

STATE OF COLORADO FY 2011-12 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Schedule 13 Change Request for FY 2011-12 Budget Request Cycle											
Decision Item FY 2011-12		Base Reduction Item FY 2011-12			Supplemental FY 2010-11			Budget Amendment FY 2011-12			
Request Title: Medicaid Managed Care Payment Delay True-Up											
Department: Health Care Policy and Financing					Dept. Approval by: Paul Niemann <i>PN</i>			Date: January 3, 2011			
Priority Number: S-9, BA-7					OSP Approval: <i>muzy</i>			Date: 12-28-10			
	Fund	1 Prior-Year Actual FY 2009-10	2 Appropriation FY 2010-11	3 Supplemental Request FY 2010-11	4 Total Revised Request FY 2010-11	5 Base Request FY 2011-12	6 Decision/ Base Reduction FY 2011-12	7 November 1 Request FY 2011-12	8 Budget Amendment FY 2011-12	9 Total Revised Request FY 2011-12	10 Change from Base (Column 5) FY 2012-13
Total of All Line Items	Total	3,305,749,492	3,614,839,872	1,344,705	3,616,184,577	3,599,946,906	1,981,983	3,601,928,889	(716,831)	3,601,212,058	12,306
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	850,355,177	802,083,363	2,415	802,085,778	1,198,573,009	10,469,528	1,209,042,537	(747,016)	1,208,295,521	(71,036)
	GFE	0	161,444,485	0	161,444,485	161,444,485	0	161,444,485	0	161,444,485	0
	CF	413,993,246	420,832,216	473,358	421,305,574	397,597,906	(1,618,064)	395,979,842	310,283	396,290,125	(2,742)
	CFE/RF	4,028,416	14,564,497	2	14,564,499	3,446,761	0	3,446,761	0	3,446,761	0
	FF	2,037,372,653	2,215,915,311	868,930	2,216,784,241	1,838,884,745	(6,869,481)	1,832,015,264	(280,098)	1,831,735,166	86,084
(1) Executive Director's Office;	Total	22,767,387	34,553,769	0	34,553,769	31,825,489	126,000	31,951,489	0	31,951,489	0
(C) Information Technology	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contracts and Projects,	GF	5,348,546	6,134,303	0	6,134,303	6,147,926	31,500	6,179,426	0	6,179,426	0
Information Technology	GFE	0	0	0	0	0	0	0	0	0	0
Contracts	CF	642,364	2,433,429	0	2,433,429	1,766,770	0	1,766,770	0	1,766,770	0
	CFE/RF	100,328	100,328	0	100,328	100,328	0	100,328	0	100,328	0
	FF	16,676,149	25,885,709	0	25,885,709	23,810,465	94,500	23,904,965	0	23,904,965	0
(2) Medical Services	Total	2,877,822,564	3,106,858,127	(58,931)	3,106,799,196	3,101,279,542	(8,059,320)	3,093,220,222	(1,262,926)	3,091,957,296	134,401
Premiums	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	762,936,068	700,606,422	(22,781)	700,583,641	1,079,820,226	(3,670,033)	1,076,150,193	(575,108)	1,075,575,085	61,203
	GFE	0	161,444,485	0	161,444,485	161,444,485	0	161,444,485	0	161,444,485	0
	CF	343,695,933	339,633,220	(2,630)	339,630,590	307,745,803	(359,627)	307,386,176	(56,355)	307,329,821	5,998
	CFE/RF	3,917,255	7,595,243	0	7,595,243	3,334,253	0	3,334,253	0	3,334,253	0
	FF	1,767,273,308	1,897,578,757	(33,520)	1,897,545,237	1,548,934,775	(4,029,660)	1,544,905,115	(631,463)	1,544,273,652	67,200
(3) Medicaid Mental Health	Total	223,368,053	247,616,458	38,553	247,655,011	250,441,839	(1,454,747)	248,987,092	(802,687)	248,184,405	85,535
Community Programs; (A)	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mental Health Capitation	GF	79,359,784	85,931,156	14,765	85,945,921	112,604,857	(657,293)	111,947,564	(362,677)	111,584,887	38,646
Payments	GFE	0	0	0	0	0	0	0	0	0	0
	CF	6,393,602	9,555,600	1,857	9,557,457	12,018,486	(70,080)	11,948,406	(38,667)	11,909,739	4,121
	CFE/RF	10,833	12,046	2	12,048	12,180	0	12,180	0	12,180	0
	FF	137,603,834	152,117,656	21,929	152,139,585	125,806,316	(727,374)	125,078,942	(401,343)	124,677,599	42,768

STATE OF COLORADO FY 2011-12 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Schedule 13													
Change Request for FY 2011-12 Budget Request Cycle													
Decision Item FY 2011-12	<input type="checkbox"/>	Base Reduction Item FY 2011-12			<input type="checkbox"/>	Supplemental FY 2010-11			<input checked="" type="checkbox"/>	Budget Amendment FY 2011-12			<input checked="" type="checkbox"/>
Request Title:	Medicaid Managed Care Payment Delay True-Up												
Department:	Health Care Policy and Financing				Dept. Approval by: Paul Niemann			Date: January 3, 2011					
Priority Number:	S-9, BA-7				OSP Approval:			Date:					
		1	2	3	4	5	6	7	8	9	10		
		Prior-Year Actual	Appropriation	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 2009-10	FY 2010-11	FY 2010-11	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2012-13		
(4) Indigent Care Program; H.B. 97-1304 Children's Basic Health Plan Trust	Total	3,296,467	9,411,482	10,431	9,421,913	0	14,765,354	14,765,354	190,769	14,956,123	(170,885)		
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
	GF	2,710,779	9,411,482	10,431	9,421,913	0	14,765,354	14,765,354	190,769	14,956,123	(170,885)		
	GFE	0	0	0	0	0	0	0	0	0	0		
	CF	585,688	0	0	0	0	0	0	0	0	0		
	CFE/RF	0	0	0	0	0	0	0	0	0	0		
	FF	0	0	0	0	0	0	0	0	0	0		
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	Total	167,729,257	202,521,966	1,272,054	203,794,020	202,521,966	(3,223,502)	199,298,464	1,095,111	200,393,575	(36,745)		
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
	GF	0	0	0	0	0	0	0	0	0	0		
	GFE	0	0	0	0	0	0	0	0	0	0		
	CF	58,910,116	64,352,642	445,221	64,797,863	71,209,522	(1,128,226)	70,081,296	383,289	70,464,585	(12,861)		
	CFE/RF	0	6,856,880	0	6,856,880	0	0	0	0	0	0		
	FF	108,819,141	131,312,444	826,833	132,139,277	131,312,444	(2,095,276)	129,217,168	711,822	129,928,990	(23,884)		
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	Total	10,765,764	13,878,070	82,598	13,960,668	13,878,070	(171,802)	13,706,268	62,902	13,769,170	0		
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
	GF	0	0	0	0	0	0	0	0	0	0		
	GFE	0	0	0	0	0	0	0	0	0	0		
	CF	3,765,543	4,857,325	28,910	4,886,235	4,857,325	(60,131)	4,797,194	22,016	4,819,210	0		
	CFE/RF	0	0	0	0	0	0	0	0	0	0		
	FF	7,000,221	9,020,745	53,688	9,074,433	9,020,745	(111,671)	8,909,074	40,886	8,949,960	0		

