

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Schedule 13 Change Request for FY 2010-11 Budget Request Cycle											
Decision Item FY 2010-11		Base Reduction Item FY 2010-11			Supplemental FY 2009-10			Budget Amendment FY 2010-11			
Request Title:		Medicaid Payment Timing			Dept. Approval by: <i>John Bartholomew JB</i>			Date: November 2, 2009 <i>10/24/09</i>			
Department:		Health Care Policy and Financing			OSPBA Approval: <i>[Signature]</i>			Date: <i>11/2/09</i>			
Priority Number:		BRI-5									
		1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Fund											
<b>Total of All Line Items</b>		<b>Total</b> 2,528,767,696	2,544,655,371	0	2,750,090,382	3,002,844,591	(188,101,520)	3,047,954,890	0	3,047,954,890	34,714,989
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	929,233,912	773,238,343	0	867,501,647	1,144,814,023	(93,822,636)	1,151,384,986	0	1,151,384,986	16,530,560
	GFE	39,251,792	0	0	0	0	0	0	0	0	0
	CF	109,633,539	168,808,635	0	177,242,277	334,288,427	(5,227,680)	360,340,549	0	360,340,549	798,617
	CFE/RF	2,631,068	2,739,519	0	2,748,535	2,736,160	(77,508)	2,667,602	0	2,667,602	16,237
	FF	1,448,017,385	1,599,868,874	0	1,702,597,923	1,520,805,981	(88,973,696)	1,533,561,753	0	1,533,561,753	17,369,575
<b>(2) Medical Services Premiums</b>		<b>Total</b> 2,526,991,443	2,542,923,842	0	2,542,923,842	3,000,913,062	(166,645,996)	2,834,267,066	0	2,834,267,066	36,845,812
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	919,709,968	1,037,363,033	0	1,037,363,033	1,140,610,858	(79,070,398)	1,061,540,460	0	1,061,540,460	17,505,773
	GFE	39,251,792	0	0	0	0	0	0	0	0	0
	CF	109,633,539	226,708,414	0	226,708,414	352,549,563	(4,143,069)	348,406,494	0	348,406,494	888,560
	CFE/RF	2,631,068	2,739,519	0	2,739,519	2,736,160	(76,485)	2,659,675	0	2,659,675	16,341
	FF	1,455,765,086	1,276,112,876	0	1,276,112,876	1,505,016,481	(83,356,044)	1,421,660,437	0	1,421,660,437	18,435,138
<b>(2) Medical Services Premiums: Long Bill Group Total</b>		<b>Total</b> 0	0	0	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	(264,990,043)	0	(264,990,043)	0	(4,910,335)	(4,910,335)	0	(4,910,335)	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	(57,900,191)	0	(57,900,191)	0	(196,724)	(196,724)	0	(196,724)	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	322,890,234	0	322,890,234	0	5,107,059	5,107,059	0	5,107,059	0

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Schedule 13												
Change Request for FY 2010-11 Budget Request Cycle												
Decision Item FY 2010-11	<input type="checkbox"/>	Base Reduction Item FY 2010-11			<input checked="" type="checkbox"/>	Supplemental FY 2009-10			<input type="checkbox"/>	Budget Amendment FY 2010-11		<input type="checkbox"/>
<b>Request Title:</b>	Medicaid Payment Timing											
<b>Department:</b>	Health Care Policy and Financing				<b>Dept. Approval by:</b>	John Bartholomew			<b>Date:</b>	November 2, 2009		
<b>Priority Number:</b>	BRI-5				<b>OSPB Approval:</b>				<b>Date:</b>			
		1	2	3	4	5	6	7	8	9	10	
		Prior-Year Actual	Supplemental Request	Total Revised Request	Base Request	Decision/ Base Reduction	November 1 Request	Budget Amendment	Total Revised Request	Change from Base (Column 5)		
	Fund	FY 2008-09	FY 2009-10	FY 2009-10	FY 2009-10	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2011-12	
<b>(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Payments</b>	<b>Total</b>	215,860,937	205,435,011	0	205,435,011	233,411,819	(21,320,366)	212,091,453	0	212,091,453	(2,159,753)	
	<b>FTE</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
	<b>GF</b>	86,769,471	94,262,892	0	94,262,892	103,726,456	(9,769,781)	93,956,675	0	93,956,675	(989,678)	
	<b>GFE</b>	0	0	0	0	0	0	0	0	0	0	
	<b>CF</b>	5,219,083	8,434,054	0	8,434,054	13,018,666	(887,887)	12,130,779	0	12,130,779	(89,943)	
	<b>CFE/RF</b>	7,330	9,016	0	9,016	8,950	(1,023)	7,927	0	7,927	(104)	
	<b>FF</b>	123,865,053	102,729,049	0	102,729,049	116,657,747	(10,661,675)	105,996,072	0	105,996,072	(1,080,028)	
<b>(3) Medicaid Mental Health Community Programs; (B) Other Medicaid Mental Health Payments, Medicaid Mental Health Fee for Services Payments</b>	<b>Total</b>	1,776,253	1,731,529	0	1,731,529	1,731,529	(135,158)	1,596,371	0	1,596,371	28,930	
	<b>FTE</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
	<b>GF</b>	730,829	865,765	0	865,765	865,765	(67,579)	798,186	0	798,186	14,465	
	<b>GFE</b>	0	0	0	0	0	0	0	0	0	0	
	<b>CF</b>	0	0	0	0	0	0	0	0	0	0	
	<b>CFE/RF</b>	0	0	0	0	0	0	0	0	0	0	
	<b>FF</b>	1,045,424	865,764	0	865,764	865,764	(67,579)	798,185	0	798,185	14,465	
<b>(3) Medicaid Mental Health Community Programs; Long Bill Group Total</b>	<b>Total</b>	0	0	0	0	0	0	0	0	0	0	
	<b>FTE</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
	<b>GF</b>	0	(22,471,323)	0	(22,471,323)	0	(4,543)	(4,543)	0	(4,543)	0	
	<b>GFE</b>	0	0	0	0	0	0	0	0	0	0	
	<b>CF</b>	0	(1,950,368)	0	(1,950,368)	0	0	0	0	0	0	
	<b>CFE/RF</b>	0	0	0	0	0	0	0	0	0	0	
	<b>FF</b>	0	24,421,691	0	24,421,691	0	4,543	4,543	0	4,543	0	
<b>Non-Line Item Request:</b>	None.											
<b>Letternote Revised Text:</b>	See Table F.1 and F.2 for Revised Letternote Totals.											
<b>Cash or Federal Fund Name and COFRS Fund Number:</b>	FF: Title XIX; See Tables F.1 and F.2 for Cash Fund Names and COFRS Numbers.											
<b>Reappropriated Funds Source, by Department and Line Item Name:</b>	None.											
<b>Approval by OIT?</b>	Yes: <input type="checkbox"/> No: <input type="checkbox"/> N/A: <input checked="" type="checkbox"/>											
<b>Schedule 13s from Affected Departments:</b>	None.											

