

**Schedule 13  
Funding Request for the 2013-14 Budget Cycle**

Department: Health Care Policy and Financing

Request Title: Restore ICF/IID Provider Fee

Priority Number: S-13, BA-13

Dept. Approval by: John Bartholomew *JB* 12/27/12  
Date

OSPB Approval by: [Signature] 12/31/12  
Date

- Decision Item FY 2013-14
- Base Reduction Item FY 2013-14
- Supplemental FY 2012-13
- Budget Amendment FY 2013-14

Line Item Information		FY 2012-13		FY 2013-14		FY 2014-15
		1	2	3	4	5
	Fund	Appropriation FY 2012-13	Supplemental Request FY 2012-13	Base Request FY 2013-14	Funding Change Request FY 2013-14	Continuation Amount FY 2014-15
<b>Total of All Line Items</b>	<b>Total</b>	\$4,061,424,334	\$2,324,517	\$4,103,337,356	\$743,911	\$755,986
	FTE	326.2	0.0	326.6	1.8	2.0
	GF	\$1,082,748,032	(\$1,162,256)	\$1,126,060,488	(\$249,531)	(\$249,531)
	GFE	\$312,202,624	\$0	\$312,202,624	\$0	\$0
	CF	\$653,550,077	\$4,192,172	\$628,492,262	\$2,489,142	\$2,495,179
	RF	\$6,521,881	(\$1,867,655)	\$4,264,459	(\$1,867,655)	(\$1,867,655)
	FF	\$2,006,401,720	\$1,162,256	\$2,032,317,523	\$371,955	\$377,993
(1) Executive Director's Office; (A) General Administration, Personal Services	<b>Total</b>	\$22,593,922	\$0	\$23,641,039	\$105,909	\$115,547
	FTE	326.2	0.0	326.6	1.8	2.0
	GF	\$7,971,021	\$0	\$9,149,778	\$0	\$0
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$2,038,599	\$0	\$2,077,080	\$52,954	\$57,773
	RF	\$1,176,645	\$0	\$1,069,555	\$0	\$0
	FF	\$11,407,657	\$0	\$11,344,626	\$52,955	\$57,774
(1) Executive Director's Office; (A) General Administration, Health, Life, and Dental	<b>Total</b>	\$2,216,793	\$0	\$2,224,522	\$8,104	\$8,842
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$796,479	\$0	\$761,094	\$0	\$0
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$174,652	\$0	\$167,467	\$4,052	\$4,421
	RF	\$111,821	\$0	\$62,934	\$0	\$0
	FF	\$1,133,841	\$0	\$1,233,027	\$4,052	\$4,421
(1) Executive Director's Office; (A) General Administration, Short-term Disability	<b>Total</b>	\$33,497	\$0	\$39,933	\$168	\$184
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$12,334	\$0	\$13,650	\$0	\$0
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$2,503	\$0	\$2,813	\$84	\$92
	RF	\$1,309	\$0	\$611	\$0	\$0
	FF	\$17,351	\$0	\$22,859	\$84	\$92
(1) Executive Director's Office; (A) General Administration, S.B. 04-257 Amortization Equalization Disbursement	<b>Total</b>	\$730,633	\$0	\$809,458	\$3,416	\$4,142
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$283,141	\$0	\$275,990	\$0	\$0
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$53,468	\$0	\$57,223	\$1,708	\$2,071
	RF	\$37,574	\$0	\$12,775	\$0	\$0
	FF	\$356,450	\$0	\$463,470	\$1,708	\$2,071
(1) Executive Director's Office; (A) General Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	<b>Total</b>	\$627,713	\$0	\$730,907	\$3,084	\$3,883
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$242,160	\$0	\$249,158	\$0	\$0
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$45,949	\$0	\$51,659	\$1,542	\$1,941
	RF	\$33,280	\$0	\$11,679	\$0	\$0
	FF	\$306,324	\$0	\$418,411	\$1,542	\$1,942

