



COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

1570 Grant Street, Denver, CO 80203-1818 • (303) 866-2993 • (303) 866-4411 Fax • (303) 866-3883 TTY

John W. Hickenlooper, Governor • Susan E. Birch MBA, BSN, RN, Acting Executive Director

February 1, 2011

The Honorable Mary Hodge, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Senator Hodge:

The Department of Health Care Policy and Financing (the Department) presents this letter to the Joint Budget Committee of the Colorado General Assembly in response to Legislative Request for Information 17:

Department of Health Care Policy and Financing, Indigent Care Program, Safety Net Provider Payments -- The Department is requested to submit a report by February 1, 2011, to the Joint Budget Committee, estimating the disbursement to each hospital from the Safety Net Provider Payment line item for FY 2010-11.

The Safety Net Provider Payment line item funds payments to public-owned and private-owned hospitals that participate in the Colorado Indigent Care Program (CICP). The Safety Net Provider Payments for FY 2010-11 are estimated to be \$289,889,142 and are reported in the attached Table 1.

The implementation of the Colorado Health Care Affordability Act (CHCAA) in FY 2009-10 changed the funding mechanism and payment methodologies for Safety Net Provider Payments. Effective July 1, 2009, Safety Net Provider Payments are funded with hospital provider fees and federal matching funds under the disproportionate share hospital (DSH) allotment and available Medicaid upper payment limit (UPL). The CICP Disproportionate Share Hospital Payments are DSH payments, and the CICP Supplemental Medicaid Payments are supplemental Medicaid payments under the available UPL. More information regarding the CICP and the reimbursement methodology can be found in the Medically Indigent and Colorado Indigent Care Program Fiscal Year 2009-10 Annual Report.

Questions regarding disbursements to participating CICP hospitals can be addressed to Nancy Dolson, Manager, Safety Net Programs Section. Her telephone number is (303) 866-3698.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Susan E. Birch'.

Susan E. Birch, MBA, BSN, RN
Acting Executive Director

SEB:nd

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Cc: Representative Cheri Gerou, Vice-Chair, Joint Budget Committee
Senator Pat Steadman, Joint Budget Committee
Senator Kent Lambert, Joint Budget Committee
Representative Jon Becker, Joint Budget Committee
Representative Mark Ferrandino, Joint Budget Committee
Senator Brandon Shaffer, President of the Senate
Senator John Morse, Senate Majority Leader
Senator Mike Kopp, Senate Minority Leader
Representative Frank McNulty, Speaker of the House
Representative Amy Stephens, House Majority Leader
Representative Sal Pace, House Minority Leader
John Ziegler, Staff Director, JBC
Melodie Beck, JBC Analyst
Lorez Meinhold, Senior Policy Analyst for Health Care, Governor's Office
Henry Sobanet, Director, Office of State Planning and Budgeting
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Colorado House of Representatives (1 copy)
State Library (4 copies)
Susan E. Birch, Acting Executive Director
Sue Williamson, Deputy Director, Client and Community Relations Office
Laurel Karabatsos, Acting Medical and CHP+ Program Administration Office Director
John Bartholomew, Budget and Finance Office Director
Phil Kalin, Center for Improving Value in Health Care (CIVHC) Director
Joanne Lindsay, Public Information Officer
HCPF Budget Library, HCPF Budget Division