**CHANGE REQUEST for FY 2010-11 BUDGET REQUEST CYCLE**

Department:	Health Care Policy and Financing
Priority Number:	BRI-5
Change Request Title:	Medicaid Payment Timing

**SELECT ONE (click on box):**

- Decision Item FY 2010-11
- Base Reduction Item FY 2010-11
- Supplemental Request FY 2009-10
- Budget Request Amendment FY 2010-11

**SELECT ONE (click on box):**

Supplemental or Budget Request Amendment Criterion:

- Not a Supplemental or Budget Request Amendment
- An emergency
- A technical error which has a substantial effect on the operation of the program
- New data resulting in substantial changes in funding needs
- Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Department requests a reduction of \$188,101,520 total funds and \$93,822,636 General Fund in FY 2010-11. To achieve these savings, the Department proposes to shift the final two weeks of payments processed through the Medicaid Management Information System (MMIS) in FY 2009-10 into FY 2010-11 as well as shift the final four week's worth of payments from FY 2010-11. In order to reduce the impact of the out-year expenditure due to the payment delays, the Department also proposes to delay the final three weeks of payments in FY 2011-12, the final two weeks of payments in FY 2012-13, and the final week of payments in FY 2013-14. This "step down" approach to the delayed payments would result in FYs 2011-12 through 2014-15 each paying 53 weeks worth of expenditure rather than having FY 2011-12 pay off 56 weeks. These savings figures represent the incremental change from the payments shift already required by SB 09-265 and also reflect the enhanced Federal Medicaid Assistance Percentage (FMAP) that the State is receiving as a result of the American Recovery and Reinvestment Act of 2009 (ARRA).

Background and Appropriation History:

SB 09-265 requires the Department to delay one week of payments as processed through the MMIS at the end of FY 2009-10. That delayed payment will currently result in an extra week's worth of payments in the following year, FY 2010-11, resulting in a savings in FY 2009-10 of approximately \$44.7 million total funds and a net increase in FY 2010-11 of the same amount.

The Department's request would effectively double the savings from SB 09-265 for FY 2009-10 and produce additional savings in FY 2010-11.

General Description of Request:

The Department requests a reduction of \$188,101,520 total funds and \$93,822,636 General Fund in FY 2010-11. To achieve these savings, the Department proposes to shift the final two weeks of payments processed through the Medicaid Management Information System (MMIS) in FY 2009-10 into FY 2010-11 as well as shift the final four week's worth of payments from FY 2010-11. In order to reduce the impact of the out-year expenditure due to the payment delays, the Department also proposes to delay the final three weeks of payments in FY 2011-12, the final two weeks of payments in FY 2012-13, and the final week of payments in FY 2013-14. This "step down" approach to the delayed payments would result in FYs 2011-12 through 2014-15 each paying 53 weeks worth of expenditure rather than having FY 2011-12 pay off 56 weeks. These savings figures represent the incremental change from the payments shift already required by SB 09-265 and also reflect the enhanced Federal Medicaid Assistance Percentage (FMAP) that the State is receiving as a result of the American Recovery and Reinvestment Act of 2009 (ARRA).

The Department proposes to: 1) delay the final two weeks of MMIS processed payments in FY 2009-10, allowing those payments to be made in FY 2010-11; 2) delay the final four weeks of MMIS processed payments in FY 2010-11; and 3) delay the final three weeks of payments in FY 2011-12, the final two weeks of payments in FY 2012-13, and the final week of payments in FY 2013-14. The Department estimates that this proposal would

result in the savings figures provided, above, and an increase of \$34,714,989 total funds and \$16,530,560 General Fund in FY 2011-12.<sup>1</sup>

The calculations for this request provide the total incremental change to the Department's budget. In those calculations, for FY 2010-11 the estimated expenditure from the prior year due to the fee-for-service shifted payment is overstated, as a portion is already included in the Department's Budget Request (DI-1 and DI-2) in order to account for SB 09-265. In order to calculate the incremental total, the Department backs out the amount of the shifted payment that is already included in its budget.

Additionally, SB 09-265 created a permanent savings in FY 2009-10 by having managed care payments made in the month following services, rather than the former practice of paying concurrently in the month of service. The Department's request impacts managed care payments in FY 2010-11 and FY 2011-12, as either a four week delay in payment or a three week delay in payment would cause that week when managed care payments are normally to be made to be delayed. However, there is no issue of double counting savings, as the delayed payment is fundamentally a different savings mechanism than the permanent shift required by SB 09-265.

The Department's estimates are based on the estimated expenditure for Medical Services Premiums and Mental Health Community Programs developed in Decision Items 1 and 2 in this November Budget Request. As part of DI-1 and DI-2, the Department has recalculated the impact of SB 09-265; those same estimates are used in this request to develop a consistent estimate.

The Department's request crosses the next six fiscal years, in the following ways:

- Delay the final two weeks of payments in FY 2009-10

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<sup>1</sup> Please note that while the Department's request and calculations assumes that a supplemental request for FY 2009-10 is approved, this request does not officially request a change to FY 2009-10. The Department will submit a future budget request to officially request FY 2009-10, or, if necessary, revise this estimate.

- Delay the final four weeks of payments in FY 2010-11
- Delay the final three weeks of payments in FY 2011-12
- Delay the final two weeks of payments in FY 2012-13
- Delay the final week of payments in FY 2013-14
- Pay the delayed FY 2013-14 week in FY 2014-15

To implement the Department's request, the Department would need legislation to change section 25.5-4-401(1), C.R.S. (2009) to allow for a further delay in MMIS payments. Per section 25.5-4-401(1)(c), C.R.S. (2009), with the exception of FY 2009-10, the Department is prohibited from "intentionally interrupt[ing] the normal provider payment schedule unless notified... there is the possibility that adequate cash will not be available to make payments to providers and for other state expenses."

