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Colorado Health Insurance Exchange Oversight Committee

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October 27, 2015

The Honorable Michael Bennet
The Honorable Cory Gardner
The Honorable Diana DeGette
The Honorable Jared Polis
The Honorable Scott Tipton
The Honorable Ken Buck
The Honorable Doug Lamborn
The Honorable Mike Coffman
The Honorable Ed Perlmutter

Dear Members of Congress:

For the purposes of guiding the implementation of Colorado's health exchange, making recommendations to the General Assembly, and ensuring that the interests of Coloradans are protected, the Colorado General Assembly created the Colorado Health Insurance Exchange Oversight Committee. The following members of the Colorado Health Insurance Exchange Oversight Committee seek your support for Colorado's effort to receive retrospective and future federal reimbursement for Medicaid-related expenses incurred by Colorado's health exchange, Connect for Health Colorado (the exchange). We also request the alignment of federal rules governing income eligibility for Medicaid and for the Advance Premium Tax Credit (APTC).

Currently, staff from the Colorado Department of Health Care Policy and Financing and the exchange are working together to create a cost allocation methodology for use by the Centers for Medicare and Medicaid Services (CMS) to provide retrospective federal reimbursement for expenses incurred by the exchange in FY 2014-15 and FY 2015-16 that can be allocated to Medicaid. The methodology may also be used to establish an ongoing and prospective allocation methodology to offset future Medicaid-related expenses. Once the cost allocation methodology is approved by CMS, Colorado will be able to receive a federal draw down of funds that can be used to reimburse the exchange for services provided to customers related to Medicaid, such as the shared eligibility system, customer service and outreach, customer education, and staff training. We respectfully request that you urge CMS to approve Colorado's cost allocation methodology request as quickly as possible.

In addition to seeking approval for retrospective and future costs associated with Medicaid, we would like to address the difficulty some Medicaid clients and exchange customers have endured due to conflicting eligibility determinations as a result of the different criteria used for assessing income. Medicaid counts income on a current monthly basis and the exchange counts income for APTC purposes on a projected annual basis. This has resulted in gaps in health care coverage and unexpected costs for some clients. Our goal is to eliminate gaps in health care coverage and to simplify the process for exchange applicants. We request that you initiate discussion at the federal level to align the methods dictated by CMS rules and Internal Revenue Service rules for assessing income for purposes of determining eligibility for Medicaid and for the APTC.

Thank you for your consideration of our request, and we would appreciate a response from your office so that we can better coordinate state and federal efforts to expedite a resolution of these two issues.

Sincerely,

Senator Ellen Roberts, Chair

Representative Beth McCann, Vice-Chair

Senator Irene Aguilar

Representative Lois Landgraf

Senator John Kefalas

Representative Dianne Primavera

Senator Beth Martinez Humenik

Representative Su Ryden

Representative Jack Tate