Table 1 FY 2010-11 CICP Estimated Provider Payments			
CICP Provider	CICP Disproportionate Share Hospital Payment	CICP Supplemental Medicaid Payment	Total
Arkansas Valley Regional Medical Center	\$646,830	\$1,094,461	\$1,741,291
Aspen Valley Hospital	\$388,273	\$669,022	\$1,057,295
Delta County Memorial Hospital	\$839,036	\$1,436,488	\$2,275,525
Denver Health Medical Center	\$47,363,753	\$38,063,442	\$85,427,195
East Morgan County Hospital	\$324,265	\$557,965	\$882,230
Estes Park Medical Center	\$382,687	\$655,674	\$1,038,360
Grand River Medical Center	\$251,168	\$424,090	\$675,258
Gunnison Valley Hospital	\$36,083	\$62,480	\$98,563
Heart of the Rockies Regional Medical Center	\$319,917	\$550,000	\$869,917
Kremmling Memorial Hospital	\$32,545	\$56,489	\$89,033
Melissa Memorial Hospital	\$45,593	\$78,641	\$124,234
Memorial Health System	\$14,604,391	\$11,744,128	\$26,348,519
Montrose Memorial Hospital	\$1,165,461	\$2,010,333	\$3,175,794
North Colorado Medical Center	\$6,759,349	\$7,606,659	\$14,366,009
Poudre Valley Hospital	\$6,613,596	\$7,440,133	\$14,053,729
Prowers Medical Center	\$540,944	\$927,958	\$1,468,902
Sedgwick County Memorial Hospital	\$30,878	\$53,084	\$83,962
Southeast Colorado Hospital	\$79,520	\$137,603	\$217,123
Southwest Memorial Hospital	\$287,375	\$490,641	\$778,016
Spanish Peaks Regional Health Center	\$199,822	\$344,155	\$543,977
St. Vincent General Hospital District	\$49,591	\$84,968	\$134,560
The Memorial Hospital (Craig)	\$311,542	\$549,528	\$861,070
University of Colorado Hospital	\$12,487,912	\$28,610,124	\$41,098,036
Wray Community District Hospital	\$75,077	\$123,039	\$198,117
Yuma District Hospital	\$164,315	\$283,995	\$448,310
Public Hospitals Total	\$93,999,921	\$104,055,099	\$198,055,019

Table 1 FY 2010-11 CICP Estimated Provider Payments			
CICP Provider	CICP Disproportionate Share Hospital Payment	CICP Supplemental Medicaid Payment	Total
Boulder Community Hospital	\$2,577,752	\$1,851,032	\$4,428,784
Centura Health - Penrose -St. Francis Health Services	\$4,974,869	\$3,548,383	\$8,523,251
Centura Health - St. Mary-Corwin Medical Center	\$6,586,354	\$4,832,128	\$11,418,482
Centura Health - St. Thomas More Hospital	\$1,358,012	\$1,605,972	\$2,963,983
Colorado Plains Medical Center	\$413,511	\$516,714	\$930,225
Community Hospital	\$548,638	\$416,604	\$965,242
Conejos County Hospital	\$184,778	\$208,500	\$393,278
Longmont United Hospital	\$4,679,901	\$3,324,191	\$8,004,092
McKee Medical Center	\$4,080,520	\$2,959,666	\$7,040,186
Medical Center of the Rockies	\$3,163,692	\$2,377,848	\$5,541,540
Mercy Medical Center	\$1,232,031	\$1,453,537	\$2,685,568
Mount San Rafael Hospital	\$418,057	\$533,626	\$951,683
National Jewish Medical	\$1,927,248	\$1,476,990	\$3,404,238
Parkview Medical Center	\$7,449,449	\$5,377,420	\$12,826,869
Pikes Peak Regional Hospital	\$172,037	\$204,549	\$376,586
Platte Valley Medical Center	\$1,386,977	\$1,018,348	\$2,405,326
Rio Grande Hospital	\$104,765	\$115,524	\$220,289
San Luis Valley Regional Medical Center	\$875,559	\$1,015,502	\$1,891,061
St. Mary's Hospital and Medical Center	\$3,929,275	\$2,833,779	\$6,763,054
Sterling Regional MedCenter	\$1,161,476	\$1,303,652	\$2,465,128
The Children's Hospital	\$2,364,742	\$1,008,147	\$3,372,889
Valley View Hospital	\$1,220,930	\$1,550,986	\$2,771,916
Yampa Valley Medical Center	\$637,942	\$852,515	\$1,490,457
Private Hospitals	\$51,448,514	\$40,385,610	\$91,834,123
Total All CICP Providers	\$145,448,434	\$144,440,708	\$289,889,142