*Delay the Final Two Weeks of Payments in FY 2009-10*

By delaying the final two weeks of payments in FY 2009-10, the Department estimates that it would achieve \$44,704,341 in total funds savings. This amount is in addition to the savings in SB 09-265. Those funds are in part subject to the ARRA enhanced FMAP, effectively reducing the magnitude of General Fund savings.

The final two weeks worth of payments, those payments regularly scheduled to be made in June 2010, will be paid at the beginning of FY 2010-11, in July 2010, generating an increase in expenditure for FY 2010-11 in the same amounts as were saved in FY 2010-11.

*Delay the Final Four Weeks of Payments in FY 2010-11*

By delaying four weeks of MMIS processed payments, those regularly scheduled to be paid in June 2011, the Department estimates that the request would result in a one-time savings of \$188,101,520 total funds. Expenditure from June 2011 will be paid at the

beginning of FY 2011-12, generating an increase in expenditure for FY 2010-11 in the same amounts as were saved in FY 2010-11.

This amount includes both managed care capitation payments, including Health Maintenance Organizations (HMOs), Programs of All-Inclusive Care for the Elderly (PACE), Pre-paid Inpatient Health Plan (PIHP), and mental health capitation payments made to the Behavioral Health Organizations (BHOs); and all Medicaid fee-for-service providers. The Department's calculations for managed care are shown in tables B.1 through B.4. The Department's calculations for fee-for-service are shown in tables C.1 through C.4 and table D.

Fee-for-service savings from delaying the final four weeks of payments in the Medical Services Premiums line as well as the Medicaid Mental Health Community Programs lines would be partially offset by the increased expenditure of paying for the final two weeks of FY 2009-10 payments. The SB 09-265 requirement to pay for the final week of FY 2009-10 at the beginning of FY 2010-11 is already accounted for within the Department's base budget; the additional week's worth of delayed payment would result in an incremental increase for FY 2010-11.

The Department's managed care payments for May 2011 would normally be made in the first payment cycle in June 2011. Because the Department request that four weeks of payments be delayed, that period of time includes when managed care payments are made in June 2010; that payment, the payment made for services provided in May of 2010, would be shifted into FY 2011-12. During the payment shift in FY 2011-12 a similar impact to managed care payments would occur (discussed below). In subsequent fiscal years, the managed care payment would not be delayed; therefore, the proportion of the total delayed payments for FY 2010-11 and FY 2011-12 are larger than in the subsequent fiscal years.

Finally, because the final two weeks of FY 2009-10 are under the ARRA enhanced FMAP, and the final four weeks of FY 2010-11 are after the ARRA enhanced match

expires, the net ARRA impact is simply the reduced state funded expenditure when paying off the FY 2009-10 delayed expenditure. The Department estimates that this will further reduce General Fund expenditure by \$4,914,878 in FY 2010-11. The Department's calculations are shown in tables E.1 and E.2.

*Pay 53 Weeks in FY 2011-12 through FY 2014-15*

As described, above, beginning in July 2011, the Department will pay for those expenses that were regularly scheduled to be made in June 2011.

In order to reduce the impact of the out-year expenditure due to the payment delays, the Department also proposes to delay the final three weeks of payments in FY 2011-12, the final two weeks of payments in FY 2012-13, and the final week of payments in FY 2013-14. This "step down" approach to the delayed payments would result in FYs 2011-12 through 2014-15 each paying 53 weeks worth of expenditure rather than having FY 2011-12 pay off 56 weeks.

FY 2011-12, normally paying 52 weeks, would now pay an additional four weeks, those carried over from FY 2010-11; delaying the final three weeks of FY 2011-12 would have a net result of one additional week, or a 53 payment week year.

The delay of three weeks of payments in FY 2011-12, as discussed above, would include both managed care capitation payments, including health maintenance organizations (HMOs), the Program of All-Inclusive Care for the Elderly (PACE), pre-paid inpatient health plans (PIHP), and mental health capitation payments made to the behavioral health organizations (BHOs); and all Medicaid fee-for-service providers.

FY 2012-13 would be affected by a similar set of mechanics, adding the three additional weeks carried over from FY 2011-12 and subtracting its own final two weeks. FY 2013-14 would have the final delayed week, to be paid off in FY 2014-15.

FY 2011-12 and FY 2012-13 would see a disproportionate share of expenditure from this “step down” delayed payment strategy as they are the only fiscal years in which delayed managed care payments would come due.

There are no additional ARRA impacts in FY 2011-12 or any of the out-years, as the incurred expenses being paid in FY 2010-11 are from the end of that year, after the expiration of the ARRA enhanced FMAP.

*Federal Regulation*

Federal regulations at 42 C.F.R. § 447.45(d)(2) require that the Department pay 90% of “claims from practitioners who are in individual or group practice or who practice in shared health facilities, within 30 days of receipt.” Additionally, 42 C.F.R. § 447.45(d)(3) requires that the Department pay 99% of “claims from practitioners, who are in individual or group practice or who practice in shared health facilities, within 90 days of the date of receipt.

Currently, the Department averages 7.4 days from date of receipt to date of payment. Very few claims payments are made after 30 days. By delaying the processing of claims four weeks in FY 2010-11, 5 days worth of claims will be paid outside of the 30 day window. The MMIS pays claims on Tuesdays, for claims processed through the previous Friday. Should authority for this request be granted, in FY 2010-11, claims received on May 27, May 31, June 1, June 2, and June 3 of 2011 would be paid after 30 days. The Department estimates that these 5 days of claims comprise no more than 2.0% of total claims to be paid in FY 2010-11. Given the Department’s precedence of prompt payment, the approximately 2.0% of claims estimated to be paid after 30 days should not prevent the Department from meeting the 90% requirement and should not impact the Department’s overall compliance for the fiscal year.

Consequences if Not Funded:

Not applicable.

