

| Exhibit C2 - Calculation of Fund Splits | | | | | | |
|---|----------------------|---------------------|---------------------|----------------------|----------------------|---------------|
| Calculation of Fund Splits - FY 2013-14 Children's Basic Health Plan Estimate | | | | | | |
| Item | Total Estimate | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate |
| CBHP Expenditure to be matched | \$193,649,907 | \$67,777,467 | \$0 | \$0 | \$125,872,440 | 65.00% |
| <i>Enrollment Fees CBHP Trust Fund</i> | \$327,173 | | \$327,173 | \$0 | \$0 | 0.00% |
| <i>Enrollment Fees Hospital Provider Fee</i> | \$1,754,593 | | \$1,754,593 | \$0 | \$0 | 0.00% |
| Total CBHP Expenditure | \$195,731,674 | \$67,777,467 | \$2,081,766 | \$0 | \$125,872,440 | |
| Cash Fund Financing | | | | | | |
| <i>CBHP Trust Fund**</i> | \$0 | (\$24,235,114) | \$24,235,114 | \$0 | \$0 | |
| <i>CO Immunization Fund</i> | \$0 | (\$216,871) | \$216,871 | \$0 | \$0 | |
| <i>Health Care Expansion Fund</i> | \$0 | (\$1) | \$1 | \$0 | \$0 | |
| <i>Hospital Provider Fee Fund</i> | \$0 | (\$21,188,176) | \$21,188,176 | \$0 | \$0 | |
| Estimated FY 2013-14 Capitation Expenditure | \$195,731,674 | \$22,137,305 | \$47,721,929 | \$0 | \$125,872,440 | 65.00% |
| Recoveries | \$0 | (\$6,746,266) | \$21,685,111 | \$0 | (\$14,938,846) | 65.00% |
| Final Estimated FY 2013-14 Capitation Expenditure | \$195,731,674 | \$15,391,039 | \$69,407,040 | \$0 | \$110,933,594 | |
| CBHP Admin Payments | \$4,319,079 | \$0 | \$2,019,582 | \$0 | \$2,299,497 | 53.24% |
| Final Estimated FY 2013-14 CBHP Expenditure | \$200,050,753 | \$15,391,039 | \$71,426,622 | \$0 | \$113,233,091 | |

| Exhibit C2 - Calculation of Fund Splits | | | | | | |
|---|----------------------|---------------------|---------------------|----------------------|----------------------|----------|
| Calculation of Fund Splits - FY 2014-15 Children's Basic Health Plan Estimate | | | | | | |
| Item | Total Estimate | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate |
| CBHP Expenditure to be matched | \$188,877,550 | \$65,101,370 | \$0 | \$0 | \$123,776,180 | 65.53% |
| <i>Enrollment Fees CBHP Trust Fund</i> | \$345,059 | \$0 | \$345,059 | \$0 | \$0 | 0.00% |
| <i>Enrollment Fees Hospital Provider Fee</i> | \$1,988,852 | \$0 | \$1,988,852 | \$0 | \$0 | 0.00% |
| Total CBHP Expenditure | \$191,211,461 | \$65,101,370 | \$2,333,911 | \$0 | \$123,776,180 | |
| Cash Fund Financing | | | | | | |
| <i>CBHP Trust Fund**</i> | \$0 | (\$24,434,927) | \$24,434,927 | \$0 | \$0 | |
| <i>CO Immunization Fund</i> | \$0 | (\$234,000) | \$234,000 | \$0 | \$0 | |
| <i>Health Care Expansion Fund</i> | \$0 | (\$1) | \$1 | \$0 | \$0 | |
| <i>Hospital Provider Fee Fund</i> | \$0 | (\$20,388,084) | \$20,388,084 | \$0 | \$0 | |
| Estimated FY 2014-15 Capitation Expenditure | \$191,211,461 | \$20,044,358 | \$47,390,923 | \$0 | \$123,776,180 | |
| CBHP Admin Payments | \$4,319,079 | \$0 | \$2,019,582 | \$0 | \$2,299,497 | 53.24% |
| Final Estimated FY 2014-15 CBHP Expenditure | \$195,530,540 | \$20,044,358 | \$49,410,505 | \$0 | \$126,075,677 | |

