



**COLORADO**  
Department of Health Care  
Policy & Financing

Department of Health Care Policy and Financing  
1570 Grant Street  
Denver, CO 80203

November 1, 2015

The Honorable Kent Lambert, Chair  
Joint Budget Committee  
200 East 14<sup>th</sup> Avenue, Third Floor  
Denver, CO 80203

Dear Senator Lambert:

Enclosed please find the Department of Health Care Policy and Financing's response to the Joint Budget Committee's Request for Information Multiple Department #4 regarding the Tobacco Master Settlement moneys.

Multiple Department Legislative Request for Information #4 states:

*Each Department is requested to provide the following information to the Joint Budget Committee by November 1, 2015, for each program funded with Tobacco Master Settlement moneys: the name of the program; the amount of Tobacco Settlement moneys received for the program for the preceding fiscal year; a description of the program including the actual number of persons served and the services provided through the program; information evaluating the operation of the program, including the effectiveness of the program in achieving its stated goals; and a recommendation regarding the amount of Tobacco Master Settlement funds the program requires for FY 2016-17 and why.*

The Department is allocated Tobacco Settlement funding for the Children's Health Plan Plus (CHP+) and Children's Autism Program and the attached report contains the programmatic information of the two programs. In the report, you will find an overview of the program, prior year financials, strategic priorities and key goals, partner relationships, program measures of success, program opportunities and challenges, and lastly, the recommendation for FY 2016-17 funding allocation.

If you require further information or have additional questions, please contact the Department's Legislative Liaison, Zach Lynkiewicz, at [Zach.Lynkiewicz@state.co.us](mailto:Zach.Lynkiewicz@state.co.us) or 720-854-9882.

Sincerely,

A handwritten signature in black ink that reads "Susan E. Birch".

Susan E. Birch, MBA, BSN, RN  
Executive Director



SEB/fjq

Enclosure(s): Health Care Policy and Financing FY 2015-16 Multi-Department RFI #4

Cc: Representative Millie Hamner, Vice-chair, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
John Ziegler, Staff Director, JBC  
Eric Kurtz, JBC Analyst  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Bettina Schneider, Budget Analyst, Office of State Planning and Budgeting  
Legislative Council Library  
State Library  
John Bartholomew, Finance Office Director, HCPF  
Gretchen Hammer, Health Programs Office Director, HCPF  
Dr. Judy Zerzan, Client and Clinical Care Office Director, HCPF  
Chris Underwood, Health Information Office Director, HCPF  
Jed Ziegenhagen, Community Living Office Director, HCPF  
Tom Massey, Policy, Communications, and Administration Office Director, HCPF  
Rachel Reiter, External Relations Division Director, HCPF  
Zach Lynkiewicz, Legislative Liaison, HCPF



**Health Care Policy and Financing  
FY 2015-16 RFI #4**

*Each Department is requested to provide the following information to the Joint Budget Committee by November 1, 2015, for each program funded with Tobacco Master Settlement moneys: the name of the program; the amount of Tobacco Settlement moneys received for the program for the preceding fiscal year; a description of the program including the actual number of persons served and the services provided through the program; information evaluating the operation of the program, including the effectiveness of the program in achieving its stated goals; and a recommendation regarding the amount of Tobacco Master Settlement funds the program requires for FY 2016-17 and why.*

**RESPONSE:**

**Children’s Basic Health Plan**

**Program Overview:**

Program Description:	The Children’s Basic Health Plan, known as the Child Health Plan <i>Plus</i> (CHP+) Provides affordable health insurance to children under the age of 19 and pregnant women in low-income families, up to 260% of the Federal Poverty Level (FPL), who do not qualify for Medicaid and do not have private insurance.	
Eligible Population:	Uninsured children from 143% FPL to 260% FPL and uninsured pregnant women from 196% FPL to 260% FPL.	
Tobacco Settlement Monies Received:	FY 2014-15: \$26,418,097	
Services:	Number of Eligible Persons Served:	
Affordable health insurance and oral health care for CHP+ children.	In FY 2014-15, average monthly caseload for CHP+ was 54,386 (53,699 children and 687 pregnant adults).	

