**COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING**

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

January 15, 2015

Eric Kurtz
Joint Budget Committee Staff
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Mr. Kurtz:

Enclosed please find a report to the Joint Budget Committee on the Health Care Policy and Financing expenditures and caseload for Medicaid and the Children's Basic Health Plan pursuant to FY 2014-15 Legislative Request For Information #3:

*"Department of Health Care Policy and Financing, Executive Director's Office -- The Department is requested to submit monthly Medicaid expenditure and caseload reports on the Medical Services Premiums, mental health capitation, and the intellectual and developmental disabilities line items to the Joint Budget Committee, by the fifteenth or first business day following the fifteenth of each month. The Department is requested to include in the report the managed care organization caseload by aid category. The Department is also requested to provide caseload and expenditure data for the Children's Basic Health Plan, the Medicare Modernization Act State Contribution Payment, and the Old Age Pension State Medical Program within the monthly report."*

The data contained in this month's Medicaid expenditure and caseload report is reflected as of December 31, 2014. The current report contains a separate worksheet for Medical Services Premiums expenditure by service category and Medicaid caseload data by eligibility category, which includes the monthly and over-the-year growth rates. Beginning in FY 2012-13, the Department is reporting on the number of clients enrolled in the Accountable Care Collaborative. This count is based on capitations paid to a Regional Care Collaborative Organization (RCCO) for the month of service, and does not include clients who have been attributed to a RCCO but for whom a capitation has not been paid. This report also includes caseload and expenditure data for the Old Age Pension State Medical Program and the Medicare Modernization Act (MMA) State Contribution Payment. Beginning in FY 2014-15, the Department is reporting on the Division of Intellectual and Developmental Disabilities (DiDD) expenditure and caseload for Medicaid Waivers and State Only Programs.

Effective August 2014, many eligibility categories have been revised to reflect significant changes in eligibility standards, special financing for specific populations, and adoption of a common nomenclature. Specifically, please note the following changes: 1) "Categorically Eligible Low-Income Adults (AFDC-A)" and "Expansion Adults to 68% FPL" have been

consolidated and are now titled “MAGI Parents/Caretakers to 68% FPL”, 2) “Expansion Adults to 133% FPL” are now titled “MAGI Parents/Caretakers 69% to 133% FPL”, 3) “Adults without Dependent Children (AwDC)” are now titled “MAGI Adults”, 4) Eligible Children (AFDC-C/BC) has been bifurcated into “MAGI Eligible Children” and “SB 11-008 Eligible Children”, and 5) Baby Care Program-Adults has been bifurcated into “MAGI Pregnant Adults” and “SB 11-250 Eligible Pregnant Adults”. Where applicable, historical values have been restated to reflect an accurate history for the revised groupings.

Effective November 2014, the Department is reporting on two additional facets of Medicaid expenditure. The first addition provides more detailed reporting on Hospital Provider Fee supplemental payments. The second addition provides a more granular breakout of managed care enrollment by month.

Effective January 2015, the Department has made adjustments to historical caseload for MAGI Eligible Children and SB 11-008 Eligible Children. Previous reports have misclassified certain clients whose income would have required an eligibility category change if not for the effect of continuous eligibility. The Department must properly classify clients based on their eligibility prior to the change in order to claim the proper federal financial participation rate. Medicaid eligible for Caseload has been adjusted accordingly from March 2014 when continuous eligibility for children was implemented.

If you have any questions, please contact Josh Block at (303) 866-4116.

Sincerely,

Josh Block
Budget Director