-Agricultural Employment	Employment Growth	Unemployment Rate
2003	\$88.0	2,152,800	-1.4%	6.1%
2004	\$92.1	2,179,600	1.2%	5.6%
2005	\$98.9	2,226,000	2.1%	5.1%
2006	\$105.8	2,279,100	2.4%	4.4%
2007	\$112.6	2,331,300	2.3%	3.9%
2008	\$116.6	2,349,300	0.8%	4.9%
2009*	\$112.7	2,245,500	-4.4%	7.4%
2010*	\$112.5	2,212,600	-1.5%	8.0%
2011*	\$116.5	2,239,300	1.2%	7.7%

\* Forecast

The timing of an economic cycle is important in estimating the impact on the Medicaid caseload. As the economy recovers from a downturn, workers need to find jobs in order to withdraw from the Medicaid rolls. Jobs that primarily affect family and children Medicaid populations<sup>6</sup> are hourly and concentrated in the service industry. These employment types are often the last to benefit from improving economic conditions. Therefore, any economic impact on the Medicaid caseload will have a lagged effect. Second, as workers find jobs they do not instantaneously lose their Medicaid eligibility. Since 1990, states have been federally required to provide Transitional Medicaid benefits for up to one year to families who lost eligibility because of increased income due to employment. This policy was directed at clients who potentially might turn down employment for fear of losing their Medicaid benefits. To be eligible for Transitional Medicaid, a client must have been eligible in at least three of the preceding six months, though states may elect to reduce this requirement to fewer than three months. Clients may receive Transitional Medicaid as long as their income is below 185% of the federal poverty level. Another small group of clients are eligible for Transitional Medicaid services that would otherwise lose their Medicaid benefits due to child or spousal support payments. Families in this group receive a four-month extension. Although this program has been set to expire many times, it has been renewed regularly, most recently through December 31, 2010. For the purposes of projecting caseload, the Department assumed that the federal Transitional Medicaid program would continue throughout FY 2011-12. As illustrated in the following table, the average number of adults and children on Transitional Medicaid increased dramatically in FY 2004-05. The Department suspects that the high growth in FY 2004-05 and FY 2005-06 may be partially related to

<sup>5</sup> Source: Office of State Planning and Budgeting, December 2009 Revenue Forecast

<sup>6</sup> Projecting elderly and disabled client populations does not prioritize economic variables

large monthly increases that occurred around the implementation of the Colorado Benefits Management System. Monthly caseload declined between December 2005 and June 2008, but caseload increased throughout FY 2008-09. The Department expects that the Transitional Medicaid caseload will remain stable given projected economic conditions, as job growth is projected to be low in the forecast period.

<b>Fiscal Year</b>	<b>Average Number of Eligible Children on Transitional Medicaid</b>	<b>Average Number of Adults on Transitional Medicaid</b>
FY 2002-03	7,645	4,689
FY 2003-04	7,349	4,709
FY 2004-05	10,776	6,586
FY 2005-06	16,749	10,745
FY 2006-07	16,065	9,968
FY 2007-08	13,000	7,778
FY 2008-09	13,489	7,905

*Policy Changes* - State and federal policy decisions can alter the Medicaid caseload. The following list briefly describes major State and federal policy changes that have affected Medicaid eligibility, and therefore caseload. This list is not meant to be comprehensive in nature, but a summary of major changes affecting eligibility since 2000.

- Breast and Cervical Cancer Prevention and Treatment Act of 2000, Public Law 106-354: Established a new group of eligibility for women under 65 who have been screened under the Centers for Disease Control and Prevention Board and need treatment for either diagnosis.
- Medicare Prescription Drug, Improvement, and Modernization Act of 2003: This act causes more potential beneficiaries to be screened for Medicaid when they apply for this Medicare benefit.
- Presumptive eligibility for Medicaid pregnant women was discontinued on September 1, 2004. It was re-established by HB 05-1262 on July 1, 2005.
- HB 05-1262, the Tobacco Tax bill: This bill provided funding for the removal of the Medicaid asset test, the expansion of the income guideline used to establish eligibility for parents of children eligible for either Medicaid or the Children's Basic Health Plan to 60% of the federal poverty level (known as Expansion Adults), and to expand the number of children that can be enrolled in the Home and Community Based Services and the Children's Extensive Support Waiver programs.
- Deficit Reduction Act of 2005: This Act contains provisions related to premiums and cost sharing, benefits, and asset transfers that will have implications for Medicaid beneficiaries. In addition, the Deficit Reduction Act contains a provision requiring States to obtain satisfactory documentary evidence of citizenship and identity for all Medicaid applicants who have declared that they are citizens or nationals of the United States. The section exempts individuals that are eligible for Medicaid and entitled to or enrolled in Medicare, and those eligible for Medicaid by virtue of receiving Supplemental Security Income benefits, from the identification requirement.
- SB 07-211: Established presumptive eligibility for Medicaid children.

Oftentimes, a forecast cannot instantaneously incorporate policy changes even with the use of dummy or indicator variables. When this occurs, adjustments are made to the forecast off-line. Off-line adjustments are made to the Expansion Adults and Eligible Children forecasts to account for the approval of HB 09-1293, Colorado Health Care Affordability Act. This legislation increases eligibility for parents and caretakers of children eligible for either Medicaid or the Children's Basic Health Plan from 60% to 100% of the federal poverty level effective April 1, 2010. Additionally, the legislation allows the Department to guarantee all children in Medicaid 12 months of continuous

enrollment, regardless of changes in income or family situation. All caseload estimates are taken from the fiscal note for HB 09-1293. Detailed accountings of off-line adjustments are in Exhibit B, page EB-2.

The bottom-line adjustments for Expansion Adults have changed from the November 2009 forecast for the following two reasons:

- o The Department has received updated uninsured estimates that indicate that the population between 60% and 100% of the federal poverty level that would potentially be newly eligible due to this expansion is smaller than previous estimates.
- o The implementation of this expansion in the Colorado Benefits Management System that will active on April 1, 2009 will not redetermine eligibility for current Medicaid clients. This will result in no movement from existing eligibility types into this new population, which normally accounts for a large portion of the growth in caseload at the beginning of an expansion. This results not only in a smaller caseload adjustment for the new expansion group, but correspondingly higher growth in the AFDC Adult and existing Expansion Adults populations.

The combination of the aforementioned factors led to significant growth in the Medicaid caseload between FY 2002-03 and FY 2004-05. During this time, Medicaid caseload increased by 74,274 clients, growth of 22.4%. Caseload decreased in the subsequent years, resulting in a decline of 14,112, or 3.5%, between FY 2004-05 and FY 2007-08. The Department believes that the improving economic conditions are the driving factor in this decrease, as consistent monthly declines occurred in Categorically Eligible Low-Income Adults and Eligible Children, which are expected to be most affected by the economy. This trend reversed as of the second half of FY 2007-08, when the Eligible Children caseload started to show significant monthly increases. Strong increases continued in Medicaid in FY 2008-09, with average monthly growth increasing at an increasing rate throughout the year, resulting in annual growth of 11.4%. Strong monthly increases have continued in the first half of FY 2009-10, though the magnitude of the growth appears to be moderating. Given the recent trends and projected economic conditions, the Department is forecasting Medicaid caseload to increase by 14.1% in FY 2009-10 to 498,424. Of the projected caseload increase of 61,612 in FY 2009-10, some 750 are anticipated to be the result of the Expansion Adults eligibility increase to 100% of the federal poverty level. Caseload is anticipated to continue growing at a decreasing rate through the forecast period. In FY 2010-11, the positive trend is projected to moderate to 10.9%, and caseload is forecasted to reach 540,627. The Expansion Adults expansion is a large factor in this projected growth rate, accounting for 12,250 of the projected 54,453 caseload increase in FY 2010-11. The following table shows actual and projected aggregate Medicaid caseload from FY 2003-04 through FY 2011-12.

<b>Fiscal Year</b>	<b>Medicaid Caseload</b>	<b>Growth Rate</b>	<b>Level Growth</b>
FY 2003-04	367,559	10.78%	35,759
FY 2004-05	406,024	10.46%	38,465
FY 2005-06	402,218	-0.94%	-3,806
FY 2006-07	392,228	-2.48%	-9,990
FY 2007-08	391,962	-0.07%	-266
FY 2008-09	436,812	11.44%	44,850
FY 2009-10 projection	498,424	14.10%	61,612
FY 2010-11 projection	552,877	10.93%	54,453
FY 2011-12 projection	601,892	8.87%	49,015

## **METHODOLOGY**

The Department's caseload projections utilize statistical forecasting methodologies to predict the Medicaid caseload by eligibility category. Historical monthly caseload data from July 1993 to December 2009 and historical and forecasted economic and demographic data that were revised in December 2009 were used. Two forecasting methodologies were used: trend and regression. The software used by the Department for developing trend and regression forecasts is *Forecast Pro XE*.

### **Trend Models**

Trend models have been very successful in forecasting Medicaid caseloads. There are two types of trend models used to forecast caseload: Box Jenkins and Exponential Smoothing. Each model employs a different mathematical algorithm that uses only the trend history of the variable itself to predict future values. The choice of algorithm varies depending on the statistical properties of the time-series. For example, if a time-series exhibits seasonal patterns, the algorithm adjusts for those variations. *Forecast Pro XE* is programmed to recommend logarithmic and other exponential transformations to the data series when appropriate, and will recommend whether an Exponential Smoothing technique or the Box-Jenkins methodology is best for the particular series. Generally, both trend techniques are used to forecast caseload for each eligibility category. This allows for a greater choice of projections for the Department to consider.

#### *Exponential Smoothing*

For over thirty years, Exponential Smoothing models have been used to forecast data within a variety of applications. Considered simplistic, Exponential Smoothing models extract trend and seasonal patterns from a time-series to predict a future stream of values. One advantage of this model is that it produces robust results with limited data sets. This becomes invaluable for Medicaid eligibility categories that have not been in existence for very long, such as the Breast and Cervical Cancer Program category. There are two types of Exponential Smoothing models that address trend and seasonality in time-series data: Holt and Winters. The Holt Exponential Smoothing model adjusts for long-term linear trend in data, while the Winters Exponential Smoothing model adjusts for both trend and seasonal components of data. Both Holt and Winters use recursive equations to determine the estimated parameters of the model, giving more weight to recent observations and exponentially smaller weight to historically distant observations.

#### *Box Jenkins*

As compared to Exponential Smoothing models, Box-Jenkins models are more complex, but often produce results that are more accurate with a time-series that is longer and stable. Box-Jenkins models identify Autoregressive Integrated Moving Average processes that provide a good fit to a stationary time-series. The optimal model can contain numerous autoregressive terms, moving average terms, or combinations thereof, causing the Box-Jenkins models to be much more complex than their Exponential Smoothing counterparts. A minimum of 50 observations is recommended to perform a Box-Jenkins forecast.

### **Regression Models**

Regression analysis, unlike trend analysis, incorporates independent variables when making projections. For example, a regression equation may include the unemployment rate if the forecaster expects that it has an effect on the caseload for Categorically Eligible Low-Income Adults. Statistically, the forecaster can test whether or not there is a relationship between independent variables and the caseload by constructing a correlation matrix. Variables that are highly correlated with the caseload are more likely to be related. Regression equations are useful in that they provide

some insight into why the trend projection is increasing, decreasing, or static. Although regression equations help explain why trends occur, their value depends on the quality of the independent variables used. In order to project caseload, historical and forecasted values of the independent variables must be used. Therefore, the accuracy of the caseload forecast depends on the accuracy of the forecasted independent variables.

In December 2009, the Office of State Planning and Budgeting and the Colorado Department of Local Affairs' Demography Division supplied actual and forecasted values of the following independent variables, which were used in the regression models:

- Employment - level of employment, this variable is measured in thousands;
- Unemployment Rate - the number of unemployed divided by the number in the labor force, this variable is measured as a percent;
- Total Wages - level of total wages, this variable is measured in billions;
- Population by Age Group - level of population broken into specific age groupings;
- Births - number of births per thousand women; and,
- Migration - net increases or decreases in the State population adjusted for births and deaths.

### **Trend vs. Regression Models**

After several different forecasts are produced, the Department normally chooses one for each category. In most eligibility categories, trend and regression projections are considered. In the case of the Expansion Adults category, statistical models can not be applied and the estimate is based on the growth experienced since FY 2006-07.

To determine which model is the best, the Department evaluates each model's forecast on two criteria: goodness of fit and expected growth patterns. *Forecast Pro XE* performs several statistical tests that evaluate the goodness of fit. These tests include: serial correlation of first and multiple orders, heteroskedasticity, robustness of error terms, and collinearity. Each model is judged on its statistical soundness, and models that perform poorly are eliminated. Elimination is subjective, and directly related to the model's statistical performance. Finally, the Department is left with a reduced menu of forecasts to consider. Historical patterns, along with economic and policy expectations are considered, and one model is chosen to be the best. In some cases, the forecasts that are produced by the models are adjusted upward or downward based on information that is not internal to the model.

## **CATEGORICAL PROJECTIONS**

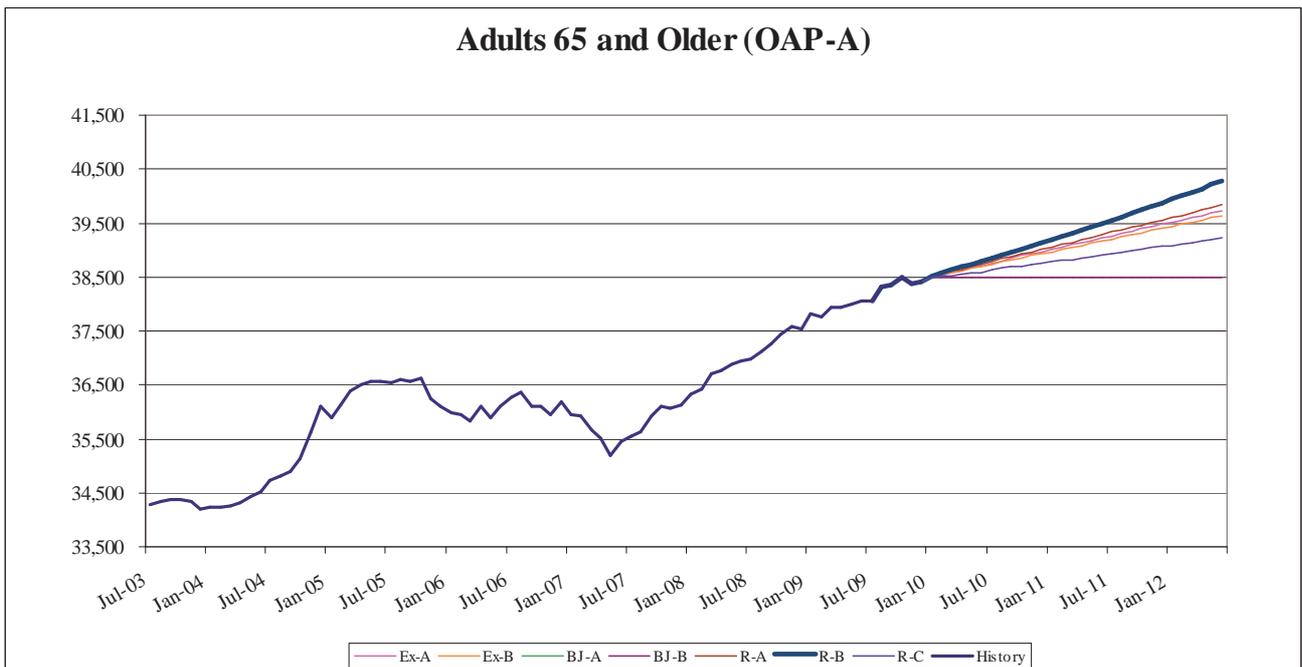
This section details the caseload projections by eligibility category. For each category, the following are presented: a discussion of the category, model results, rationale for the forecast, statutory authority, and historical caseload and forecasts. FY 2011-12 projections are included for informational purposes. Graphical representations of caseload history to FY 2003-04 are included in each categorical section.

### **Adults 65 and Older**

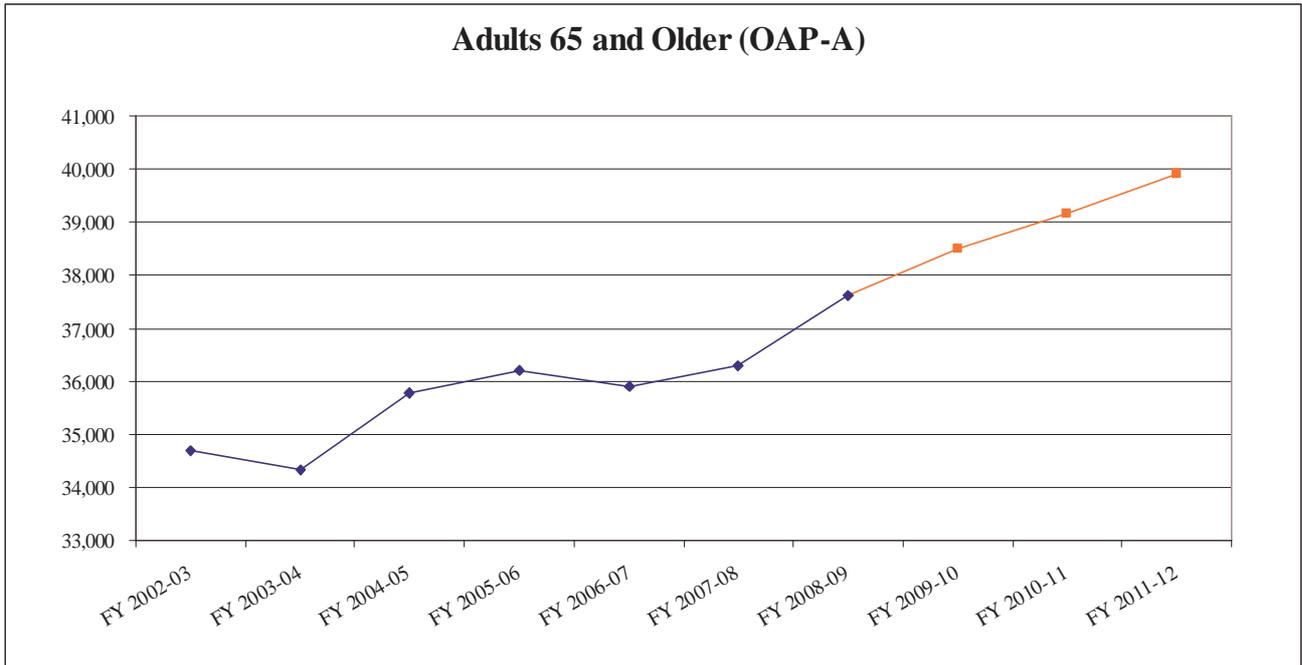
Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. The Supplemental Security Income adults aged 65 and older are included in this category. Also included are individuals aged 65 and older who meet the Medicaid resource

and income requirements, but are not receiving Supplemental Security Income. In addition, states may extend coverage to individuals with incomes above the Supplemental Security Income limit, and who meet the nursing home level of care. Referred to as Three-hundred Percenters, these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home. Three-hundred Percenters constitute greater than half of the enrollees in the Home and Community Based Services, Elderly, Blind, and Disabled waiver program.

**Adults 65 and Older: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A*	0.9958	
Exponential Smoothing B	0.9849	
Box-Jenkins A	0.9960	
Box-Jenkins B*	0.9855	
Regression A	0.9961	OAP-A [-1], OAP-A [-2], CBMS Dummy
Regression B	0.9967	OAP-A [-1], Population 65+, CBMS Dummy, CBMS Dummy [-1], Auto [-1], Auto [-9]
Regression C	0.9953	OAP-A [-1], Total Population, CBMS Dummy, Trend, Auto [-11]



Adults 65 and Older: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	36,284	37,619	2.25%	38,465	846	55
Exponential Smoothing B	36,284	37,619	2.25%	38,465	846	54
Box Jenkins A	36,284	37,619	2.10%	38,409	790	37
Box Jenkins B*	36,284	37,619	2.11%	38,413	794	38
Regression A	36,284	37,619	2.29%	38,480	861	58
<b>Regression B</b>	<b>36,284</b>	<b>37,619</b>	<b>2.33%</b>	<b>38,496</b>	<b>877</b>	<b>62</b>
Regression C	36,284	37,619	2.17%	38,435	816	45

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	37,619	38,496	1.35%	39,016	520	43
Exponential Smoothing B	37,619	38,496	1.26%	38,981	485	39
Box Jenkins A	37,619	38,496	0.20%	38,573	77	0
Box Jenkins B*	37,619	38,496	0.22%	38,581	85	0
Regression A	37,619	38,496	1.43%	39,046	550	45
<b>Regression B</b>	<b>37,619</b>	<b>38,496</b>	<b>1.73%</b>	<b>39,162</b>	<b>666</b>	<b>59</b>
Regression C	37,619	38,496	0.86%	38,827	331	26

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	38,496	39,162	1.31%	39,675	513	43
Exponential Smoothing B	38,496	39,162	1.20%	39,632	470	39
Box Jenkins A	38,496	39,162	0.00%	39,162	0	0
Box Jenkins B*	38,496	39,162	0.00%	39,162	0	0
Regression A	38,496	39,162	1.40%	39,710	548	46
<b>Regression B</b>	<b>38,496</b>	<b>39,162</b>	<b>1.92%</b>	<b>39,914</b>	<b>752</b>	<b>66</b>
Regression C	38,496	39,162	0.79%	39,471	309	27

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

**Adults 65 and Older: Trend Selections**

FY 2009-10: 2.339%

FY 2010-11: 1.73%

FY 2011-12: 1.92%

**Adults 65 and Older: Justifications**

- This population is not affected by the “baby boomers”, defined by the U.S. Census Bureau as the generation born between 1946 and 1964, until approximately calendar year 2011.
- Regression analysis indicates that the caseload for this population is not significantly correlated with the size of the over-65 population or economic conditions. Data for FY 2008-09 indicate that approximately 31.6% of this eligibility type were automatically eligible for Medicaid due to their receipt of Supplemental Security Income (Source: MARS 474701 report). Additionally, 86.3% of this population were eligible for both Medicaid and Medicare (dual eligible) in FY 2008-09.
- This population may be affected by provisions in the Deficit Reduction Act of 2005, notably sections 6011 (lengthening of look-back period), 6012 (treatment of annuities), 6014 (disqualification of individuals with substantial home equity), 6015 (reform of asset test rules). These provisions may decrease the long-term growth rates as fewer people may now be eligible due to these provisions.
- The graph above shows that historically, this population has had relatively flat growth, though monthly growth has been strong since FY 2007-08. Between FY 2002-03 and FY 2006-07, the caseload increased by an average of 19 clients per month, compared with 108 in FY 2007-08 and FY 2008-09. Historical growth rates are stable and tend to fluctuate between 1% and 2%. The Department suspects that the high growth rate in FY 2004-05 is due to the court order regarding the Colorado Benefits Management System. The Department speculates that the decline in FY 2006-07 may be indicative that the effects of the asset and annuities provisions in the Deficit Reduction Act may be stronger than expected. The Department has seen strong growth in the Home- and Community-based Services for the Elderly, Blind, and Disabled waiver over the last two years. There has also been a large increase in the number of clients in this eligibility type who are not eligible for Supplemental Security Income (SSI) or on a waiver. The Department believes this is related to caseload declines in the State-only Old Age Pension Health and Medical Care program, which were caused by the implementation of new requirements around Systematic Alien Verification for Entitlements (SAVE) to comply with HB 06S-1023 and Department regulations.
- Growth in FY 2009-10 has been in line with the Department’s November 2009 forecast, in which the annual caseload was projected to be 38,556 and average monthly growth was projected to be 72. The selected trend for FY 2009-10 is slightly lower than that from the Department’s November 2009 forecast, and would result in average growth of **72 per month** for the remainder of FY 2009-10. While the year-to-date average monthly growth has been higher than this projection, this is largely influenced by a strong increase in August 2009.
- Out-year trends are moderately positive to reflect the aging population, and are slightly lower than long-term trends to reflect the Deficit Reduction provisions, which may negatively affect caseload.

