



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, Executive Director

November 22, 2011

RE: 1293 Expansion Application Process

Dear County and Medical Assistance Site Director:

The Department is reaching out to you to begin communication about the application and eligibility procedures for the upcoming Medicaid Buy-In for Working Adults with Disabilities and the Adults without Dependent Children (AwDC) expansions that will be implemented March 1, 2012. Program fact sheets are attached. These expansions offer a new opportunity for us to provide public health insurance to more of Colorado's vulnerable populations. Thank you for your ongoing support and dedication to these individuals.

As we move forward with the "all doors open" approach to enrollment, it is necessary to address the application procedures for the upcoming expansions.

Procedures

- If an application is submitted to the county:

Applications that are submitted to the county department of human/social services (county) shall be processed by the county. Once processed, the county shall then electronically transfer the Medical case to the State Eligibility and Enrollment Medical Assistance Program (EEMAP) vendor for ongoing case maintenance.

- If an application is submitted to PEAK and only requesting Medical assistance:

Applications submitted to PEAK that are only requesting Medical assistance will be processed by the State EEMAP vendor.

- If an application is submitted to PEAK and requesting both Medical and Financial assistance:

Applications submitted to PEAK that are requesting both Medical and Financial assistance shall be processed by the county. The county shall then electronically transfer the Medical case to the State EEMAP vendor for ongoing case maintenance.

The State EEMAP vendor will be responsible for ongoing case maintenance for the Medicaid Buy-In for Working Adults with Disabilities program and AwDC expansions.

The Department recognizes the concern the counties may have over this process; the primary reasons for this decision are:

- The Medicaid Buy-In program for Working Adults with Disabilities requires a monthly premium which will be collected by the State EEMAP vendor. The counties will not be tasked with accepting, processing or reconciling any issues with the premium payments.
- The AwDC program will be initially implemented with an enrollment capacity of 10,000 individuals with incomes up to 10% of the FPL. The individuals who apply and qualify for eligibility but are not one of the first 10,000 people to be determined eligible will be placed on a waitlist of an estimated 40,000 individuals. Counties will not be tasked with the waitlist management for AwDC.

The decisions made regarding ongoing case maintenance, premium and waitlist management will not decrease the county administration funding, as counties are reimbursed according to the methodology agreed upon by the Department and the Department of Human Services. The methodology is based on actual costs incurred by each county and a random moment time study.

The Department's county administration appropriation includes a hospital provider fee appropriation of \$2,361,502 total funds in FY 2011-12 and \$2,581,071 total funds in FY 2012-13. As these funds are 50% hospital provider fee and 50% federal funds, neither of these amounts require an additional local match from the counties. The Department is reimbursing counties for processing the current expansion applications (the parents' expansion to 100% FPL and CHP+ expansion to 250% FPL) according to the methodology agreed upon by the Department and the Department of Human Services, which is based on actual costs incurred by the county and a random moment time study.

Moving forward, for the hospital provider fee portion of the appropriation, the Department is developing an alternate methodology to the random moment time study that is currently used to distribute other county administration funds to the counties. This new hospital provider fee-specific methodology will be developed to ensure that expenditures are appropriately aligned with actual workload inputs (i.e. the number of applications, time allocated to them and the cost associated with the initial processing). This methodology will be developed and agreed upon by the Department and counties based on actual costs incurred by the county.

The Department looks forward to working with you on these expansions to further improve the access to cost-effective, quality health care services of our communities. If you have any questions regarding this letter please contact Heather Hewitt at Heather.Hewitt@state.co.us.

Sincerely,



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

SEB:als

Enclosures

Cc: Antoinette Taranto, Acting Client and Community Relations Office Director
Christopher Underwood, Provider Operations Division Director
Heather Hewitt, Community Relations Manager
Susan Mathieu, Program Development Specialist
Beth MacKenzie, Legislative Analyst
Joanne Zahora, Public Information Officer