Calculations for Request:

Summary of Impact FY 2009-10	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
<b>Total Request</b>	<b>(\$44,704,341)</b>	<b>(\$16,302,757)</b>	<b>(\$897,552)</b>	<b>(\$20,388)</b>	<b>(\$27,483,644)</b>
(2) Medical Services Premiums	(\$44,665,147)	(\$21,198,038)	(\$1,094,276)	(\$20,388)	(\$22,352,445)
(2) Medical Services Premiums; Long Bill Group Total	\$0	\$4,910,335	\$196,724	\$0	(\$5,107,059)
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	\$0	\$0	\$0	\$0	\$0
(3) Medicaid Mental Health Community Programs; (B) Other Medicaid Mental Health Paymant; Medicaid Mental Health Fee for Service Payments	(\$39,194)	(\$19,597)	\$0	\$0	(\$19,597)
(3) Medicaid Mental Health Programs; Long Bill Group Total	\$0	\$4,543	\$0	\$0	(\$4,543)

**Note:** FY 2009-10 is shown for informational purposes only.

<b>Summary of Request FY 2010-11</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>
<b>Total Request</b>	<b>(\$188,101,520)</b>	<b>(\$93,822,636)</b>	<b>(\$5,227,680)</b>	<b>(\$77,508)</b>	<b>(\$88,973,696)</b>
(2) Medical Services Premiums	(\$166,645,996)	(\$79,070,398)	(\$4,143,069)	(\$76,485)	(\$83,356,044)
(2) Medical Services Premiums; Long Bill Group Total	\$0	(\$4,910,335)	(\$196,724)	\$0	\$5,107,059
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	(\$21,320,366)	(\$9,769,781)	(\$887,887)	(\$1,023)	(\$10,661,675)
(3) Medicaid Mental Health Community Programs; (B) Other Medicaid Mental Health Paymant; Medicaid Mental Health Fee for Service Payments	(\$135,158)	(\$67,579)	\$0	\$0	(\$67,579)
(3) Medicaid Mental Health Programs; Long Bill Group Total	\$0	(\$4,543)	\$0	\$0	\$4,543

<b>Summary of Request FY 2011-12</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>
<b>Total Request</b>	<b>\$34,714,989</b>	<b>\$16,530,560</b>	<b>\$798,617</b>	<b>\$16,237</b>	<b>\$17,369,575</b>
(2) Medical Services Premiums	\$36,845,812	\$17,505,773	\$888,560	\$16,341	\$18,435,138
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	(\$2,159,753)	(\$989,678)	(\$89,943)	(\$104)	(\$1,080,028)
(3) Medicaid Mental Health Community Programs; (B) Other Medicaid Mental Health Paymant; Medicaid Mental Health Fee for Service Payments	\$28,930	\$14,465	\$0	\$0	\$14,465

Cash Funds Projections:

See Tables F.1 and F.2 for impact by cash fund.

Cash Fund Name	Cash Fund Number	FY 2008-09 Expenditures	FY 2008-09 End of Year Cash Balance	FY 2009-10 End of Year Cash Balance Estimate	FY 2010-11 End of Year Cash Balance Estimate	FY 2011-12 End of Year Cash Balance Estimate
Breast and Cervical Cancer Prevention and Treatment Fund	15D	\$2,175,829	\$10,291,636	\$8,956,589	\$8,487,913	\$8,019,237
Colorado Autism Treatment Fund	18A	\$608,665	\$1,194,972	\$1,632,742	\$1,822,873	\$1,271,300
Health Care Expansion Fund	18K	\$94,003,143	\$119,601,623	\$81,320,908	\$34,980,659	(\$22,674,568)
Coordinated Care for People with Disabilities Fund	19Z	\$28,972	\$1,038,307	\$859,347	\$679,865	\$487,876
Medicaid Nursing Facility Cash Fund	22X	\$16,410,618	\$5,193,602	\$5,193,602	\$5,193,602	(\$9,023,209)
Hospital Provider Fee Cash Fund	-	-	-	-	-	-

Assumptions for Calculations:

Where applicable, assumptions have been noted in the narrative, and in the accompanying tables. The Department has estimated projected expenditure and utilization based on historical information and assumptions about future changes in caseload or utilization. As actual experience with new programs is obtained, the Department would use the standard budget process to request adjustments to funding as appropriate.

Impact on Other Government Agencies:

Not applicable.

Cost Benefit Analysis:

Not applicable.

Implementation Schedule:

The Department can implement this request within current resources.

Payment Timeline Summary:

- The final two weeks of June 2010 would be paid in the first week of July 2010
- The four weeks of June 2011 would be paid in the first week of July 2011
- The final three weeks of June 2012 would be paid in the first week of July 2012
- The final two weeks of June 2013 would be paid in the first week of July 2013
- The final week of June 2014 would be paid in the first week of July 2014

Statutory and Federal Authority:

25.5-4-401, C.R.S. (2009). Providers - payments - rules - repeal.

*(c) The state department shall exercise its overexpenditure authority under section 24-75-109, C.R.S., and shall not intentionally interrupt the normal provider payment schedule unless notified jointly by the director of the office of state planning and budgeting and the state controller that there is the possibility that adequate cash will not be available to make payments to providers and for other state expenses. If it is determined that adequate cash is not available and the state department does interrupt the normal payment cycle, the state department shall notify the joint budget committee of the general assembly and any affected providers in writing of its decision to interrupt the normal payment schedule. Nothing in this paragraph (c) shall be interpreted to establish a right for any provider to be paid during any specific billing cycle.*

*(d) (I) Notwithstanding the provisions of paragraph (c) of this subsection (1), for the fiscal year commencing July 1, 2009, the state department shall delay the last normal provider payment cycle of the fiscal year until after July 1, 2010.*

Performance Measures:

Not applicable.

**Base Reduction Item - 5: Medicaid Payment Timing**  
**Appendix A**

**Table A.1: Incremental Impact by Long Bill Group, Service Category, and Fiscal Year**

<b>Fund</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
<i>(2) Medical Services Premiums</i>			
Health Maintenance Organizaitons	\$0	(\$12,748,181)	(\$961,213)
Program of All-inclusive Care for the Elderly	\$0	(\$7,222,930)	(\$894,199)
Prepaid Inpatient Health Plan	\$0	(\$1,454,296)	(\$131,178)
Acute Care Fee-for-Service	(\$29,126,401)	(\$96,515,783)	\$24,305,481
Community Based Long Term Care Fee-for-Service	(\$5,793,280)	(\$18,117,044)	\$5,407,320
Long Term Care Fee-for-Service	(\$9,745,466)	(\$30,587,762)	\$9,119,601
<b>Medical Services Premiums Subtotal</b>	<b>(\$44,665,147)</b>	<b>(\$166,645,996)</b>	<b>\$36,845,812</b>
<i>(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Payments</i>	\$0	\$0	\$0
<b>Mental Health Capitation</b>	<b>\$0</b>	<b>(\$21,320,366)</b>	<b>(\$2,159,753)</b>
<i>(3) Medicaid Mental Health Programs; (B) Other Medicaid Mental Health Payments; Medicaid</i>	\$0	\$0	\$0
<b>Mental Health Fee-for-Service</b>	<b>(\$39,194)</b>	<b>(\$135,158)</b>	<b>\$28,930</b>
<b>Total</b>	<b>(\$44,704,341)</b>	<b>(\$188,101,520)</b>	<b>\$34,714,989</b>