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(f) *Individuals receiving supplemental security income;*

(g) *Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*

(h) *Institutionalized individuals who were eligible for medical assistance in December 1973;*

(i) *Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*

(j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;

25.5-5-201 (1), C.R.S. (2009)

(b) Individuals who would be eligible for cash assistance except for their institutionalized status;

(c) Individuals receiving home-and community-based services as specified in part 6 of this article;

(f) Individuals receiving only optional state supplement;

(g) Individuals in institutions who are eligible under a special income level. Colorado's program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;

(j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;

**Adults 65 and Older: Historical Caseload and Forecasts**

Adults 65 and Older: Historical Caseload and Projections							
	Actuals	Monthly Change	% Change		Caseload*	% Change	Level Change
Dec-07	36,126	-	-	FY 1995-96	31,321	-	-
Jan-08	36,329	203	0.56%	FY 1996-97	32,080	2.42%	759
Feb-08	36,418	89	0.24%	FY 1997-98	32,664	1.82%	584
Mar-08	36,702	284	0.78%	FY 1998-99	33,007	1.05%	343
Apr-08	36,771	69	0.19%	FY 1999-00	33,135	0.39%	128
May-08	36,897	126	0.34%	FY 2000-01	33,649	1.55%	514
Jun-08	36,932	35	0.09%	FY 2001-02	33,916	0.79%	267
Jul-08	36,961	29	0.08%	FY 2002-03	34,704	2.32%	788
Aug-08	37,127	166	0.45%	FY 2003-04	34,329	-1.08%	(375)
Sep-08	37,273	146	0.39%	FY 2004-05	35,780	4.23%	1,451
Oct-08	37,441	168	0.45%	FY 2005-06	36,207	1.19%	427
Nov-08	37,591	150	0.40%	FY 2006-07	35,888	-0.88%	(319)
Dec-08	37,530	(61)	-0.16%	FY 2007-08	36,284	1.10%	396
Jan-09	37,814	284	0.76%	FY 2008-09	37,619	3.68%	1,335
Feb-09	37,769	(45)	-0.12%	FY 2009-10	38,496	2.33%	877
Mar-09	37,942	173	0.46%	FY 2010-11	39,162	1.73%	666
Apr-09	37,947	5	0.01%	FY 2011-12	39,914	1.92%	752
May-09	37,989	42	0.11%				
Jun-09	38,044	55	0.14%				
Jul-09	38,058	14	0.04%				
Aug-09	38,306	248	0.65%				
Sep-09	38,346	40	0.10%				
Oct-09	38,480	134	0.35%				
Nov-09	38,387	(93)	-0.24%				
Dec-09	38,410	23	0.06%				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

November 2009 Trends			
FY 2009-10	38,556	2.49%	937
FY 2010-11	39,030	1.23%	474
FY 2011-12	39,510	1.23%	480

Monthly Average Growth Comparisons		
FY 2009-10 Year-to-date	61	0.16%
FY 2009-10 2nd Half Forecast	72	0.19%
November 2009 Forecast	72	0.19%
FY 2010-11 Forecast	59	0.15%
November 2009 Forecast	39	0.10%
FY 2011-12 Forecast	66	0.17%
November 2009 Forecast	40	0.10%

FY 2009-10 Year-to-date			
FY 2009-10	38,331	1.89%	712

Actuals		
	Monthly Change	% Change
6-month average	61	0.16%
12-month average	73	0.19%
18-month average	82	0.22%
24-month average	95	0.21%

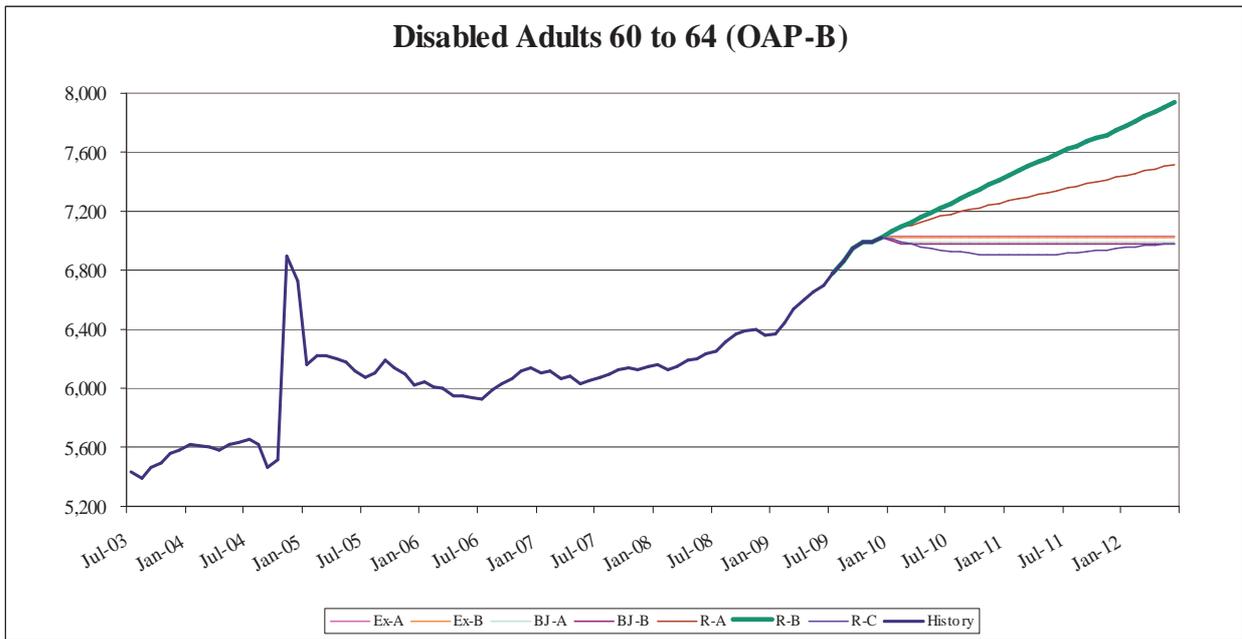
Base trend from December 2009 level			
FY 2009-10	38,410	2.10%	791

**Disabled Adults 60 to 64**

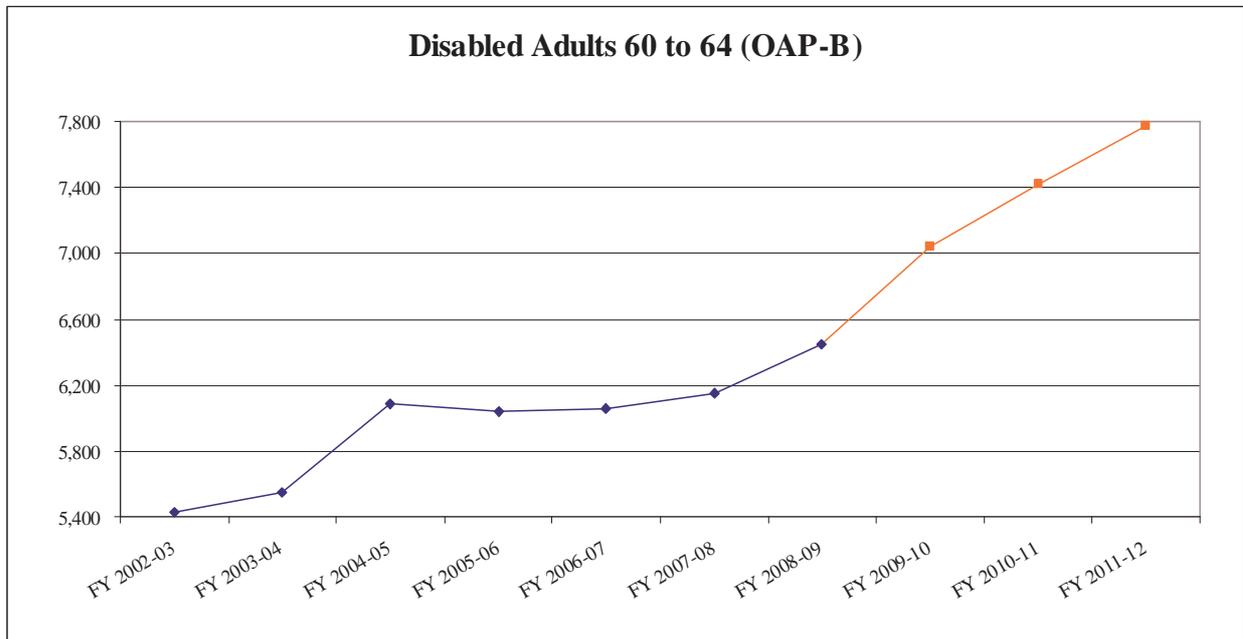
Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. Disabled adults aged 60 to 64 who are eligible for Supplemental Security Income are included in this category. In addition, states may extend coverage to individuals with incomes above the Supplemental Security Income limit, and who meet the nursing home level of care. Referred to as Three-hundred Percenters, these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home.

Quality control checks are completed from time to time to look for eligibility coding errors that commonly result in clients being misclassified between this Medicaid category and the Old Age Pension State Medical Program (non-Medicaid) category. Historical miscoding can make it difficult to forecast this Medicaid category as groups of individuals identified through this process may be abruptly moved in and out of this category.

**Disabled Adults 60 to 64: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A*	0.9795	
Exponential Smoothing B*	0.9094	
Box-Jenkins A	0.9821	
Box-Jenkins B	0.9295	
Regression A	0.9962	OAP-B [-1], OAP-B [-3], CBMS Dummy, Auto [-4]
Regression B	0.9955	OAP-B [-1], Population 60-64, CBMS Dummy, CBMS Dummy [-1], Trend
Regression C	0.9971	OAP-B [-1], OAP-B [-2], Total Population, CBMS Dummy, CBMS Dummy [-2], Constant



Disabled Adults 60 to 64: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	6,146	6,447	8.30%	6,982	535	29
Exponential Smoothing B*	6,146	6,447	8.22%	6,977	530	28
Box Jenkins A	6,146	6,447	8.02%	6,964	517	25
Box Jenkins B	6,146	6,447	7.88%	6,955	508	24
Regression A	6,146	6,447	8.97%	7,025	578	39
<b>Regression B</b>	<b>6,146</b>	<b>6,447</b>	<b>9.14%</b>	<b>7,036</b>	<b>589</b>	<b>44</b>
Regression C	6,146	6,447	7.82%	6,951	504	21

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	6,447	7,036	0.74%	7,088	52	0
Exponential Smoothing B*	6,447	7,036	0.69%	7,085	49	0
Box Jenkins A	6,447	7,036	0.45%	7,068	32	0
Box Jenkins B	6,447	7,036	0.30%	7,057	21	0
Regression A	6,447	7,036	3.36%	7,272	236	15
<b>Regression B</b>	<b>6,447</b>	<b>7,036</b>	<b>5.51%</b>	<b>7,424</b>	<b>388</b>	<b>31</b>
Regression C	6,447	7,036	-0.60%	6,994	(42)	(2)

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	7,036	7,424	0.00%	7,424	0	0
Exponential Smoothing B*	7,036	7,424	0.00%	7,424	0	0
Box Jenkins A	7,036	7,424	0.00%	7,424	0	0
Box Jenkins B	7,036	7,424	0.00%	7,424	0	0
Regression A	7,036	7,424	2.40%	7,602	178	15
<b>Regression B</b>	<b>7,036</b>	<b>7,424</b>	<b>4.67%</b>	<b>7,771</b>	<b>347</b>	<b>29</b>
Regression C	7,036	7,424	0.56%	7,466	42	6

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

***Disabled Adults 60 to 64: Trend Selections***

FY 2009-10: 9.14%

FY 2010-11: 5.51%

FY 2011-12: 4.67%

***Disabled Adults 60 to 64: Justifications***

- The 1,615 client caseload spike in November 2004 is directly related to the court order regarding the Colorado Benefits Management System. Of this group, 1,166 clients came from the Disabled Adults to 59 (AND/AB) population, while the remaining 449 clients came from the Adults 65 and Older (OAP-A) population. This has been corrected for in regressions.
- Historically, this category has displayed consistently slow growth, with caseload increasing by an average of 4 clients per month since FY 2002-03, excluding the level shift that occurred from the court order regarding the Colorado Benefits Management System. This population, like the Adults 65 and Older category, may be affected by the asset and annuities provisions in the Deficit Reduction Act of 2005, which would promote low growth. This category will begin to be affected by the baby-boom generation, defined by the U.S. Census Bureau as the generation born between 1946 and 1964, beginning in calendar year 2006, which may support higher growth. The Department has seen strong growth in the Home- and Community-based Services for the Elderly, Blind, and Disabled waiver over the last two years. There has also been a large increase in the number of clients in this eligibility type who are not eligible for Supplemental Security Income (SSI) or on a waiver. The Department believes this is related to caseload declines in the State-only Old Age Pension Health and Medical Care program, which were caused by the implementation of new requirements around Systematic Alien Verification for Entitlements (SAVE) to comply with HB 06S-1023 and Department regulations.
- However, because this population is disabled, the effects of both the baby boom generation and the Deficit Reduction Act are likely to be mitigated. Data for FY 2008-09 indicate that approximately 55.1% of this eligibility type were automatically eligible for Medicaid due to their receipt of Supplemental Security Income (Source: MARS 474701 report), compared with 31.6% of OAP-A. Additionally, 45.4% of this population were dual eligibles in FY 2008-09.
- Growth in FY 2009-10 has been much higher than the Department's November 2009 forecast, in which the annual caseload was projected to be 6,837 and average monthly growth was projected to be 20. The selected trend for FY 2009-10 is higher than that from the November 2009 forecast, and would yield average growth of **34 per month** for the remainder of FY 2009-10. The high forecasted annual growth rate for FY 2009-10 is partially due to the strong increases experienced at the end of FY 2008-09, which leaves caseload at a high starting point for FY 2009-10. It is also reflective of the increasing trend in monthly growth seen over the last two years.
- Out-year trends are moderate, as this population may become affected by a larger portion of the baby-boom generation over the next 5 years. This age group is forecasted to be the fastest growing population in Colorado, with projected increases of an average of approximately 6.8% per year over the forecast period.

25.5-5-101 (1), C.R.S. (2009)

*(f) Individuals receiving supplemental security income;*

*(g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*

*(h) Institutionalized individuals who were eligible for medical assistance in December 1973;*

*(i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*

(j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;

25.5-5-201 (1), C.R.S. (2009)

(b) Individuals who would be eligible for cash assistance except for their institutionalized status;

(c) Individuals receiving home-and community-based services as specified in part 6 of this article;

(f) Individuals receiving only optional state supplement;

(g) Individuals in institutions who are eligible under a special income level. Colorado's program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;

(j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;

**Disabled Adults 60 to 64: Historical Caseload and Forecasts**

Disabled Adults 60 to 64: Historical Caseload and Projections			
	Actuals	Monthly Change	% Change
Dec-07	6,150	-	-
Jan-08	6,158	8	0.13%
Feb-08	6,128	(30)	-0.49%
Mar-08	6,145	17	0.28%
Apr-08	6,188	43	0.70%
May-08	6,203	15	0.24%
Jun-08	6,227	24	0.39%
Jul-08	6,249	22	0.35%
Aug-08	6,317	68	1.09%
Sep-08	6,369	52	0.82%
Oct-08	6,386	17	0.27%
Nov-08	6,399	13	0.20%
Dec-08	6,361	(38)	-0.59%
Jan-09	6,367	6	0.09%
Feb-09	6,438	71	1.12%
Mar-09	6,539	101	1.57%
Apr-09	6,597	58	0.89%
May-09	6,654	57	0.86%
Jun-09	6,691	37	0.56%
Jul-09	6,774	83	1.24%
Aug-09	6,863	89	1.31%
Sep-09	6,945	82	1.19%
Oct-09	6,985	40	0.58%
Nov-09	6,986	1	0.01%
Dec-09	7,025	39	0.56%

	Caseload*	% Change	Level Change
FY 1995-96	4,261	-	-
FY 1996-97	4,429	3.94%	168
FY 1997-98	4,496	1.51%	67
FY 1998-99	4,909	9.19%	413
FY 1999-00	5,092	3.73%	183
FY 2000-01	5,157	1.28%	65
FY 2001-02	5,184	0.52%	27
FY 2002-03	5,431	4.76%	247
FY 2003-04	5,548	2.15%	117
FY 2004-05	6,082	9.63%	534
FY 2005-06	6,042	-0.66%	(40)
FY 2006-07	6,059	0.28%	17
FY 2007-08	6,146	1.44%	87
FY 2008-09	6,447	4.90%	301
FY 2009-10	7,036	9.14%	589
FY 2010-11	7,424	5.51%	388
FY 2011-12	7,771	4.67%	347

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

November 2009 Trends			
FY 2009-10	6,837	6.05%	390
FY 2010-11	7,009	2.52%	172
FY 2011-12	7,152	2.04%	143

Monthly Average Growth Comparisons		
FY 2009-10 Year-to-date	56	0.82%
FY 2009-10 2nd Half Forecast	34	0.48%
November 2009 Forecast	20	0.30%
FY 2010-11 Forecast	31	0.43%
November 2009 Forecast	12	0.17%
FY 2011-12 Forecast	29	0.40%
November 2009 Forecast	12	0.17%

FY 2009-10 Year-to-date			
FY 2009-10	6,930	7.49%	483

Actuals		
	Monthly Change	% Change
6-month average	56	0.82%
12-month average	55	0.83%
18-month average	44	0.67%
24-month average	36	0.66%

Base trend from December 2009 level			
FY 2009-10	7,025	8.97%	578

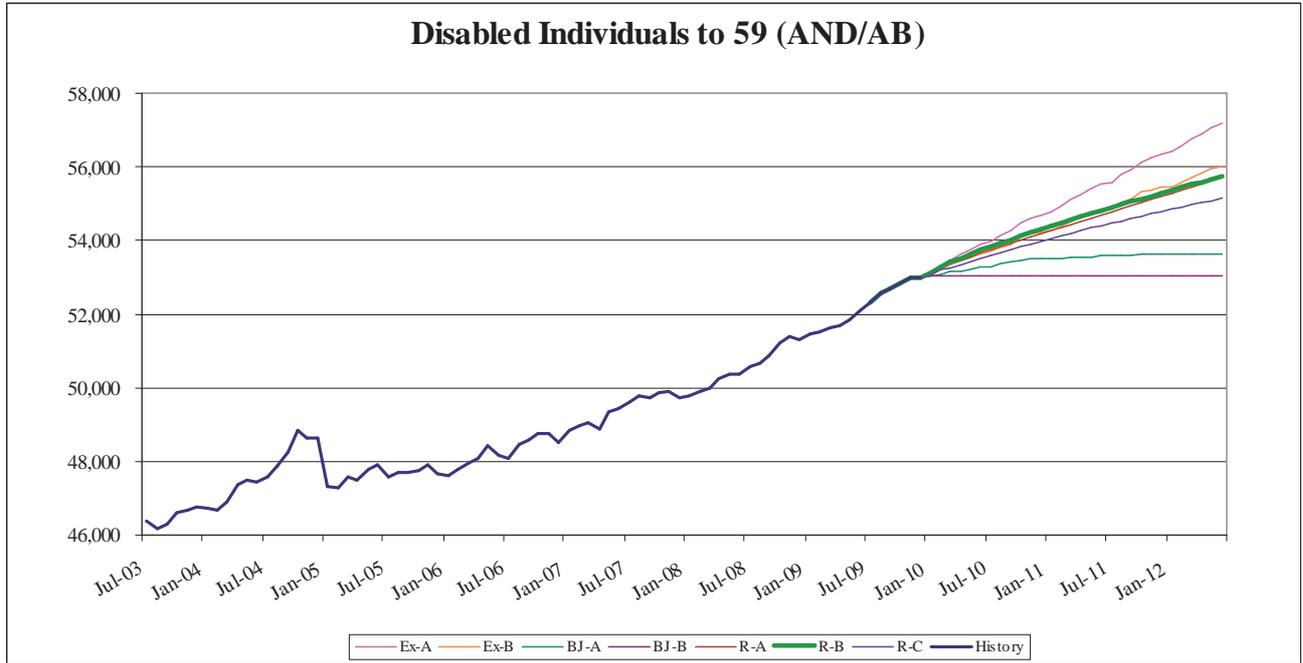
### **Disabled Individuals to 59**

Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. This category includes the disabled portion of this group through age 59. These individuals: are blind, have a physical or mental impairment that keeps them from performing substantial work expected to last 12 months or result in death, or are children who have a marked and severe functional limitation expected to last 12 months or until death. Children were added to the Title XVI Act in 1972. In addition, states may extend coverage to individuals with incomes too high for Supplemental Security Income, and who meet the nursing facility level of care. Referred to as Three-hundred Percenters, these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home. Often, Three-hundred Percenters are enrolled in a Home and Community Based waiver program.

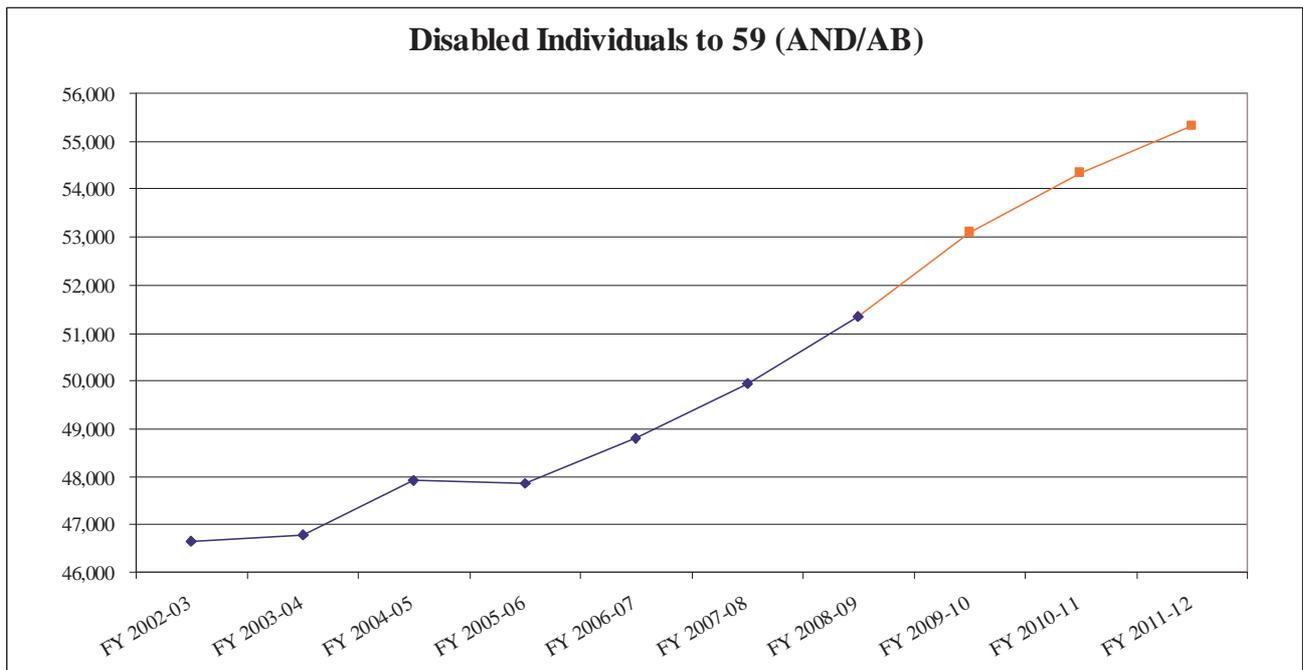
The 1990 outcome of the *Zebley v. Sullivan* lawsuit found that children could not be held to higher standard of disability than adults. *Zebley* required that children's disability be measured using child appropriate activities. As a result, the number of children determined to be disabled significantly increased until 1996. Welfare reform in 1996 tightened the disability criteria for children. An Individual Evaluation Plan from the public school system was no longer sufficient to verify disability, and children were required to have a physician document their level of functional impairment. However, any child receiving Supplemental Security Income before 1996 who lost his/her Supplemental Security Income benefits due to the new rules is still eligible for Medicaid. This category also includes disabled adult children age 18 and older who lost their Supplemental Security Income eligibility due to their parents receiving Social Security Administration benefits and disabled widows and widowers aged 50 to 64 who lost Supplemental Security Income due to the receipt of Social Security Administration benefits.