Line Item Information		FY 2012-13		FY 2013-14		FY 2014-15
		1	2	3	4	5
Fund		Appropriation FY 2012-13	Supplemental Request FY 2012-13	Base Request FY 2013-14	Funding Change Request FY 2013-14	Continuation Amount FY 2014-15
<b>(1) Executive Director's Office; (A) General Administration, Operating Expenses</b>	<b>Total</b>	\$1,625,353	\$0	\$1,557,009	\$1,742	\$1,900
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$715,356	\$0	\$708,358	\$0	\$0
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$53,049	\$0	\$53,049	\$871	\$950
	RF	\$78,257	\$0	\$23,910	\$0	\$0
	FF	\$778,691	\$0	\$771,692	\$871	\$950
<b>(2) Medical Services Premiums</b>	<b>Total</b>	\$3,985,613,386	\$457,906	\$4,026,532,673	\$271,886	\$271,886
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$1,050,603,677	(\$177,364)	\$1,092,869,207	(\$99,644)	(\$99,644)
	GFE	\$312,202,624	\$0	\$312,202,624	\$0	\$0
	CF	\$651,181,857	\$406,318	\$626,082,971	\$235,587	\$235,587
	RF	\$3,215,340	\$0	\$1,215,340	\$0	\$0
	FF	\$1,968,409,888	\$228,952	\$1,994,162,531	\$135,943	\$135,943
<b>(6) Department of Human Services Medicaid-Funded Programs; (G) Services for People with Disabilities - Medicaid Funding, Regional Centers</b>	<b>Total</b>	\$47,983,037	\$1,866,611	\$47,801,815	\$349,602	\$349,602
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$22,123,864	(\$984,892)	\$22,033,253	(\$149,887)	(\$149,887)
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$3,785,854	\$0	\$2,192,344	\$2,192,344
	RF	\$1,867,655	(\$1,867,655)	\$1,867,655	(\$1,867,655)	(\$1,867,655)
	FF	\$23,991,518	\$933,304	\$23,900,907	\$174,800	\$174,800
<p><b>Letternote Text Revision Required?</b> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/> <b>If yes, describe the Letternote Text Revision:</b></p> <p>FY 2012-13: (2) Medical Services Premiums: b) \$406,318 shall be from the Service Provider Fee Fund created in Section 25.5-6-204 (1) (c) (II), C.R.S.  FY 2013-14: (2) Medical Services Premiums: b) \$235,587 shall be from the Service Provider Fee Fund created in Section 25.5-6-204 (1) (c) (II), C.R.S.</p> <p>FY 2012-13: (6) Department of Human Services Medicaid-Funded Programs; (G) Services for People with Disabilities - Medicaid Funding, Regional Centers: b) <del>This amount shall be from the Service Provider Fee Fund created in Section 25.5-6-204 (1) (c) (II), C.R.S.</del>  FY 2013-14: (6) Department of Human Services Medicaid-Funded Programs; (G) Services for People with Disabilities - Medicaid Funding, Regional Centers: b) <del>This amount shall be from the Service Provider Fee Fund created in Section 25.5-6-204 (1) (c) (II), C.R.S.</del></p> <p><b>Cash or Federal Fund Name and COFRS Fund Number:</b> Service Fee Fund  <b>Reappropriated Funds Source, by Department and Line Item Name:</b> Department of Human Services: (9) Services for People with Developmental Disabilities (B) Regional Centers for People with Developmental Disabilities (1) Medicaid-funded Services - Provider Fee</p> <p><b>Approval by OIT?</b> Yes: <input type="checkbox"/> No: <input type="checkbox"/> <b>Not Required:</b> <input checked="" type="checkbox"/></p> <p><b>Schedule 13s from Affected Departments:</b> Department of Human Services</p> <p><b>Other Information:</b></p>						



# DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

John W. Hickenlooper  
Governor

FY 2012-13 Supplemental/Budget Amendment  
January 2, 2013

Susan E. Birch  
Executive Director

*Susan E. Birch* for Sue Birch  
Signature 1/31/12  
Date

Department Priority: S-13, BA-13  
Restore ICF/IID Provider Fee

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund	FTE
Restore ICF/IID Provider Fee	\$2,324,517	(\$1,162,256)	0.0

Summary of Incremental Funding Change for FY 2013-14	Total Funds	General Fund	FTE
Restore ICF/IID Provider Fee	\$743,911	(\$249,531)	1.8

**Request Summary:**

The Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) jointly request an increase of \$2,324,517 total funds with a decrease of \$1,162,256 General Fund in FY 2012-13, and an increase of \$743,911 total funds with a decrease of \$249,531 General Fund in FY 2013-14, to restore the Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) provider fee, which was temporarily suspended in FY 2011-12. The provider fee would be ongoing. The request also includes 2.0 FTE (1.8 FTE in FY 2013-14) to properly oversee and manage the fund. These positions would be funded solely through the provider fee and federal funds. The departments also request three changes to existing state statute: 1) authorize HCPF as the agency responsible for collection, oversight, and management of the Provider Fee Cash Fund, 2) allow collection of fees up to the federally-allowed limit, and 3) correct outdated terminology in statute from "Intermediate Care Facility for the Mentally Retarded", or ICF/MR, to "Intermediate Care Facility for Individuals with Intellectual Disabilities", or ICF/IID.

**Problem or Opportunity:**

In FY 2011-12, the provider fee program was suspended because of concerns about compliance with federal requirements. Transitioning fund oversight and responsibility to HCPF would help ensure compliance with federal requirements so that future penalties may be avoided. Including dedicated staff for this purpose is essential. The FY 2011-12 suspension of collection of the provider fee resulted in an increased General Fund expense for the state. Restoration of the provider fee will result in General Fund savings to the Regional Center program. The state would also be able to recoup the General Fund used to backfill lost federal funds in FY 2011-12 because of the suspension. The restoration includes an additional provider as a participant in the provider fee program to ensure that the fee is uniform and broad-based, in order to comply with federal regulations.

**Brief Background:**

Section 25.5-6-204, C.R.S. (originally enacted in HB 03-1292) authorizes DHS to charge a provider fee to privately owned and state-operated ICF/IID facilities. The ICF/IID provider fee program allows the State to receive federal financial

participation on the provider fee revenue, which decreases the needed General Fund appropriation to the Regional Centers. The initial legislation did not, however, provide for personnel to oversee implementation and execution of the provider fee program. As a result, the program may not have been implemented in a manner compliant with federal requirements.