STATE OF COLORADO FY 2011-12 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Schedule 13											
Change Request for FY 2011-12 Budget Request Cycle											
Decision Item FY 2011-12	<input type="checkbox"/>	Base Reduction Item FY 2011-12	<input type="checkbox"/>	Supplemental FY 2010-11	<input checked="" type="checkbox"/>	Budget Amendment FY 2011-12	<input checked="" type="checkbox"/>				
Request Title:	Medicaid Managed Care Payment Delay True-Up										
Department:	Health Care Policy and Financing			Dept. Approval by:	Paul Niemann		Date:	January 3, 2011			
Priority Number:	S-9, BA-7			OSP Approval:			Date:				
	1	2	3	4	5	6	7	8	9	10	
	Prior-Year		Supplemental	Total	Base	Decision/	November 1	Budget	Total	Change	
	Actual	Appropriation	Request	Revised	Request	Base	Request	Amendment	Revised	from Base	
Fund	FY 2009-10	FY 2010-11	FY 2010-11	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2012-13	
FY 2011-12 Letternote Revised Text:	<p>LBG 2: (b) Of this amount, \$171,639,121(H) shall be from the Hospital Provider Fee Cash Fund created in Section 25.5-4-402.3 (4), C.R.S., \$88,372,707(H) shall be from the Health Care Expansion Fund created in Section 24-22-117 (2) (a) (I), C.R.S., \$24,012,014(H) shall be from the Medicaid Nursing Facility Cash Fund created in Section 25.5-6-203 (2) (a), C.R.S., \$13,348,299 represents public funds certified as expenditures incurred by public hospitals and agencies that are eligible for federal financial participation under the Medicaid program, \$2,543,207 shall be from the Breast and Cervical Cancer Prevention and Treatment Fund created in Section 25.5-5-308 (8) (a) (I), C.R.S., \$645,147(H) shall be from the Colorado Autism Treatment Fund created in Section 25.5-6-805 (1), C.R.S., and \$237,500 shall be from the Coordinated Care for People with Disabilities Fund created in Section 25.5-6-111 (4), C.R.S.</p> <p>LBG 3: (a) Of this amount, \$10,168,890(H) shall be from the Health Care Expansion Fund created in Section 24-22-117 (2) (a) (I), C.R.S., \$1,707,719(H) shall be from the Hospital Provider Fee Cash Fund created in Section 25.5-4-402.3 (4), C.R.S., and \$33,130 shall be from the Breast and Cervical Cancer Prevention and Treatment Fund created in Section 25.5-5-308 (8) (a) (I), C.R.S.</p> <p>LBG 4: (h) Of this amount, \$29,728,422 shall be from the Health Care Expansion Fund created in Section 24-22-117 (2) (a) (I), C.R.S., \$32,135,147 shall be from the Children's Basic Health Plan Trust created in Section 25.5-8-105 (1), C.R.S., \$8,139,316 shall be from the Hospital Provider Fee Cash Fund created in Section 25.5-4-402.3 (4), C.R.S., and \$461,700 shall be from the Colorado Immunization Fund created in Section 25-4-2301, C.R.S.</p> <p>LBG 4: (j) Of this amount, \$2,498,255 shall be from the Children's Basic Health Plan Trust created in Section 25.5-8-105 (1), C.R.S., \$1,933,319 shall be from the Health Care Expansion Fund created in Section 24-22-117 (2) (a) (I), C.R.S., and \$387,636 shall be from Hospital Provider Fee Cash Fund created in Section 25.5-4-402.3 (4), C.R.S.</p>										
Cash or Federal Fund Name and COFRS Fund Number:	CF: Health Care Expansion Fund (18K); Breast and Cervical Cancer Prevention and Treatment Fund (15D); Hospital Provider Fee Cash Fund (24A); Children's Basic Health Plan Trust (11G); FF: Title XIX.										
Reappropriated Funds Source, by Department and Line Item Name:	(3) Medicaid Mental Health Community Programs Reappropriated Funds - Transfers from the Department of Public Health and Environment : (9) Prevention Services Division; (A) Prevention Programs, (3) Chronic Disease and Cancer Prevention Grants Program										
Approval by OIT?	Yes: <input type="checkbox"/>	No: <input type="checkbox"/>	N/A: <input checked="" type="checkbox"/>								
Schedule 13s from Affected Departments:	N/A										

CHANGE REQUEST for FY 2011-12 BUDGET REQUEST CYCLE

Department:	Health Care Policy and Financing
Priority Number:	S-9, BA-7
Change Request Title:	Medicaid Managed Care Payment Delay True-Up

SELECT ONE (click on box):

- Decision Item FY 2011-12
- Base Reduction Item FY 2011-12
- Supplemental Request FY 2010-11
- Budget Request Amendment FY 2011-12

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 an increase of \$1,344,705 total funds and an increase of \$2,415 General Fund in FY 2010-11; and a reduction of \$716,831 total funds and \$747,016 General Fund in FY 2011-12. Note that these figures, because they account for the General Fund transfer to the Children's Basic Health Plan Trust, double count the total funds impact of the request in the amount of \$10,431 in FY 2010-11 and \$190,769 in FY 2011-12. This request is the result of the incremental change to two previously submitted requests: the October 22, 2010 submitted ES-3, "Managed Care Payment Delay for FY 2010-11," and the November 1, 2010 submitted BRI-6 "Medicaid Managed Care Payment Delay." The incremental change is the result of using the Department's latest caseload and expenditure figures submitted on November 1, 2010.

General Description of Request:

At the end of FY 2009-10, the Department was directed to delay the final two weeks of Medicaid fee-for-service payments processed through the Department's claims processing system, the Medicaid Management Information System (MMIS). This resulted in a

savings in FY 2009-10 of \$79,348,709 total funds and \$28,115,256 General Fund. These payments were then processed in July of the new fiscal year, FY 2010-11.

For FY 2010-11 budget balancing, the Department submitted a request to delay managed care payments. In request ES-3, “Managed Care Payment Delay in FY 2010-11,” the Department requested to move managed care providers from a concurrent payment methodology – one in which providers were paid during the month in which services were being provided – to a retrospective payment methodology, resulting in providers being paid in the month following the provision of services. This would allow for one less month of payments to be made in FY 2010-11. In order to mitigate the impact to relatively new providers with limited cash flow, the Department sought to exclude specific managed care providers. These providers are the two provider classes of Program for All-Inclusive Care for the Elderly (PACE) and the Accountable Care Collaborative (ACC). Additionally, ES-3 requested first-year funding to make changes to the MMIS in order to allow the Department to automate the retrospective payment process.

Additionally, on November 1, 2010, the Department submitted BRI-6 “Medicaid Managed Care Payment Delay.” That request accounted for the delay of all managed care payments (including PACE and ACC providers) during FY 2011-12, as well as the continued funding to complete changes to the MMIS.

The Department’s requests in ES-3 and BRI-6 were calculated using expenditure projections based on the FY 2010-11 Long Bill and Children’s Basic Health Plan Plus (CHP+) caseload from the Department’s February 2010 Budget Request. However, on November 1, 2010, the Department submitted revised expenditure projections for the Medical Services Premiums and Medicaid Mental Health Community Programs Long Bill groups, and the Children’s Basic Health Plan. The purpose of this request is to adjust the Department’s requests in ES-3 and BRI-6 to account for the revised expenditure estimates.