In July 2001, the Med-9 disability determination application process was disbanded due to federal requirements. This process let individuals under 65 who were seeking Medicaid coverage because of a disability experience an expeditious application process as compared to other applicants. By discontinuing the Med-9, clients underwent a more rigorous eligibility determination and caseload fell slightly.

**Disabled Individuals to 59: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A*	0.9951	
Exponential Smoothing B	0.9870	
Box-Jenkins A	0.9947	
Box-Jenkins B*	0.9853	
Regression A	0.9922	AND/AB [-1], AND/AB [-3], Auto [-5]
Regression B	0.9915	AND/AB [-1], AND/AB [-9], Migration, Auto [-4]
Regression C	0.9879	AND/AB [-1], AND/AB [-24], Auto [-4]



Disabled Individuals to 59: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	49,933	51,355	3.47%	53,137	1,782	149
Exponential Smoothing B*	49,933	51,355	3.31%	53,055	1,700	127
Box Jenkins A	49,933	51,355	3.11%	52,952	1,597	99
Box Jenkins B	49,933	51,355	3.01%	52,901	1,546	79
Regression A	49,933	51,355	3.36%	53,081	1,726	129
<b>Regression B</b>	<b>49,933</b>	<b>51,355</b>	<b>3.39%</b>	<b>53,096</b>	<b>1,741</b>	<b>136</b>
Regression C	49,933	51,355	3.25%	53,024	1,669	117

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	51,355	53,096	3.07%	54,726	1,630	137
Exponential Smoothing B*	51,355	53,096	2.31%	54,323	1,227	99
Box Jenkins A	51,355	53,096	1.00%	53,627	531	23
Box Jenkins B	51,355	53,096	0.30%	53,255	159	0
Regression A	51,355	53,096	2.13%	54,227	1,131	85
<b>Regression B</b>	<b>51,355</b>	<b>53,096</b>	<b>2.35%</b>	<b>54,344</b>	<b>1,248</b>	<b>90</b>
Regression C	51,355	53,096	1.87%	54,089	993	74

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	53,096	54,344	3.00%	55,974	1,630	137
Exponential Smoothing B*	53,096	54,344	2.20%	55,540	1,196	99
Box Jenkins A	53,096	54,344	0.26%	54,485	141	6
Box Jenkins B	53,096	54,344	0.00%	54,344	0	0
Regression A	53,096	54,344	1.87%	55,360	1,016	85
<b>Regression B</b>	<b>53,096</b>	<b>54,344</b>	<b>1.81%</b>	<b>55,328</b>	<b>984</b>	<b>78</b>
Regression C	53,096	54,344	1.49%	55,154	810	61

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

**Disabled Individuals to 59: Trend Selections**

FY 2009-10: 3.39%  
 FY 2010-11: 2.35%  
 FY 2011-12: 1.81%

**Disabled Individuals to 59: Justifications**

- As the graph above shows, caseload growth through FY 2003-04 remained relatively constant, with average monthly growth of 32 clients in FY 2002-03 and FY 2003-04. The elimination of the Med-9 disability determination has also contributed to slower growth.
- HB 05-1262 expanded the number of children that can be enrolled in the Children’s Home and Community Based Service Waiver Program and the Children’s Extensive Support Waiver Program. The original expansion was 527 slots, which began to be filled in FY 2005-06. During the March 13, 2006 Figure Setting, the number of expansion slots funded under the Tobacco Tax bill was increased by 200 in the Children’s Home and Community Based Service Waiver Program and 30 in the Children’s Extensive Support Waiver Program. The Department received approval for the additional expansions from the Centers for Medicare and Medicaid Services in December 2006. All new Children’s Home and Community Based Service expansion slots were filled by FY 2007-08.

- This population has historically been stable, having increased by approximately 5,000 clients between FY 1998-99 and FY 2008-09, or an average of 1.0% per year. However, growth rates in this population have increased significantly in the last three fiscal years, with caseload in Home- and Community-Based Services waivers showing particularly strong growth.
- As this category is disabled, economic conditions have a small impact on this group. Only a small segment of the population has the ability to shift on-and-off Medicaid, which leads to a relatively stable population; economic conditions play a smaller role in the size of this population. In FY 2008-09, approximately 67.9% of this population received Supplemental Security Income and are therefore automatically Medicaid eligible (Source: MARS 474701 report). Additionally, 33.7% of this population were dual eligibles in FY 2008-09.
- Growth in FY 2009-10 has been much higher than the Department's November 2009 forecast, in which the annual caseload was projected to be 52,711 and average monthly growth was projected to be 88. The selected trend for FY 2009-10 is higher than the November 2009 forecast, and would yield average growth of **130 per month** for the remainder of FY 2009-10. This higher forecasted growth rate reflects the continuation of strong monthly growth experienced over the last two years.
- Out-year growth is projected to moderate and maintain a long-term trend.

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- (f) Individuals receiving supplemental security income;*
- (g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*
- (h) Institutionalized individuals who were eligible for medical assistance in December 1973;*
- (i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*
- (j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;*
- (k) Disabled widows or widowers fifty through sixty years of age who have become ineligible for federal supplemental security income or state supplementation as a result of becoming eligible for federal social security survivor's benefits, in accordance with the social security act, 42 U.S.C. sec. 1383c;*

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- (b) Individuals who would be eligible for cash assistance except for their institutionalized status;*
- (c) Individuals receiving home-and community-based services as specified in part 6 of this article;*
- (f) Individuals receiving only optional state supplement;*
- (g) Individuals in institutions who are eligible under a special income level. Colorado's program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;*
- (j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;*

**Disabled Individuals to 59: Historical Caseload and Forecasts**

Disabled Individuals to 59: Historical Caseload and Projections				Disabled Individuals to 59: Historical Caseload and Projections			
	Actuals	Monthly Change	% Change		Caseload*	% Change	Level Change
Dec-07	49,741	-	-	FY 1995-96	44,736	-	-
Jan-08	49,785	44	0.09%	FY 1996-97	46,090	3.03%	1,354
Feb-08	49,891	106	0.21%	FY 1997-98	46,003	-0.19%	(87)
Mar-08	49,989	98	0.20%	FY 1998-99	46,310	0.67%	307
Apr-08	50,237	248	0.50%	FY 1999-00	46,386	0.16%	76
May-08	50,358	121	0.24%	FY 2000-01	46,046	-0.73%	(340)
Jun-08	50,351	(7)	-0.01%	FY 2001-02	46,349	0.66%	303
Jul-08	50,565	214	0.43%	FY 2002-03	46,647	0.64%	298
Aug-08	50,671	106	0.21%	FY 2003-04	46,789	0.30%	142
Sep-08	50,864	193	0.38%	FY 2004-05	47,929	2.44%	1,140
Oct-08	51,201	337	0.66%	FY 2005-06	47,855	-0.15%	(74)
Nov-08	51,406	205	0.40%	FY 2006-07	48,799	1.97%	944
Dec-08	51,298	(108)	-0.21%	FY 2007-08	49,933	2.32%	1,134
Jan-09	51,452	154	0.30%	FY 2008-09	51,355	2.85%	1,422
Feb-09	51,494	42	0.08%	FY 2009-10	53,096	3.39%	1,741
Mar-09	51,640	146	0.28%	FY 2010-11	54,344	2.35%	1,248
Apr-09	51,695	55	0.11%	FY 2011-12	55,328	1.81%	984
May-09	51,862	167	0.32%				
Jun-09	52,107	245	0.47%				
Jul-09	52,315	208	0.40%				
Aug-09	52,573	258	0.49%				
Sep-09	52,710	137	0.26%				
Oct-09	52,847	137	0.26%				
Nov-09	52,982	135	0.26%				
Dec-09	53,000	18	0.03%				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

November 2009 Trends			
FY 2009-10	52,711	2.64%	1,356
FY 2010-11	53,517	1.53%	806
FY 2011-12	54,181	1.24%	664

FY 2009-10 Year-to-date			
FY 2009-10	52,738	2.69%	1,383

Actuals		
	Monthly Change	% Change
6-month average	149	0.28%
12-month average	142	0.27%
18-month average	147	0.29%
24-month average	136	0.27%

Monthly Average Growth Comparisons		
FY 2009-10 Year-to-date	149	0.28%
FY 2009-10 2nd Half Forecast	130	0.24%
November 2009 Forecast	88	0.17%
FY 2010-11 Forecast	90	0.17%
November 2009 Forecast	61	0.12%
FY 2011-12 Forecast	78	0.14%
November 2009 Forecast	52	0.10%

Base trend from December 2009 level			
FY 2009-10	53,000	3.20%	1,645

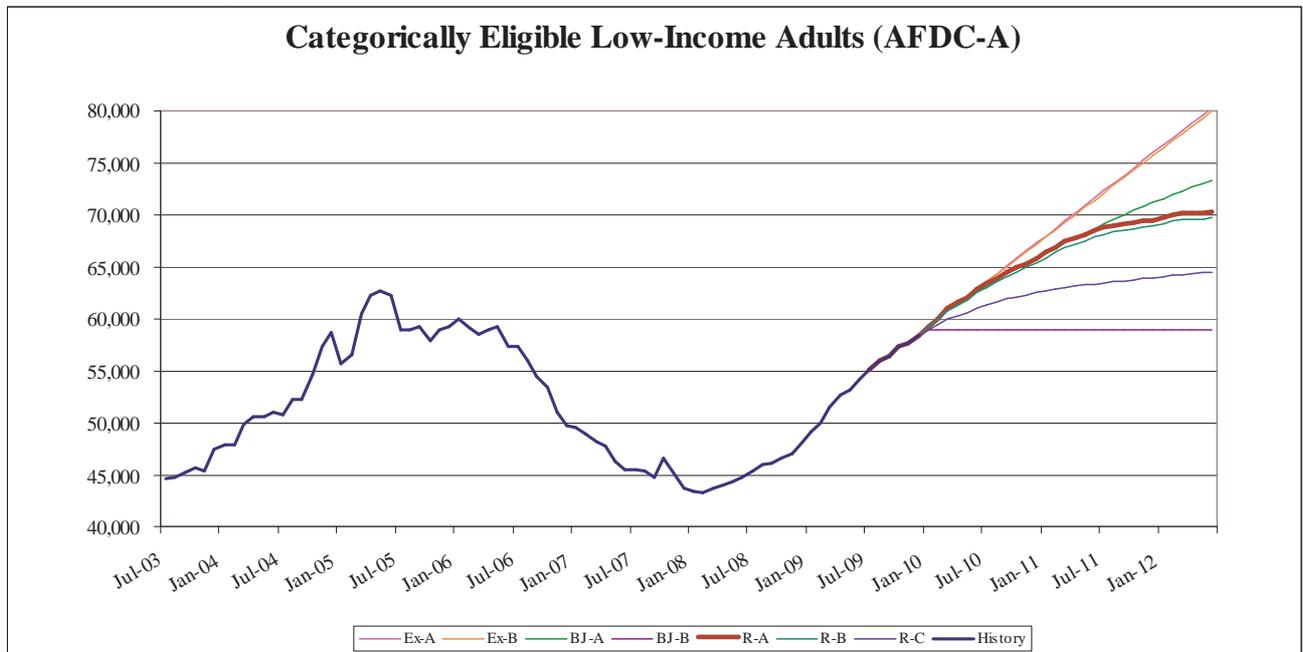
**Categorically Eligible Low-Income Adults**

One of the primary ways that adults qualify for Medicaid is through Section 1931 of the federal Medicaid statute. Under Section 1931, families who were eligible for cash welfare assistance under the Aid to Families with Dependent Children program are still eligible for Medicaid even after the Aid to Families with Dependent Children program was discontinued. Aid to Families with Dependent Children was replaced by the Temporary Assistance for Needy Families program (referred to as Colorado Works) on July 16, 1996. Clients enrolled in the Temporary Assistance for Needy Families program are no longer automatically eligible for Medicaid. Therefore, the Categorically Eligible Low-Income Adults category includes adults who receive Medicaid under Section 1931 and those families who receive Temporary Aid to Needy Families financial assistance coupled with Medicaid. Also included in this category are adults receiving Transitional Medicaid. Transitional Medicaid is available to adults in families who have received 1931 Medicaid in three of the past six months and become ineligible due to an increase in earned income. Adults may receive Transitional Medicaid benefits for up to one year. In FY 2008-09, there were an average of 7,905

adults in this program. Transitional Medicaid benefits have been extended through December 31, 2010, and the Department’s forecast assumes that the program will continue through FY 2011-12.

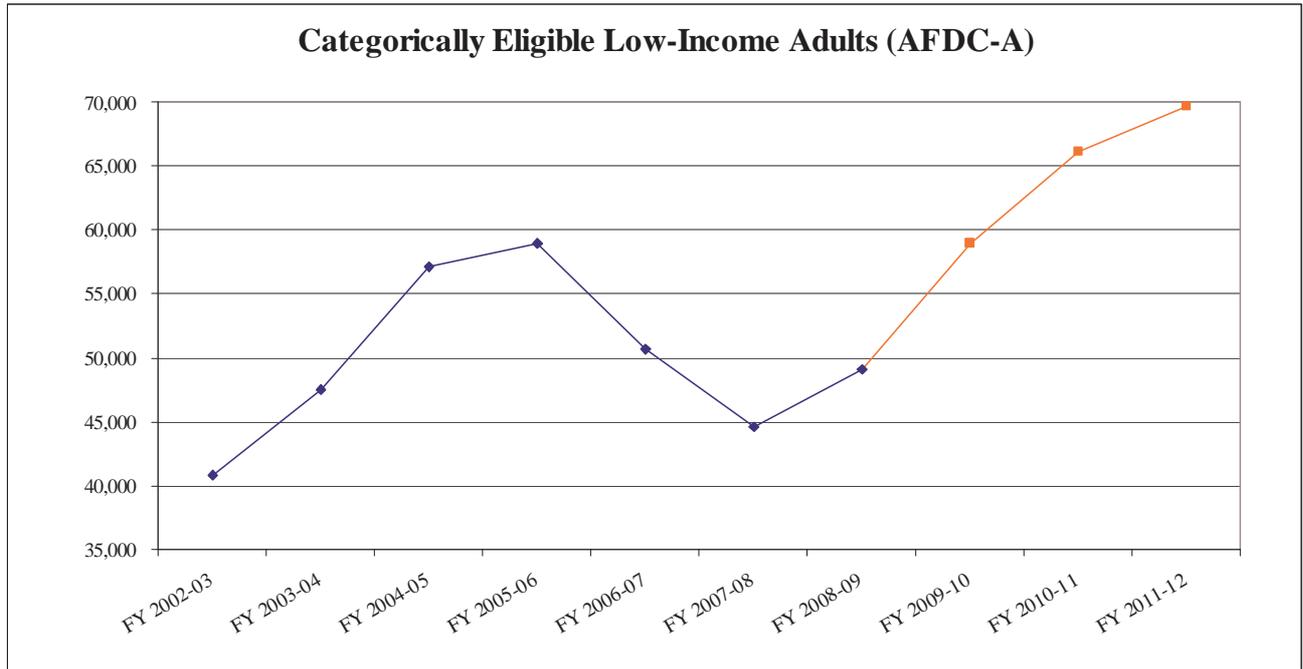
Before 1999, caseload in this category was falling. Decreases in caseload can be attributed to economic expansion and effects of the Personal Responsibility Work and Opportunity Reconciliation Act, known as welfare reform. When welfare reform was instituted in Colorado in 1997, the link between cash assistance for welfare and Medicaid was broken. When the Department implemented this change into the Client Oriented Information Network eligibility data system, it was estimated that 46,006<sup>7</sup> clients had their cases closed in error. In reaction, the Tatum lawsuit was brought against the State. Starting in May 2001, the Department began to reinstate clients who inadvertently lost their Medicaid eligibility. This may help to explain why from 1997 to 1999 caseload fell, and may have contributed to a spike in caseload in FY 2001-02. For a complete explanation of the Tatum lawsuit, see the November 1, 2001 Budget Request, pages A-37 to A-38.

**Categorically Eligible Low-Income Adults: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A	0.9942	
Exponential Smoothing B	0.9888	
Box-Jenkins A*	0.9961	
Box-Jenkins B*	0.9882	
Regression A	0.9958	AFDC-A [-1], AFDC-A [-3], Unemployment Rate, CBMS Dummy, Systems Dummy, Auto [-6]
Regression B	0.9961	AFDC-A [-1], AFDC-A [-9], Unemployment Rate, Total Wages, CBMS Dummy, Systems Dummy, Auto [-6], Auto [-8]
Regression C	0.9961	AFDC-A [-1], AFDC-A [-9], Total Wages, CBMS Dummy, CBMS Dummy [-1], Systems Dummy, Auto [-6]

<sup>7</sup> Source: November 1, 2001 Budget Request, page A-37



Categorically Eligible Low-Income Adults: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	44,555	49,147	19.97%	58,962	9,815	729
Exponential Smoothing B*	44,555	49,147	19.93%	58,942	9,795	724
Box Jenkins A	44,555	49,147	19.80%	58,878	9,731	699
Box Jenkins B	44,555	49,147	17.80%	57,895	8,748	404
<b>Regression A</b>	<b>44,555</b>	<b>49,147</b>	<b>20.01%</b>	<b>58,981</b>	<b>9,834</b>	<b>725</b>
Regression B	44,555	49,147	19.79%	58,873	9,726	697
Regression C	44,555	49,147	18.92%	58,446	9,299	575

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	49,147	58,981	14.69%	67,645	8,664	723
Exponential Smoothing B*	49,147	58,981	14.50%	67,533	8,552	713
Box Jenkins A	49,147	58,981	12.13%	66,135	7,154	512
Box Jenkins B	49,147	58,981	1.93%	60,119	1,138	0
<b>Regression A</b>	<b>49,147</b>	<b>58,981</b>	<b>12.03%</b>	<b>66,076</b>	<b>7,095</b>	<b>470</b>
Regression B	49,147	58,981	11.43%	65,723	6,742	443
Regression C	49,147	58,981	6.92%	63,062	4,081	189

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	58,981	66,076	12.83%	74,554	8,478	723
Exponential Smoothing B*	58,981	66,076	12.67%	74,448	8,372	713
Box Jenkins A	58,981	66,076	8.01%	71,369	5,293	383
Box Jenkins B	58,981	66,076	0.00%	66,076	0	0
<b>Regression A</b>	<b>58,981</b>	<b>66,076</b>	<b>5.37%</b>	<b>69,624</b>	<b>3,548</b>	<b>147</b>
Regression B	58,981	66,076	5.21%	69,519	3,443	151
Regression C	58,981	66,076	2.40%	67,662	1,586	101

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

***Categorically Eligible Low-Income Adults: Trend Selections***

FY 2009-10: 20.01%

FY 2010-11: 12.03%

FY 2011-12: 5.37%

***Categorically Eligible Low-Income Adults: Justifications***

- Caseload trends in this category are highly affected by economic conditions, and tend to be positively correlated with the population of adults aged 19 to 59. Growth in the 19 to 59 population dropped from approximately 2.6% per year from FY 1995-96 to FY 2001-02 to 1.3% per year from FY 2002-03 to FY 2008-09. The growth in this population is projected to remain at an average of 0.8% over the forecast period<sup>8</sup>. The economy is projected remain weak over the forecast period, with the unemployment rate to increase from 4.9% in 2008 to 7.4% in 2009 and 8.0% in 2010. Personal income is projected to decline by 2.6% in 2009, with moderate growth of 0.6% in 2010, increasing to 3.7% in 2010.<sup>9</sup>
- There were large and consistent declines between July 2006 and December 2007, which seems to indicate that the improved economy was having the expected effect on caseload. There is evidence that a number of clients that left this eligibility category went to the Expansion Adults, from both 1931 and Transitional Medicaid, due to increased income. Similarly, large and consistent increases since July 2008 indicate that the weakening economic conditions are impacting caseload in this eligibility type.
- Growth in FY 2009-10 has been slightly lower than the Department's November 2009 forecast, in which the annual caseload was projected to be 59,581 and average monthly growth was projected to be 754. The Department believes that economic conditions are largely responsible for the recent growth, as the seasonally adjusted unemployment rate increased from a low of 3.6% in March 2007 to 7.8% in July 2009.<sup>10</sup> The last period during which the unemployment rate was increasing as quickly was April 2001 through April 2002. During this time, the AFDC adults caseload was increasing by approximately 1.9% per month. The selected trend for FY 2009-10 is higher than that from the February 2009 forecast, and would yield average increases of **792 per month** for the remainder of FY 2009-10. This forecast is reflective of the consistent increases since the second half of FY 2007-08, which have been moderating over the last six months. Because the economy is believed to be largely responsible this change, the Department believes that projected economic conditions give no indication that the trend will not continue to be positive throughout FY 2009-10, though the unemployment rate has decreased over the last four months. The trend is not forecasted to moderate due to the change in the implementation schedule of the expansion to 100% of the federal poverty level in Expansion Adults, as discussed on page 31.
- Current forecasts indicate that the economic conditions should begin to improve in 2010. The selected out-year trend reflects this, and the monthly increases are forecasted to moderate over the forecast period.