**Base Reduction Item - 5: Medicaid Payment Timing**

**Appendix A**

<b>Table A.2 Cash Fund Splits FY 2009-10</b>										
<b>FY 2009-10</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Health Care Expansion Fund</b>	<b>Breast and Cervical Cancer Prevention and Treatment Fund</b>	<b>Colorado Autism Treatment Fund</b>	<b>Hospital Provider Fee Fund</b>	<b>Nursing Facility Fund</b>	<b>Coordinated Care for People with Disabilities Fund</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>
<b>Total Request</b>	<b>(\$44,704,341)</b>	<b>(\$16,284,757)</b>	<b>(\$339,156)</b>	<b>(\$33,817)</b>	<b>(\$12,134)</b>	<b>(\$258,088)</b>	<b>(\$254,357)</b>	<b>\$0</b>	<b>(\$20,388)</b>	<b>(\$27,501,644)</b>
(2) Medical Services Premiums	(\$44,665,147)	(\$21,198,038)	(\$448,546)	(\$43,690)	(\$15,642)	(\$332,041)	(\$254,357)	\$0	(\$20,388)	(\$22,352,445)
(2) Medical Services Premiums; Long Bill Group Total	\$0	\$4,928,335	\$109,390	\$9,873	\$3,508	\$73,953	\$0	\$0	\$0	(\$5,125,059)
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(3) Medicaid Mental Health Community Programs; (B) Other Medicaid Mental Health Payment; Medicaid Mental Health Fee for Service Payments	(\$39,194)	(\$19,597)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$19,597)
(3) Medicaid Mental Health Programs; Long Bill Group Total	\$0	\$4,543	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,543)

<b>Table A.3 Cash Fund Splits FY 2010-11</b>										
<b>FY 2010-11</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Health Care Expansion Fund</b>	<b>Breast and Cervical Cancer Prevention and Treatment Fund</b>	<b>Colorado Autism Treatment Fund</b>	<b>Hospital Provider Fee Fund</b>	<b>Nursing Facility Fund</b>	<b>Coordinated Care for People with Disabilities Fund</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>
<b>Total Request</b>	<b>(\$188,101,520)</b>	<b>(\$93,840,636)</b>	<b>(\$2,529,957)</b>	<b>(\$176,200)</b>	<b>(\$52,424)</b>	<b>(\$1,469,733)</b>	<b>(\$986,859)</b>	<b>(\$12,507)</b>	<b>(\$77,508)</b>	<b>(\$88,955,696)</b>
(2) Medical Services Premiums	(\$166,645,996)	(\$79,070,398)	(\$1,684,119)	(\$163,896)	(\$48,916)	(\$1,246,772)	(\$986,859)	(\$12,507)	(\$76,485)	(\$83,356,044)
(2) Medical Services Premiums; Long Bill Group Total	\$0	(\$4,928,335)	(\$109,390)	(\$9,873)	(\$3,508)	(\$73,953)	\$0	\$0	\$0	\$5,125,059
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	(\$21,320,366)	(\$9,769,781)	(\$736,448)	(\$2,431)	\$0	(\$149,008)	\$0	\$0	(\$1,023)	(\$10,661,675)
(3) Medicaid Mental Health Community Programs; (B) Other Medicaid Mental Health Payment; Medicaid Mental Health Fee for Service Payments	(\$135,158)	(\$67,579)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$67,579)
(3) Medicaid Mental Health Programs; Long Bill Group Total	\$0	(\$4,543)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,543

<b>Table A.4 Cash Fund Splits FY 2011-12</b>										
<b>FY 2011-12</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Health Care Expansion Fund</b>	<b>Breast and Cervical Cancer Prevention and Treatment Fund</b>	<b>Colorado Autism Treatment Fund</b>	<b>Hospital Provider Fee Fund</b>	<b>Nursing Facility Fund</b>	<b>Coordinated Care for People with Disabilities Fund</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>
<b>Total Request</b>	<b>\$34,714,989</b>	<b>\$16,530,560</b>	<b>\$284,768</b>	<b>\$34,770</b>	<b>\$14,600</b>	<b>\$250,924</b>	<b>\$214,683</b>	<b>(\$1,128)</b>	<b>\$16,237</b>	<b>\$17,369,575</b>
(2) Medical Services Premiums	\$36,845,812	\$17,505,773	\$359,370	\$35,016	\$14,600	\$266,019	\$214,683	(\$1,128)	\$16,341	\$18,435,138
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	(\$2,159,753)	(\$989,678)	(\$74,602)	(\$246)	\$0	(\$15,095)	\$0	\$0	(\$104)	(\$1,080,028)
(3) Medicaid Mental Health Community Programs; (B) Other Medicaid Mental Health Payment; Medicaid Mental Health Fee for Service Payments	\$28,930	\$14,465	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,465

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table B.1: Delayed Payment Incremental Savings Calculation for Medical Services Premiums HMO Expenditure**

Row	Description	FY 2010-11	FY 2011-12	Source
A	Estimated Acute Care Expenditure	\$1,788,706,160	\$1,923,574,604	FY 2010-11: DI-1, Exhibit F: Acute Care Base and Impacts Excluding SB 09-265; FY 2011-12: Table C.1, Row A
B	Proportion of FY 2008-09 Acute Care that is HMO Expenditure	8.55%	8.55%	DI-1: Exhibit N: Expenditure History
C	Estimated FY 2009-10 HMO Expenditure	\$152,978,173	\$164,512,727	Row A * Row B
D	Payment Months	12	12	Months in the fiscal year
E	Expenditure per Week	\$12,748,181	\$13,709,394	Row E / Row F
F	Months Delayed	1	1	Department's Request
G	Shifted Payment	(\$12,748,181)	(\$13,709,394)	-(Row E * Row F)
H	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$12,748,181	-(Row G, from Previous Year)
<b>I</b>	<b>Total Incremental HMO Expenditure</b>	<b>(\$12,748,181)</b>	<b>(\$961,213)</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

