



COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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

January 13, 2012

Dear _____:

This letter is to provide authorization for additional funding to your Department to assist with the initial volume of applications related to the Adults without Dependent Children (AwDC) expansion. It is expected that there will be a high volume of applications related to this expansion and since the initial population will be under 10% of the federal poverty level, the clients will likely be already eligible or newly eligible for Supplemental Nutrition Assistance Program (SNAP). Therefore, your Department should use this funding to temporarily increase resources to process AwDC applications and any indirect impact on existing cases due to the expansion.

This time-limited funding allocation has been made available from January 16, 2012 to June 30, 2012. The funding allocation does not require the standard 20% county match. The funding allocation is supported by 50% federal funds and 50% state funds. The state funds are provided through the hospital provider fee model and do not contain General Fund. The allocation to your Department is _____ total funds.

Reminders about the funding include, but are not limited to, the following:

- Funds must be expended on allowable costs related to processing applications for the AwDC expansion and may not be used for any other purpose.
- Expenditures must be reported in CFMS monthly.
- **Special coding, M830.4030, has been set up in CFMS and must be used to designate expenditures charged to the AwDC Expansion.** Your Department will have to request the code combinations you will be using in the usual manner, to cdhs.settlementaccounting@state.co.us.
- Staff time billed to the AwDC Expansion must be tracked separately from the random moment sampling (RMS) process. AwDC Expansion expenditures will need to be recorded as 100% time reporting in the cost report and will not be included in the RMS process.
- Suggested use of the funds include hiring additional temporary county staff; paying overtime for current staff; staff training (which may include assisting on applications prior to the AwDC Expansions for training purposes); or paying for any other allowable program expenditure that supports working the increased application volume and indirect impacts on existing cases related to the AwDC Expansion.

- When using the special coding to pay for staff time to process AwDC Expansion applications, it is highly advised that those staff only process AwDC Expansion applications and any indirect impacts that result from processing existing clients. If new applications for AwDC Expansion include a request for financial assistance, it is required that those applications are processed by a technician that is either included in RMS or is working under 100% time reporting. Please be advised that although a new application may request food assistance and medical assistance, historically the time and effort to establish those two has not been equal and therefore, may not be automatically allocated 50/50 as this violates the Department's federally approved cost allocation plan. Any combo cases processed through normal means will be eligible for subsequent case increase based allocations that will be distributed at the same time as counties not receiving this special allocation receive their funding.
- **This current allocation expires June 30, 2012.** Any unspent funds will revert back to the state.

The Department of Health Care Policy and Financing appreciates your continued commitment to process applications for Medical Assistance timely. If you have any questions or need additional information please contact Heather Hewitt at 303-866-4429.

Sincerely,



John Bartholomew

Director, Financial and Administrative Services Office