*25.5-5-101 (1), C.R.S. (2009)*

*(a) Individuals who meet the eligibility criteria for the aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*

*(b) Families who meet the eligibility criteria for the aid to families with dependent children program established in rules that were in effect on July 16, 1996, and who subsequently would have become ineligible under such eligibility criteria because of increased earnings or increased hours of employment whose eligibility is specified for a period of time by the federal government;*

<sup>8</sup> Source: Department of Local Affairs, Demography Division

<sup>9</sup> Source: Office of State Planning and Budgeting, December 2009 Revenue Forecast

<sup>10</sup> Source: Bureau of Labor Statistics

(c) Qualified pregnant women . . . who meet the income resource requirements of the state's aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;

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(a) Individuals who would be eligible for but are not receiving cash assistance;

(d) Individuals who would be eligible for aid to families with dependent children if child care were paid from earnings;

(h) Persons who are eligible for cash assistance under the works program pursuant to section 26-2-706;

**Categorically Eligible Low-Income Adults: Historical Caseload and Forecasts**

<b>Categorically Eligible Low-Income Adults: Historical Caseload and Projections</b>							
	<b>Actuals</b>	<b>Monthly Change</b>	<b>% Change</b>		<b>Caseload*</b>	<b>% Change</b>	<b>Level Change</b>
Dec-07	43,665	-	-	FY 1995-96	36,690	-	-
Jan-08	43,491	(174)	-0.40%	FY 1996-97	33,250	-9.38%	(3,440)
Feb-08	43,344	(147)	-0.34%	FY 1997-98	27,179	-18.26%	(6,071)
Mar-08	43,723	379	0.87%	FY 1998-99	22,852	-15.92%	(4,327)
Apr-08	44,037	314	0.72%	FY 1999-00	23,515	2.90%	663
May-08	44,349	312	0.71%	FY 2000-01	27,081	15.16%	3,566
Jun-08	44,802	453	1.02%	FY 2001-02	33,347	23.14%	6,266
Jul-08	45,318	516	1.15%	FY 2002-03	40,798	22.34%	7,451
Aug-08	45,954	636	1.40%	FY 2003-04	47,562	16.58%	6,764
Sep-08	46,099	145	0.32%	FY 2004-05	57,140	20.14%	9,578
Oct-08	46,589	490	1.06%	FY 2005-06	58,885	3.05%	1,745
Nov-08	47,013	424	0.91%	FY 2006-07	50,687	-13.92%	(8,198)
Dec-08	48,042	1,029	2.19%	FY 2007-08	44,555	-12.10%	(6,132)
Jan-09	49,155	1,113	2.32%	FY 2008-09	49,147	10.31%	4,592
Feb-09	50,023	868	1.77%	FY 2009-10	58,981	20.01%	9,834
Mar-09	51,530	1,507	3.01%	FY 2010-11	66,076	12.03%	7,095
Apr-09	52,740	1,210	2.35%	FY 2011-12	69,624	5.37%	3,548
May-09	53,134	394	0.75%				
Jun-09	54,170	1,036	1.95%				
Jul-09	55,087	917	1.69%				
Aug-09	55,937	850	1.54%				
Sep-09	56,489	552	0.99%				
Oct-09	57,359	870	1.54%				
Nov-09	57,595	236	0.41%				
Dec-09	58,381	786	1.36%				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

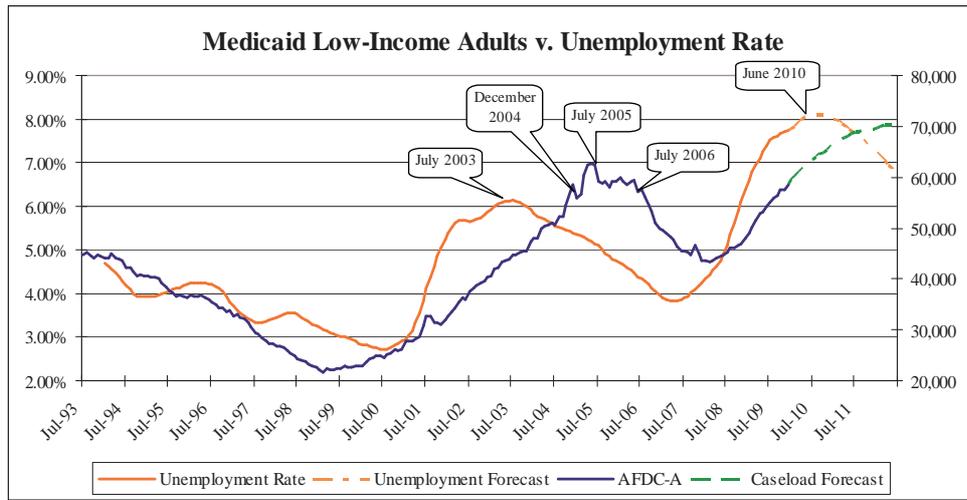
<b>November 2009 Trends</b>			
FY 2009-10	59,581	21.23%	10,434
FY 2010-11	65,879	10.57%	6,298
FY 2011-12	68,718	4.31%	2,839

<b>Monthly Average Growth Comparisons</b>		
FY 2009-10 Year-to-date	702	1.26%
FY 2009-10 2nd Half Forecast	792	1.36%
November 2009 Forecast	754	1.39%
FY 2010-11 Forecast	470	0.75%
November 2009 Forecast	363	0.48%
FY 2011-12 Forecast	147	0.22%
November 2009 Forecast	161	0.24%

<b>FY 2009-10 Year-to-date</b>			
FY 2009-10	56,808	15.59%	7,661

<b>Actuals</b>		
	<b>Monthly Change</b>	<b>% Change</b>
6-month average	702	1.26%
12-month average	862	1.64%
18-month average	754	1.48%
24-month average	613	1.46%

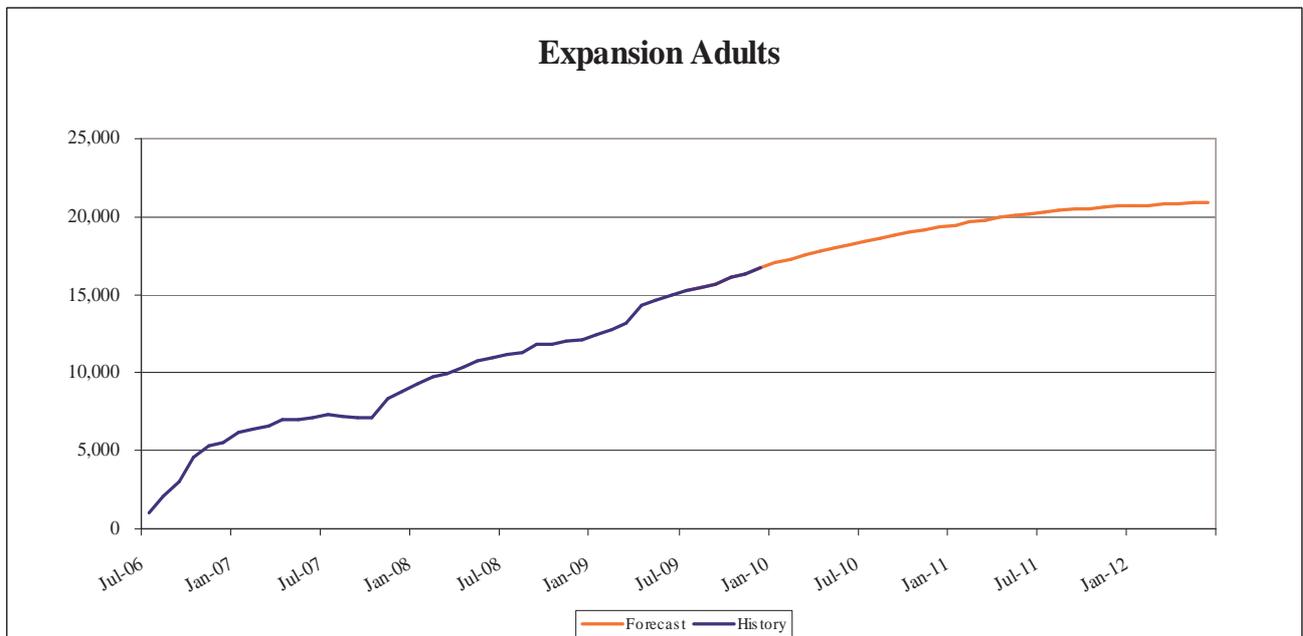
<b>Base trend from December 2009 level</b>			
FY 2009-10	58,381	18.79%	9,234



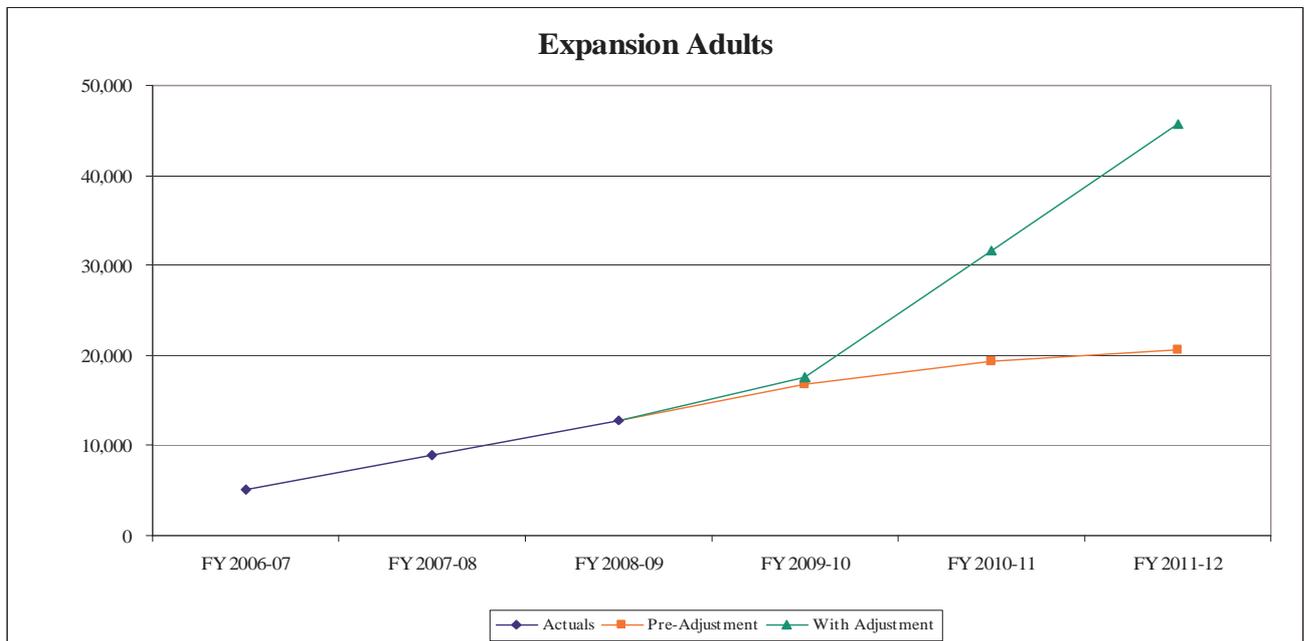
**Expansion Adults**

HB 05-1262 (Tobacco Tax bill) allows for expanding Medicaid eligibility to parents of children enrolled in either Medicaid or the Children's Basic Health Plan up to 60% of the federal poverty level. The increase in the percentage of allowable federal poverty level was implemented on July 1, 2006. The Department has created a new category to track these clients, known as the Expansion Adults. Pursuant to HB 09-1293, Colorado Health Care Affordability Act, eligibility in this population is to be increased to 100% of the federal poverty level effective April 1, 2010.

**Expansion Adults: Model Results**



Actuals			
	Monthly Change		% Change
6-month average		476	3.61%
9-month average		356	2.73%
12-month average		333	2.64%
18-month average		345	3.04%
24-month average		332	2.74%



### ***Expansion Adults: Justification and Monthly Projections***

- This population would be expected to have a high penetration rate, as these are parents of children in either the Children's Basic Health Plan or Medicaid, which have high penetration rates.
- This population would be expected to be affected by the economy in similar ways as the AFDC-adult and children populations, although the effects are likely increased given that these clients are up to 60% of the federal poverty level, which would support higher growth rates.
- Growth in FY 2009-10 has been higher than the Department's November 2009 forecast, in which the annual base caseload was projected to be 16,736 and average monthly growth was projected to be 246. The selected trend for FY 2009-10 is higher than that from the November 2009 forecast, and would yield average growth of **252 per month** for the remainder of FY 2009-10. This forecast is based on the average monthly change experienced between June 2008 and December 2009. During this time, caseload increased by an average of 2.09% per month (excluding April 2009, which the Department believes is an anomaly). This timeframe is used for comparison because the caseload increases at the beginning of FY 2006-07 are reflective of a new population, and are assumed to not be representative of future caseload growth. The FY 2009-10 forecast assumes that this monthly growth will decrease over the course of the year, to average 1.65%.
- The Department assumes that growth will continue to decrease throughout the forecast period, to an average of 0.84% per month in FY 2010-11 and FY 0.29% per month in FY 2011-12. Though economic conditions may be partially responsible for the increased caseload in this group, monthly growth is expected to moderate as the eligibility category becomes established.
- There is a bottom-line adjustment to this eligibility type from HB 09-1293, which expands eligibility for parents of children in Medicaid or the Children's Basic Health Plan from 60% to 100% of the federal poverty level effective April 2010. This bottom-line adjustment has changed from the November 2009 forecast for the following two reasons:
  - The Department has received updated uninsured estimates that indicate that the population between 60% and 100% of the federal poverty level that would potentially be newly eligible due to this expansion is smaller than previous estimates.
  - The implementation of this expansion in the Colorado Benefits Management System that will active on April 1, 2009 will not redetermine eligibility for current Medicaid clients.

This will result in no movement from existing eligibility types into this new population, which normally accounts for a large portion of the growth in caseload at the beginning of an expansion. This results not only in a smaller caseload adjustment for the new expansion group, but correspondingly higher growth in the AFDC Adult and existing Expansion Adults populations.

25.5-5-201 (1), C.R.S. (2009)

(m) (I)(A) Parents of children who are eligible for the medical assistance program or the children's basic health plan, article 8 of this title, whose family income does not exceed a specified percent of the federal poverty level, adjusted for family size, as set by the state board by rule, which percentage shall be not less than one hundred percent;

<b>Expansion Adults: Historical Caseload and Projections</b>			
	<b>Actuals</b>	<b>Monthly Change</b>	<b>% Change</b>
Dec-07	8,783	-	-
Jan-08	9,268	485	5.52%
Feb-08	9,755	487	5.25%
Mar-08	9,949	194	1.99%
Apr-08	10,395	446	4.48%
May-08	10,775	380	3.66%
Jun-08	10,995	220	2.04%
Jul-08	11,236	241	2.19%
Aug-08	11,335	99	0.88%
Sep-08	11,794	459	4.05%
Oct-08	11,836	42	0.36%
Nov-08	12,008	172	1.45%
Dec-08	12,142	134	1.12%
Jan-09	12,486	344	2.83%
Feb-09	12,730	244	1.95%
Mar-09	13,190	460	3.61%
Apr-09	14,346	1,156	8.76%
May-09	14,619	273	1.90%
Jun-09	14,996	377	2.58%
Jul-09	15,269	273	1.82%
Aug-09	15,530	261	1.71%
Sep-09	15,703	173	1.11%
Oct-09	16,115	412	2.62%
Nov-09	16,362	247	1.53%
Dec-09	16,739	377	2.30%

<b>FY 2009-10 Year-to-date</b>			
FY 2009-10	15,953	25.35%	3,226

<b>Actuals</b>		
	<b>Monthly Change</b>	<b>% Change</b>
6-month average	291	1.85%
12-month average	383	2.73%
18-month average	319	2.38%
24-month average	332	2.36%

<b>Base trend from December 2009 level</b>			
FY 2009-10	16,739	31.52%	4,012

	<b>Caseload</b>	<b>% Change</b>	<b>Level Change</b>
FY 2006-07	5,162	-	-
FY 2007-08	8,918	72.76%	3,756
FY 2008-09	12,727	42.71%	3,809
FY 2009-10	16,806	32.05%	4,079
FY 2010-11	19,382	15.33%	2,576
FY 2011-12	20,651	6.55%	1,269

<b>Adjustments (HB 09-1293)</b>		
FY 2009-10		750
FY 2010-11		12,250
FY 2011-12		25,000

<b>Projections After Adjustments</b>			
FY 2009-10	17,556	37.94%	4,829
FY 2010-11	31,632	80.18%	14,076
FY 2011-12	45,651	44.32%	14,019

<b>November 2009 Trends (BEFORE ADJUSTMENTS)</b>			
	<b>Caseload</b>	<b>% Change</b>	<b>Level Change</b>
FY 2009-10	16,736	31.50%	4,009
FY 2010-11	18,937	13.15%	2,201
FY 2011-12	19,905	5.11%	968

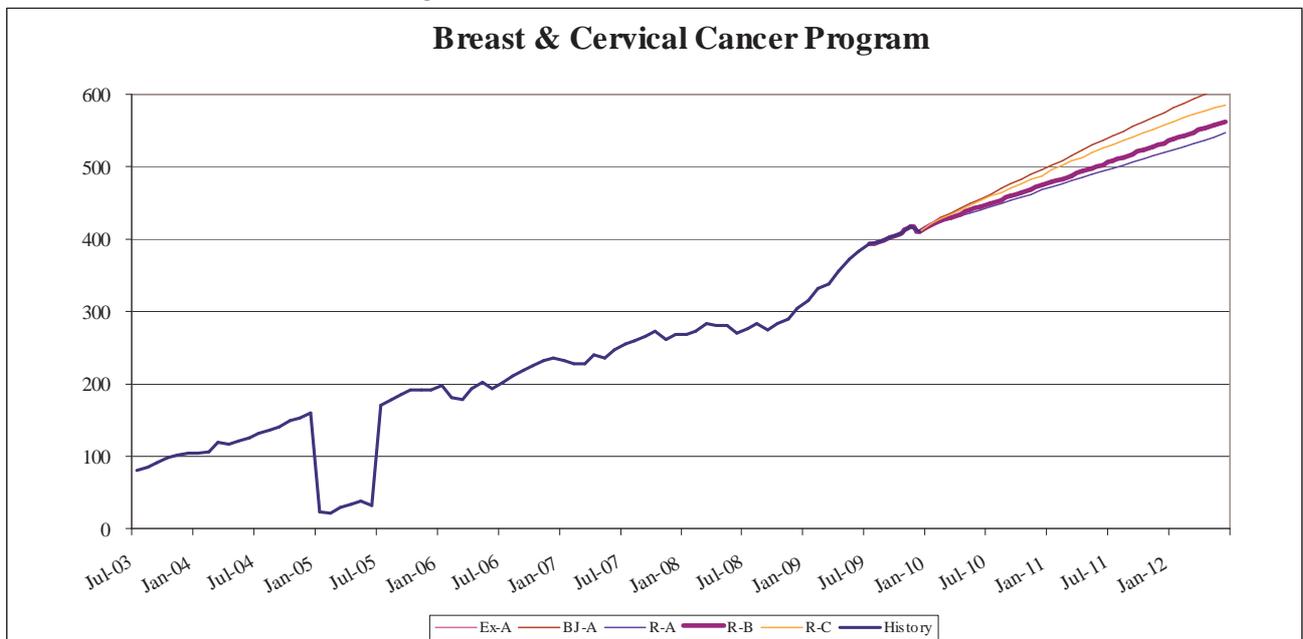
<b>Monthly Average Growth Comparisons</b>		
	<b>Monthly Change</b>	<b>% Change</b>
FY 2009-10	271	1.65%
FY 2010-11	161	0.84%
FY 2011-12	60	0.29%

<b>Monthly Averages</b>		
FY 2009-10 Year-to-date	291	1.85%
FY 2009-10 2nd Half Forecast	252	1.45%
November 2009 Forecast	246	1.51%
FY 2010-11 Forecast	161	0.84%
November 2009 Forecast	136	0.73%
FY 2011-12 Forecast	60	0.29%
November 2009 Forecast	41	0.21%

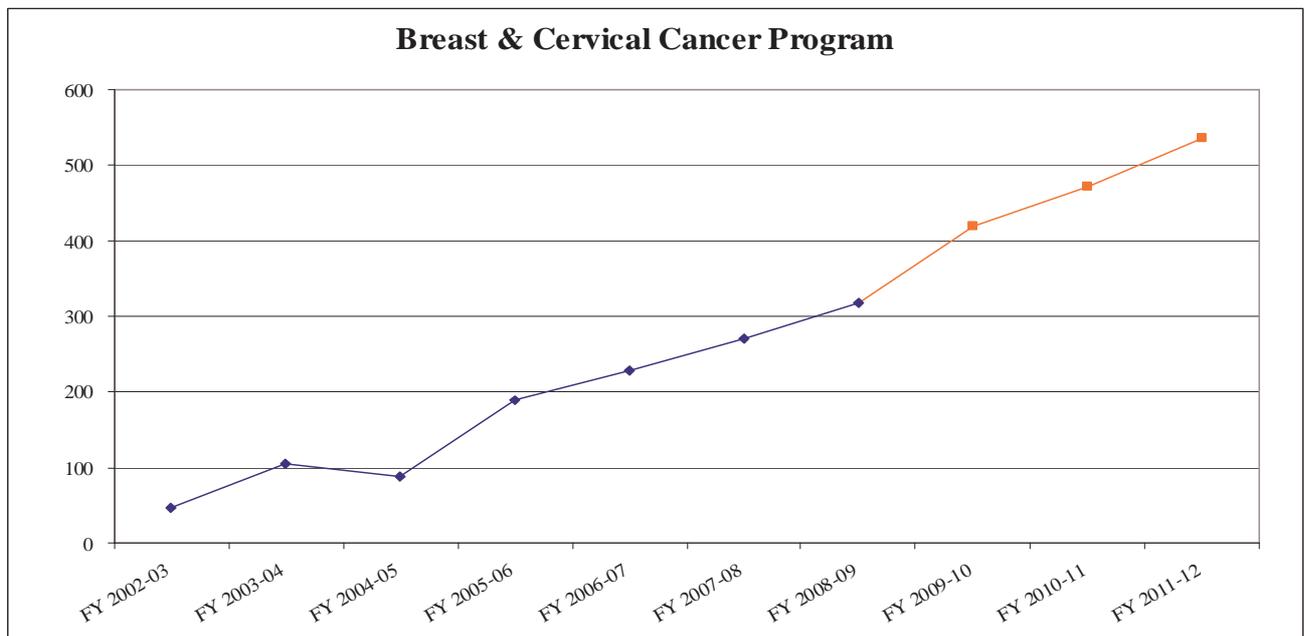
**Breast and Cervical Cancer Program**

The Breast and Cervical Cancer Treatment Program was authorized under SB 01S2-012 and began enrolling eligible women in July 2002. Women under this optional coverage group were screened using the Centers for Disease Control’s national breast and cervical cancer early detection and prevention guidelines, and found to have breast or cervical cancer. These women are under the age of 65, uninsured, and otherwise not eligible for Medicaid. The Colorado Department of Public Health and Environment administers the screening program as a grantee of the Centers of Disease Control. Regulations for the nationwide screening program indicate that the program is for low-income women, which the Department of Public Health and Environment has interpreted to be less than 250% of the federal poverty level. To date, all 50 states have approved the option of covering these women under Medicaid.