During a program review of the ICF/IID provider fee in FY 2011-12, HCPF informed DHS that the manner in which the ICF/IID provider fee program was being collected and redistributed may be inconsistent with federal rules. Section 25.5-6-204, C.R.S. requires provider fees to be assessed on state-owned and privately owned ICF/IIDs. However, fees were not collected from the additional provider. 42 CFR § 433.68 requires the collection of provider fees to be broad-based and uniform among all providers. Implementation of the ICF/IID provider fee, therefore, should have included the additional provider along with the state-owned ICF/IIDs. In order to avoid or mitigate any federal repayment amounts while the program was under review, DHS suspended charging and collecting the fee in FY 2011-12. HCPF worked with the Centers for Medicare and Medicaid Services (CMS) and developed a methodology that would bring the provider fee program into compliance with federal regulations. CMS approved HCPF's methodology in April 2012.

The departments recognize that the primary failure to properly execute the ICF/IID provider fee program was due to the lack of personnel resources to oversee its execution. Since the inception of the HB 03-1292 provider fee program, HCPF has successfully implemented and executed two other provider fee programs – a nursing facility provider fee program and a hospital provider fee program. Both of these programs have been successful in large part because of the inclusion of funding for dedicated personnel to oversee implementation and execution.

#### **Proposed Solution:**

The departments request the retroactive restoration of the provider fee for FY 2011-12 that was suspended after approval of the DHS FY 2012-13 S-2 "Suspension of ICF/IID Provider Fee" request. This would be added as a supplemental funding adjustment to the FY 2012-13 Long Bill. Appendix A provides a detailed overview of funding adjustments by appropriation for the FY 2012-13 supplemental funding request.

The departments also request a technical adjustment to Section 25.5-6-204, C.R.S. (2012) to shift the authorization for charging the provider fee from DHS to HCPF. The adjustment would also allow HCPF to collect provider fee payments up to the federally-allowed limit and correct outdated terminology. HCPF would assume responsibility for management of the ICF/IID provider fee, as well as oversee collection, federal matching, and redistribution of funds. The provider fee would be retroactively collected from the state-owned and private owned ICF/IIDs in compliance with statute for FY 2011-12 and fee collection would continue in FY 2012-13 and forward. This request includes adjustments to shift budgetary spending authority for provider fee revenues in the affected HCPF appropriations from reappropriated funds to cash funds, with corresponding adjustments to the DHS-affected appropriation.

Finally, due to the need for oversight resources, the Department requests funding for the 2.0 FTE (1.0 Accountant II and 1.0 Rate/Financial Analyst II) to oversee the program; these FTE would be funding through the cash fund and federal funds, with no General Fund impact.

#### **Alternatives:**

The state could decide to resume collection of the ICF/IID provider fee, but retain DHS as the authorized authority for fee collection. However, simply resuming collection of the fee without including statutory adjustments does not resolve the administrative burden that led to the suspension. DHS was not provided the resources necessary for full and successful implementation.

Additionally, simply resuming collection without transferring authority to HCPF retains an administrative inefficiency of having to transfer funds between departments that need not exist.

**Anticipated Outcomes:**

The resumption of the provider fee would reduce state General Fund expenditures and would allow the state to collect federal matching funds on the collected provider fee thereby maintaining equivalent total funding for regional centers. A reduction to the General Fund would occur as the result of three actions recommended within this request:

- The retroactive restoration of the FY 2011-12 provider fee reverses a General Fund increase that became necessary to backfill federal funds that were lost due to the suspension.
- The Department would collect a provider fee from the additional provider. This would incrementally provide additional revenue, offsetting the General Fund portion of the total funding, while allowing for an increase to the overall rate.
- Adjusting statute to allow for collection up to the federally allowed limit enables the state to leverage the incremental increase in collected fees with additional federal dollars in place of General Fund dollars.

HCPF, as the single state agency responsible for drawing federal Medicaid funds, is the proper agency to implement the provider fee program in compliance with federal regulations. HCPF communicates and collaborates directly with CMS on a regular basis and is the single state agency for the purpose of administering the Medicaid State Plan. The Department also has experience in administering various provider fees, affording it experience and efficiency in executing such programs.

Providing personnel resources to oversee the program would enable HCPF to manage the program in a manner compliant with federal regulations, thereby mitigating future risk of having to repay federal funds due to potential improper program execution. A Rate/Financial

Analyst II is necessary because the provider fee payment collected is based on daily rates. The determination and periodic assessment of rates is a highly technical, complex, and in-depth process. An Accountant II is needed to ensure that revenues collected, payments issued, funds transferred, etc. related to the provider fee are processed, tracked, and recorded properly in order to maintain and demonstrate compliance, as needed, for auditing and reporting purposes. Because these processes will be recurring and ongoing indefinitely into the future, the departments are requesting permanent FTE to manage this program.

**Assumptions for Calculations:**

- The retroactive restoration of the provider fee for FY 2011-12 is based on the amount originally appropriated in the FY 2011-12 Long Bill, \$1,867,655, with the additional provider then added into the program.
- The FY 2012-13 provider fee is based on the amount appropriated in the FY 2012-13 Long Bill at \$1,867,655 then adds the additional provider. This retains consistency with the existing long bill, and aligns with existing statutorily-permitted fee collection limits.
- The FY 2013-14 provider fee revenue is calculated assuming the federal maximum allowable amount, and includes an assumption of 2.57% inflation. The Department does not assume further inflation into FY 2014-15; any needed adjustments would be submitted through the regular budget process.