Additionally, the Department submitted a November 1, 2010 request, DI-6 “Cash Fund Insolvency Financing,” in which the Department requested \$13,796,996 General Fund to address the CHP+ Trust Fund insolvency in FY 2011-12. This request also adjusts that request to account for the impacts of the managed care delay on the CHP+ Trust.

Incremental Adjustment to FY 2010-11 Delay Payment Estimates

Using the figures provided in the Department’s November 1, 2010 budget submission, the estimates for FY 2010-11 monthly managed care expenditure within the Medical Services Premiums Long Bill group and Medicaid Mental Health Community Programs Long Bill group has increased as compared to the ES-3 submission. As a result, the Department now estimates that the amount delayed from FY 2010-11 to FY 2011-12 will be more than previously estimated. Therefore, for these Long Bill groups, this request adjusts for the additional estimated savings in FY 2010-11. Table A.7 illustrates the previously submitted ES-3 request, Table A.4 demonstrates the newly estimated total impact of the delay, and Table A.1 shows the incremental change upon that previous submission.

Also in FY 2010-11, monthly expenditure within the CHP+ program as submitted in the Department’s November 1, 2010 Budget Request is estimated to be less than was submitted in ES-3. As a result, the Department now estimates that the amount delayed from FY 2010-11 to FY 2011-12 will be less than previously estimated. Therefore, this request adjusts for less estimated savings in FY 2010-11. Table A.7 illustrates the previously submitted ES-3 request, Table A.4 demonstrates the newly estimated total impact of the delay, and Table A.1 shows the incremental change upon that previous submission

The appropriation for the Children’s Basic Health Plan is entirely cash and federally funded, so the increased expenditure has no direct General Fund impact. However, the Children’s Basic Health Plan Trust Fund (one of three cash funds within Long Bill group 4 being impacted by this request) is funded via General Fund. Should this request be approved, the additional expenditure from the Trust will need to be funded. Although a total of \$64,511 would be required from the Trust, because of the existing estimated

balance in the fund of \$54,080, the Department is requesting the difference from General Fund, totaling \$10,431. Because this impact is a result of the CHP+ Premiums and CHP+ Dental costs, it double counts the total fund impact of the request with the transfer from General Fund to the Trust is included. As such, this request is also a true up the DI-6 “Cash Fund Insolvency” request of November 1, 2010.

Incremental Adjustment to FY 2011-12 Delay Payment Estimates

Using the figures provided in the Department’s November 1, 2010 Budget submission, the estimates for FY 2011-12 monthly managed expenditure has increased as compared to the BRI-6 submission. As a result, the Department now estimates that the amount delayed from FY 2011-12 to FY 2012-13 will be greater than previously estimated. Additionally, because the Department’s estimate for FY 2010-11 delays is greater, the amount from FY 2010-11 that the Department will pay back in FY 2011-12 is also larger. Therefore, this request adjusts for additional estimated savings in FY 2011-12. Table A.6 illustrates the previously submitted BRI-6 request, and Table A.2 shows the incremental change upon that previous submission.

Similar to FY 2010-11, because Long Bill group 4 is estimated to have reduced savings, the appropriation to the Children’s Basic Health Plan Trust would need to be increased. Accounting for the reduced fund balance as a result of the FY 2010-11 impact, this would result in an additional \$190,769 General Fund impact. The Department calculates this amount in the Cash Funds Projection section of this request. Because this impact is a result of the CHP+ Premiums and CHP+ Dental costs, it double counts the total fund impact of the request with the transfer from General Fund to the Trust is included. As such, this request is also a true up the DI-6 “Cash Fund Insolvency” request of November 1, 2010.

Summary of Changes

As described, above, changes to the estimates for this request as compared to previous managed care delay payment requests were driven by the revised caseload and per-capita

estimates as submitted in the Department’s November 1, 2010, projections for Medicaid and CHP+ expenditures. These changes resulted in revised baseline expenditures and expenditure trends for some of the programs within this request; this, in turn, resulted in revised monthly expenditures which affect the estimated savings generated by the delay. The following tables demonstrate the revisions that drive the changes in savings estimates for this request:

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated Medicaid Physical Health Managed Care Expenditure	\$221,782,960	\$256,025,876	\$280,272,000	January 3, 2011 Request: S-9, Table B.1, Row A
	Estimated Medicaid Physical Health Managed Care Expenditure	\$220,695,015	\$240,163,600	\$266,022,526	November 1, 2010 Request: BRI-6, Table B.1, Row A
	Difference	\$1,087,945	\$15,862,276	\$14,249,474	January 3, 2011 Request - November 1, 2010 Request
B	Expenditure Per Month	\$12,013,244	\$21,335,490	\$23,356,000	January 3, 2011 Request: S-9, Table B.1, Row E
	Expenditure Per Month	\$11,954,313	\$20,013,633	\$22,168,544	November 1, 2010 Request: BRI-6, Table B.1, Row E
	Difference	\$58,931	\$1,321,857	\$1,187,456	January 3, 2011 Request - November 1, 2010 Request

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated Current Year Expenditure to be Affected by Shifted Payment	\$247,153,822	\$274,243,029	\$291,904,280	January 3, 2011 Request: S-9, Table B.2, Row A
	Estimated Current Year Expenditure to be Affected by Shifted Payment	\$247,616,458	\$265,073,418	\$283,761,094	November 1, 2010 Request: BRI-6, Table B.2, Row A
	Difference	(\$462,636)	\$9,169,611	\$8,143,186	January 3, 2011 Request - November 1, 2010 Request
B	Expenditure per Week	\$20,596,152	\$22,853,586	\$24,325,357	January 3, 2011 Request: S-9, Table B.2, Row C
	Expenditure per Week	\$20,634,705	\$22,089,452	\$23,646,758	November 1, 2010 Request: BRI-6, Table B.2, Row C
	Difference	(\$38,553)	\$764,134	\$678,599	January 3, 2011 Request - November 1, 2010 Request

STATE OF COLORADO FY 2011-12 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated CHP+ Child Premiums Caseload for June (by year)	84,239	89,928	96,279	January 3, 2011 Request: S-9, Table C.1, Row A
	Estimated CHP+ Child Premiums Caseload for June (by year)	89,975	99,826	101,034	November 1, 2010 Request: BRI-6, Table C.1, Row A
	Difference	(5,736)	(9,898)	(4,755)	January 3, 2011 Request - November 1, 2010 Request
B	Estimated CHP+ Premiums Blended Capitation Child Rate	\$154.47	\$160.95	\$167.70	January 3, 2011 Request: S-9, Table C.1, Row B
	Estimated CHP+ Premiums Blended Capitation Child Rate	\$155.37	\$165.92	\$173.56	November 1, 2010 Request: BRI-6, Table C.1, Row B
	Difference	(\$0.90)	(\$4.97)	(\$5.86)	January 3, 2011 Request - November 1, 2010 Request
C	Estimated CHP+ Prenatal Premiums Caseload for June (by year)	3,056	3,510	4,091	January 3, 2011 Request: S-9, Table C.1, Row D
	Estimated CHP+ Prenatal Premiums Caseload for June (by year)	2,899	3,726	4,008	November 1, 2010 Request: BRI-6, Table C.1, Row D
	Difference	157	(216)	83	January 3, 2011 Request - November 1, 2010 Request
D	Estimated CHP+ Premiums Blended Capitation Prenatal Rate	\$1,092.92	\$1,141.55	\$1,192.34	January 3, 2011 Request: S-9, Table C.1, Row E
	Estimated CHP+ Premiums Blended Capitation Prenatal Rate	\$1,257.33	\$1,149.97	\$1,202.90	November 1, 2010 Request: BRI-6, Table C.1, Row E
	Difference	(\$164.41)	(\$8.42)	(\$10.56)	January 3, 2011 Request - November 1, 2010 Request