**Breast and Cervical Cancer Program: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A*	0.9951	
Box-Jenkins A	0.9951	
Regression A	0.9949	BCCP [-1], Female Population 19-59, Auto [-1]
Regression B	0.9950	BCCP [-1], Trend
Regression C	0.9952	BCCP [-1], Unemployment Rate, Migration



Breast and Cervical Cancer Program: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing*	270	317	31.86%	418	101	5
Box Jenkins	270	317	33.12%	422	105	6
Regression A	270	317	31.55%	417	100	5
<b>Regression B</b>	<b>270</b>	<b>317</b>	<b>31.86%</b>	<b>418</b>	<b>101</b>	<b>5</b>
Regression C	270	317	32.81%	421	104	6

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing*	317	418	12.68%	471	53	5
Box Jenkins	317	418	16.82%	488	70	7
Regression A	317	418	11.51%	466	48	4
<b>Regression B</b>	<b>317</b>	<b>418</b>	<b>12.68%</b>	<b>471</b>	<b>53</b>	<b>5</b>
Regression C	317	418	15.44%	483	65	6

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing*	418	471	13.59%	535	64	5
Box Jenkins	418	471	17.24%	552	81	7
Regression A	418	471	12.26%	529	58	4
<b>Regression B</b>	<b>418</b>	<b>471</b>	<b>13.59%</b>	<b>535</b>	<b>64</b>	<b>5</b>
Regression C	418	471	15.02%	542	71	5

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

**Breast and Cervical Cancer Program: Trend Selections**

FY 2009-10: 31.86%

FY 2010-11: 12.68%

FY 2011-12: 13.59%

***Breast and Cervical Cancer Program: Justifications***

- Clients in this eligibility type exceed Medicaid income guidelines, so it is reasonable to expect that the caseload will continue to grow, as they are not affected by the economy as much as low-income adults and children, and they do not have alternative insurance to utilize. These clients may be affected by economic conditions, though it may be mitigated by the specificity of the diagnoses required for eligibility.
- This program receives ongoing Tobacco Tax funding to subcontract with clinics that provide screenings. The Department knows of no new clinics coming into the program during the forecast period.
- The graph above shows caseload steadily increasing from July of 2002 to December of 2004. At that time, the reported caseload decreased dramatically because of an issue within the Medicaid Management Information System that was used to report the data. Because of this issue within the Medicaid Management Information System, a more reliable source was utilized to create caseload figures. Until the problem was resolved, the Department obtained a caseload report directly from raw data in the Colorado Benefits Management System. This report was used from July 2005 through March 2006, when the reports from the Medicaid Management Information System and the Colorado Benefits Management System were synchronized. All subsequent monthly caseload data are obtained from the Medicaid Management Information System report that is used to report all other categories of Medicaid caseload. The caseload counts for the six months from January through June 2005 were left as originally reported. This explains the six months of unusually low figures that are shown in the graph.
- Growth in FY 2009-10 has been in line with the Department's November 2009 forecast, in which the annual caseload was projected to be 424 and average monthly growth was projected to be 6. The selected trend for FY 2009-10 is in line with that from the November 2009 forecast, and would yield average growth of **6 per month** for the remainder of FY 2009-12. The high projected annual growth rate in FY 2009-10 is partially due to strong increases at the end of FY 2008-09, which leaves caseload at a high starting point for FY 2009-10. The projected monthly growth is reflective of a return to longer term trends.
- Out-year growth is projected to continue at historic levels. As a program matures, growth is expected to slow and stabilize. The Department believes that the Breast and Cervical Cancer program is approaching a level of maturity where, barring unforeseen circumstances, average growth of more than 2% per month should no longer be expected.

25.5-5-201 (1), C.R.S. (2009)

(i) *Persons who are eligible for the breast and cervical cancer prevention and treatment program pursuant to section 25.5-5-308;*

**Breast and Cervical Cancer Program: Historical Caseload and Forecasts**

Breast and Cervical Cancer Program: Historical Caseload and Projections				Breast and Cervical Cancer Program: Historical Caseload and Projections			
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change
Dec-07	268	-	-	FY 2002-03	47	-	-
Jan-08	268	0	0.00%	FY 2003-04	105	123.40%	58
Feb-08	272	4	1.49%	FY 2004-05	87	-17.14%	(18)
Mar-08	282	10	3.68%	FY 2005-06	188	116.09%	101
Apr-08	280	(2)	-0.71%	FY 2006-07	228	21.28%	40
May-08	280	0	0.00%	FY 2007-08	270	18.42%	42
Jun-08	270	(10)	-3.57%	FY 2008-09	317	17.41%	47
Jul-08	277	7	2.59%	FY 2009-10	418	31.86%	101
Aug-08	283	6	2.17%	FY 2010-11	471	12.68%	53
Sep-08	275	(8)	-2.83%	FY 2011-12	535	13.59%	64
Oct-08	282	7	2.55%	* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.			
Nov-08	290	8	2.84%	November 2009 Trends			
Dec-08	304	14	4.83%	FY 2009-10	424	33.75%	107
Jan-09	314	10	3.29%	FY 2010-11	487	14.86%	63
Feb-09	331	17	5.41%	FY 2011-12	547	12.32%	60
Mar-09	339	8	2.42%	Monthly Average Growth Comparisons			
Apr-09	355	16	4.72%	FY 2009-10 Year-to-date	5	1.19%	
May-09	373	18	5.07%	FY 2009-10 2nd Half Forecast	6	1.45%	
Jun-09	383	10	2.68%	November 2009 Forecast	6	1.57%	
Jul-09	393	10	2.61%	FY 2010-11 Forecast	5	1.19%	
Aug-09	395	2	0.51%	November 2009 Forecast	5	1.09%	
Sep-09	402	7	1.77%	FY 2011-12 Forecast	5	1.10%	
Oct-09	406	4	1.00%	November 2009 Forecast	4	0.77%	
Nov-09	418	12	2.96%	Base trend from December 2009 level			
Dec-09	411	(7)	-1.67%	FY 2009-10	411	29.65%	94

Actuals		
	Monthly Change	% Change
6-month average	5	1.19%
12-month average	9	2.56%
18-month average	8	2.38%
24-month average	6	2.37%

FY 2009-10 Year-to-date			
FY 2009-10	404	27.50%	87

**Eligible Children**

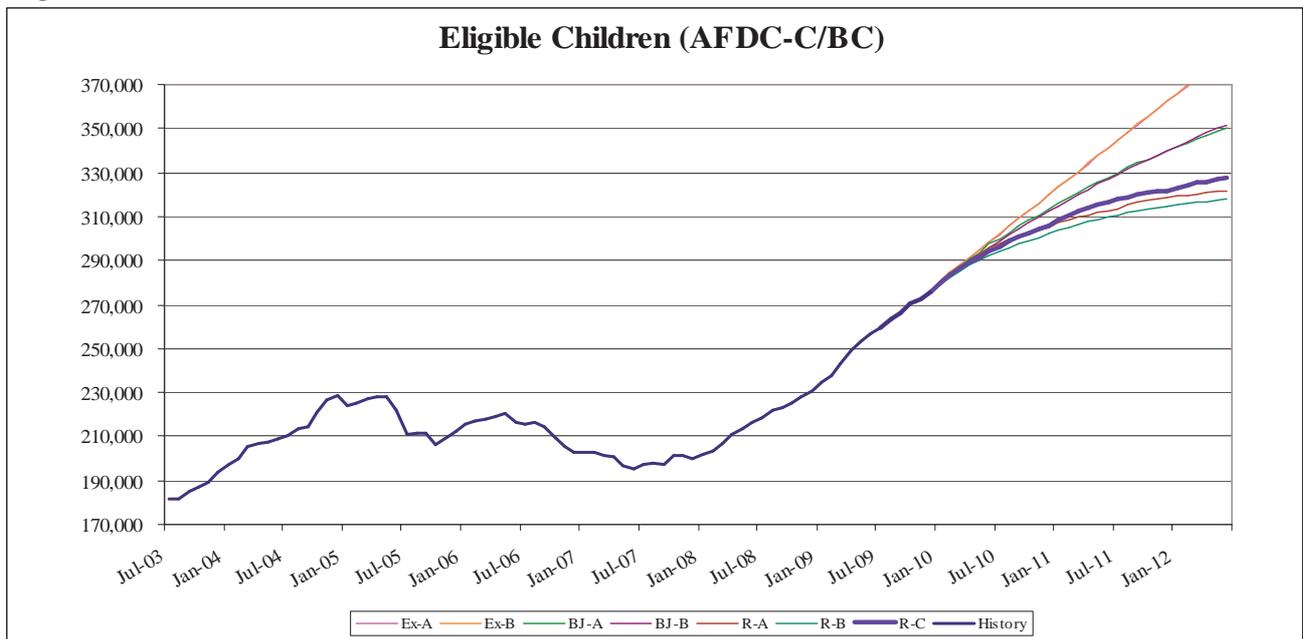
One of the primary ways that children qualify for Medicaid is through Section 1931 of the federal Medicaid statute. Under Section 1931, families who were eligible for cash welfare assistance under the Aid to Families with Dependent Children program are still eligible for Medicaid even after the Aid to Families with Dependent Children program was discontinued. Aid to Families with Dependent Children was replaced by the Temporary Assistance for Needy Families welfare program (referred to as Colorado Works) on July 16, 1996, and clients under the Temporary Assistance for Needy Families program were no longer automatically eligible for Medicaid.

This category also includes children on Transitional Medicaid. Transitional Medicaid is available to children in families who have received 1931 Medicaid three of the past six months and become ineligible due to an increase in earned income. Children may receive Transitional Medicaid benefits for up to one year. In FY 2008-09, there were an average of 13,489 children on Transitional Medicaid. Authorization for Transitional Medicaid benefits was extended through December 31, 2010, and the Department's forecast assumes that the program will continue through FY 2011-12.

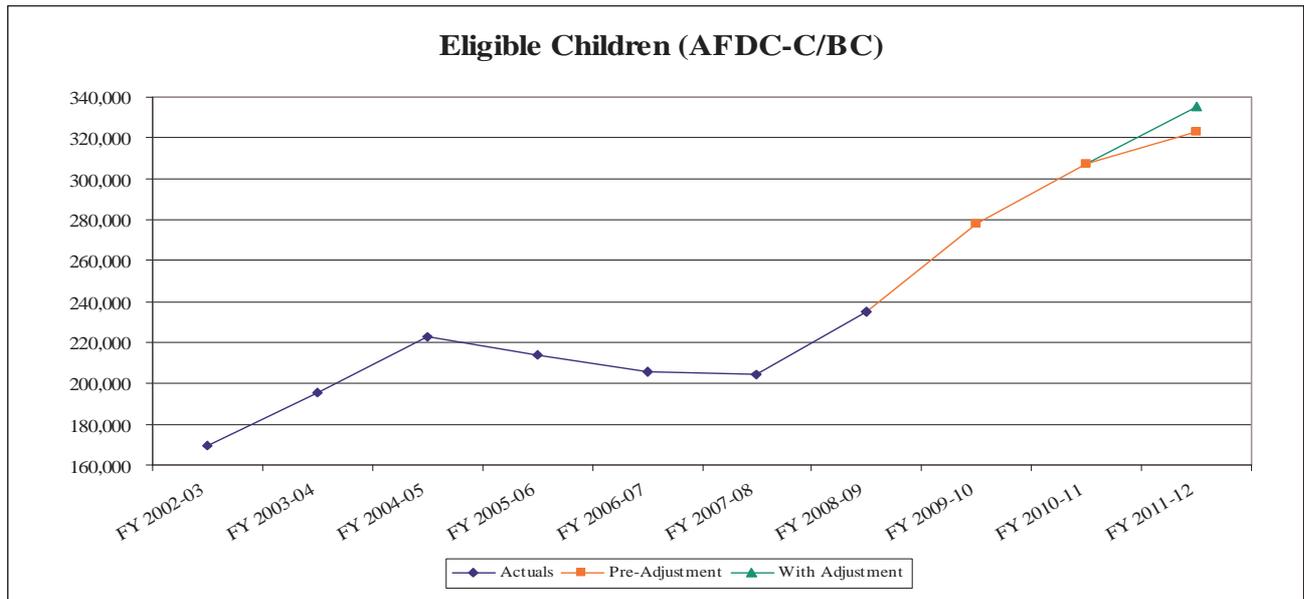
Children who are born to women enrolled in the Baby and Kid Care program are also included in this category. Between 1986 and 1991, Congress extended Medicaid to new groups of pregnant women and children. Referred to as Baby and Kid Care in Colorado, this program was authorized through the Medicare Catastrophic Coverage Act of 1988. The program enrolls Baby Care women (see the Baby Care Adults section of this document for information on women) and Kid Care children. Kid Care children are born to women with incomes up to 133% of the federal poverty level, and are covered up to age six. The Baby and Kid Care Program serves a much higher income level than the 1931 Families program, and pregnant mothers are not subject to resource or asset limitations to qualify for the program. Moreover, the Baby and Kid Care Program has never had a cash-assistance component and was unaffected by welfare reform in 1996.

In previous years, this caseload was adjusted to include Ribicoff children. Ribicoff children were children aged six to 19, with incomes up to 100% of the federal poverty level with resources limited to \$1,000 who were born after September 30, 1983. Beginning with age six, a new age cohort was phased-in each year. Caseload was adjusted upwards to include these children. However, the final cohort of children was phased-in during FY 2002-03, so no further caseload adjustments are needed. Therefore, the Eligible Children category includes: children in families who receive Medicaid under Section 1931, children in families who receive Temporary Aid to Needy Families financial assistance coupled with Medicaid, children who are eligible for Kid Care, Ribicoff children, and children who receive Transitional Medicaid.

**Eligible Children: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A	0.9977	
Exponential Smoothing B	0.9937	
Box-Jenkins A*	0.9983	
Box-Jenkins B*	0.9938	
Regression A	0.9987	KIDS [-1], KIDS [-7], Unemployment Rate, Total Wages, CBMS Dummy, Systems Dummy, Auto [-12], Auto [-14]
Regression B	0.9987	KIDS [-1], KIDS [-7], Unemployment Rate, Total Wages, CBMS Dummy, CBMS Dummy [-1], Systems Dummy, Auto [-12]
Regression C	0.9888	KIDS [-1], KIDS [-7], Unemployment Rate, Total Wages, Population Under 19, Trend, CBMS Dummy, CBMS Dummy [-1], Systems Dummy



**Eligible Children: Trend Selections**

FY 2009-10: 18.16%  
 FY 2010-11: 10.60%  
 FY 2011-12: 5.05%

**Eligible Children: Justifications**

- This population is affected by economic conditions in similar ways as the Categorically Eligible Low-Income Adults and Baby Care Adults, as children on Medicaid have eligibility granted as a function of a parent or guardian in most cases. Caseload trends in this category are highly affected by economic conditions, and tend to be positively correlated with the population of children aged 0 to 18. Growth in the 0-18 population dropped from around 2.3% per year from FY 1995-96 to FY 2001-02 to about 1.2% per year from FY 2002-03 to FY 2008-09. The expansion in this age group is projected to average 1.3% throughout the forecast period.<sup>11</sup> The economy is projected remain weak over the forecast period, with the unemployment rate to increase from 4.9% in 2008 to 7.4% in 2009 and 8.0% in 2010. Personal income is projected to decline by 2.6% in 2009, with moderate growth of 0.6% in 2010, increasing to 3.7% in 2010.<sup>12</sup>
- Caseload declines occurred from 1993 to 1999 due to economic expansion and effects from the Tatum lawsuit (see Categorically Eligible Low-Income Adults section for more information on the lawsuit). When the Children’s Basic Health Plan program was enacted in 1998, it required that children be screened for Medicaid before conferring Children's Basic Health Plan eligibility. As more children applied, many were found to be Medicaid eligible and were enrolled in Medicaid. Between FY 2002-03 and FY 2004-05, caseload in this category grew by 31.4%, which the Department believes is largely due to the state of the economy. The rate of growth fell drastically in FY 2005-06, and the caseload actually contracted by 3.74%. There were large and consistent declines between July 2006 and December 2007, which seems to indicate that the improved economy was having the expected effect on caseload. Similarly, large and consistent increases since January 2008 indicate that the weakening economic conditions are impacting caseload in this eligibility type.
- Recent changes to the rules regarding the citizenship requirements of the Deficit Reduction Act of 2005 may effect this population and result in higher growth. Children who can not provide proper

<sup>11</sup> Department of Local Affairs, Demography Division

<sup>12</sup> Source: Office of State Planning and Budgeting, December 2009 Revenue Forecast

proof of citizenship will no longer be automatically eligible for the Children's Basic Health Plan. This may increase growth in Medicaid as families find documents to ensure coverage of children.

- Growth in FY 2009-10 has been higher than the Department's November 2009 forecast, in which the annual caseload was projected to be 277,805 and average monthly growth was projected to be 3,024. The Department believes that economic conditions are largely responsible for the recent growth, as the seasonally adjusted unemployment rate increased from a low of 3.6% in March 2007 to 7.8% in July 2009.<sup>13</sup> The last period during which the unemployment rate was increasing at a similar pace was April 2001 through April 2002. During this time, the Eligible Children caseload was increasing by 1.5% per month. The selected trend for FY 2009-10 is higher than that from the November 2009 forecast, and would yield average increases of **3,357 per month** for the remainder of FY 2009-10. This high forecast is reflective of the large and consistent monthly increases since the second half of FY 2007-08. Because the economy is believed to be largely responsible this change, the Department believes that projected economic conditions give no indication that the trend will not continue to be positive throughout FY 2009-10, though the unemployment rate has decreased over the last four months.
- Similar to the pattern seen in AFDC adults, the out-year trend is expected to temper with moderating monthly growth, reflective of projected moderating economic conditions beginning in 2010. Growth in children is expected to be higher than that in the adult populations due to current marketing in the Children's Basic Health Plan and a number of community initiatives to enroll eligibles, most of which target children.
- There is a bottom-line adjustment to this eligibility type from HB 09-1293, which extends 12-month guaranteed eligibility to children in Medicaid beginning in January 2012. This is anticipated to increase the length of stay in the Medicaid, which will result in a caseload increase.

25.5-5-101 (1), C.R.S. (2009)

- (a) *Individuals who meet the eligibility criteria for the aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (b) *Families who meet the eligibility criteria for the aid to families with dependent children program established in rules that were in effect on July 16, 1996, and who subsequently would have become ineligible under such eligibility criteria because of increased earnings or increased hours of employment whose eligibility is specified for a period of time by the federal government;*
- (c) *Qualified pregnant women, and children under the age of seven, who meet the income resource requirements of the state's aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (d) *A newborn child born of a woman who is categorically needy. Such child is deemed Medicaid-eligible on the date of birth and remains eligible for one year so long as the woman remains categorically needy and the child is a member of her household;*
- (m) *Low-income pregnant women, and children through the age of six, whose income is at or below a certain percentage of the federal poverty level as determined by the federal government;*

25.5-5-201 (1), C.R.S. (2009)

- (a) *Individuals who would be eligible for but are not receiving cash assistance;*
- (d) *Individuals who would be eligible for aid to families with dependent children if child care were paid from earnings;*
- (e) *Individuals under the age of twenty-one who would be eligible for aid to families with dependent children but do not qualify as dependent children;*
- (h) *Persons who are eligible for cash assistance under the works program pursuant to section 26-2-706, C.R.S.;*

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<sup>13</sup> Bureau of Labor Statistics

25.5-5-205 (3), C.R.S. (2009)

(a) On and after April 1, 1990, children under the age of six years and pregnant women shall be eligible for benefits under the baby and kid care program... (b) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred thirty-three percent...;

(c) (I) On and after July 1, 1991, children born after September 30, 1983, who have attained age six but have not attained age nineteen shall be eligible for benefits under the baby and kid care program... (II) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this paragraph (c) shall be one hundred percent;

**Eligible Children: Historical Caseload and Forecasts**

Eligible Children: Historical Caseload and Projections			
	Actuals	Monthly Change	% Change
Dec-07	200,121	-	-
Jan-08	201,816	1,695	0.85%
Feb-08	203,657	1,841	0.91%
Mar-08	206,695	3,038	1.49%
Apr-08	210,620	3,925	1.90%
May-08	213,554	2,934	1.39%
Jun-08	216,154	2,600	1.22%
Jul-08	218,619	2,465	1.14%
Aug-08	221,736	3,117	1.43%
Sep-08	223,167	1,431	0.65%
Oct-08	225,486	2,319	1.04%
Nov-08	228,186	2,700	1.20%
Dec-08	230,447	2,261	0.99%
Jan-09	234,744	4,297	1.86%
Feb-09	237,345	2,601	1.11%
Mar-09	242,805	5,460	2.30%
Apr-09	249,444	6,639	2.73%
May-09	252,943	3,499	1.40%
Jun-09	256,630	3,687	1.46%
Jul-09	259,609	2,979	1.16%
Aug-09	263,415	3,806	1.47%
Sep-09	266,381	2,966	1.13%
Oct-09	270,514	4,133	1.55%
Nov-09	272,453	1,939	0.72%
Dec-09	275,867	3,414	1.25%

	Caseload*	% Change	Level Change
FY 1995-96	113,439	-	-
FY 1996-97	110,586	-2.52%	(2,853)
FY 1997-98	103,912	-6.04%	(6,674)
FY 1998-99	102,074	-1.77%	(1,838)
FY 1999-00	109,816	7.58%	7,742
FY 2000-01	123,221	12.21%	13,405
FY 2001-02	143,909	16.79%	20,688
FY 2002-03	169,311	17.65%	25,402
FY 2003-04	195,279	15.34%	25,968
FY 2004-05	222,472	13.93%	27,193
FY 2005-06	214,158	-3.74%	(8,314)
FY 2006-07	205,390	-4.09%	(8,768)
FY 2007-08	204,022	-0.67%	(1,368)
FY 2008-09	235,129	15.25%	31,107
FY 2009-10	277,828	18.16%	42,699
FY 2010-11	307,278	10.60%	29,450
FY 2011-12	322,796	5.05%	15,518

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

Adjustments (HB 09-1293)	
FY 2009-10	0
FY 2010-11	0
FY 2011-12	12,125

Projections After Adjustments			
FY 2009-10	277,828	18.16%	42,699
FY 2010-11	307,278	10.60%	29,450
FY 2011-12	334,921	9.00%	27,643

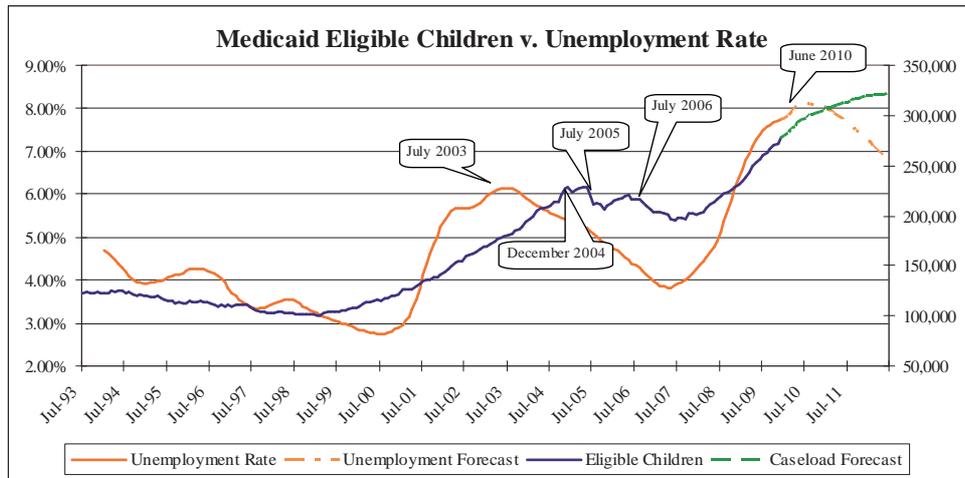
FY 2009-10 Year-to-date			
FY 2009-10	268,040	14.00%	32,911

Actuals		
	Monthly Change	% Change
6-month average	3,206	1.21%
12-month average	3,785	1.51%
18-month average	3,317	1.37%
24-month average	3,156	1.36%