**Table B.2: Delayed Payment Incremental Savings Calculation for Medical Services Premiums PACE Expenditure**

Row	Description	FY 2010-11	FY 2011-12	Source
A	Estimated PACE Expenditure	\$86,675,162	\$97,405,547	FY 2010-11: DI-1, Exhibit H: PACE Base and Impacts Excluding SB 09-265; FY 2011-12: The rate of change from FY 2009-10 to 2010-11, as presented in DI-1 Exhibit H, carried forward
B	Payment Months	12	12	Weeks in the Fiscal Year
C	Expenditure per Week	\$7,222,930	\$8,117,129	Row A / Row B
D	Months Delayed	1	1	Department's Request
E	Shifted Payment	(\$7,222,930)	(\$8,117,129)	-(Row D * Row E)
F	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$7,222,930	-(Row E, from Previous Year)
<b>G</b>	<b>Total Incremental PACE Expenditure</b>	<b>(\$7,222,930)</b>	<b>(\$894,199)</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table B.3: Delayed Payment Incremental Savings Calculation for Medical Services Premiums PIHP Expenditure**

Row	Description	FY 2010-11	FY 2011-12	Source
A	Estimated PIHP Expenditure	\$17,451,555	\$19,025,685	FY 2010-11: DI-1, Exhibit I: PIHP Base and Impacts Excluding SB 09-265; FY 2011-12: The rate of change from FY 2007-08 to 2008-09, as presented in DI-1, Exhibit I, carried forward*
B	Payment Months	12	12	Weeks in the Fiscal Year
C	Expenditure per Week	\$1,454,296	\$1,585,474	Row A / Row B
D	Months Delayed	1	1	Department's Request
E	Shifted Payment	(\$1,454,296)	(\$1,585,474)	-(Row D * Row E)
F	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$1,454,296	-(Row E, from Previous Year)
<b>G</b>	<b>Total Incremental PIHP Expenditure</b>	<b>(\$1,454,296)</b>	<b>(\$131,178)</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

\*The Department has used the trend from FY 2007-08 to 2008-09 as the change from 2008-09 to 2009-10 is estimated at over 230% due to the impact of the Department's Value-Based Care Coordination Initiative (DI-6).

**Table B.4: Delayed Payment Incremental Savings Calculation for Medicaid Mental Health Capitation Expenditure**

Row	Description	FY 2010-11	FY 2011-12	Source
A	Estimated Incurred Capitation Expenditure	\$255,844,389	\$281,761,426	FY 2010-11: DI-2, Exhibit BB: Capitation Expenditure Prior to Recoupments and Excluding SB 09-265; FY 2011-12: The rate of change from FY 2007-08 to 2008-09, as presented in DI-2, Exhibit D, carried forward*
B	Payment Months	12	12	Weeks in the Fiscal Year
C	Expenditure per Week	\$21,320,366	\$23,480,119	Row A / Row B
D	Months Delayed	1	1	Department's Request
E	Shifted Payment	(\$21,320,366)	(\$23,480,119)	-(Row D * Row E)
F	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$21,320,366	-(Row E, from Previous Year)
<b>G</b>	<b>Total Incremental Capitation Expenditure</b>	<b>(\$21,320,366)</b>	<b>(\$2,159,753)</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

\*The Department has used the trend from FY 2007-08 to 2008-09 (10.13%) as the change from 2008-09 to 2009-10 is estimated at over 18% and the average year-to-year change since 2004-05 is also 10.13%; see the Department's November 2, 2009 DI-2 Request.

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table C.1: Delayed Payment Incremental Savings Calculation for Medical Services Premiums Acute Care**

Row	Description	FY 2009-10	FY 2010-11	FY 2011-12	Source
A	Estimated Incurred Acute Care Expenditure	\$1,663,241,217	\$1,788,706,160	\$1,923,574,604	FY 2009-10 and 2010-11: DI-1, Exhibit F: Acute Care Base and Impacts Excluding SB 09-265; FY 2011-12: The rate of change from FY 2009-10 to 2010-11, carried forward
B	Proportion of FY 2008-09 Acute Care that is HMO Expenditure	8.55%	8.55%	8.55%	DI-1: Exhibit N: Expenditure History
C	Estimated FY 2009-10 HMO Expenditure	\$142,247,848	\$152,978,173	\$164,512,727	Row A * Row B
D	Estimated FY 2009-10 Supplemental Physician Payments	\$6,420,530	\$2,379,581	\$2,559,001	FY 2009-10 and 2010-11: November Request, Exhibit F: Bottom Line Impacts, S-8; FY 2011-12: The rate of change from Row A, FY 2009-10 to 2010-11, carried forward
E	Estimated Current Year Incurred Expenditure to be Affected by Shifted Payment	\$1,514,572,839	\$1,633,348,406	\$1,756,502,876	Row A - Row C - Row D
F	Payment Weeks	52	52	52	Weeks in the fiscal year
G	Expenditure per Week	\$29,126,401	\$31,410,546	\$33,778,901	Row E / Row F
H	Weeks Delayed	2	4	3	Department's Request
I	Shifted Payment	(\$58,252,802)	(\$125,642,184)	(\$101,336,703)	-(Row G * Row H)
J	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$58,252,802	\$125,642,184	-(Row I, from Previous Year)
<b>K</b>	<b>Total Estimated Expenditure Shift</b>	<b>(\$58,252,802)</b>	<b>(\$67,389,382)</b>	<b>\$24,305,481</b>	<b>Row I + Row J</b>
L	Amounts Already Included in the Department's Budget due to SB 09-265	\$29,126,401	(\$29,126,401)	-	SB 09-265 Currently Delays One Week from FY 2009-10. *See Note, Below.
<b>M</b>	<b>Total Incremental Expenditure</b>	<b>(\$29,126,401)</b>	<b>(\$96,515,783)</b>	<b>\$24,305,481</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

\* For FY 2010-11, the estimated expenditure from the prior year due to the shifted payment is overstated, as a portion is already included in the Department's Budget Request (DI-1) to account for SB 09-265. In order to calculate the incremental total, the Department backs out the amount of the shifted payment that is already included in its budget.