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated CHP+ Premiums Child Caseload for June (by year)	84,239	89,928	96,279	January 3, 2011 Request: S-9, Table C.2, Row A
	Estimated CHP+ Premiums Child Caseload for June (by year)	89,975	99,826	101,034	November 1, 2010 Request: BRI-6, Table C.2, Row A
	Difference	(5,736)	(9,898)	(4,755)	January 3, 2011 Request - November 1, 2010 Request
B	Estimated CHP+ Premiums Blended Capitation Child Rate	\$14.40	\$14.70	\$15.01	January 3, 2011 Request: S-9, Table C.2, Row B
	Estimated CHP+ Premiums Blended Capitation Child Rate	\$14.40	\$14.70	\$15.38	November 1, 2010 Request: BRI-6, Table C.2, Row B
	Difference	\$0.00	\$0.00	(\$0.37)	January 3, 2011 Request - November 1, 2010 Request

Consequences if Not Funded:

If this request is not approved, the Department will fail to balance its budget to the resulting impact of the managed care payment delays in FY 2010-11 and FY 2011-12. This may result in incorrect appropriations to affected Long Bill groups, resulting in over- and under-expenditures in FY 2010-11 and FY 2011-12.

Calculations for Request:

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	\$1,344,705	\$2,415	\$473,358	\$2	\$868,930
(2) Medical Services Premiums	(\$58,931)	(\$22,781)	(\$2,630)	\$0	(\$33,520)
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	\$38,553	\$14,765	\$1,857	\$2	\$21,929
(4) Indigent Care Program; HB 97-1304, Children's Basic Health Plan Trust	\$10,431	\$10,431	\$0	\$0	\$0
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	\$1,272,054	\$0	\$445,221	\$0	\$826,833
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	\$82,598	\$0	\$28,910	\$0	\$53,688

Summary of Request FY 2011-12	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	(\$716,831)	(\$747,016)	\$310,283	\$0	(\$280,098)
(2) Medical Services Premiums	(\$1,262,926)	(\$575,108)	(\$56,355)	\$0	(\$631,463)
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	(\$802,687)	(\$362,677)	(\$38,667)	\$0	(\$401,343)
(4) Indigent Care Program; HB 97-1304, Children's Basic Health Plan Trust	\$190,769	\$190,769	\$0	\$0	\$0
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	\$1,095,111	\$0	\$383,289	\$0	\$711,822
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	\$62,902	\$0	\$22,016	\$0	\$40,886

Summary of Request FY 2012-13	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Total Request	\$12,306	(\$71,036)	(\$2,742)	\$0	\$86,084
(2) Medical Services Premiums	\$134,401	\$61,203	\$5,998	\$0	\$67,200
(3) Medicaid Mental Health Programs; (A) Mental Health Capitation Payments	\$85,535	\$38,646	\$4,121	\$0	\$42,768
(4) Indigent Care Program; HB 97-1304, Children's Basic Health Plan Trust	(\$170,885)	(\$170,885)	\$0	\$0	\$0
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$36,745)	\$0	(\$12,861)	\$0	(\$23,884)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	\$0	\$0	\$0	\$0	\$0

Cash Funds Projections:

Cash Fund Name	Cash Fund Number	FY 2009-10 Expenditures	FY 2009-10 End of Year Cash Balance	FY 2010-11 End of Year Cash Balance Estimate	FY 2011-12 End of Year Cash Balance Estimate	FY 2012-13 End of Year Cash Balance Estimate
Children's Basic Health Plan Trust Fund	11G	\$35,440,483	\$599,735	\$54,080	\$11,692	\$2,398,058
Health Care Expansion Fund	18K	\$111,444,298	\$79,234,953	\$35,822,131	\$753,168	\$10,456,327
Hospital Provider Fee Cash Fund	24A	\$298,055,638	\$5,714,436	\$5,714,436	\$5,714,436	\$5,714,436
Breast and Cervical Cancer Prevention and Treatment Fund	15D	\$2,201,761	\$9,036,534	\$7,981,503	\$6,472,606	\$5,458,052

Note: This Cash Fund table assumes approval of the November 2010 S-5/DI-6 request "Cash Fund Insolvency Financing."

Because there is an existing balance in the Children's Basic Health Plan Trust Fund, the Department's request uses the existing balance to offset General Fund need in FY 2010-11. The following table derives the Department's request for General Fund for the Children's Basic Health Plan Trust, and the estimated remaining balance in the fund.

Calculation of Children's Basic Health Plan Trust Fund Request					
Row	Item	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Original Estimated CBHP Trust Fund Balance	\$54,080	\$11,692	\$2,398,058	Schedule 9
B	Estimated CBHP Trust Fund Balance After S-9/BA-7 ^(a)	\$54,080	(\$42,388)	\$2,386,366	FY 2010-11: Row A FY 2011-12, FY 2012-13: Row A - Prior Year Row A
C	Total S-9/BA-7 Request from CBHP Trust Fund	\$64,511	\$148,381	(\$170,885)	Appendix A, Tables A.1 - A.3
D	Total General Fund Request for CBHP Trust Fund	\$10,431	\$190,769	(\$170,885)	If Row C > \$0, Row C - Row B Otherwise, Row C
E	Remaining Balance in the CBHP Trust Fund	\$0	\$0	\$2,215,481	If Row C > \$0, (Row B + Row D) - Row C Otherwise, Row B + Row D

(a) This row differs from the Schedule 9 because it assumes that the existing fund balance will be used to fill the need from this request.

Assumptions for Calculations:

Summary information and calculations, including fund splits, are contained in the Appendix. The tables and calculations for this request also include FY 2010-11 calculations associated with the request ES-3, “Managed Care Payment Delay in FY 2010-11” and BRI-6, “Medicaid Managed Care Payment Delay” in order to determine the incremental expenditure of this request vis-à-vis those two previous submissions.

The Department has used two primary methods for estimating the impact of the FY 2010-11, FY 2011-12, and FY 2012-13 delays:

1) From the overall estimated expenditure for an effected service category, trend that expenditure forward to the appropriate year using an average growth rate; the expenditure baseline is adjusted by the proportion of providers that will be impacted during a specific year (if applicable); the effected expenditure is divided into monthly expenditure, which is assumed to be the amount delayed; and the previous year’s delayed payments are removed as current year “payback,” yielding the net effect of the delay payment in a particular year. See the table below, as an example.