Appendix A, tables 2, 3, and 4, provide a detailed overview of funding adjustments by appropriation for the each year of the funding request.

**Consequences if not Funded:**

If the ICF/IID provider fee program is not resumed the state will contribute more General Fund toward the operation of state-owned regional centers than it would by resuming the program.

**Impact to Other State Government Agency:**

Shifting the authority to HCPF for collecting the fee will reduce an administrative burden at DHS, both from the standpoint of collecting funds from all required providers, as well as by eliminating a financial inefficiency resulting from unnecessary transfers of funds between different departments.

Because of the refinement of fee redistribution methodology and the addition of a provider, DHS will see a slight reduction in the amount it receives from the provider fee fund revenue related to FY 2011-12, but more related to FY 2012-13.

**Cash Fund Projections:**

All fees collected in the cash fund throughout the year should be expended by the end of the fiscal year. HCPF does not anticipate any carry over funds. See Appendix A, table 5 for more information.

**Relation to Performance Measures:**

This request is necessary in order to maintain compliance with state statute and federal regulation.

**Current Statutory Authority or Needed Statutory Change:**

Section 25.5-6-204, C.R.S. (2012) (originally enacted in H.B. 03-1292) authorizes DHS to charge a provider fee to privately owned and state-operated ICF/IID facilities. The ICF/IID provider fee program allows the State to draw down federal financial participation on the provider fee revenue for the purpose of reducing General Fund allocated to the Regional Centers.

The departments recommend technical adjustments to the statute to shift the authorization for charging the provider fee from DHS to HCPF, to increase the fee to the federally allowable level, and to correct outdated terminology.

**Table 1.1**  
**Summary of Incremental Funding Change by Long Bill Line Item and Department**  
**FY 2012-13<sup>1</sup>**

<b>Department of Health Care Policy and Financing Long Bill Line Item</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>General Fund Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>Total Request</b>	<b>\$2,324,517</b>	<b>(\$1,162,256)</b>	<b>\$0</b>	<b>\$4,192,172</b>	<b>(\$1,867,655)</b>	<b>\$1,162,256</b>	<b>0.0</b>
(1) Executive Director's Office (A) General Administration							
Personal Services	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Health, Life, and Dental	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Short-term Disability	\$0	\$0	\$0	\$0	\$0	\$0	0.0
S.B. 04-257 Amortization Equalization Disbursement	\$0	\$0	\$0	\$0	\$0	\$0	0.0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	0.0
(2) Medical Services Premiums - Medical and Long-term Care Services for Medicaid Eligible Individuals	\$457,906	(\$177,364)	\$0	\$406,318	\$0	\$228,952	0.0
(6) Department of Human Services Medicaid-funded Programs (G) Services for People with Disabilities – Medicaid Funding – Regional Centers	\$1,866,611	(\$984,892)	\$0	\$3,785,854	(\$1,867,655)	\$933,304	0.0
<b>Department of Human Services Long Bill Line Item</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>General Fund Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Department of Human Services - (9) Services for People with Disabilities (B) Regional Centers for People with Developmental Disabilities (1) Medicaid Funded Services	\$1,866,611	\$0	\$0	\$0	\$1,866,611	\$0	0.0

<sup>1</sup> The calculations for this request assume statute would be changed to transfer authority to administer the provider fee to HCPF. If this does not occur, additional adjustments would need to be made to properly account for the budgetary impacts.

**Table 1.2**  
**Summary of Incremental Funding Change by Long Bill Line Item and Department**  
**FY 2013-14<sup>1</sup>**

<b>Health Care Policy and Financing Long Bill Line Item</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>General Fund Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>Total Request</b>	<b>\$743,911</b>	<b>(\$249,531)</b>	<b>\$0</b>	<b>\$2,489,142</b>	<b>(\$1,867,655)</b>	<b>\$371,955</b>	<b>1.8</b>
(1) Executive Director's Office (A) General Administration							
Personal Services	\$105,909	\$0	\$0	\$52,954	\$0	\$52,955	1.8
Health, Life, and Dental	\$8,104	\$0	\$0	\$4,052	\$0	\$4,052	0.0
Short-term Disability	\$168	\$0	\$0	\$84	\$0	\$84	0.0
S.B. 04-257 Amortization Equalization Disbursement	\$3,416	\$0	\$0	\$1,708	\$0	\$1,708	0.0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$3,084	\$0	\$0	\$1,542	\$0	\$1,542	0.0
Operating Expenses	\$1,742	\$0	\$0	\$871	\$0	\$871	0.0
(2) Medical Services Premiums - Medical and Long-term Care Services for Medicaid Eligible Individuals	\$271,886	(\$99,644)	\$0	\$235,587	\$0	\$135,943	0.0
(6) Department of Human Services Medicaid-funded Programs (G) Services for People with Disabilities – Medicaid Funding – Regional Centers	\$349,602	(\$149,887)	\$0	\$2,192,344	(\$1,867,655)	\$174,800	0.0
<b>Department of Human Services Long Bill Line Item</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>General Fund Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Department of Human Services - (9) Services for People with Disabilities (B) Regional Centers for People with Developmental Disabilities (1) Medicaid Funded Services	\$349,602	\$0	\$0	\$0	\$349,602	\$0	0.0

<sup>1</sup> The calculations for this request assume statute would be changed to transfer authority to administer the provider fee to HCPF. If this does not occur, additional adjustments would need to be made to properly account for the budgetary impacts.