Base trend from December 2009 level			
FY 2009-10	275,867	17.33%	40,738

November 2009 Trends (BEFORE ADJUSTMENTS)			
FY 2009-10	277,805	18.15%	42,676
FY 2010-11	304,891	9.75%	27,086
FY 2011-12	317,574	4.16%	12,683

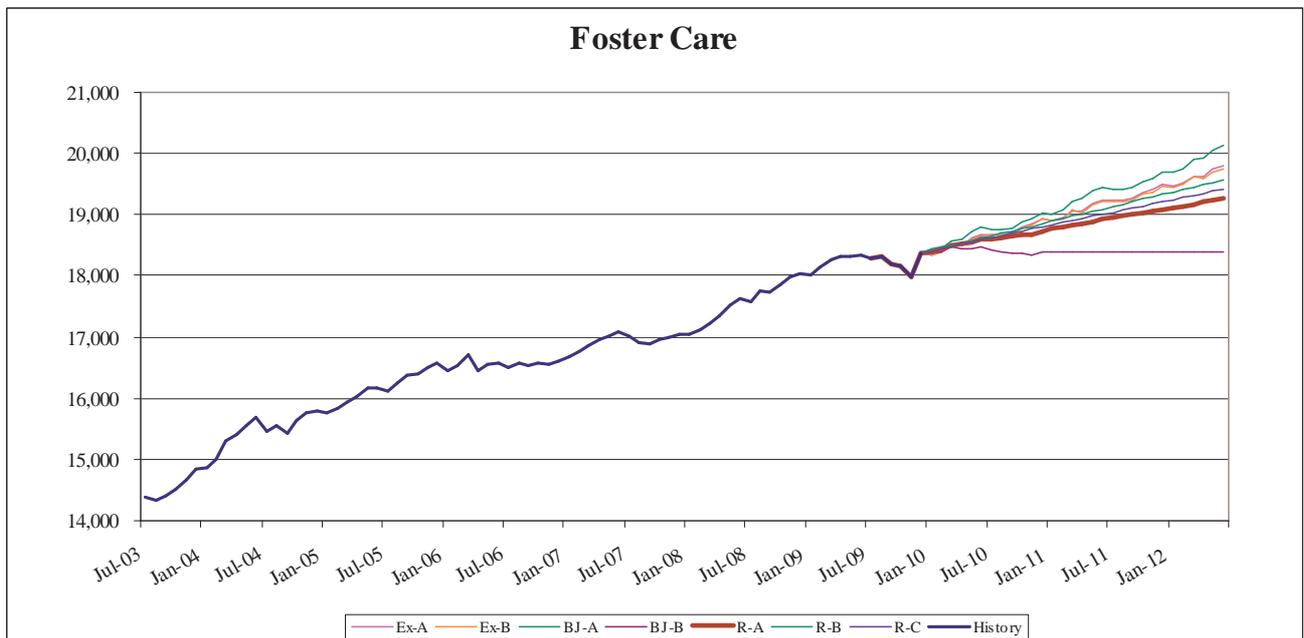
Monthly Average Growth Comparisons		
FY 2009-10 Year-to-date	3,206	1.21%
FY 2009-10 2nd Half Forecast	3,357	1.22%
November 2009 Forecast	3,024	1.18%
FY 2010-11 Forecast	1,869	0.63%
November 2009 Forecast	1,681	0.57%
FY 2011-12 Forecast	885	0.28%
November 2009 Forecast	645	0.21%



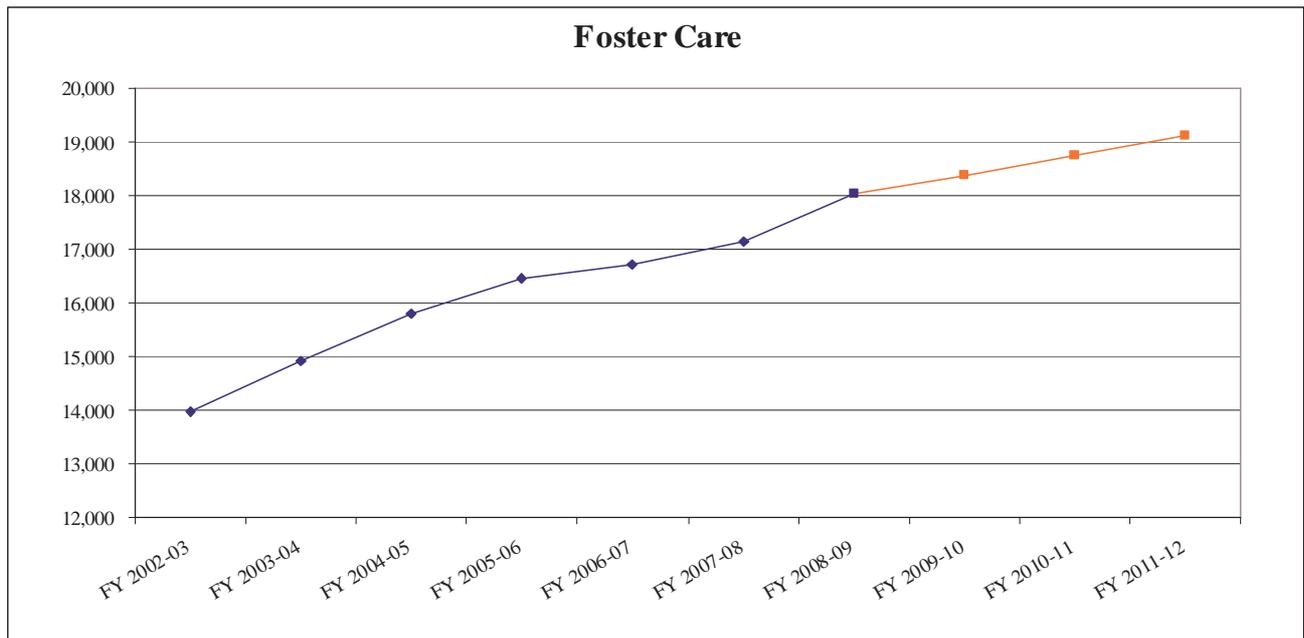
**Foster Care**

Federal law mandates that states provide Medicaid to individuals under Title IV-E of the Social Security Act (42 U.S.C. 470-479A) for adoption assistance and foster care. Title IV-E is a subpart of Title IV, Child Welfare, of the federal Social Security Act. Title IV-E provides federal reimbursement to states for the room and board costs of children placed in foster homes and other out-of-home placements. This is an entitlement program for children who are eligible and for whom the state can seek reimbursement. Eligibility is determined on family circumstances at the time when the child was removed from the home. Once eligible, the state determines if it can claim reimbursement for maintenance costs for the child. Adoption assistance is available for children with special health care needs who meet the same requirements. States have the option to extend Medicaid to former foster care children aged 18 through 20 years who were eligible for Title IV-E prior to their 18th birthday. During the 2007 legislative session, SB 07-002 was passed extending Medicaid eligibility through age 20 for children for whom adoption assistance or foster care maintenance payments are made under Title IV-E of the Social Security Act. Eligibility for children receiving state subsidized adoption or foster care payments (non Title IV-E) was extended through age 20 in the 2008 Legislative Session through SB 08-099.

**Foster Care: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A*	0.9989	
Exponential Smoothing B*	0.9946	
Box-Jenkins A	0.9989	
Box-Jenkins B	0.9937	
Regression A	0.9984	FOSTER [-1], Population Under 19, Auto [-12]
Regression B	0.9987	FOSTER [-1], FOSTER [-5], Total Population
Regression C	0.9987	FOSTER [-1], Trend, Auto [-1]



Foster Care: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	17,141	18,033	1.85%	18,367	334	28
Exponential Smoothing B	17,141	18,033	1.82%	18,361	328	25
Box Jenkins A*	17,141	18,033	2.06%	18,404	371	37
Box Jenkins B*	17,141	18,033	1.65%	18,331	298	10
<b>Regression A</b>	<b>17,141</b>	<b>18,033</b>	<b>1.84%</b>	<b>18,365</b>	<b>332</b>	<b>20</b>
Regression B	17,141	18,033	1.88%	18,372	339	22
Regression C	17,141	18,033	1.80%	18,358	325	20

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	18,033	18,365	3.02%	18,920	555	47
Exponential Smoothing B	18,033	18,365	2.96%	18,909	544	46
Box Jenkins A*	18,033	18,365	3.48%	19,004	639	55
Box Jenkins B*	18,033	18,365	0.32%	18,424	59	(6)
<b>Regression A</b>	<b>18,033</b>	<b>18,365</b>	<b>2.11%</b>	<b>18,753</b>	<b>388</b>	<b>27</b>
Regression B	18,033	18,365	2.74%	18,868	503	40
Regression C	18,033	18,365	2.51%	18,826	461	35

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	18,365	18,753	2.98%	19,312	559	47
Exponential Smoothing B	18,365	18,753	2.91%	19,299	546	46
Box Jenkins A*	18,365	18,753	3.51%	19,411	658	56
Box Jenkins B*	18,365	18,753	0.02%	18,757	4	0
<b>Regression A</b>	<b>18,365</b>	<b>18,753</b>	<b>1.86%</b>	<b>19,102</b>	<b>349</b>	<b>28</b>
Regression B	18,365	18,753	2.51%	19,224	471	39
Regression C	18,365	18,753	2.19%	19,164	411	33

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

### Foster Care: Trend Selections

FY 2009-10: 1.84%

FY 2010-11: 2.11%

FY 2011-12: 1.86%

### Foster Care: Justifications

- Caseload in this category is affected by programmatic changes initiated by the Department of Human Services who oversee the Child Welfare system. In January 2001, the Department of Human Services converted to a new data reporting system for children in foster care called Trails. The conversion may be partially responsible for unusually slow growth experienced in this category in FY 2001-02. Legislation in 2003 (HB 03-1004) made the manufacturing of controlled substances in the presence of children a felony, and deemed such actions child abuse. This may positively affect caseload in subsequent years, as more children are placed into state custody.
- Caseload in this category is only weakly correlated with population of children aged 0 to 18 and economic indicators. The graph above shows that growth in this category since FY 2002-03 have been positive and stable over the last four years. Growth at the end of FY 2007-08 began to increase, which is partially due to the implementation of SB 07-002 and SB 08-099, which expanded eligibility for Foster Care through age 20.
- Growth in FY 2009-10 has been much lower than the Department's November 2009 forecast, in which the annual caseload was projected to be 18,715 and average monthly growth was projected

to be 57. The selected trend for FY 2009-10 is much lower than that from the November 2009 forecast, and would yield average growth of **39 per month** for the remainder of FY 2009-10. This lower trend is reflective of the unusually small increases in the first half of the year, which the Department does not expect to continue.

- Out-year growth reflects a continuation of positive growth, and a return to more moderate growth in line with historical trend.

*25.5-5-101 (1), C.R.S. (2009)*

*(e) Children for whom adoption assistance or foster care maintenance payments are made under Title IV-E of the “Social Security Act”, as amended;*

*25.5-5-201 (1), C.R.S (2009)*

*(l) Children for whom subsidized adoption assistance payments are made by the state pursuant to article 7 of title 26, C.R.S, but who do not meet the requirements of Title IV-E of the “Social Security Act”, as amended;*

*(n) Individuals under the age of twenty-one years eligible for medical assistance pursuant to paragraph (l) of this subsection (1) or section 25.5-5-101 (1) (e) immediately prior to attaining the age of eighteen years or otherwise becoming emancipated;*

**Foster Care: Historical Caseload and Forecasts**

Foster Care: Historical Caseload and Projections							
	Actuals	Monthly Change	% Change		Caseload*	% Change	Level Change
Dec-07	17,042	-	-	FY 1995-96	8,376	-	-
Jan-08	17,050	8	0.05%	FY 1996-97	9,261	10.57%	885
Feb-08	17,117	67	0.39%	FY 1997-98	10,453	12.87%	1,192
Mar-08	17,208	91	0.53%	FY 1998-99	11,526	10.26%	1,073
Apr-08	17,358	150	0.87%	FY 1999-00	12,474	8.22%	948
May-08	17,537	179	1.03%	FY 2000-01	13,076	4.83%	602
Jun-08	17,620	83	0.47%	FY 2001-02	13,121	0.34%	45
Jul-08	17,588	(32)	-0.18%	FY 2002-03	13,967	6.45%	846
Aug-08	17,761	173	0.98%	FY 2003-04	14,914	6.78%	947
Sep-08	17,736	(25)	-0.14%	FY 2004-05	15,795	5.91%	881
Oct-08	17,864	128	0.72%	FY 2005-06	16,460	4.21%	665
Nov-08	17,977	113	0.63%	FY 2006-07	16,724	1.60%	264
Dec-08	18,033	56	0.31%	FY 2007-08	17,141	2.49%	417
Jan-09	18,022	(11)	-0.06%	FY 2008-09	18,033	5.20%	892
Feb-09	18,144	122	0.68%	FY 2009-10	18,365	1.84%	332
Mar-09	18,265	121	0.67%	FY 2010-11	18,753	2.11%	388
Apr-09	18,328	63	0.34%	FY 2011-12	19,102	1.86%	349
May-09	18,327	(1)	-0.01%				
Jun-09	18,348	21	0.11%				
Jul-09	18,285	(63)	-0.34%				
Aug-09	18,325	40	0.22%				
Sep-09	18,200	(125)	-0.68%				
Oct-09	18,169	(31)	-0.17%				
Nov-09	17,992	(177)	-0.97%				
Dec-09	18,371	379	2.11%				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

November 2009 Trends			
FY 2009-10	18,715	3.78%	682
FY 2010-11	19,329	3.28%	614
FY 2011-12	19,944	3.18%	615

Monthly Average Growth Comparisons			
FY 2009-10 Year-to-date	4	0.03%	
FY 2009-10 2nd Half Forecast	39	0.21%	
November 2009 Forecast	57	0.31%	
FY 2010-11 Forecast	27	0.15%	
November 2009 Forecast	51	0.27%	
FY 2011-12 Forecast	28	0.15%	
November 2009 Forecast	51	0.26%	

Base trend from December 2009 level			
FY 2009-10	18,371	1.87%	338

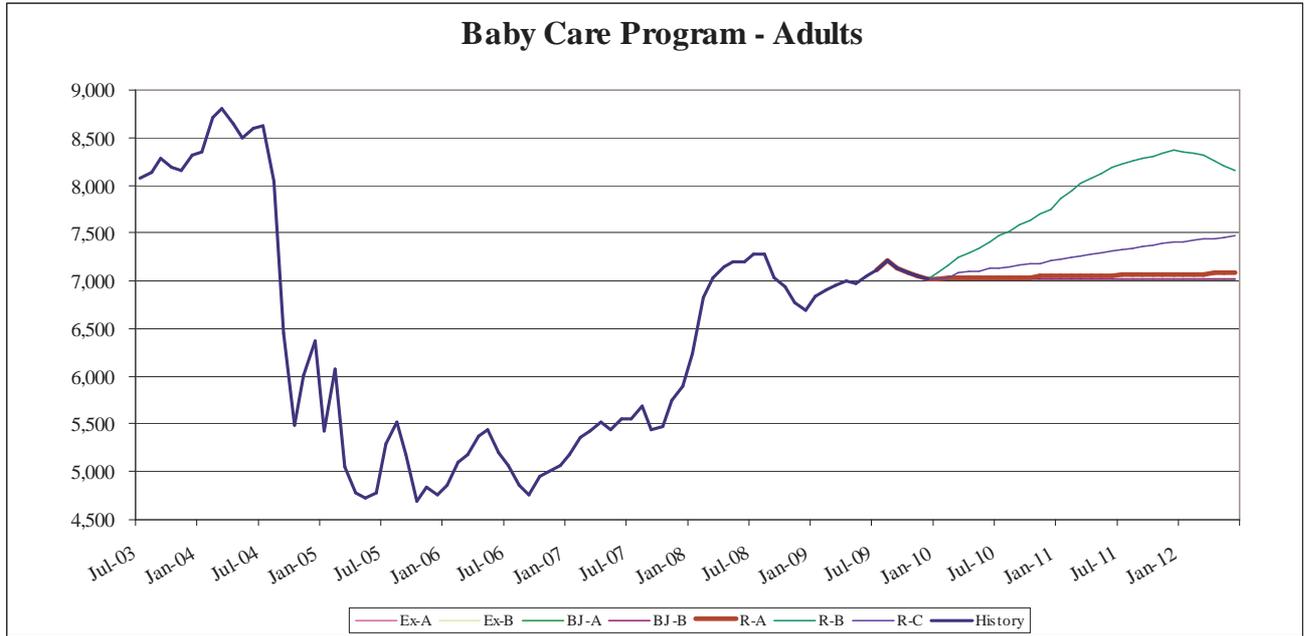
FY 2009-10 Year-to-date			
FY 2009-10	18,224	1.06%	191

Actuals		
	Monthly Change	% Change
6-month average	4	0.03%
12-month average	28	0.16%
18-month average	42	0.23%
24-month average	55	0.25%

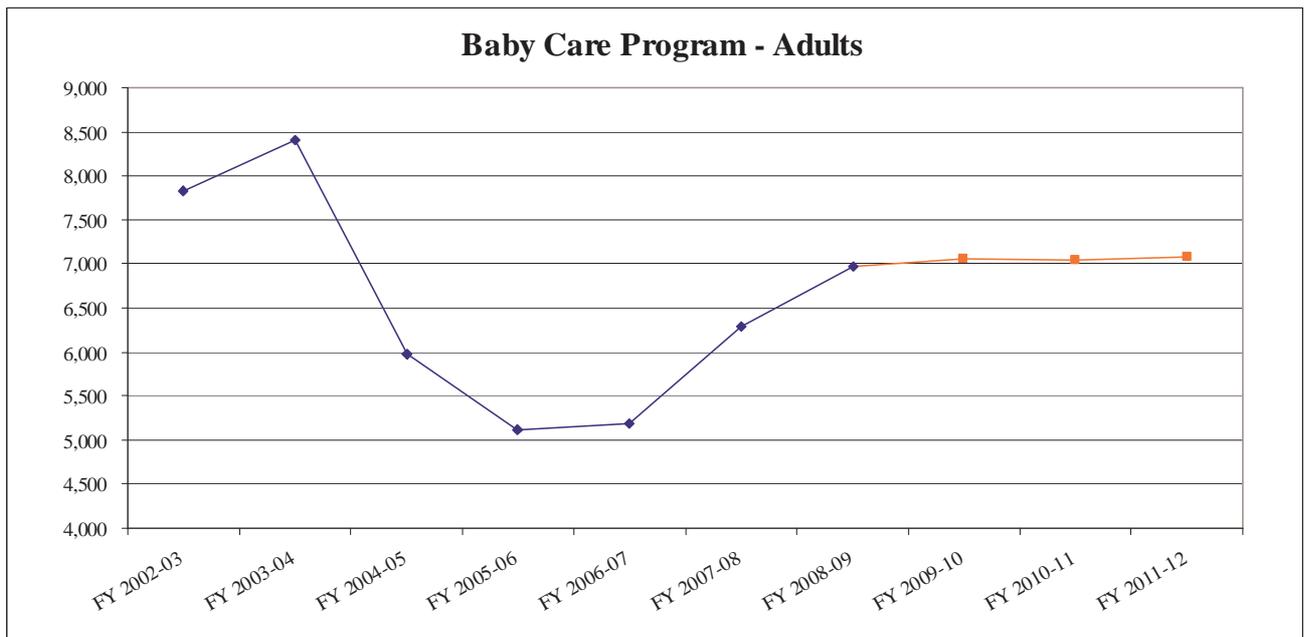
**Baby Care Adults**

Between 1986 and 1991, Congress extended Medicaid to new groups of pregnant women and children. Referred to as Baby and Kid Care in Colorado, the program was authorized through the Medicare Catastrophic Coverage Act of 1988. The program enrolls Baby Care women and Kid Care children (see the Eligible Children section of this document for information on children). Baby Care Adults are women with incomes up to 133% of the federal poverty level. Coverage includes prenatal care and delivery services, plus 60 days of postpartum care. The Baby and Kid Care Program serves a much higher income level than the 1931 families program, and pregnant mothers were never subject to resource/asset limitations to qualify for the program. Moreover, the Baby and Kid Care Program has never had a cash-assistance component and was unaffected by welfare reform.

**Baby Care Program- Adults: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A*	0.9468	
Exponential Smoothing B*	0.9320	
Box-Jenkins A	0.9471	
Box-Jenkins	0.9326	
Regression A	0.9557	BCA [-1], BCA Dummy, Auto [-4]
Regression B	0.9480	BCA [-1], Migration, Unemployment Rate, Auto [-3]
Regression C	0.9541	BCA [-1], Female Population 19-59, BCA Dummy, Auto [-2]



Baby Care Program-Adults: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	6,288	6,976	1.26%	7,064	88	(2)
Exponential Smoothing B*	6,288	6,976	1.26%	7,064	88	(2)
Box Jenkins A*	6,288	6,976	1.26%	7,064	88	(2)
Box Jenkins B	6,288	6,976	1.26%	7,064	88	(2)
<b>Regression A</b>	<b>6,288</b>	<b>6,976</b>	<b>1.30%</b>	<b>7,067</b>	<b>91</b>	<b>(1)</b>
Regression B	6,288	6,976	2.92%	7,180	204	31
Regression C	6,288	6,976	1.66%	7,092	116	8

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	6,976	7,067	-0.58%	7,026	(41)	0
Exponential Smoothing B*	6,976	7,067	-0.58%	7,026	(41)	0
Box Jenkins A*	6,976	7,067	-0.58%	7,026	(41)	0
Box Jenkins B	6,976	7,067	-0.58%	7,026	(41)	0
<b>Regression A</b>	<b>6,976</b>	<b>7,067</b>	<b>-0.28%</b>	<b>7,047</b>	<b>(20)</b>	<b>2</b>
Regression B	6,976	7,067	8.97%	7,701	634	64
Regression C	6,976	7,067	1.75%	7,191	124	14

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	7,067	7,047	0.00%	7,047	0	0
Exponential Smoothing B*	7,067	7,047	0.00%	7,047	0	0
Box Jenkins A*	7,067	7,047	0.00%	7,047	0	0
Box Jenkins B	7,067	7,047	0.00%	7,047	0	0
<b>Regression A</b>	<b>7,067</b>	<b>7,047</b>	<b>0.33%</b>	<b>7,070</b>	<b>23</b>	<b>2</b>
Regression B	7,067	7,047	5.87%	7,461	414	(2)
Regression C	7,067	7,047	2.54%	7,226	179	14

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

**Baby Care Program- Adults: Trend Selections**

FY 2009-10: 1.30%  
 FY 2010-11: -0.28%  
 FY 2011-12: 0.33%

**Baby Care Program- Adults: Justifications**

- This population is affected by the economy in similar ways as the Low-Income Adults and Children populations, although the effects may be increased given that these clients have incomes up to 133% of the federal poverty level.
- Presumptive eligibility allows pregnant women who had applied for Medicaid to receive services based on self-declaration until the status of their application has been determined. The State paid for all Medicaid costs during this time regardless of whether or not the woman was eventually found to be Medicaid eligible or not. On September 1, 2004, the Department discontinued this procedure, which explains the drop of nearly 2,500 clients in September and October 2004, as well as the corresponding decline in fiscal year average caseload. Presumptive eligibility was reinstated by HB 05-1262 (Tobacco Tax bill) effective July 1, 2005. Discounting these policy changes, caseload for this category is erratic and tends to be mired with spikes, as displayed in the graph above.