**Strategic Priorities and Key Goals:**

- Reduce the number of uninsured children and pregnant adults under 260% FPL that are not eligible for Medicaid.

**Measures of Success:**

Program Outputs	Program Outcomes
<ul style="list-style-type: none"> <li>• CHP+ has provided health care to an average monthly caseload of 54,386 children and pregnant adults that would have otherwise been uninsured.</li> </ul>	<ul style="list-style-type: none"> <li>• Beginning in FY 2015-16, the Department is implementing HB 09-1353 for CHP+, which removes the 5 year bar on legal immigrants. This implementation is expected to increase CHP+ enrollment by approximately 1,000 in FY 2015-16, helping to reduce the number of uninsured people in Colorado.</li> </ul>

## Program Opportunities and Challenges:

Beginning in FY 2014-15, HCPF has expanded the oral health care benefit for CHP+ children so that it is aligned to the CHIPRA legislation of 2009. HCPF hopes this will result in improved dental outcomes for its clients.

HB 09-1353 allowed for Medicaid and CHP+ eligibility for legal immigrant pregnant adults that have been in the country for less than 5 years. HCPF was unable to implement this legislation for CHP+ children and pregnant women in the past, but is currently in the initial phases of implementing for the CHP+ program.

## FY 2016-17 Tobacco Master Settlement Funds Recommendation:

The Department recommends an allocation of \$27,500,000 for the CHP+ program. This funding is made up \$23,800,000 tier 1 funding and \$3,700,000 tier 2 funding. The Department's projections are shown in its November 1, 2015 Budget Request R-3.

## Home- and Community-Based Services for Children with Autism

### Program Overview:

Program Description:	The Children with Autism Waiver (CWA) provides Behavioral Intervention and Treatment (three different levels) to Medicaid Children Age 0-5 with an autism diagnosis. The waiver is capped at 75 clients with an annual expenditure cap of \$25,000 per year per client.	
Eligible Population:	Children, ages 0-5, with a diagnosis of autism and whose needs meet Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF-IID) level of care.	
Tobacco Settlement Monies Received:	FY 2014-15: \$326,954	
Services:	Number of Eligible Persons Served:	
Behavioral Intervention, Behavioral Treatment or Applied Behavioral Analysis (three different levels)	87 children	

### Strategic Priorities and Key Goals:

- Simplify service delivery to increase provider participation.
- Increase the length of stay on the waiver to ensure continuity of service, three years being optimal.

### Measures of Success:

Program Outputs	Program Outcomes
<ul style="list-style-type: none"><li>• The program evaluation concluded March 2015.</li><li>• The state authorized HB 15-1186; the expansion of the CWA waiver, but the expansion has been denied by the Centers for Medicare &amp; Medicaid Services (CMS).</li></ul>	<ul style="list-style-type: none"><li>• Families can track participant progress through the use of multiple assessments between receiving behavioral treatments.</li></ul>

## **Program Opportunities and Challenges:**

During the 2015 legislative session, the General Assembly passed HB 15-1186 in order to eliminate the enrollment cap, increase the age limit to eight, and allow for three years stay on the waiver. These requests align more closely with national best practices than what is currently being offered. The legislation also increased the expenditure cap and allow it to fluctuate. This is primarily so rate increases have no adverse effect on the quality of care provided. Lastly, the request continued the waiver evaluation on an annual basis. HB 15-1186 was signed into law by Governor Hickenlooper on May 29, 2015. Recently, the Centers for Medicare & Medicaid Services (CMS) denied the Department's Children with Autism Waiver expansion and requested that the state provide the services, when medically necessary, under the waiver through Early, Periodic, Screening, Diagnosis and Treatment (EPSDT) for kids. The future of the waiver is uncertain at this time.

## **FY 2016-17 Tobacco Master Settlement Funds Recommendation:**

Consistent with current statute, the Department recommends that the program should continue to receive the \$1,000,000 funds from the Tobacco Master Settlement. Currently, the entire allocation is not being used due to issues that HB 15-1186 would have resolved. The funding is still necessary as clients will enroll as clients' age out. As the future of the waiver is determined, the funding in the Children with Autism Treatment cash fund would be applied to the ongoing costs for services. The Department will use the regular budget process to account for any necessary changes.