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table C.2: Delayed Payment Incremental Savings Calculation for Medical Services Premiums Community Based Long Term Care**

Row	Description	FY 2009-10	FY 2010-11	FY 2011-12	Source
A	Estimated Current Year Expenditure to be Affected by Shifted Payment	\$301,250,566	\$310,834,186	\$320,718,713	FY 2009-10 and 2010-11: DI-1, Exhibit G: Community Based Long Term Care Base and Impacts Excluding SB 09-265; FY 2011-12: The rate of change from FY 2009-10 to 2010-11, carried forward
B	Payment Weeks	52	52	52	Weeks in the fiscal year
C	Expenditure per Week	\$5,793,280	\$5,977,581	\$6,167,668	Row A / Row B
D	Weeks Delayed	2	4	3	Department's Request
E	Shifted Payment	(\$11,586,560)	(\$23,910,324)	(\$18,503,004)	-(Row C * Row D)
G	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$11,586,560	\$23,910,324	-(Row E, from Previous Year)
H	<b>Total Estimated Expenditure Shift</b>	<b>(\$11,586,560)</b>	<b>(\$12,323,764)</b>	<b>\$5,407,320</b>	<b>Row E + Row G</b>
I	Account for SB 09-265	\$5,793,280	(\$5,793,280)	-	SB 09-265 Currently Delays One Week from FY 2009-10. *See Note, Below.
J	<b>Total Incremental Expenditure</b>	<b>(\$5,793,280)</b>	<b>(\$18,117,044)</b>	<b>\$5,407,320</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

\* For FY 2010-11, the estimated expenditure from the prior year due to the shifted payment is overstated, as a portion is already included in the Department's Budget Request (DI-1) to account for SB 09-265. In order to calculate the incremental total, the Department backs out the amount of the shifted payment that is already included in its budget.

**Table C.3: Delayed Payment Incremental Savings Calculation for Medical Services Premiums Long Term Care**

Row	Description	FY 2009-10	FY 2010-11	FY 2011-12	Source
A	Shifted Payment	(\$19,490,931)	(\$40,333,228)	(\$31,213,627)	Table C.4, Row K
B	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$19,490,931	\$40,333,228	-(Row A, from Previous Year)
C	<b>Total Estimated Expenditure Shift</b>	<b>(\$19,490,931)</b>	<b>(\$20,842,297)</b>	<b>\$9,119,601</b>	<b>Row A + Row B</b>
D	Account for SB 09-265	\$9,745,465	(\$9,745,465)	-	SB 09-265 Currently Delays One Week from FY 2009-10. *See Note, Below.
E	<b>Total Incremental Expenditure</b>	<b>(\$9,745,466)</b>	<b>(\$30,587,762)</b>	<b>\$9,119,601</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

\* For FY 2010-11, the estimated expenditure from the prior year due to the shifted payment is overstated, as a portion is already included in the Department's Budget Request (DI-1) to account for SB 09-265. In order to calculate the incremental total, the Department backs out the amount of the shifted payment that is already included in its budget.

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table C.4: Delayed Payment Per Week Savings Calculation for FY 2009-10 Medical Services Premiums Long Term Care**

Row	Description	FY 2009-10	FY 2010-11	FY 2011-12	Source
A	Estimated Patient Days for FY 2009-11	3,385,605	3,375,987	3,366,535	FY 2009-10 and 2010-11: DI-1, Exhibit H: Class I Nursing Home Calculations Footnotes; FY 2011-12: The rate of change from FY 2009-10 to 2010-11, carried forward
B	Estimated June 2010 Patient Days	274,241	271,555	268,894	FY 2009-10 and 2010-11: DI-1, Exhibit H: Class I Nursing Home Calculations Footnotes; FY 2011-12: The rate of change from FY 2009-10 to 2010-11, carried forward
C	Estimated Patient Days per week (Estimated June 2010 Patient Days multiplied by 12 and divided by 52)	63,286	62,666	62,052	(Row B * 12) / 52
D	Estimated Patent Weeks Affected by the MMIS Payment Shift	2	4	3	Department's Request
E	Estimated Patient Days Affected by the MMIS Payment Shift	126,573	250,664	186,156	Row C * Row D
F	<b>Percentage of Estimated Patient Days Affected by MMIS Payment Shift to Total FY 2009-10 Patient Days</b>	<b>3.7%</b>	<b>7.4%</b>	<b>5.5%</b>	(Row E / Row A)
G	Expenditures Excluding Bottom Line Adjustments	\$521,200,054	\$541,246,701	\$562,084,699	FY 2009-10 and 2010-11: DI-1, Exhibit H: Class I Nursing Home Calculations; FY 2011-12: The rate of change from FY 2009-10 to 2010-11, carried forward
H	Hospital Back Up Program Expenditures	\$7,489,401	\$8,104,525	\$8,769,907	FY 2009-10 and 2010-11: DI-1, Exhibit H: Class I Nursing Home Calculations; FY 2011-12: The rate of change from FY 2009-10 to 2010-11, carried forward
I	Impact of ES-2: Medicaid Program Reductions on Expenditure	(\$1,907,528)	(\$6,136,136)	(\$6,372,377)	FY 2009-10 and 2010-11: DI-1, Exhibit H: Class I Nursing Home Calculations; FY 2011-12: The rate of change from Row G, FY 2009-10 to 2010-11, carried forward
J	Total Expenditure (excluding recoveries)	\$526,781,927	\$543,215,090	\$564,482,228	Row G + Row H + Row I
K	<b>Amount of Adjustment to Expenditure</b>	<b>(\$19,490,931)</b>	<b>(\$40,333,228)</b>	<b>(\$31,213,627)</b>	-(Row F * Row J)

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table D: Delayed Payment Incremental Savings Calculation for Mental Health Fee-for-Service**

<b>Row</b>	<b>Description</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>Source</b>
A	Estimated Current Year Incurred Expenditure to be Affected by Shifted Payment	\$2,038,098	\$2,266,569	\$2,520,651	DI-2, Exhibit KK: Base and Impacts Excluding SB 09-265
B	Payment Weeks	52	52	52	Weeks in the Fiscal Year
C	Expenditure per Week	\$39,194	\$43,588	\$48,474	Row A / Row B
D	Weeks Delayed	2	4	3	Department's Request
E	Shifted Payment	(\$78,388)	(\$174,352)	(\$145,422)	-(Row C * Row D)
F	Account for SB 09-265	\$39,194	(\$39,194)	\$0	SB 09-265 Currently Delays One Week from FY 2009-10
G	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$78,388	\$174,352	-(Row E, from Previous Year)
<b>H</b>	<b>Total Incremental Expenditure</b>	<b>(\$39,194)</b>	<b>(\$135,158)</b>	<b>\$28,930</b>	<b>Additional Effect of the Request Beyond SB 09-265</b>