- Models in this aid category are heavily influenced by the caseload decline due to the end of the presumptive eligibility program in 2004. The exponential smoothing and Box-Jenkins models do not reflect the reimplementation of presumptive eligibility. The volatility in this population forces many forecasts to be flat, even after accounting for presumptive eligibility.
- Growth in FY 2009-10 has been much lower than the Department's November 2009 forecast, in which the annual caseload was projected to be 7,448 and average monthly growth was projected to be 62. The selected trend for FY 2009-10 is significantly lower than that from the November 2009 forecast, and would yield average growth of **4 per month** for the remainder of FY 2009-10. Caseload in this eligibility type has been volatile since FY 2008-09, with average monthly decreases of 85 clients in the first half of the FY 2008-09, increases of 59 in the second half of FY 2008-09, and decreases of 4 in the first half of FY 2009-10. While the cause of the volatility is unknown at this time, the Department does not anticipate that either large decreases or increases will continue. The Department believes the volatility in the historical data is resulting in models that are not producing accurate trends for FY 2009-10, resulting in a very moderate forecast.
- The Colorado Department of Public Health & Environment Family Planning Initiative was awarded a grant for approximately \$3.5 million to address the issue of unintended pregnancy in Colorado. This funding will provide local Title X Family Planning clinics with money to purchase long acting methods of contraception, funding for sterilizations and funding to expand clinic capacity to see more Title X clients. The vast majority of Title X clients are under 200% of the federal poverty level. Out-year trends moderate slightly due to this Family Planning initiative (as well as the Family Planning waiver that will be submitted by the Department pursuant to SB 08-003).

*25.5-5-101 (1), C.R.S. (2009)*

*(m) Low-income pregnant women, and children through the age of six, whose income is at or below a certain percentage of the federal poverty level as determined by the federal government;*

*25.5-5-205 (3), C.R.S. (2009)*

*(a) On and after April 1, 1990, children under the age of six years and pregnant women shall be eligible for benefits under the baby and kid care program... (b) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred thirty-three percent...;*

**Baby Care Program- Adults: Historical Caseload and Forecasts**

Baby Care Program-Adults: Historical Caseload and Projections				Baby Care Program-Adults: Historical Caseload and Projections			
	Actuals	Monthly Change	% Change		Caseload*	% Change	Level Change
Dec-07	5,896	-	-	FY 1995-96	7,223	-	-
Jan-08	6,233	337	5.72%	FY 1996-97	5,476	-24.19%	(1,747)
Feb-08	6,827	594	9.53%	FY 1997-98	4,295	-21.57%	(1,181)
Mar-08	7,035	208	3.05%	FY 1998-99	5,017	16.81%	722
Apr-08	7,142	107	1.52%	FY 1999-00	6,174	23.06%	1,157
May-08	7,191	49	0.69%	FY 2000-01	6,561	6.27%	387
Jun-08	7,200	9	0.13%	FY 2001-02	7,131	8.69%	570
Jul-08	7,286	86	1.19%	FY 2002-03	7,823	9.70%	692
Aug-08	7,270	(16)	-0.22%	FY 2003-04	8,398	7.35%	575
Sep-08	7,027	(243)	-3.34%	FY 2004-05	5,984	-28.74%	(2,414)
Oct-08	6,932	(95)	-1.35%	FY 2005-06	5,119	-14.46%	(865)
Nov-08	6,773	(159)	-2.29%	FY 2006-07	5,182	1.23%	63
Dec-08	6,689	(84)	-1.24%	FY 2007-08	6,288	21.34%	1,106
Jan-09	6,847	158	2.36%	FY 2008-09	6,976	10.94%	688
Feb-09	6,910	63	0.92%	FY 2009-10	7,067	1.30%	91
Mar-09	6,959	49	0.71%	FY 2010-11	7,047	-0.28%	(20)
Apr-09	6,995	36	0.52%	FY 2011-12	7,070	0.33%	23
May-09	6,973	(22)	-0.31%				
Jun-09	7,045	72	1.03%				
Jul-09	7,123	78	1.11%				
Aug-09	7,214	91	1.28%				
Sep-09	7,136	(78)	-1.08%				
Oct-09	7,087	(49)	-0.69%				
Nov-09	7,050	(37)	-0.52%				
Dec-09	7,017	(33)	-0.47%				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

November 2009 Trends			
FY 2009-10	7,448	6.77%	472
FY 2010-11	7,639	2.56%	191
FY 2011-12	7,791	1.99%	152

Monthly Average Growth Comparisons			
FY 2009-10 Year-to-date	(5)	-0.06%	
FY 2009-10 2nd Half Forecast	4	0.05%	
November 2009 Forecast	62	0.88%	
FY 2010-11 Forecast	2	0.03%	
November 2009 Forecast	0	0.00%	
FY 2011-12 Forecast	2	0.03%	
November 2009 Forecast	11	0.15%	

FY 2009-10 Year-to-date			
FY 2009-10	7,105	1.84%	129

Actuals		
	Monthly Change	% Change
6-month average	(5)	-0.06%
12-month average	27	0.40%
18-month average	(10)	-0.13%
24-month average	47	-0.12%

Base trend from December 2009 level			
FY 2009-10	7,017	0.59%	41

**Non-Citizens**

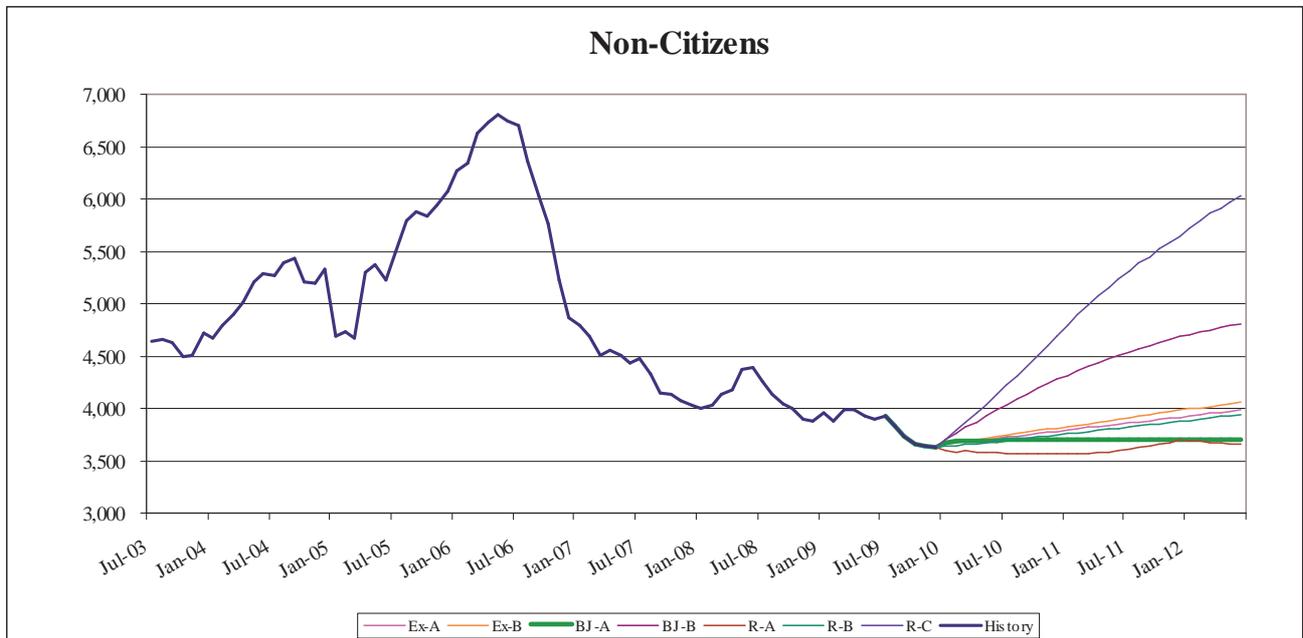
Section 403 of the Personal Responsibility Work Opportunity Reconciliation Act provides that certain immigrants arriving in the United States after August 22, 1996 are ineligible for full Medicaid benefits for their first five years of residence. The five-year ban only applies to immigrants who arrived in the United States after August 22, 1996. Full Medicaid coverage of individuals for the first five years is optional. Per federal regulations, states must provide mandatory full coverage for:

- Refugees for the first seven years after entry into the United States;
- Asylees for the first seven years after asylum is granted;
- Individuals whose deportation is being withheld for the first seven years after the initial withhold;
- Victims of trafficking;
- Lawful permanent residents who have 40 qualifying quarters of Social Security coverage;
- Cuban or Haitian entrants; and,
- Immigrants who are honorably discharged veterans of the United States military.

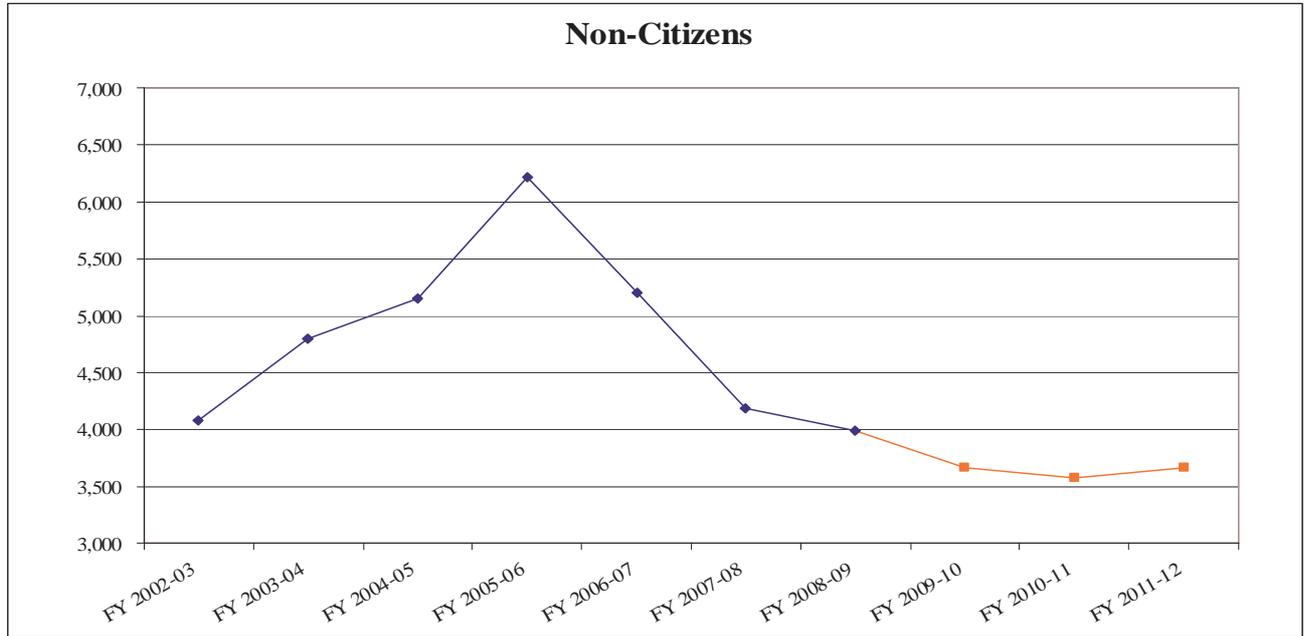
Regardless of whether the individual is an optional or mandatory immigrant, federal law requires all states to provide emergency medical services for individuals who otherwise meet Medicaid eligibility criteria, except for U.S. citizenship.

In April 2001, an eligibility policy change was implemented such that clients are now only counted as eligible in the months they receive emergency medical care. Prior to this policy change, eligibility for this group continued as it would for any other category, although only for emergency medical services. For example, a Non-Citizen with an emergency visit on April 2000 could be eligible in that month, and continue to be eligible for as many months as he/she met other eligibility criteria. The same client would only be eligible for one month, had the emergency service occurred in April 2001. Thus, caseloads presented from April 2001 and forward are much lower than in previous years.

**Non-Citizens: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A	0.9643	
Exponential Smoothing B*	0.9500	
Box-Jenkins A*	0.9779	
Box-Jenkins B	0.9663	
Regression A	0.9858	ALIEN [-1], Female Population 19-59, Migration, Alien Dummy, Auto [-3], Auto [-7]
Regression B	0.9888	ALIEN [-1], ALIEN [-2], Alien Dummy, Auto [-3]
Regression C	0.9883	ALIEN [-1], Unemployment Rate, Alien Dummy, Auto [-1], Auto [-2]



Non-Citizens: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	4,191	3,987	-6.92%	3,711	(276)	(15)
Exponential Smoothing B*	4,191	3,987	-6.82%	3,715	(272)	(14)
Box Jenkins A*	4,191	3,987	-6.92%	3,711	(276)	(17)
Box Jenkins B	4,191	3,987	-4.97%	3,789	(198)	8
<b>Regression A</b>	<b>4,191</b>	<b>3,987</b>	<b>-8.15%</b>	<b>3,662</b>	<b>(325)</b>	<b>(25)</b>
Regression B	4,191	3,987	-7.27%	3,697	(290)	(17)
Regression C	4,191	3,987	-4.06%	3,825	(162)	20

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	3,987	3,662	2.05%	3,737	75	11
Exponential Smoothing B*	3,987	3,662	2.83%	3,766	104	14
Box Jenkins A*	3,987	3,662	-0.43%	3,646	(16)	0
Box Jenkins B	3,987	3,662	13.17%	4,144	482	44
<b>Regression A</b>	<b>3,987</b>	<b>3,662</b>	<b>-2.48%</b>	<b>3,571</b>	<b>(91)</b>	<b>1</b>
Regression B	3,987	3,662	1.49%	3,717	55	10
Regression C	3,987	3,662	23.84%	4,535	873	92

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A	3,662	3,571	3.56%	3,698	127	11
Exponential Smoothing B*	3,662	3,571	4.35%	3,726	155	14
Box Jenkins A*	3,662	3,571	0.00%	3,571	0	0
Box Jenkins B	3,662	3,571	9.26%	3,902	331	25
<b>Regression A</b>	<b>3,662</b>	<b>3,571</b>	<b>2.49%</b>	<b>3,660</b>	<b>89</b>	<b>5</b>
Regression B	3,662	3,571	3.46%	3,695	124	11
Regression C	3,662	3,571	19.95%	4,283	712	66

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

***Non-Citizens: Trend Selections***

FY 2009-10: -8.15%  
FY 2010-11: -2.48%  
FY 2011-12: 2.49%

***Non-Citizens: Justifications***

- The graph above illustrates that the caseload in this category had a positive trend between FY 2002-03 and FY 2005-06. Caseload trends should be correlated with economic conditions and migration trends. As the economy recovers, more immigrants are expected to migrate to the State. Research shows that Mexican immigrants tend to have longer life expectancies than natives of the United States or of other Hispanic origins, and that the mortality advantage is higher for lower income immigrants.<sup>14</sup>
- Expenditures in this category did not decrease along with caseload in FY 2006-07 and FY 2007-08, indicating that the caseload decline was not occurring in clients that were utilizing services. Until October 2006, the eligibility spans for pregnant clients who delivered in Non-Citizens were left open for 60 days post-partum in case of an emergency. These clients, however, rarely utilized any services. The caseload declines in FY 2006-07 and FY 2007-08 may indicate that eligibility spans for the Non-Citizens clients are now being ended sooner, caused by eligibility technicians actively working more cases because they are required to collect citizenship information. In addition, it is possible that some undocumented citizens are not applying for Medicaid emergency services out of fear due to the Deficit Reduction Act and HB 06S-1023 identification requirements, even though the Medicaid application clearly states that emergency services are exempt. Although the effects of these state and federal legislations, as well as the 60-day post-partum policy change, are unquantifiable, the Department believes that the declines experienced in FY 2006-07 and FY 2007-08 are unlikely to continue.
- The Department believes that the caseload volatility in this eligibility type beginning in FY 2008-09 are somewhat related to those experienced in the Baby Care-Adults caseload, as a large portion of the Non-citizens caseload are pregnant women. Though the cause of this volatility is unknown at this time, the Department does not anticipate that the decreases will continue.
- Growth in FY 2009-10 has been much lower than the Department's November 2009 forecast, in which the annual caseload was projected to be 3,963 and average monthly growth was projected to be 11. The selected trend for FY 2009-10 is much lower than that from the November 2009 forecast, and would yield average decreases of **13 per month** for the remainder of FY 2009-10.
- The out-year trends assume very moderate monthly growth. As discussed in the Baby Care-Adults section, a number of Family Planning initiatives will be implemented during the forecast period, which may be expected to decrease the number of pregnancies.

*25.5-5-103 (3), C.R.S. (2009)*

*(a) Emergency medical assistance shall be provided to any person who is not a citizen of the United States, including undocumented aliens, aliens who are not qualified aliens, and qualified aliens who entered the United States on or after August 22, 1996, who has an emergency medical condition and meets one of the categorical requirements set forth in section 25.5-5-101; except that such persons shall not be required to meet any residency requirement other than that required by federal law.*

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<sup>14</sup> Source: Turra, CM and Goldman, N. *Socioeconomic differences in mortality among U.S. adults: insights into the Hispanic paradox*. The Journals of Gerontology, Series B, Psychological sciences and social sciences, Volume 62 Issue 3, pages 184-192.

**Non-Citizens: Historical Caseload and Forecasts**

Non-Citizens: Historical Caseload and Projections				Non-Citizens: Historical Caseload and Projections			
	Actuals	Monthly Change	% Change		Caseload*	% Change	Level Change
Dec-07	4,032	-	-	FY 1995-96	4,100	-	-
Jan-08	4,007	(25)	-0.62%	FY 1996-97	4,610	12.44%	510
Feb-08	4,026	19	0.47%	FY 1997-98	5,032	9.15%	422
Mar-08	4,130	104	2.58%	FY 1998-99	5,799	15.24%	767
Apr-08	4,178	48	1.16%	FY 1999-00	9,065	56.32%	3,266
May-08	4,371	193	4.62%	FY 2000-01	12,451	37.35%	3,386
Jun-08	4,389	18	0.41%	FY 2001-02	4,028	-67.65%	(8,423)
Jul-08	4,258	(131)	-2.98%	FY 2002-03	4,084	1.39%	56
Aug-08	4,136	(122)	-2.87%	FY 2003-04	4,793	17.36%	709
Sep-08	4,052	(84)	-2.03%	FY 2004-05	5,150	7.45%	357
Oct-08	4,005	(47)	-1.16%	FY 2005-06	6,212	20.62%	1,062
Nov-08	3,889	(116)	-2.90%	FY 2006-07	5,201	-16.27%	(1,011)
Dec-08	3,884	(5)	-0.13%	FY 2007-08	4,191	-19.42%	(1,010)
Jan-09	3,954	70	1.80%	FY 2008-09	3,987	-4.87%	(204)
Feb-09	3,885	(69)	-1.75%	FY 2009-10	3,662	-8.15%	(325)
Mar-09	3,988	103	2.65%	FY 2010-11	3,571	-2.48%	(91)
Apr-09	3,984	(4)	-0.10%	FY 2011-12	3,660	2.49%	89
May-09	3,919	(65)	-1.63%				
Jun-09	3,892	(27)	-0.69%				
Jul-09	3,930	38	0.98%				
Aug-09	3,835	(95)	-2.42%				
Sep-09	3,724	(111)	-2.89%				
Oct-09	3,650	(74)	-1.99%				
Nov-09	3,644	(6)	-0.16%				
Dec-09	3,632	(12)	-0.33%				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

November 2009 Trends			
FY 2009-10	3,963	-0.60%	(24)
FY 2010-11	4,102	3.51%	139
FY 2011-12	4,255	3.73%	153

Monthly Average Growth Comparisons			
FY 2009-10 Year-to-date		(43)	-1.14%
FY 2009-10 2nd Half Forecast		(13)	-0.34%
November 2009 Forecast		11	0.28%
FY 2010-11 Forecast		1	0.03%
November 2009 Forecast		12	0.30%
FY 2011-12 Forecast		5	0.14%
November 2009 Forecast		13	0.31%

Base trend from December 2009 level			
FY 2009-10	3,632	-8.90%	(355)

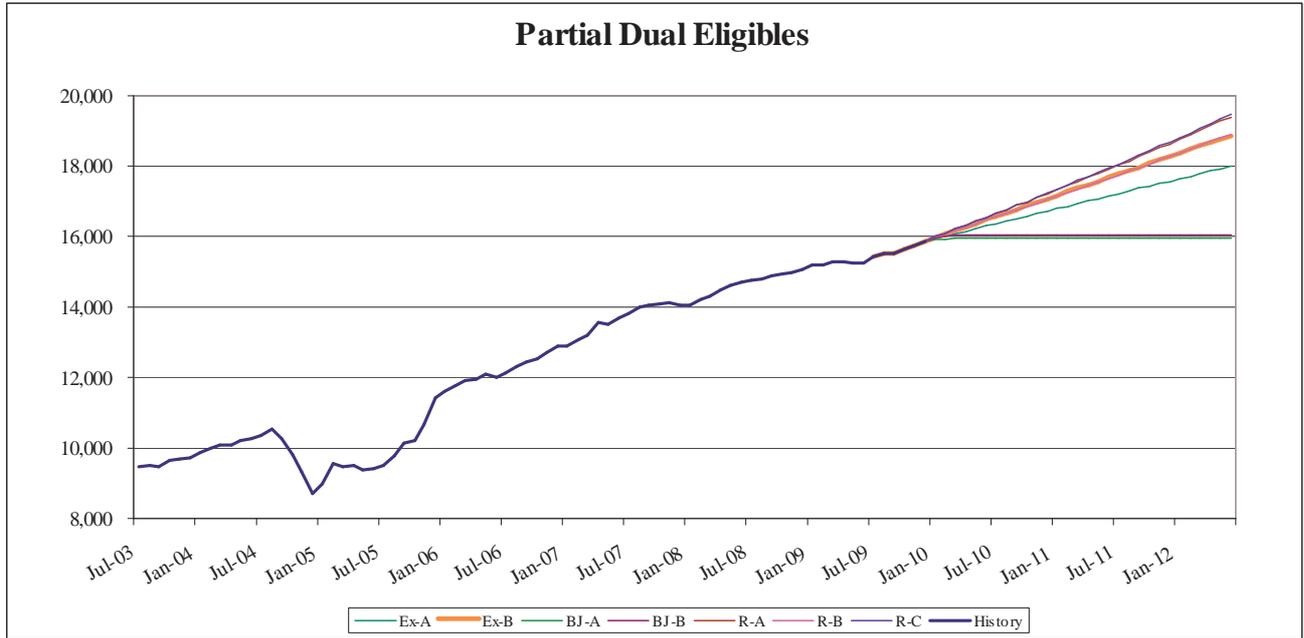
FY 2009-10 Year-to-date			
FY 2009-10	3,736	-6.30%	(251)

Actuals		
	Monthly Change	% Change
6-month average	(43)	-1.14%
12-month average	(21)	-0.54%
18-month average	(42)	-1.03%
24-month average	(17)	-0.96%

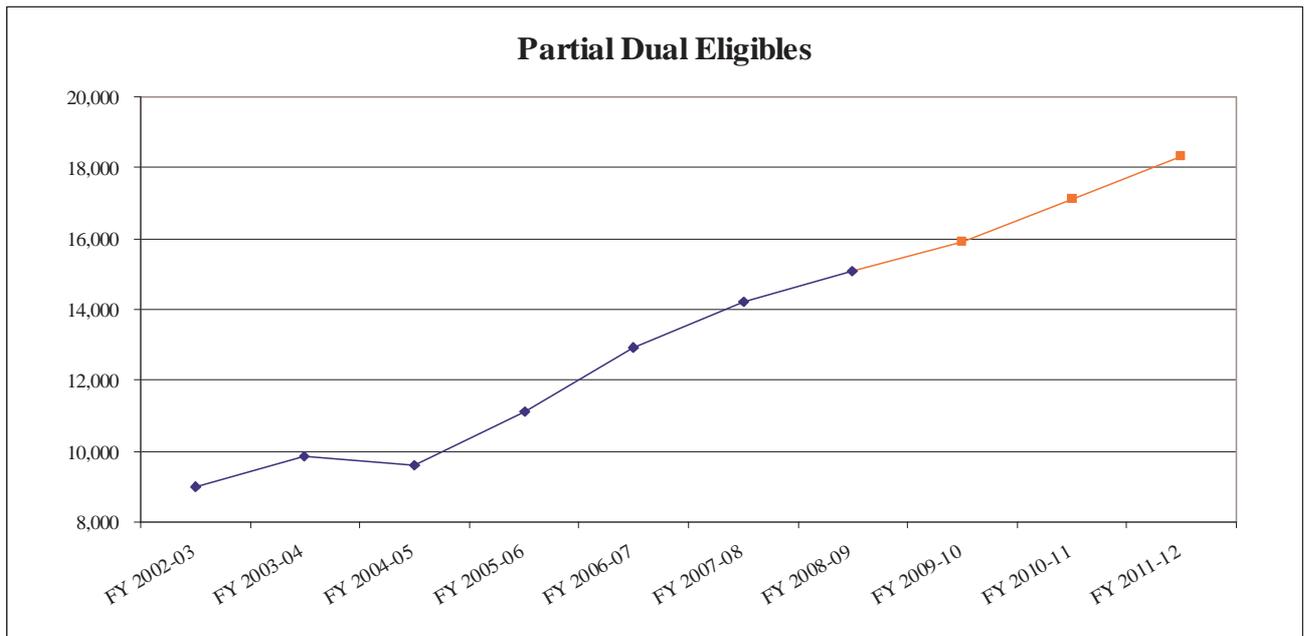
**Partial Dual Eligibles**

Medicare eligible beneficiaries who have incomes at a certain federal poverty level and limited resources may qualify to have Medicaid cover some of their out-of-pocket expenses, such as their Medicare Part B premiums and other coinsurance and deductibles. The two groups of clients that qualify for this cost-sharing program are Qualified Medicare Beneficiaries and Special Low Income Medicare Beneficiaries. This group, formerly known as Qualified Medicare Beneficiaries/ Special Low Income Medicare Beneficiaries, is now collectively known as Partial Dual Eligibles. Qualified Medicare Beneficiaries have incomes at or below 100% of the federal poverty level, and resources twice the standard allowed under the federal Supplemental Security Income program. These clients receive hospital insurance and supplementary medical insurance premium coverage along with Medicare coinsurance and deductibles. Special Low Income Medicare Beneficiaries have incomes greater than 100% of the federal poverty level, but less than 120%. For Special Low Income Medicare Beneficiaries, Medicaid only pays the supplementary medical insurance premiums.

