

## **Hospital Provider Fee Oversight and Advisory Board Update for the Medical Services Board**

**Friday, March 11, 2016**

### Hospital Provider Fee Oversight and Advisory Board (OAB)

The OAB unanimously approved new hospital fee and supplemental payments for the year ending September 30, 2016 at its meeting on February 23, 2016. For the year ending September 30, 2016, hospitals will pay approximately \$668 million in fees, which will generate nearly \$2.4 billion in federal funds to Colorado. Hospitals will receive \$1.12 billion in supplemental and quality incentive payments resulting in increased hospital reimbursement for care provided to individuals enrolled in Medicaid and the Colorado Indigent Care Program of \$290 million. These hospital provider fees and payments reflect the Governor's budget proposal for fee revenue in SFY 2016-17.

Before the new model can be implemented, the Centers for Medicare and Medicaid Services (CMS) must approve any necessary State Plan Amendments and rules must be adopted by the Medical Services Board. The Department plans to present rules to the Medical Services Board at its April 2016 meeting. Until the new model is fully approved, hospitals will continue to pay fees and receive payments at the 2014-15 amounts.

Minutes from the November 17, 2015 and December 15, 2015 meetings are attached. The next OAB meeting is scheduled for April 26, 2016.

### Hospital Provider Fee Population Expansion Update

In May 2010 the population expansions for Medicaid Parents to 100% of the federal poverty level (FPL) and for Child Health Plan *Plus* (CHP+) to 250% FPL were implemented. In March 2012, the Medicaid Buy-In Program for Working Adults with Disabilities to 450% FPL was implemented, and in July 2012 the Medicaid Buy-In Program for Children with Disabilities to 300% FPL was implemented. In April 2012, Medicaid coverage for Adults without Dependent Children (AwDC) up to 10% FPL with enrollment capped at 10,000 individuals was implemented. Subsequently, in April 2013, the Department increased the AwDC enrollment cap by 3,000 individuals, then by 1,250 additional individuals each month. On January 1, 2014, pursuant to Senate Bill 13-200, coverage for Medicaid Parents and AwDC was increased to 133% FPL and the waitlist for AwDC clients was eliminated. On March 1, 2014, 12-month continuous eligibility for children enrolled in Medicaid was implemented.

The caseload reported as of January 31, 2016 was as follows:

- 96,569 Medicaid Parents, (this is a December 2015 figure)
- 16,542 CHP+ children and pregnant women,
- 5,311 working adults and children with disabilities, and
- 327,653 Adults without Dependent Children.

Please contact Chris Underwood at 303-866-4766 or Nancy Dolson at 303-866-3698 if you have questions regarding this update.