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table E.1: FY 2009-10 Adjustments for the American Recovery and Reinvestment Act (ARRA)**

<b>Expenditure by Fund and Category of Federal Matching Percentage for FY 2009-10</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>Enhanced Match</b>
<i>Acute Care Services</i>						
Base Acute Care (Fee For Service Only)	\$0	\$3,130,924	\$193,203	\$0	(\$3,324,127)	11.59%
Breast and Cervical Cancer Program	\$0	\$0	\$0	\$0	\$0	0.00%
Family Planning	\$0	\$0	\$0	\$0	\$0	0.00%
Indian Health Services	\$0	\$0	\$0	\$0	\$0	0.00%
<i>Community Based Long Term Care Fee For Service</i>						
Community Based Long Term Care Base and Waiver Services (Fee For Service)	\$0	\$667,911	\$3,521	\$0	(\$671,432)	11.59%
Hospital Provider Fee Fund Split Adjustment	\$0	\$0	\$0	\$0	\$0	0.00%
<i>Long Term Care Fee For Service</i>						
Class I Nursing Facilities Base	\$0	\$1,129,500	\$0	\$0	(\$1,129,500)	11.59%
Class I Nursing Facilities Cash Fund	\$0	\$0	\$0	\$0	\$0	0.00%
<b>Total Medical Services Premiums Fee For Service Adjustment</b>	<b>\$0</b>	<b>\$4,928,335</b>	<b>\$196,724</b>	<b>\$0</b>	<b>(\$5,125,059)</b>	
Mental Health Fee For Service	\$0	\$4,543	\$0	\$0	(\$4,543)	11.59%
<b>Total Fee For Service Adjustment</b>	<b>\$0</b>	<b>\$4,932,878</b>	<b>\$196,724</b>	<b>\$0</b>	<b>(\$5,129,602)</b>	
Managed Care (HMO, PACE, PIHP, Mental Health Capitation)	\$0	\$0	\$0	\$0	\$0	11.59%
<b>Total Expenditure Adjustment</b>	<b>\$0</b>	<b>\$4,932,878</b>	<b>\$196,724</b>	<b>\$0</b>	<b>(\$5,129,602)</b>	

**Table E.2: FY 2009-10 Net Impact Including ARRA**

<b>Expenditure by Fund and Category of Federal Matching Percentage for FY 2009-10</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>Enhanced Match</b>
<i>Acute Care Services</i>						
Base Acute Care (Fee For Service Only)	(\$28,680,988)	(\$13,507,004)	(\$833,490)	\$0	(\$14,340,494)	11.59%
Breast and Cervical Cancer Program	(\$162,401)	\$0	(\$39,815)	(\$17,025)	(\$105,561)	0.00%
Family Planning	(\$251,637)	(\$25,164)	\$0	\$0	(\$226,473)	0.00%
Indian Health Services	(\$31,375)	\$0	\$0	\$0	(\$31,375)	0.00%
<i>Community Based Long Term Care Fee For Service</i>						
Community Based Long Term Care Base, Autism Waiver, and Health Care Expansion Fund Services (Fee For Service)	(\$5,793,197)	(\$2,881,409)	(\$15,189)	\$0	(\$2,896,599)	11.59%
Children With Autism Waiver Services	(\$30,271)		(\$15,135)		(\$15,136)	
Health Care Expansion Fund Programs	(\$108)		(\$54)		(\$54)	
Hospital Provider Fee Fund Split Adjustment	(\$83)	\$0	(\$41)	\$0	(\$42)	0.00%
<i>Long Term Care Fee For Service</i>						
Class I Nursing Facilities Base	(\$9,745,466)	(\$4,872,733)	\$0	\$0	(\$4,872,733)	11.59%
Class I Nursing Facilities Cash Fund	\$0	\$0	\$0	\$0	\$0	0.00%
<b>Total Medical Services Premiums Fee For Service</b>	<b>(\$44,665,147)</b>	<b>(\$21,286,310)</b>	<b>(\$888,535)</b>	<b>(\$17,025)</b>	<b>(\$22,473,277)</b>	
Mental Health Fee For Service	(\$39,194)	(\$19,597)	\$0	\$0	(\$19,597)	11.59%
<b>Total Fee For Service</b>	<b>(\$44,704,341)</b>	<b>(\$21,305,907)</b>	<b>(\$888,535)</b>	<b>(\$17,025)</b>	<b>(\$22,492,874)</b>	
Managed Care (HMO, PACE, PIHP, Mental Health Capitation)	\$0	\$0	\$0	\$0	\$0	11.59%
<b>Total Expenditure</b>	<b>(\$44,704,341)</b>	<b>(\$21,305,907)</b>	<b>(\$888,535)</b>	<b>(\$17,025)</b>	<b>(\$22,492,874)</b>	

**Base Reduction Item - 5: Medicaid Payment Timing  
Appendix A**

**Table F.1: New Letternote Totals for Medical Services Premiums**

<b>Long Bill Group</b>	<b>Line Item</b>	<b>Cash Fund</b>	<b>Appropriation Type</b>	<b>COFRS Number</b>	<b>Total</b>
(2) Medical Services Premiums	Medical Services Premiums	Health Care Expansion Fund	Cash Fund	18K	\$84,968,222
(2) Medical Services Premiums	Medical Services Premiums	Colorado Autism Treatment Fund	Cash Fund	18A	\$769,233
(2) Medical Services Premiums	Medical Services Premiums	Hospital Provider Fee Cash Fund	Cash Fund	-	(\$332,041)
(2) Medical Services Premiums	Medical Services Premiums	Breast and Cervical Cancer Prevention and Treatment Fund	Cash Fund	15D	\$1,681,789
(2) Medical Services Premiums	Medical Services Premiums	Coordinated Care for People with Disabilities Fund	Cash Fund	19Z	\$250,000
(2) Medical Services Premiums	Medical Services Premiums	Nursing Facility Cash Fund	Cash Fund	22X	\$26,786,497

**Table F.2: New Letternote Totals for Medicaid Mental Health Community Programs**

<b>Long Bill Group</b>	<b>Line Item</b>	<b>Cash Fund</b>	<b>Appropriation Type</b>	<b>COFRS Number</b>	<b>Total</b>
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Health Care Expansion Fund	Cash Fund	18K	\$8,904,928
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Hospital Provider Fee Cash Fund	Cash Fund	-	\$0
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Breast and Cervical Cancer Prevention and Treatment Fund	Cash Fund	15D	\$20,056