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated Medicaid Physical Health Managed Care Expenditure	\$221,782,960	\$256,025,876	\$280,272,000	November 1, 2010 DI-1 Request; FY 2012-13: The average annual rate of change in expenditure from FY 2003-04 through FY 2009-10, carried forward.
B	Implementation Percentage	65.00%	100.00%	100.00%	The Department will phase-in specific managed care delay in order to mitigate the cash-flow impact to those providers.
C	Estimated Effected Managed Care Expenditure	\$144,158,924	\$256,025,876	\$280,272,000	Row A * Row B
D	Payment Months	12	12	12	Months in the fiscal year
E	Expenditure Per Month	\$12,013,244	\$21,335,490	\$23,356,000	Row C / Row D
F	Months Delayed	1	1	1	Department's Request; moving to retrospective payment.
G	Shifted Payment	(\$12,013,244)	(\$21,335,490)	(\$23,356,000)	-(Row E * Row F)
H	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$12,013,244	\$21,335,490	-(Row G, from Previous Year)
I	Total Incremental Change	(\$12,013,244)	(\$9,322,246)	(\$2,020,510)	Row G + Row H

2) For CHP+ delay estimates, the Department has used its most recent estimates of CHP+ caseload and capitation rates – by CHP+ service program – as submitted in its November 2010 Budget Request; The monthly cost (monthly caseload multiplied by capitation rate) is assumed to be the amount saved by a one month delay; the summing of the CHP+ service program delay estimates yields the total estimated CHP+ delay. See the table below as an example.

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated CHP+ Child Premiums Caseload for June (by year)	84,239	89,928	96,279	Department's DI-3 Request and Caseload Forecast, November 2010
B	Estimated CHP+ Premiums Blended Capitation Child Rate	\$154.47	\$160.95	\$167.70	FY 2010-11: Actuarially set rates, blended at 65% HMO and 35% state program
C	Subtotal: 1 Month of CHP+ Premiums Child Savings	(\$13,012,398)	(\$14,473,912)	(\$16,145,988)	-(Row A * Row B)
D	Estimated CHP+ Prenatal Premiums Caseload for June (by year)	3,056	3,510	4,091	Department's DI-3 Request and Caseload Forecast, November 2010
E	Estimated CHP+ Premiums Blended Capitation	\$1,092.92	\$1,141.55	\$1,192.34	FY 2010-11: Actuarially set rate
F	Subtotal: 1 Month of CHP+ Premiums Prenatal Savings	(\$3,339,964)	(\$4,006,841)	(\$4,877,863)	-(Row D * Row E)
G	Estimated CHP+ Premiums Savings per Month	(\$16,352,362)	(\$18,480,753)	(\$21,023,851)	Row C + Row F
H	Months Delayed	1	1	1	Department's Request; moving to retrospective payment.
I	Estimated Monthly Savings	(\$16,352,362)	(\$18,480,753)	(\$21,023,851)	Row G * Row H
J	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$16,352,362	\$18,480,753	-(Row I from Previous Year)
K	Total Incremental Change	(\$16,352,362)	(\$2,128,391)	(\$2,543,098)	Row I + Row J

The Department's calculations are located in the following tables:

Incremental Request by Fund Source	Table A.1-2
New Calculation of Gross Impact of Managed Care Delay	Table A.3-4
Previously Submitted Calculations of Managed Care Delay	Table A.5-6
Medicaid Medical Services Premiums Calculations	Table B.1
Medicaid Mental Health Calculations	Table B.2
Children's Basic Health Plan Plus Calculations	Tables C.1-2
System Costs	Tables D.1-2
Long Bill Letternote Calculations	Tables E.1-6

Impact on Other Government Agencies: The request was not sent to the Governor's Office of Information Technology (OIT). Centers for Medicare and Medicaid Services (CMS) require that the Medicaid Management Information System (MMIS) remain under the control of the single state Medicaid agency. As a result, when OIT was created, the management of the MMIS remained the purview of the Department of Health Care Policy and Financing (the Department), and for that reason OIT review is not necessary.

Cost Benefit Analysis: Not applicable.

Implementation Schedule: By the end of FY 2011-12, the Department will continue with implementation of a managed care payment delay equal to one month of the fiscal year. Because the Department has requested this payment delay as a permanent reduction, the Department may also investigate the possibility of implementing the delay over time. However, before implementing a solution of this nature, the Department will be required to work with stakeholders to determine if such a solution is preferred or feasible. The Department would attempt to minimize the disruption to providers as much as possible.

Statutory and Federal Authority: In SB 09-265, the Department was granted statutory authority to delay fee-for-service and managed care payments. While this authorization was repealed in HB 10-1382, the Department assumes that similar authorization in statute would be required to implement this request, and has requested such changes as part of the above mentioned ES-2 and ES-3.

SB 09-265 altered the following statutes to implement the payment delay:

- 25.5-4-401(1), C.R.S. on fee-for-service payment requirements.
- 25.5-5-407.5, C.R.S. on Prepaid Inpatient Health Plan (PIHP) payment requirements.
- 25.5-5-408, C.R.S. on Managed Care Entity capitation (MCE) payment requirements.
- 25.5-5-411, C.R.S. on Behavioral Health Organization (BHO) capitation payment requirements.
- 25.5-5-412, C.R.S. on Program of All-Inclusive Care for the Elderly (PACE) payment requirements.

- 25.5-8-110, C.R.S. on Children’s Basic Health Plan payment requirements.

The Department requests that any changes to statute be written in a way that would permit a staggered implementation of the managed care delay as described in the implementation plan above.

Current statutory authority includes:

25.5-4-401, C.R.S. (2010). Providers - payments - rules - repeal.

(1)(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.

Performance Measures:

This request will assist the Department in meeting its performance goal to “maintain or reduce the difference between the Department’s spending authority and actual expenditures for Medical Services Premiums.”

**Delay Managed Care Payments
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Table A.1 FY 2010-11 Incremental Managed Care Delay Payment Savings by Long Bill Group (Table A.4 Subtracted from Table A.7)												
FY 2010-11	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	\$1,334,274	(\$8,016)	\$480,665	\$6	\$0	(\$71,824)	\$0	\$0	\$64,511	\$0	\$2	\$868,930
(2) Medical Services Premiums	(\$58,931)	(\$22,781)	(\$2,208)	\$0	\$0	(\$422)	\$0	\$0	\$0	\$0	\$0	(\$33,520)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	\$38,553	\$14,765	\$1,586	\$6	\$0	\$265	\$0	\$0	\$0	\$0	\$2	\$21,929
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	\$1,272,054	\$0	\$447,857	\$0	\$0	(\$65,313)	\$0	\$0	\$62,677	\$0	\$0	\$826,833
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	\$82,598	\$0	\$33,430	\$0	\$0	(\$6,354)	\$0	\$0	\$1,834	\$0	\$0	\$53,688

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request. The figures above do not include the General Fund requested for the Children's Basic Health Plan Trust Fund.

Table A.2 FY 2011-12 Incremental Managed Care Delay Payment Savings by Long Bill Group (Table A.5 Subtracted From Table A.8)												
FY 2011-12	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$907,600)	(\$937,785)	\$122,670	(\$146)	\$0	\$39,378	\$0	\$0	\$148,381	\$0	\$0	(\$280,098)
(2) Medical Services Premiums	(\$1,262,926)	(\$575,108)	(\$47,310)	\$0	\$0	(\$9,045)	\$0	\$0	\$0	\$0	\$0	(\$631,463)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	(\$802,687)	(\$362,677)	(\$33,015)	(\$146)	\$0	(\$5,506)	\$0	\$0	\$0	\$0	\$0	(\$401,343)
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	\$1,095,111	\$0	\$192,289	\$0	\$0	\$52,226	\$0	\$0	\$138,774	\$0	\$0	\$711,822
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	\$62,902	\$0	\$10,706	\$0	\$0	\$1,703	\$0	\$0	\$9,607	\$0	\$0	\$40,886

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request. The figures above do not include the General Fund requested for the Children's Basic Health Plan Trust Fund.

