

Schedule 13
Funding Request for the 2012-13 Budget Cycle

Department: Health Care Policy and Financing
 Request Title: Federally Mandated CHIPRA Quality Measures
 Priority Number: R-8

Dept. Approval by: John Bartholomew *JB 10/14/11* Date
 OSPB Approval by: *Erin M. ...* *10/18/11* Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
Total of All Line Items	Total	\$4,894,410	\$0	\$4,898,322	\$236,671	\$236,671
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$272,494	\$0	\$272,494	\$82,835	\$82,835
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$1,948,454	\$0	\$1,949,823	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$2,673,462	\$0	\$2,676,005	\$153,836	\$153,836
(4) Indigent Care Program; Children's Basic Health Plan Administration	Total	\$4,894,410	\$0	\$4,898,322	\$236,671	\$236,671
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$272,494	\$0	\$272,494	\$82,835	\$82,835
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$1,948,454	\$0	\$1,949,823	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$2,673,462	\$0	\$2,676,005	\$153,836	\$153,836

Letternote Text Revision Required? Yes: No: If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number: FF: Title XXI

Reappropriated Funds Source, by Department and Line Item Name:

Approval by OIT? Yes: No: Not Required:

Schedule 13s from Affected Departments: N/A

Other Information:



DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

John W. Hickenlooper
Governor

*FY 2012-13 Funding Request
November 1, 2011*

Susan E. Birch
Executive Director

Department Priority: R-8
Request Title: Federally Mandated CHIPRA Quality Measures

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund	FTE
(4) Indigent Care Program; Children's Basic Health Plan Administration	\$236,671	\$82,835	0.0

Request Summary:

The Department of Health Care Policy and Financing is requesting \$236,671 total funds in FY 2012-13 to implement a federally mandated provision from the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). This funding is requested for the purposes of amending its current External Quality Review contract to comply with an additional federally mandated managed care quality review measure for the Children's Basic Health Plan. As the Department will be required to report this quality review measure annually, this request is for on-going funding.

Section 402 (a)(2) of CHIPRA amends select Medicaid law (42 U.S.C. 1397hh (a), (e)) which outlines information states are required to report annually for CHIP programs like Colorado's Children's Basic Health Plan. This section requires states to report results from the Agency for Healthcare Research and Quality's Consumer Assessment of Healthcare Providers and Systems (CAHPS) Survey for CHIP. Currently, states may voluntarily collect and report this data either annually or biannually for CHIP and Medicaid. Medicaid programs are not required to report a CAHPS survey but may do so voluntarily (including Colorado, as described below).

Beginning in December 31, 2013, however, all CHIP programs are required to submit CAHPS

measurement data annually. To comply with this regulation, CHIP programs like the Children's Basic Health Plan must begin collecting CAHPS data in January of 2013.

Since the Department possesses neither the expertise nor the resources to conduct this survey, the Department would like to expand its contract with its External Quality Review Organization so that it may implement plan-specific CAHPS surveys meeting the federal requirements outlined in CHIPRA. This includes the survey administration, analysis and reporting for each of the five managed care organization plans and the State's Managed Care Network. In order to do this, the Department is requesting \$236,671 total funds annually, of which \$82,835 is General Fund, and the remainder is federal funds beginning in FY 2012-13.

Assumptions for Calculations:

Based on the Department's discussions with the current EQRO, the Department assumes that the cost of compliance with the enhanced external quality review provision beginning in FY 2012-13 will be \$236,671 for the implementation and reporting of six plan-specific CAHPS surveys. This includes \$200,917 for data collection and \$35,754 for analysis and reports of survey results. The EQRO will conduct a total of 20,940 surveys, an average of 3,490 per plan. The cost

for each of the six plans is approximately \$39,445.17. The Department believes this is a reasonable cost for the administration, analysis and reporting involved with these surveys.

Since the Children's Basic Health Plan Trust Fund is currently insolvent, the Department is requesting General Fund for the state share of this requested increase. The Department's request for all General Fund needed for the Children's Basic Health Plan is included in the November 1, 2011 FY 2012-13 R-3.

Consequences if not Funded:

This request is for funding to implement federally mandated changes. If this request is not funded, federal financial participation in the Children's Basic Health Plan will be at risk. The FY 2012-13 base request includes \$128,959,010 federal funds for the Children's Basic Health Plan.

Current Statutory Authority or Needed Statutory Change:

The Children's Health Insurance Program is established in federal law in the Social Security Act, Title XXI (42 U.S.C. 1397aa through 1397jj) and amended by the Children's Health Insurance Program Reauthorization Act of 2009 (P.L. 111-3).

Section 2108 (e)(4) of Social Security Act (42 U.S.C. 1397hh (e)(4)) as amended by P.L. 111-3, Sec. 402 (a)(2) requires that CHIP programs report a CAHPS survey on an annual basis.

25.5-8-105 C.R.S. creates the Children's Basic Health Plan Trust Fund. 25.5-8-111 C.R.S. (1)(a)(I) allows the Department to enter into personal services contracts for the administration of the Children's Basic Health Plan.