**Table 1.3**  
**Summary of Incremental Funding Change by Long Bill Line Item and Department**  
**FY 2014-15<sup>1</sup>**

<b>Health Care Policy and Financing Long Bill Line Item</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>General Fund Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>Total Request</b>	<b>\$755,986</b>	<b>(\$249,531)</b>	<b>\$0</b>	<b>\$2,495,179</b>	<b>(\$1,867,655)</b>	<b>\$377,993</b>	<b>2.0</b>
(1) Executive Director's Office (A) General Administration							
Personal Services	\$115,547	\$0	\$0	\$57,773	\$0	\$57,774	2.0
Health, Life, and Dental	\$8,842	\$0	\$0	\$4,421	\$0	\$4,421	0.0
Short-term Disability	\$184	\$0	\$0	\$92	\$0	\$92	0.0
S.B. 04-257 Amortization Equalization Disbursement	\$4,142	\$0	\$0	\$2,071	\$0	\$2,071	0.0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$3,883	\$0	\$0	\$1,941	\$0	\$1,942	0.0
Operating Expenses	\$1,900	\$0	\$0	\$950	\$0	\$950	0.0
(2) Medical Services Premiums - Medical and Long-term Care Services for Medicaid Eligible Individuals	\$271,886	(\$99,644)	\$0	\$235,587	\$0	\$135,943	0.0
(6) Department of Human Services Medicaid-funded Programs (G) Services for People with Disabilities – Medicaid Funding – Regional Centers	\$349,602	(\$149,887)	\$0	\$2,192,344	(\$1,867,655)	\$174,800	0.0
<b>Department of Human Services Long Bill Line Item</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>General Fund Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Department of Human Services - (9) Services for People with Disabilities (B) Regional Centers for People with Developmental Disabilities (1) Medicaid Funded Services	\$349,602	\$0	\$0	\$0	\$349,602	\$0	0.0

<sup>1</sup> The calculations for this request assume statute would be changed to transfer authority to administer the provider fee to HCPF. If this does not occur, additional adjustments would need to be made to properly account for the budgetary impacts.

**Table 2.1**  
**Department of Health Care Policy and Financing**  
**Summary of Incremental Funding Change**  
**FY 2012-13**

<b>Item</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>General Fund Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>(2) Medical Services Premiums - Medical and Long-term Care Services for Medicaid Eligible Individuals</b>							
FY 2011-12 Retroactive Reimplementation of Provider Fee Funded Rate Adjustments	\$228,953	(\$88,682)	\$0	\$203,159	\$0	\$114,476	0.0
FY 2012-13 Reimplementation of Provider Fee Funded Rate Adjustments	\$228,953	(\$88,682)	\$0	\$203,159	\$0	\$114,476	0.0
<b>Total</b>	<b>\$457,906</b>	<b>(\$177,364)</b>	<b>\$0</b>	<b>\$406,318</b>	<b>\$0</b>	<b>\$228,952</b>	<b>0.0</b>
<b>(6) Department of Human Services Medicaid-funded Programs (G) Services for People with Disabilities – Medicaid Funding – Regional Centers</b>							
Technical Adjustment for Statutory Revision	(\$1,867,655)	\$933,828	\$0	\$0	(\$1,867,655)	(\$933,828)	0.0
FY 2011-12 Retroactive Reimplementation of Provider Fee Funded Rate Adjustments	\$1,867,133	(\$959,360)	\$0	\$1,892,927	\$0	\$933,566	0.0
FY 2012-13 Reimplementation of Provider Fee Funded Rate Adjustments	\$1,867,133	(\$959,360)	\$0	\$1,892,927	\$0	\$933,566	0.0
<b>Total</b>	<b>\$1,866,611</b>	<b>(\$984,892)</b>	<b>\$0</b>	<b>\$3,785,854</b>	<b>(\$1,867,655)</b>	<b>\$933,304</b>	<b>0.0</b>
<b>Grand Total</b>	<b>\$2,324,517</b>	<b>(\$1,162,256)</b>	<b>\$0</b>	<b>\$4,192,172</b>	<b>(\$1,867,655)</b>	<b>\$1,162,256</b>	<b>0.0</b>

**Table 2.2**  
**Department of Health Care Policy and Financing**  
**Summary of Incremental Funding Change**  
**FY 2013-14**