Table A.3 FY 2012-13 Incremental Managed Care Delay Payment Savings by Long Bill Group (Table A.6 Subtracted from Table A.9)												
FY 2012-13	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$851,141)	\$99,849	(\$102,290)	\$16	\$0	(\$91,600)	\$0	\$0	(\$170,885)	\$0	\$0	(\$586,231)
(2) Medical Services Premiums	\$134,401	\$61,203	\$5,035	\$0	\$0	\$963	\$0	\$0	\$0	\$0	\$0	\$67,200
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	\$85,535	\$38,646	\$3,518	\$16	\$0	\$587	\$0	\$0	\$0	\$0	\$0	\$42,768
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$1,034,332)	\$0	(\$107,970)	\$0	\$0	(\$90,655)	\$0	\$0	(\$163,392)	\$0	\$0	(\$672,315)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	(\$36,745)	\$0	(\$2,873)	\$0	\$0	(\$2,495)	\$0	\$0	(\$7,493)	\$0	\$0	(\$23,884)

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request. The figures above do not include the General Fund requested for the Children's Basic Health Plan Trust Fund.

**Delay Managed Care Payments
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Table A.4 FY 2010-11 Gross Managed Care Delay Payment Savings by Long Bill Group												
FY 2010-11	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$50,174,800)	(\$12,532,931)	(\$3,536,410)	(\$2,759)	\$0	(\$1,503,476)	\$0	\$0	(\$2,632,483)	\$0	(\$1,002)	(\$29,965,739)
(2) Medical Services Premiums	(\$12,013,244)	(\$4,644,050)	(\$450,025)	\$0	\$0	(\$86,036)	\$0	\$0	\$0	\$0	\$0	(\$6,833,133)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	(\$20,596,152)	(\$7,888,881)	(\$847,137)	(\$2,759)	\$0	(\$141,282)	\$0	\$0	\$0	\$0	(\$1,002)	(\$11,715,091)
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$16,352,362)	\$0	(\$2,092,761)	\$0	\$0	(\$1,216,721)	\$0	\$0	(\$2,413,843)	\$0	\$0	(\$10,629,037)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	(\$1,213,042)	\$0	(\$146,487)	\$0	\$0	(\$59,437)	\$0	\$0	(\$218,640)	\$0	\$0	(\$788,478)

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request. The figures above do not include the General Fund requested for the Children's Basic Health Plan Trust Fund.

Table A.5 FY 2011-12 Gross Managed Care Delay Payment Savings by Long Bill Group												
FY 2011-12	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$13,816,971)	(\$5,265,111)	(\$727,609)	(\$412)	\$0	(\$245,951)	\$0	\$0	(\$333,809)	\$0	\$0	(\$7,244,079)
(2) Medical Services Premiums	(\$9,322,246)	(\$4,245,141)	(\$349,218)	\$0	\$0	(\$66,764)	\$0	\$0	\$0	\$0	\$0	(\$4,661,123)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	(\$2,257,434)	(\$1,019,970)	(\$92,850)	(\$412)	\$0	(\$15,485)	\$0	\$0	\$0	\$0	\$0	(\$1,128,717)
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$2,128,391)	\$0	(\$272,390)	\$0	\$0	(\$158,366)	\$0	\$0	(\$314,181)	\$0	\$0	(\$1,383,454)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	(\$108,900)	\$0	(\$13,151)	\$0	\$0	(\$5,336)	\$0	\$0	(\$19,628)	\$0	\$0	(\$70,785)

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request. The figures above do not include the General Fund requested for the Children's Basic Health Plan Trust Fund.

Table A.6 FY 2012-13 Gross Managed Care Delay Payment Savings by Long Bill Group												
FY 2012-13	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$6,158,585)	(\$1,585,081)	(\$476,568)	(\$269)	\$0	(\$219,826)	\$0	\$0	(\$397,604)	\$0	\$0	(\$3,479,237)
(2) Medical Services Premiums	(\$2,020,510)	(\$920,095)	(\$75,690)	\$0	\$0	(\$14,470)	\$0	\$0	\$0	\$0	\$0	(\$1,010,255)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	(\$1,471,771)	(\$664,986)	(\$60,535)	(\$269)	\$0	(\$10,096)	\$0	\$0	\$0	\$0	\$0	(\$735,885)
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$2,543,098)	\$0	(\$325,464)	\$0	\$0	(\$189,223)	\$0	\$0	(\$375,398)	\$0	\$0	(\$1,653,013)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	(\$123,206)	\$0	(\$14,879)	\$0	\$0	(\$6,037)	\$0	\$0	(\$22,206)	\$0	\$0	(\$80,084)

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request. The figures above do not include the General Fund requested for the Children's Basic Health Plan Trust Fund.

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Table A.7 FY 2010-11 Previously Requested Managed Care Delay Payment Savings by Long Bill Group (Matches October 22, 2010 ES-3)												
FY 2010-11	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$51,509,074)	(\$12,524,915)	(\$4,017,075)	(\$2,765)	\$0	(\$1,431,652)	\$0	\$0	(\$2,696,994)	\$0	(\$1,004)	(\$30,834,669)
(2) Medical Services Premiums	(\$11,954,313)	(\$4,621,269)	(\$447,817)	\$0	\$0	(\$85,614)	\$0	\$0	\$0	\$0	\$0	(\$6,799,613)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	(\$20,634,705)	(\$7,903,646)	(\$848,723)	(\$2,765)	\$0	(\$141,547)	\$0	\$0	\$0	\$0	(\$1,004)	(\$11,737,020)
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$17,624,416)	\$0	(\$2,540,618)	\$0	\$0	(\$1,151,408)	\$0	\$0	(\$2,476,520)	\$0	\$0	(\$11,455,870)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	(\$1,295,640)	\$0	(\$179,917)	\$0	\$0	(\$53,083)	\$0	\$0	(\$220,474)	\$0	\$0	(\$842,166)

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request.

Table A.8 FY 2011-12 Previously Requested Managed Care Delay Payment Savings by Long Bill Group (Matches November 1, 2010, BRI-6)												
FY 2011-12	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$12,909,371)	(\$4,327,326)	(\$850,279)	(\$266)	\$0	(\$285,329)	\$0	\$0	(\$482,190)	\$0	\$0	(\$6,963,981)
(2) Medical Services Premiums	(\$8,059,320)	(\$3,670,033)	(\$301,908)	\$0	\$0	(\$57,719)	\$0	\$0	\$0	\$0	\$0	(\$4,029,660)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation Program	(\$1,454,747)	(\$657,293)	(\$59,835)	(\$266)	\$0	(\$9,979)	\$0	\$0	\$0	\$0	\$0	(\$727,374)
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$3,223,502)	\$0	(\$464,679)	\$0	\$0	(\$210,592)	\$0	\$0	(\$452,955)	\$0	\$0	(\$2,095,276)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	(\$171,802)	\$0	(\$23,857)	\$0	\$0	(\$7,039)	\$0	\$0	(\$29,235)	\$0	\$0	(\$111,671)

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request.

