



SFY 2016-17 Proposed Budget

November 2015

The State must meet budget balancing requirements. The Department of Health Care Policy & Financing **proposed budget for SFY 2016-17 reflects a constrained budget environment and only includes technical adjustments and reductions.** The proposed budget request must go through the legislative process and be signed into law before it is final. These requests assume a July 1, 2016 effective date. Below is a summary, additional detail on the Governor's proposed budget is available at the Office of State Planning and Budget's website, Colorado.gov/ospb.

1% Provider Rate Reductions – Budget Balancing

Summary: 1% reduction in rates paid to most Medicaid physical health fee-for-service and managed care providers effective July 1, 2016, in order to meet State budget balancing requirements. The 1% cut excludes some primary care and other providers, please see budget request for detail.

Budget Impact: Reduces expenditure approximately \$35,753,121 total funds, \$12,886,073 General Fund, and \$945,958 cash funds in FY 2016-17.

County Administration Financing - Technical Adjustment

Summary: Increases the federal funds appropriation for county administration to more accurately reflect the percentage of activities eligible for the enhanced federal match rate.

Budget Impact: No general fund impact, \$7,105,769 in federal funds.

Old Age Pension State Medical Program - Technical Adjustment

Summary: Adjusts the Department's budget to more accurately reflect the forecasted expenditures in the Old Age Pension Health and Medical Care Program.

Budget Impact: Reduces expenditure of \$3,939,225 total funds, consisting entirely of cash funds from the Old Age Pension Health and Medical Care Fund.

Federal Medical Assistance Percentage – Technical Adjustment

Summary: The federal government sets the federal matching funds percentage for states annually based on per capita personal income relative to national per capita personal incomes. This request makes adjustments to align with expected federal changes to Colorado's FMAP.

Budget Impact: \$0 total funds, an increase of \$538,543 General Fund, \$8,930 reappropriated funds and a decrease of \$547,473 in federal funds.

For more information visit Colorado.gov/hcpf/budget-1

Our mission is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.
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