Item	Total Funds	General Fund	General Fund Exempt	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>(1) Executive Director's Office (A) General Administration (Consolidated)</b>							
FTE for Program Implementation							
Personal Services	\$105,909	\$0	\$0	\$52,954	\$0	\$52,955	1.8
Health, Life, and Dental	\$8,104	\$0	\$0	\$4,052	\$0	\$4,052	0.0
Short-term Disability	\$168	\$0	\$0	\$84	\$0	\$84	0.0
S.B. 04-257 Amortization Equalization Disbursement	\$3,416	\$0	\$0	\$1,708	\$0	\$1,708	0.0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$3,084	\$0	\$0	\$1,542	\$0	\$1,542	0.0
Operating Expenses	\$1,742	\$0	\$0	\$871	\$0	\$871	0.0
<b>Total</b>	<b>\$122,423</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,211</b>	<b>\$0</b>	<b>\$61,212</b>	<b>1.8</b>
<b>(2) Medical Services Premiums - Medical and Long-term Care Services for Medicaid Eligible Individuals</b>							
FY 2013-14 Provider Fee Funded Rate Adjustment	\$271,886	(\$99,644)	\$0	\$235,587	\$0	\$135,943	0.0
<b>Total</b>	<b>\$271,886</b>	<b>(\$99,644)</b>	<b>\$0</b>	<b>\$235,587</b>	<b>\$0</b>	<b>\$135,943</b>	<b>0.0</b>
<b>(6) Department of Human Services Medicaid-funded Programs (G) Services for People with Disabilities – Medicaid Funding – Regional Centers</b>							
Technical Adjustment for Statutory Revision	(\$1,867,655)	\$933,828	\$0	\$0	(\$1,867,655)	(\$933,828)	0.0
FY 2013-14 Provider Fee Funded Rate Adjustment	\$2,217,257	(\$1,083,715)	\$0	\$2,192,344	\$0	\$1,108,628	0.0
<b>Total</b>	<b>\$349,602</b>	<b>(\$149,887)</b>	<b>\$0</b>	<b>\$2,192,344</b>	<b>(\$1,867,655)</b>	<b>\$174,800</b>	<b>0.0</b>
<b>Grand Total</b>	<b>\$743,911</b>	<b>(\$249,531)</b>	<b>\$0</b>	<b>\$2,489,142</b>	<b>(\$1,867,655)</b>	<b>\$371,955</b>	<b>1.8</b>

**Table 2.3**  
**Department of Health Care Policy and Financing**  
**Summary of Incremental Funding Change**  
**FY 2014-15**

Item	Total Funds	General Fund	General Fund Exempt	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>(1) Executive Director's Office (A) General Administration (Consolidated)</b>							
FTE for Program Implementation							
Personal Services	\$115,547	\$0	\$0	\$57,773	\$0	\$57,774	2.0
Health, Life, and Dental	\$8,842	\$0	\$0	\$4,421	\$0	\$4,421	0.0
Short-term Disability	\$184	\$0	\$0	\$92	\$0	\$92	0.0
S.B. 04-257 Amortization Equalization Disbursement	\$4,142	\$0	\$0	\$2,071	\$0	\$2,071	0.0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$3,883	\$0	\$0	\$1,941	\$0	\$1,942	0.0
Operating Expenses	\$1,900	\$0	\$0	\$950	\$0	\$950	0.0
<b>Total</b>	<b>\$134,498</b>	<b>\$0</b>	<b>\$0</b>	<b>\$67,248</b>	<b>\$0</b>	<b>\$67,250</b>	<b>2.0</b>
<b>(2) Medical Services Premiums - Medical and Long-term Care Services for Medicaid Eligible Individuals</b>							
FY 2013-14 Provider Fee Funded Rate Adjustment	\$271,886	(\$99,644)	\$0	\$235,587	\$0	\$135,943	0.0
<b>Total</b>	<b>\$271,886</b>	<b>(\$99,644)</b>	<b>\$0</b>	<b>\$235,587</b>	<b>\$0</b>	<b>\$135,943</b>	<b>0.0</b>
<b>(6) Department of Human Services Medicaid-funded Programs (G) Services for People with Disabilities – Medicaid Funding – Regional Centers</b>							
Technical Adjustment for Statutory Revision	(\$1,867,655)	\$933,828	\$0	\$0	(\$1,867,655)	(\$933,828)	0.0
FY 2013-14 Provider Fee Funded Rate Adjustment	\$2,217,257	(\$1,083,715)	\$0	\$2,192,344	\$0	\$1,108,628	0.0
<b>Total</b>	<b>\$349,602</b>	<b>(\$149,887)</b>	<b>\$0</b>	<b>\$2,192,344</b>	<b>(\$1,867,655)</b>	<b>\$174,800</b>	<b>0.0</b>
<b>Grand Total</b>	<b>\$755,986</b>	<b>(\$249,531)</b>	<b>\$0</b>	<b>\$2,495,179</b>	<b>(\$1,867,655)</b>	<b>\$377,993</b>	<b>2.0</b>

<p align="center"><b>Table 3.1</b>  <b>Department of Human Services</b>  <b>Summary of Incremental Funding Change</b>  <b>FY 2012-13</b></p>								
Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	MCF	MGF	NGF
Department of Human Services - (9) Services for People with Disabilities (B) Regional Centers for People with Developmental Disabilities (1) Medicaid Funded Services								
Technical Adjustment for Statutory Revision	(\$1,867,655)	\$0	\$0	(\$1,867,655)	\$0	(\$1,867,655)	\$933,828	\$933,828
FY 2011-12 Retroactive Reimplementation of Provider Fee	\$1,867,133	\$0	\$0	\$1,867,133	\$0	\$1,867,133	(\$959,360)	(\$959,360)
FY 2012-13 Reimplementation of Provider Fee	\$1,867,133	\$0	\$0	\$1,867,133	\$0	\$1,867,133	(\$959,360)	(\$959,360)
<b>Total</b>	<b>\$1,866,611</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,866,611</b>	<b>\$0</b>	<b>\$1,866,611</b>	<b>(\$984,892)</b>	<b>(\$984,892)</b>