Table A.9 FY 2012-13 Previously Requested Managed Care Delay Payment Savings by Long Bill Group (Matches November 1, 2010, BRI-6)												
FY 2012-13	Total Funds	General Fund and General Fund Exempt	Health Care Expansion Fund	Breast and Cervical Cancer Prevention and Treatment	Colorado Autism Treatment Fund	Hospital Provider Fee Fund	Coordinated Care for People with Disabilities Fund	Old Age Pension and Medical Care Fund	Children's Basic Health Plan Trust	Certified Public Expenditure	Reappropriated Funds	Federal Funds
Total Delayed	(\$5,307,444)	(\$1,684,930)	(\$374,278)	(\$285)	\$0	(\$128,226)	\$0	\$0	(\$226,719)	\$0	\$0	(\$2,893,006)
(2) Medical Services Premiums	(\$2,154,911)	(\$981,298)	(\$80,725)	\$0	\$0	(\$15,433)	\$0	\$0	\$0	\$0	\$0	(\$1,077,455)
(3) Medicaid Mental Health Community Programs; (A) Mental Health Capitation	(\$1,557,306)	(\$703,632)	(\$64,053)	(\$285)	\$0	(\$10,683)	\$0	\$0	\$0	\$0	\$0	(\$778,653)
(4) Indigent Care Program; Children's Basic Health Plan Premium Costs	(\$1,508,766)	\$0	(\$217,494)	\$0	\$0	(\$98,568)	\$0	\$0	(\$212,006)	\$0	\$0	(\$980,698)
(4) Indigent Care Program; Children's Basic Health Plan Dental Benefits Costs	(\$86,461)	\$0	(\$12,006)	\$0	\$0	(\$3,542)	\$0	\$0	(\$14,713)	\$0	\$0	(\$56,200)

Note: This table demonstrates the effect to medical expenditures that would result from this request, if approved; associated administrative costs impacting Long Bill Group 1 are identified in Tables D.1 and D.2 of this request.

**Delay Managed Care Payments
Appendix**

Table B.1: Delayed Payment Incremental Savings Calculation for Medical Services Managed Care Expenditure

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated Medicaid Physical Health Managed Care Expenditure	\$221,782,960	\$256,025,876	\$280,272,000	November 1, 2010 DI-1 Request; FY 2012-13: The average annual rate of change in expenditure from FY 2003-04 through FY 2009-10, carried forward.
B	Implementation Percentage	65.00%	100.00%	100.00%	The Department will phase-in specific managed care delay in order to mitigate the cash-flow impact to those providers.
C	Estimated Effected Managed Care Expenditure	\$144,158,924	\$256,025,876	\$280,272,000	Row A * Row B
D	Payment Months	12	12	12	Months in the fiscal year
E	Expenditure Per Month	\$12,013,244	\$21,335,490	\$23,356,000	Row C / Row D
F	Months Delayed	1	1	1	Department's Request; moving to retrospective payment.
G	Shifted Payment	(\$12,013,244)	(\$21,335,490)	(\$23,356,000)	-(Row E * Row F)
H	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$12,013,244	\$21,335,490	-(Row G, from Previous Year)
I	Total Incremental Change	(\$12,013,244)	(\$9,322,246)	(\$2,020,510)	Row G + Row H

**Delay Managed Care Payments
Appendix**

Table B.2: Delayed Payment Incremental Savings Calculation for Medicaid Mental Health Capitation Expenditure

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated Incurred Capitation Expenditure	\$247,153,822	\$274,243,029	\$291,904,280	November 1, 2010 DI-2 Request; FY 2012-13: The average annual rate of change in expenditure from FY 2005-06 through FY 2009-10, carried forward.
B	Payment Months	12	12	12	Months in the Fiscal Year
C	Expenditure per Month	\$20,596,152	\$22,853,586	\$24,325,357	Row A / Row B
D	Months Delayed	1	1	1	Department's Request; moving to retrospective payment.
E	Shifted Payment	(\$20,596,152)	(\$22,853,586)	(\$24,325,357)	-(Row C * Row D)
F	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$20,596,152	\$22,853,586	-(Row E, from Previous Year)
G	Total Incremental Change	(\$20,596,152)	(\$2,257,434)	(\$1,471,771)	Row E + Row F

⁽¹⁾ The Department has determined the amount of the appropriation attributable to these services from documentation provided by the Joint Budget Committee.

**Delay Managed Care Payments
Appendix**

Table C.1: Delayed Payment Incremental Savings Calculation for Indigent Care Programs, CHP+ Premiums Expenditure

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated CHP+ Child Premiums Caseload for June (by year)	84,239	89,928	96,279	Department's DI-3 Request and Caseload Forecast, November 2010
B	Estimated CHP+ Premiums Blended Capitation Child Rate	\$154.47	\$160.95	\$167.70	FY 2010-11: Actuarially set rates, blended at 65% HMO and 35% state program
C	Subtotal: 1 Month of CHP+ Premiums Child Savings	(\$13,012,398)	(\$14,473,912)	(\$16,145,988)	-(Row A * Row B)
D	Estimated CHP+ Prenatal Premiums Caseload for June (by year)	3,056	3,510	4,091	Department's DI-3 Request and Caseload Forecast, November 2010
E	Estimated CHP+ Premiums Blended Capitation	\$1,092.92	\$1,141.55	\$1,192.34	FY 2010-11: Actuarially set rate
F	Subtotal: 1 Month of CHP+ Premiums Prenatal Savings	(\$3,339,964)	(\$4,006,841)	(\$4,877,863)	-(Row D * Row E)
G	Estimated CHP+ Premiums Savings per Month	(\$16,352,362)	(\$18,480,753)	(\$21,023,851)	Row C + Row F
H	Months Delayed	1	1	1	Department's Request; moving to retrospective payment.
I	Estimated Monthly Savings	(\$16,352,362)	(\$18,480,753)	(\$21,023,851)	Row G * Row H
J	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$16,352,362	\$18,480,753	-(Row I from Previous Year)
K	Total Incremental Change	(\$16,352,362)	(\$2,128,391)	(\$2,543,098)	Row I + Row J

Table C.2: Delayed Payment Incremental Savings Calculation for Indigent Care Programs, CHP+ Dental Expenditure

Row	Description	FY 2010-11	FY 2011-12	FY 2012-13	Source
A	Estimated CHP+ Premiums Child Caseload for June (by year)	84,239	89,928	96,279	Department's DI-3 Request and Caseload Forecast, November 2010
B	Estimated CHP+ Premiums Blended Capitation	\$14.40	\$14.70	\$15.01	FY 2010-11: Actuarially set rate
C	Subtotal: 1 Month of CHP+ Premiums Child Savings	(\$1,213,042)	(\$1,321,942)	(\$1,445,148)	-(Row A * Row B)
D	Months Delayed	1	1	1	Department's Request; moving to retrospective payment.
E	Estimated Monthly Savings	(\$1,213,042)	(\$1,321,942)	(\$1,445,148)	Row C * Row D
F	Estimated Expenditure from Prior Year due to Shifted Payment	\$0	\$1,213,042	\$1,321,942	-(Row E from Previous Year)
G	Total Incremental Change	(\$1,213,042)	(\$108,900)	(\$123,206)	Row E + Row F

**Delay Managed Care Payments
Appendix**

Table D.1: System Change Costs as Previously Requested

Row	Item	FY 2010-11	FY 2011-12	FY 2012-13
A	Managed Care System Enhancement	1,000	1,000	0
B	Cost per Hour	\$126.00	\$126.00	\$126.00
C	Total Cost	\$126,000	\$126,000	\$0

Note: These tables are identical to the previous managed care delay request; there is no incremental request for system funds.