**Partial Dual Eligibles: Model Results**



	Adjusted R <sup>2</sup>	Notes
Exponential Smoothing A*	0.9977	
Exponential Smoothing B	0.9965	
Box-Jenkins A	0.9976	
Box-Jenkins B*	0.9970	
Regression A	0.9993	PDE [-1], PDE Dummy, CBMS Dummy, Auto [-1]
Regression B	0.9993	PDE [-1], Population 65+, PDE Dummy, CBMS Dummy, Auto [-1]
Regression C	0.9992	PDE [-1], PDE [-2], PDE Dummy, CBMS Dummy, Auto [-3]



Partial Dual Eligibles: Model Results						
FY 2009-10	FY 2007-08	FY 2008-09	Projected Growth Rate	Projected FY 2009-10 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	14,214	15,075	5.26%	15,868	793	87
<b>Exponential Smoothing B*</b>	<b>14,214</b>	<b>15,075</b>	<b>5.60%</b>	<b>15,919</b>	<b>844</b>	<b>102</b>
Box Jenkins A	14,214	15,075	4.64%	15,774	699	57
Box Jenkins B	14,214	15,075	4.94%	15,820	745	67
Regression A	14,214	15,075	5.76%	15,943	868	108
Regression B	14,214	15,075	5.63%	15,924	849	102
Regression C	14,214	15,075	5.74%	15,940	865	108

\* Denotes Expert Selection, Bold denotes Trend Selection

FY 2010-11	FY 2008-09	Projected FY 2009-10 Caseload	Projected Growth Rate	Projected FY 2010-11 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	15,075	15,919	5.59%	16,809	890	71
<b>Exponential Smoothing B*</b>	<b>15,075</b>	<b>15,919</b>	<b>7.54%</b>	<b>17,119</b>	<b>1,200</b>	<b>100</b>
Box Jenkins A	15,075	15,919	1.10%	16,094	175	1
Box Jenkins B*	15,075	15,919	1.53%	16,163	244	0
Regression A	15,075	15,919	8.36%	17,250	1,331	114
Regression B	15,075	15,919	7.42%	17,100	1,181	99
Regression C	15,075	15,919	8.49%	17,271	1,352	117

FY 2011-12	Projected FY 2009-10 Caseload	Projected FY 2010-11 Caseload	Projected Growth Rate	Projected FY 2011-12 Caseload	Level Change	Average Monthly Change <sup>1</sup>
Exponential Smoothing A*	15,919	17,119	5.06%	17,985	866	71
<b>Exponential Smoothing B*</b>	<b>15,919</b>	<b>17,119</b>	<b>6.99%</b>	<b>18,316</b>	<b>1,197</b>	<b>100</b>
Box Jenkins A	15,919	17,119	0.03%	17,124	5	0
Box Jenkins B*	15,919	17,119	0.01%	17,121	2	0
Regression A	15,919	17,119	8.28%	18,536	1,417	124
Regression B	15,919	17,119	7.14%	18,341	1,222	105
Regression C	15,919	17,119	8.45%	18,566	1,447	126

<sup>1</sup> Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

**Partial Dual Eligibles: Trend Selections**

FY 2009-10: 5.60%

FY 2010-11: 7.54%

FY 2011-12: 6.99%

**Partial Dual Eligibles: Justification**

- These clients have higher income than Adults 65 and Older or Disabled Adults 60 to 64, and are relatively healthy. Given the increased life expectancy, more people are living healthier longer, which would support strong growth rates in this population. In addition, this population may start to be affected by the “baby boomers”, defined by the U.S. Census Bureau as the generation born between 1946 and 1964, beginning in calendar year 2006.
- Caseload trends are somewhat correlated with economic indicators. The assets and annuities provisions in the Deficit Reduction Act of 2005 may also contribute to growth in this category, as some clients who might have qualified for the Adults 65 and Older category now have too much income or assets.
- Caseload growth in this category was positive and steady between FY 1999-00 and FY 2003-04. Caseload experienced an unprecedented contraction on FY 2004-05, due to large monthly declines that occurred as a result of the court order regarding the Colorado Benefits Management System. The relatively strong growth since the beginning of FY 2005-06 may be due to a wood work effect

from Medicare Modernization Act, under which Medicare Part D clients are screened for Medicaid as they apply for the low-income subsidy.

- Growth in FY 2009-10 has been higher than the Department's November 2009 forecast, in which the annual caseload was projected to be 15,735 and average monthly growth was projected to be 72. The selected trend for FY 2009-10 is higher than the November 2009 forecast, and would yield average growth of **107 per month** for the remainder of FY 2009-10.
- Out-year trend selections are moderate and in line with historic rates, reflecting the complete incorporation of baby boomers and any clients affected by the Medicare Modernization Act.

25.5-5-101 (1), C.R.S. (2009)

*(1) Individuals with income and resources at a level which qualifies them as Medicare-eligible under section 301 of Title III of the federal "Medicare Catastrophic Coverage Act".*

25.5-5-104, C.R.S. (2009)

*Qualified medicare beneficiaries are medicare-eligible individuals with income and resources at a level which qualifies them as eligible under section 301 of Title III of the federal "Medicare Catastrophic Coverage Act of 1988", as amended, or subsequent amending federal legislation.*

25.5-5-105, C.R.S. (2009)

*Qualified disabled and working individuals are persons with income and resources and disability status, as determined by the social security administration, which qualify them as "qualified disabled and working individuals" under sections 6012 and 6408 of the federal "Omnibus Budget Reconciliation Act of 1989", or subsequent amending federal legislation. The state department is hereby designated as the single state agency to administer benefits available to qualified disabled and working individuals. Such benefits are limited to medicare cost-sharing expenses as determined by the federal government.*

**Partial Dual Eligibles: Historical Caseload and Forecasts**

Partial Dual Eligibles: Historical Caseload and Projections				Partial Dual Eligibles: Historical Caseload and Projections			
	Actuals	Monthly Change	% Change		Caseload*	% Change	Level Change
Dec-07	14,028	-	-	FY 1995-96	3,937	-	-
Jan-08	14,066	38	0.27%	FY 1996-97	4,316	9.63%	379
Feb-08	14,212	146	1.04%	FY 1997-98	4,560	5.65%	244
Mar-08	14,333	121	0.85%	FY 1998-99	6,104	33.86%	1,544
Apr-08	14,479	146	1.02%	FY 1999-00	7,597	24.46%	1,493
May-08	14,628	149	1.03%	FY 2000-01	8,157	7.37%	560
Jun-08	14,700	72	0.49%	FY 2001-02	8,428	3.32%	271
Jul-08	14,768	68	0.46%	FY 2002-03	8,988	6.64%	560
Aug-08	14,821	53	0.36%	FY 2003-04	9,842	9.50%	854
Sep-08	14,898	77	0.52%	FY 2004-05	9,605	-2.41%	(237)
Oct-08	14,933	35	0.23%	FY 2005-06	11,092	15.48%	1,487
Nov-08	14,980	47	0.31%	FY 2006-07	12,908	16.37%	1,816
Dec-08	15,053	73	0.49%	FY 2007-08	14,214	10.12%	1,306
Jan-09	15,194	141	0.94%	FY 2008-09	15,075	6.06%	861
Feb-09	15,205	11	0.07%	FY 2009-10	15,919	5.60%	844
Mar-09	15,293	88	0.58%	FY 2010-11	17,119	7.54%	1,200
Apr-09	15,268	(25)	-0.16%	FY 2011-12	18,316	6.99%	1,197
May-09	15,240	(28)	-0.18%				
Jun-09	15,249	9	0.06%				
Jul-09	15,434	185	1.21%				
Aug-09	15,522	88	0.57%				
Sep-09	15,513	(9)	-0.06%				
Oct-09	15,638	125	0.81%				
Nov-09	15,743	105	0.67%				
Dec-09	15,846	103	0.65%				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

November 2009 Trends			
FY 2009-10	15,735	4.38%	660
FY 2010-11	16,563	5.26%	828
FY 2011-12	17,391	5.00%	828

FY 2009-10 Year-to-date			
FY 2009-10	15,616	3.59%	541

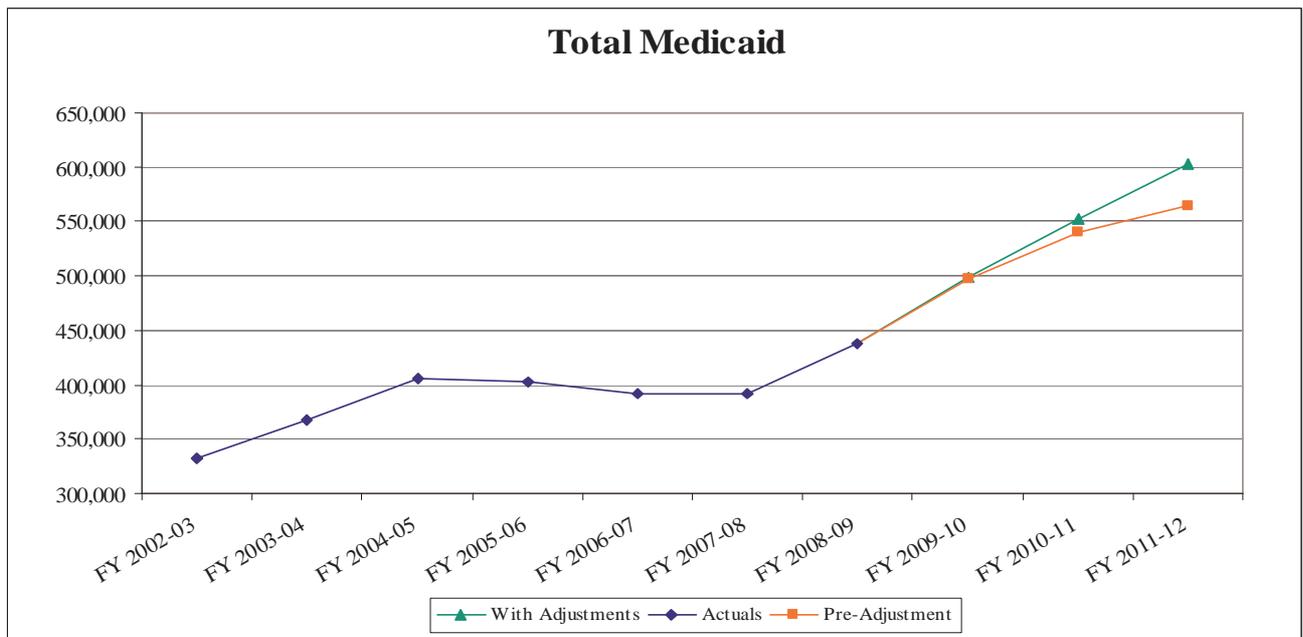
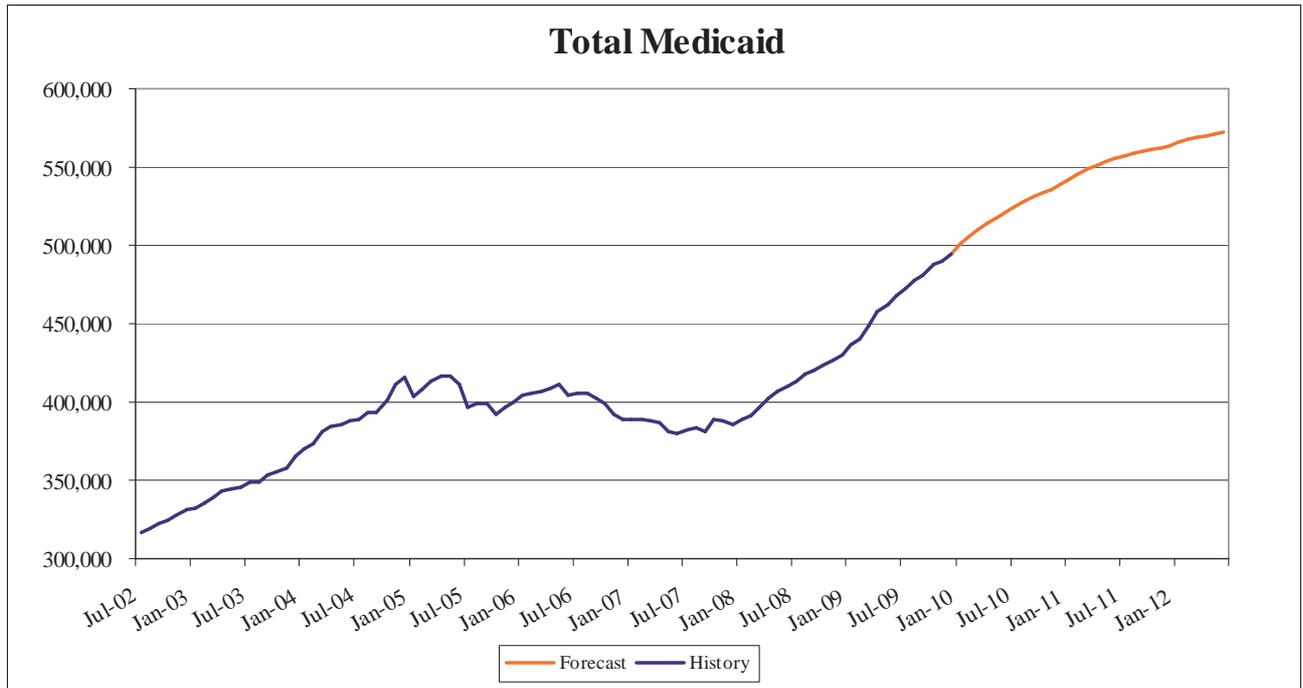
Actuals		
	Monthly Change	% Change
6-month average	100	0.64%
12-month average	66	0.43%
18-month average	64	0.42%
24-month average	76	0.42%

Monthly Average Growth Comparisons		
FY 2009-10 Year-to-date	100	0.64%
FY 2009-10 2nd Half Forecast	107	0.68%
November 2009 Forecast	72	0.47%
FY 2010-11 Forecast	100	0.61%
November 2009 Forecast	69	0.43%
FY 2011-12 Forecast	100	0.57%
November 2009 Forecast	69	0.41%

Base trend from December 2009 level			
FY 2009-10	15,846	5.11%	771

**Summary**

The Department is forecasting a FY 2009-10 total Medicaid caseload of 498,424, a 14.10% increase from FY 2008-09. The trend is projected to moderate in FY 2010-11 with caseload expected to increase by 10.93% to 552,877, with a large portion of the growth to come from the eligibility expansion in Expansion Adults..



Total Medicaid: Historical Caseload and Projections							
	Actuals	Monthly Change	% Change		Caseload*	% Change	Level Change
Jun-07	380,081	-	-	FY 1995-96	254,083	-	-
Jul-07	382,446	2,365	0.62%	FY 1996-97	250,098	-1.57%	(3,985)
Aug-07	383,218	772	0.20%	FY 1997-98	238,594	-4.60%	(11,504)
Sep-07	381,620	(1,598)	-0.42%	FY 1998-99	237,598	-0.42%	(996)
Oct-07	388,469	6,849	1.79%	FY 1999-00	253,254	6.59%	15,656
Nov-07	388,145	(324)	-0.08%	FY 2000-01	275,399	8.74%	22,145
Dec-07	385,852	(2,293)	-0.59%	FY 2001-02	295,413	7.27%	20,014
Jan-08	388,471	2,619	0.68%	FY 2002-03	331,800	12.32%	36,387
Feb-08	391,647	3,176	0.82%	FY 2003-04	367,559	10.78%	35,759
Mar-08	396,191	4,544	1.16%	FY 2004-05	406,024	10.46%	38,465
Apr-08	401,685	5,494	1.39%	FY 2005-06	402,218	-0.94%	(3,806)
May-08	406,143	4,458	1.11%	FY 2006-07	392,228	-2.48%	(9,990)
Jun-08	409,640	3,497	0.86%	FY 2007-08	391,962	-0.07%	(266)
Jul-08	413,125	3,485	0.85%	FY 2008-09	436,812	11.44%	44,850
Aug-08	417,411	4,286	1.04%	FY 2009-10	497,674	13.93%	60,862
Sep-08	419,554	2,143	0.51%	FY 2010-11	540,627	8.63%	42,953
Oct-08	422,955	3,401	0.81%	FY 2011-12	564,767	4.47%	24,140
Nov-08	426,512	3,557	0.84%				
Dec-08	429,783	3,271	0.77%				
Jan-09	436,349	6,566	1.53%				
Feb-09	440,274	3,925	0.90%				
Mar-09	448,490	8,216	1.87%				
Apr-09	457,699	9,209	2.05%				
May-09	462,033	4,334	0.95%				
Jun-09	467,556	5,523	1.20%				
Jul-09	472,277	4,721	1.01%				
Aug-09	477,915	5,638	1.19%				
Sep-09	481,549	3,634	0.76%				
Oct-09	487,250	5,701	1.18%				
Nov-09	489,612	2,362	0.48%				
Dec-09	494,699	5,087	1.04%				
<b>Jan-10</b>	<b>500,613</b>	<b>5,914</b>	<b>1.20%</b>				
<b>Feb-10</b>	<b>505,088</b>	<b>4,475</b>	<b>0.89%</b>				
<b>Mar-10</b>	<b>510,179</b>	<b>5,091</b>	<b>1.01%</b>				
<b>Apr-10</b>	<b>514,072</b>	<b>3,893</b>	<b>0.76%</b>				
<b>May-10</b>	<b>517,351</b>	<b>3,279</b>	<b>0.64%</b>				
<b>Jun-10</b>	<b>521,471</b>	<b>4,120</b>	<b>0.80%</b>				
<b>Jul-10</b>	<b>524,590</b>	<b>3,119</b>	<b>0.60%</b>				
<b>Aug-10</b>	<b>527,729</b>	<b>3,139</b>	<b>0.60%</b>				
<b>Sep-10</b>	<b>530,861</b>	<b>3,132</b>	<b>0.59%</b>				
<b>Oct-10</b>	<b>533,527</b>	<b>2,666</b>	<b>0.50%</b>				
<b>Nov-10</b>	<b>536,070</b>	<b>2,543</b>	<b>0.48%</b>				
<b>Dec-10</b>	<b>538,917</b>	<b>2,847</b>	<b>0.53%</b>				
<b>Jan-11</b>	<b>542,509</b>	<b>3,592</b>	<b>0.67%</b>				
<b>Feb-11</b>	<b>545,738</b>	<b>3,229</b>	<b>0.60%</b>				
<b>Mar-11</b>	<b>548,623</b>	<b>2,885</b>	<b>0.53%</b>				
<b>Apr-11</b>	<b>550,866</b>	<b>2,243</b>	<b>0.41%</b>				
<b>May-11</b>	<b>552,899</b>	<b>2,033</b>	<b>0.37%</b>				
<b>Jun-11</b>	<b>555,231</b>	<b>2,332</b>	<b>0.42%</b>				

\* Medicaid caseload was restated back to FY 2002-03 effective July 1, 2008. Caseload prior to FY 2002-03 has not been restated and is not directly comparable to the restated caseload.

Adjustments (HB 09-1293)		
FY 2009-10		750
FY 2010-11		12,250
FY 2011-12		37,125

Projections After Adjustments			
FY 2009-10	498,424	14.10%	61,612
FY 2010-11	552,877	10.93%	54,453
FY 2011-12	601,892	8.87%	49,015

November 2009 Trends (BEFORE ADJUSTMENTS)			
FY 2009-10	498,511	27.18%	106,549
FY 2010-11	537,383	7.80%	38,872
FY 2011-12	556,968	3.64%	19,585

Actuals		
	Monthly Change	% Change
6-month average	4,524	0.95%
12-month average	5,410	1.18%
18-month average	4,726	1.05%
24-month average	4,535	1.04%

Monthly Averages		
FY 2009-10 Year-to-date	4,524	0.95%
FY 2009-10 2nd Half Forecast	4,462	0.88%
November 2009 Forecast	4,459	0.91%
FY 2010-11 Forecast	2,813	0.52%
November 2009 Forecast	2,246	0.42%
FY 2011-12 Forecast	1,405	0.25%
November 2009 Forecast	1,368	0.25%

\*\*Bold denotes projection

FY 2009-10 Year-to-date			
FY 2009-10	483,884	10.78%	47,072

Base trend from December 2009 level			
FY 2009-10	494,699	13.25%	57,887