<p align="center"><b>Table 3.2</b>  <b>Department of Human Services</b>  <b>Summary of Incremental Funding Change</b>  <b>FY 2013-14</b></p>								
Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	MCF	MGF	NGF
Department of Human Services - (9) Services for People with Disabilities (B) Regional Centers for People with Developmental Disabilities (1) Medicaid Funded Services								
Technical Adjustment for Statutory Revision	(\$1,867,655)	\$0	\$0	(\$1,867,655)	\$0	(\$1,867,655)	\$933,828	\$933,828
FY 2013-14 Provider Fee Funded Rate Adjustment	\$2,217,257	\$0	\$0	\$2,217,257	\$0	\$2,217,257	(\$1,083,715)	(\$959,360)
<b>Total</b>	<b>\$349,602</b>	<b>\$0</b>	<b>\$0</b>	<b>\$349,602</b>	<b>\$0</b>	<b>\$349,602</b>	<b>(\$149,887)</b>	<b>(\$25,532)</b>

<p align="center"><b>Table 3.3</b>  <b>Department of Human Services</b>  <b>Summary of Incremental Funding Change</b>  <b>FY 2014-15</b></p>								
Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	MCF	MGF	NGF
Department of Human Services - (9) Services for People with Disabilities (B) Regional Centers for People with Developmental Disabilities (1) Medicaid Funded Services								
Technical Adjustment for Statutory Revision	(\$1,867,655)	\$0	\$0	(\$1,867,655)	\$0	(\$1,867,655)	\$933,828	\$933,828
FY 2013-14 Provider Fee Funded Rate Adjustment	\$2,217,257	\$0	\$0	\$2,217,257	\$0	\$2,217,257	(\$1,083,715)	(\$959,360)
<b>Total</b>	<b>\$349,602</b>	<b>\$0</b>	<b>\$0</b>	<b>\$349,602</b>	<b>\$0</b>	<b>\$349,602</b>	<b>(\$149,887)</b>	<b>(\$25,532)</b>

S-13, BA-13 Restore ICF/IID Provider Fee  
Appendix A: Calculations and Assumptions

<b>DHS Regional Centers</b>					<b>Bethesda</b>				
<b>FY 2011-12</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>	<b>FY 2011-12</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>
Rate Increase due to Provider Fee	\$1,867,133	\$933,567	\$0	\$933,566	Rate Increase due to Provider Fee	\$228,953	\$114,477	\$0	\$114,476
Provider Fee Financing	\$0	(\$1,892,927)	\$1,892,927	\$0	Provider Fee Financing	\$0	(\$203,159)	\$203,159	\$0
<b>Total</b>	<b>\$1,867,133</b>	<b>(\$959,360)</b>	<b>\$1,892,927</b>	<b>\$933,566</b>	<b>Total</b>	<b>\$228,953</b>	<b>(\$88,682)</b>	<b>\$203,159</b>	<b>\$114,476</b>
<b>FY 2012-13</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>	<b>FY 2012-13</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>
Rate Increase due to Provider Fee	\$1,867,133	\$933,567	\$0	\$933,566	Rate Increase due to Provider Fee	\$228,953	\$114,477	\$0	\$114,476
Provider Fee Financing	\$0	(\$1,892,927)	\$1,892,927	\$0	Provider Fee Financing	\$0	(\$203,159)	\$203,159	\$0
<b>Total</b>	<b>\$1,867,133</b>	<b>(\$959,360)</b>	<b>\$1,892,927</b>	<b>\$933,566</b>	<b>Total</b>	<b>\$228,953</b>	<b>(\$88,682)</b>	<b>\$203,159</b>	<b>\$114,476</b>
<b>FY 2013-14</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>	<b>FY 2013-14</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>
Rate Increase due to Provider Fee	\$2,217,257	\$1,108,629	\$0	\$1,108,628	Rate Increase due to Provider Fee	\$271,886	\$135,943	\$0	\$135,943
Provider Fee Financing	\$0	(\$2,192,344)	\$2,192,344	\$0	Provider Fee Financing	\$0	(\$235,587)	\$235,587	\$0
<b>Total</b>	<b>\$2,217,257</b>	<b>(\$1,083,715)</b>	<b>\$2,192,344</b>	<b>\$1,108,628</b>	<b>Total</b>	<b>\$271,886</b>	<b>(\$99,644)</b>	<b>\$235,587</b>	<b>\$135,943</b>

Note: The FY 2013-14 calculation assumes an inflation rate of 2.57% for rate adjustments. Adjustments for FY 2014-15 would occur during the regular budget process.