Table D.2: System Change Fund Splits as Previously Requested

Row	Item	Total Funds	General Fund	Federal Funds
A	FY 2010-11	\$126,000	\$31,500	\$94,500
B	FY 2011-12	\$126,000	\$31,500	\$94,500
C	FY 2012-13	\$0	\$0	\$0

Note: These tables are identical to the previous managed care delay request; there is no incremental request for system funds.

**Delay Managed Care Payments
Appendix**

Table E.1: New FY 2010-11 Letternote Totals for Medical Services Premiums

Long Bill Group	Line Item	Cash Fund	Appropriation Type	COFRS Number	Appropriated Total	Grand Requested Total	Change from Appropriation	Oct 22, 2010 Request	Incremental Change from Previous Request
(2) Medical Services Premiums	Medical Services Premiums	Health Care Expansion Fund	Cash Fund	18K	\$69,942,964	\$69,492,939	(\$450,025)	\$69,495,147	(\$2,208)
(2) Medical Services Premiums	Medical Services Premiums	Hospital Provider Fee Fund	Cash Fund	24A	\$139,893,383	\$139,807,347	(\$86,036)	\$139,807,769	(\$422)

Table E.2: New FY 2010-11 Letternote Totals for Medicaid Mental Health Community Programs

Long Bill Group	Line Item	Cash Fund	Appropriation Type	COFRS Number	Appropriated Total	Grand Requested Total	Change from Appropriation	Oct 22, 2010 Request	Incremental Change from Previous Request
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Health Care Expansion Fund	Cash Fund	18K	\$7,823,864	\$6,976,727	(\$847,137)	\$6,975,141	\$1,586
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Hospital Provider Fee Cash Fund	Cash Fund	24A	\$1,698,562	\$1,557,280	(\$141,282)	\$1,557,015	\$265
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Breast and Cervical Cancer Prevention and Treatment Fund	Cash Fund	15D	\$33,174	\$30,415	(\$2,759)	\$30,409	\$6

Table E.3: New FY 2010-11 Letternote Totals for Indigent Care Programs

Long Bill Group	Line Item	Fund	Appropriation Type	COFRS Number	Appropriated Total	Grand Requested Total	Change from Appropriation	Oct 22, 2010 Request	Incremental Change from Previous Request
(4) Indigent Care Program	Children's Basic Health Plan Premiums Costs	Health Care Expansion Fund	Cash Fund	18K	\$30,000,812	\$27,908,051	(\$2,092,761)	\$27,460,194	\$447,857
(4) Indigent Care Program	Children's Basic Health Plan Premiums Costs	Hospital Provider Fee Cash Fund	Cash Fund	24A	\$8,297,682	\$7,080,961	(\$1,216,721)	\$7,146,274	(\$65,313)
(4) Indigent Care Program	Children's Basic Health Plan Premiums Costs	Children's Basic Health Plan Trust	Cash Fund	11G	\$25,592,448	\$23,178,605	(\$2,413,843)	\$23,115,928	\$62,677
(4) Indigent Care Program	Children's Basic Health Plan Dental Costs	Health Care Expansion Fund	Cash Fund	18K	\$1,946,470	\$1,799,983	(\$146,487)	\$1,766,553	\$33,430
(4) Indigent Care Program	Children's Basic Health Plan Dental Costs	Hospital Provider Fee Cash Fund	Cash Fund	24A	\$392,972	\$333,535	(\$59,437)	\$339,889	(\$6,354)
(4) Indigent Care Program	Children's Basic Health Plan Dental Costs	Children's Basic Health Plan Trust	Cash Fund	11G	\$2,517,883	\$2,299,243	(\$218,640)	\$2,297,409	\$1,834

Delay Managed Care Payments
Appendix

Table E.4: New FY 2011-12 Letternote Totals for Medical Services Premiums

Long Bill Group	Line Item	Cash Fund	Appropriation Type	COFRS Number	Appropriated Total	Grand Requested Total	Change from Appropriation	November 1, 2010 Request	Incremental Change from Previous Request
(2) Medical Services Premiums	Medical Services Premiums	Health Care Expansion Fund	Cash Fund	18K	\$88,721,925	\$88,372,707	(\$349,218)	\$88,420,017	(\$47,310)
(2) Medical Services Premiums	Medical Services Premiums	Hospital Provider Fee Fund	Cash Fund	24A	\$171,705,885	\$171,639,121	(\$66,764)	\$171,648,166	(\$9,045)

Table E.5: New FY 2011-12 Letternote Totals for Medicaid Mental Health Community Programs

Long Bill Group	Line Item	Cash Fund	Appropriation Type	COFRS Number	Appropriated Total	Grand Requested Total	Change from Appropriation	November 1, 2010 Request	Incremental Change from Previous Request
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Health Care Expansion Fund	Cash Fund	18K	\$10,261,740	\$10,168,890	(\$92,850)	\$10,201,905	(\$33,015)
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Hospital Provider Fee Cash Fund	Cash Fund	24A	\$1,723,204	\$1,707,719	(\$15,485)	\$1,713,225	(\$5,506)
(3) Medicaid Mental Health Community Programs	Mental Health Capitation Payments	Breast and Cervical Cancer Prevention and Treatment Fund	Cash Fund	15D	\$33,542	\$33,130	(\$412)	\$33,276	(\$146)

Table E.6: New FY 2011-12 Letternote Totals for Indigent Care Programs

Long Bill Group	Line Item	Fund	Appropriation Type	COFRS Number	Appropriated Total	Grand Requested Total	Change from Appropriation	November 1, 2010 Request	Incremental Change from Previous Request
(4) Indigent Care Program	Children's Basic Health Plan Premiums Costs	Health Care Expansion Fund	Cash Fund	18K	\$30,000,812	\$29,728,422	(\$272,390)	\$29,536,133	\$192,289
(4) Indigent Care Program	Children's Basic Health Plan Premiums Costs	Hospital Provider Fee Cash Fund	Cash Fund	24A	\$8,297,682	\$8,139,316	(\$158,366)	\$8,087,090	\$52,226
(4) Indigent Care Program	Children's Basic Health Plan Premiums Costs	Children's Basic Health Plan Trust	Cash Fund	11G	\$32,449,328	\$32,135,147	(\$314,181)	\$31,996,373	\$138,774
(4) Indigent Care Program	Children's Basic Health Plan Dental Costs	Health Care Expansion Fund	Cash Fund	18K	\$1,946,470	\$1,933,319	(\$13,151)	\$1,922,613	\$10,706
(4) Indigent Care Program	Children's Basic Health Plan Dental Costs	Hospital Provider Fee Cash Fund	Cash Fund	24A	\$392,972	\$387,636	(\$5,336)	\$385,933	\$1,703
(4) Indigent Care Program	Children's Basic Health Plan Dental Costs	Children's Basic Health Plan Trust	Cash Fund	11G	\$2,517,883	\$2,498,255	(\$19,628)	\$2,488,648	\$9,607