| Exhibit C2 - Calculation of Fund Splits | | | | | | |
|---|----------------------|---------------------|---------------------|----------------------|----------------------|----------|
| Calculation of Fund Splits - FY 2015-16 Children's Basic Health Plan Estimate | | | | | | |
| Item | Total Estimate | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate |
| CBHP Expenditure to be matched | \$222,102,489 | \$37,846,264 | \$0 | \$0 | \$184,256,225 | 82.96% |
| <i>Enrollment Fees CBHP Trust Fund</i> | \$392,277 | \$0 | \$392,277 | \$0 | \$0 | 0.00% |
| <i>Enrollment Fees Hospital Provider Fee</i> | \$2,150,211 | \$0 | \$2,150,211 | \$0 | \$0 | 0.00% |
| Total CBHP Expenditure | \$224,644,977 | \$37,846,264 | \$2,542,487 | \$0 | \$184,256,225 | |
| Cash Fund Financing | | | | | | |
| <i>CBHP Trust Fund**</i> | \$0 | (\$26,351,133) | \$26,351,133 | \$0 | \$0 | |
| <i>CO Immunization Fund</i> | \$0 | (\$234,000) | \$234,000 | \$0 | \$0 | |
| <i>Health Care Expansion Fund</i> | \$0 | (\$1) | \$1 | \$0 | \$0 | |
| <i>Hospital Provider Fee Fund</i> | \$0 | (\$11,261,131) | \$11,261,131 | \$0 | \$0 | |
| Estimated FY 2015-16 Capitation Expenditure | \$224,644,977 | \$0 | \$40,388,752 | \$0 | \$184,256,225 | |
| CBHP Admin Payments | \$6,723,837 | \$0 | \$3,158,342 | \$0 | \$3,565,495 | 53.03% |
| Final Estimated FY 2015-16 CBHP Expenditure | \$231,368,814 | \$0 | \$43,547,094 | \$0 | \$187,821,720 | |

| Exhibit C2 - Cash Funds Report | | | | | | | | | |
|---------------------------------------|---------------------|---------------------|---------------------|-------------------------|---------------------|------------------|-------------------------|---------------------|----------------------|
| Cash Fund | FY 2013-14 | | | FY 2014-15 | | | FY 2015-16 | | |
| | Spending Authority | Estimate | Change | Base Spending Authority | Estimate | Change | Base Spending Authority | Estimate | Change |
| <i>Cash Funds</i> | | | | | | | | | |
| CBHP Trust Fund** | \$26,763,427 | \$24,562,287 | (\$2,201,140) | \$26,883,384 | \$24,779,986 | (\$2,103,398) | \$26,918,265 | \$26,743,409 | (\$174,856) |
| CO Immunization Fund | \$216,871 | \$216,871 | \$0 | \$216,871 | \$234,000 | \$17,129 | \$216,871 | \$234,000 | \$17,129 |
| Health Care Expansion Fund | \$1 | \$1 | \$0 | \$1 | \$1 | \$0 | \$1 | \$1 | \$0 |
| Hospital Provider Fee Fund | \$19,433,030 | \$21,645,041 | \$2,212,011 | \$19,478,862 | \$22,376,936 | \$2,898,074 | \$19,478,862 | \$13,411,341 | (\$6,067,521) |
| Recoveries | | \$22,982,840 | \$22,982,840 | | | | | | |
| Total Cash Funds | \$46,413,329 | \$69,407,040 | \$22,993,711 | \$46,579,118 | \$47,390,923 | \$811,805 | \$46,613,999 | \$40,388,752 | (\$6,225,247) |

*Starting October 1, 2015, CBHP programs will receive a federal match of 88% instead of the historical 65%. Due to this substantial change, cash funds are estimated as the expenditure in each half of FY 2015-16 for populations to 205% FPL (CBHP Trust Fund) and populations 206%-250% FPL (Hospital Provider Fee). The Colorado Immunization Fund and Health Care Expansion Fund are then applied as offsets to the CBHP Trust Fund expenditure.

**Estimated revenues to the CBHP Trust Fund are based on the 2013 Tobacco MSA Payment Forecast.

| Exhibit C2-Recoveries | | | | | | |
|--|---------------------|---------------------|-----------------|-------------------------|----------------------|------------|
| Recovery Category | FY 2013-14 | | | | | |
| CO Access Medical Advanced Payments Recoupment ⁽¹⁾ | \$17,000,000 | | | | | |
| CO Access Duplicate Payment ⁽²⁾ | \$5,982,840 | | | | | |
| Total Recoveries | \$22,982,840 | | | | | |
| <p>⁽¹⁾ Upon review of historical rates, actuaries determined that the rates for the State Managed Care Network were set too high. The State Managed Care Network, Colorado Access, holds a no-risk contract with the Department and as such will reimburse the Department for the artificially high rate.</p> <p>⁽²⁾ Beginning in January 2013, systems issues created duplicate payments for CHP+ clients in the State Managed Care Network. The Department anticipates a reimbursement for these duplicate payments in this fiscal year 2013-14.</p> | | | | | | |
| Fund Splits | | | | | | |
| Total CBHP Expenditure Impact | Total Funds | General Fund | HPF Cash | Recoveries Funds | Federal Funds | FFP |
| Recoveries from Prior Years | \$0 | (\$6,746,266) | (\$1,297,728) | \$22,982,840 | (\$14,938,846) | 65% |