<b>FY 2011-12</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>
Rate Increase due to Provider Fee	\$2,096,086	\$1,048,044	\$0	\$1,048,042
Provider Fee Financing	\$0	(\$2,096,086)	\$2,096,086	\$0
<b>Total</b>	<b>\$2,096,086</b>	<b>(\$1,048,042)</b>	<b>\$2,096,086</b>	<b>\$1,048,042</b>
<b>FY 2012-13</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>
Rate Increase due to Provider Fee	\$2,096,086	\$1,048,044	\$0	\$1,048,042
Provider Fee Financing	\$0	(\$2,096,086)	\$2,096,086	\$0
<b>Total</b>	<b>\$2,096,086</b>	<b>(\$1,048,042)</b>	<b>\$2,096,086</b>	<b>\$1,048,042</b>
<b>FY 2013-14</b>	<b>TF</b>	<b>GF</b>	<b>CF</b>	<b>FF</b>
Rate Increase due to Provider Fee	\$2,489,143	\$1,244,572	\$0	\$1,244,571
Provider Fee Financing	\$0	(\$2,427,931)	\$2,427,931	\$0
<b>Total</b>	<b>\$2,489,143</b>	<b>(\$1,183,359)</b>	<b>\$2,427,931</b>	<b>\$1,244,571</b>

S-13, BA-13 Restore ICF/IID Provider Fee  
Appendix A: Calculations and Assumptions

<b>Table 5</b>			
<b>Cash Fund Balancing Summary</b>			
<b>FY 2011-12<sup>1</sup></b>	Revenue Collected	Cash Fund Expenditure	Net
DHS Regional Centers	\$1,867,133	\$1,892,927	\$25,794
Bethesda ICF/IID	\$228,953	\$203,159	(\$25,794)
<b>Total</b>	<b>\$2,096,086</b>	<b>\$2,096,086</b>	<b>\$0</b>
<b>FY 2012-13</b>	Revenue Collected	Cash Fund Expenditure	Net
DHS Regional Centers	\$1,867,133	\$1,892,927	\$25,794
Bethesda ICF/IID	\$228,953	\$203,159	(\$25,794)
Personal Services	N/A	\$0	\$0
<b>Total</b>	<b>\$2,096,086</b>	<b>\$2,096,086</b>	<b>\$0</b>
<b>FY 2013-14</b>	Revenue Collected	Cash Fund Expenditure	Net
DHS Regional Centers	\$2,217,257	\$2,192,344	(\$24,913)
Bethesda ICF/IID	\$271,886	\$235,587	(\$36,299)
Personal Services	N/A	\$61,212	\$61,212
<b>Total</b>	<b>\$2,489,143</b>	<b>\$2,489,143</b>	<b>\$0</b>
(1) Revenue collection and payment for FY 2011-12 dates of service would occur in the FY 2012-13 budget year.			

**Table 6**  
**FTE Calculations**

**Calculation Assumptions:**

**Personal Services** -- Based on the Department of Personnel and Administration's August 2012 Annual Compensation Survey Report. All positions below are at the bottom of the pay range for the given class title.

**Operating Expenses** -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual telephone costs assume base charges of \$450 per year.

**Standard Capital Purchases** -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office Suite Software (\$330), and office furniture (\$3,473).

**General Fund FTE** -- New full-time General Fund positions are reflected in FY 2012-13 as 0.9166 FTE to account for the pay-date shift.

Expenditure Detail		FY 2012-13		FY 2013-14		FY 2014-15	
<b>Personal Services:</b>		FTE	\$	FTE		FTE	
	Monthly Salary						
Rate/Financial Anlyst II	\$ 4,733	-	-	0.9166	52,059	1.0000	56,796
PERA		-	-		5,284		5,765
AED		-	-		1,874		2,272
SAED		-	-		1,692		2,130
Medicare		-	-		755		824
STD		-	-		92		101
Health-Life-Dental		-	-		4,052		4,421
<b>Subtotal Rate/Financial Anlyst II</b>		-	\$ -	0.9166	\$ 65,808	1.0000	\$ 72,309
	Monthly Salary						
Accountant II	\$ 3,895	-	-	0.9166	42,842	1.0000	46,740
PERA		-	-		4,348		4,744
AED		-	-		1,542		1,870
SAED		-	-		1,392		1,753
Medicare		-	-		621		678
STD		-	-		76		83
Health-Life-Dental		-	-		4,052		4,421
<b>Subtotal Accountant II</b>		-	\$ -	0.9166	\$ 54,873	1.0000	\$ 60,289
<b>Subtotal Personal Services</b>		-	\$ -	1.8332	\$ 120,681	2.0000	\$ 132,598
<b>Operating Expenses</b>							
Regular FTE Operating Expenses	500	-	-	1.8332	917	2.0000	1,000
Telephone Expenses	450	-	-	1.8332	825	2.0000	900
PC, One-Time	1,230	-	-	-	-	-	-
Office Furniture, One-Time	3,473	-	-	-	-	-	-
Other		-	-		-		-
Other		-	-		-		-
Other		-	-		-		-
Other		-	-		-		-
<b>Subtotal Operating Expenses</b>			\$ -		\$ 1,742		\$ 1,900
<b>TOTAL REQUEST</b>		-	\$ -	1.8332	\$ 122,423	2.0000	\$ 134,498