

Schedule 13

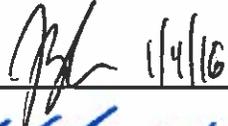
Funding Request for the FY 2016-17 Budget Cycle

Department of Health Care Policy and Financing

Request Title

S11- Budgetary Technical Adjustments

BA11- Budgetary Technical Adjustments

Dept. Approval By: Josh Block		1/4/16	_____	X	Supplemental FY 2015-16
			_____		Change Request FY 2016-17
			_____		Base Reduction FY 2016-17
OSPB Approval By: 		1/4/16	_____	X	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17		FY 2017-18
		Initial Appropriation	Supplemental Request Amount	Base Request	Budget Amendment	Continuation Amount
Total		\$137,750,884	\$7,101,996	\$134,853,494	(\$3,773)	(\$3,773)
FTE		388.0	1.0	391.0	1.0	1.0
Total of All Line Items Impacted by Change Request						
GF		\$41,650,489	\$30,317	\$40,344,535	\$25,455	\$25,455
CF		\$21,611,387	(\$30,906)	\$21,634,129	(\$30,906)	(\$30,906)
RF		\$4,155,193	(\$1,565)	\$4,218,451	(\$1,565)	(\$1,565)
FF		\$69,917,759	\$7,104,150	\$68,656,379	\$3,243	\$3,243

Line Item Information	Fund	FY 2015-16		FY 2016-17		FY 2017-18
		Initial Appropriation	Supplemental Request Amount	Base Request	Budget Amendment	Continuation Amount
Total		\$28,299,126	(\$62,000)	\$28,894,861	(\$62,000)	(\$62,000)
FTE		388.0	0.0	391.0	0.0	0.0
01. Executive Director's Office - Personal Services						
GF		\$9,898,385	(\$31,000)	\$10,049,433	(\$31,000)	(\$31,000)
CF		\$2,860,502	\$0	\$2,936,203	\$0	\$0
RF		\$1,501,543	\$0	\$1,564,801	\$0	\$0
FF		\$14,038,696	(\$31,000)	\$14,344,424	(\$31,000)	(\$31,000)
Total		\$3,775,292	(\$715,468)	\$2,791,755	\$972,775	\$972,775
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office - Payments to OIT						
GF		\$1,876,284	(\$357,734)	\$1,387,477	\$300,279	\$300,279
CF		\$11,360	\$0	\$8,401	\$186,109	\$186,109
RF		\$0	\$0	\$0	\$0	\$0
FF		\$1,887,648	(\$357,734)	\$1,395,877	\$486,387	\$486,387

	Total	\$9,351,970	\$62,000	\$7,965,355	(\$1,626,243)	(\$1,626,243)
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -	GF	\$3,117,387	\$31,000	\$2,431,211	(\$627,013)	(\$627,013)
General Professional	CF	\$1,463,609	\$0	\$1,413,609	(\$186,109)	(\$186,109)
Services and Special	RF	\$0	\$0	\$0	\$0	\$0
Projects	FF	\$4,770,974	\$31,000	\$4,120,535	(\$813,121)	(\$813,121)
	Total	\$160,335	\$6,064	\$160,335	\$10,644	\$10,644
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -	GF	\$0	\$0	\$0	\$0	\$0
Public School Health	CF	\$0	\$0	\$0	\$0	\$0
Services Admin.,	RF	\$160,335	\$6,064	\$160,335	\$10,644	\$10,644
Transfer to DOE	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$9,133,612	(\$4,000,000)	\$9,133,612	\$0	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -	GF	\$0	\$0	\$0	\$0	\$0
Centralized Eligibility	CF	\$3,145,326	(\$1,360,000)	\$3,145,326	\$0	\$0
Vendor Contract	RF	\$0	\$0	\$0	\$0	\$0
Project	FF	\$5,988,286	(\$2,640,000)	\$5,988,286	\$0	\$0
	Total	\$278,974	\$0	\$278,974	\$0	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -	GF	\$63,966	\$27,022	\$63,966	\$27,022	\$27,022
Medical Identification	CF	\$73,928	(\$29,341)	\$73,928	(\$29,341)	(\$29,341)
Cards	RF	\$1,593	(\$1,565)	\$1,593	(\$1,565)	(\$1,565)
	FF	\$139,487	\$3,884	\$139,487	\$3,884	\$3,884
	Total	\$39,536,478	\$6,461,585	\$39,536,478	\$0	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -	GF	\$11,114,448	\$0	\$11,114,448	\$0	\$0
County	CF	\$5,859,623	\$0	\$5,859,623	\$0	\$0
Administration	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$22,562,407	\$6,461,585	\$22,562,407	\$0	\$0
	Total	\$11,104,684	\$4,644,184	\$11,104,684	\$0	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -	GF	\$0	\$0	\$0	\$0	\$0
Hospital Provider	CF	\$3,585,446	\$1,360,000	\$3,585,446	\$0	\$0
Fee County	RF	\$0	\$0	\$0	\$0	\$0
Administration	FF	\$7,519,238	\$3,284,184	\$7,519,238	\$0	\$0

	Total	\$7,574,103	(\$1,565)	\$7,574,103	(\$1,565)	(\$1,565)
	FTE	0.0	0.0	0.0	0.0	0.0
06. Other Medical Services - Old Age Pension State Medical	GF	\$2,962,510	\$0	\$2,962,510	\$0	\$0
	CF	\$4,611,593	(\$1,565)	\$4,611,593	(\$1,565)	(\$1,565)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$8,145,188	(\$547,890)	\$8,145,188	(\$277,890)	(\$277,890)
	FTE	0.0	0.0	0.0	0.0	0.0
06. Other Medical Services - Commission on Family Medicine Residency Training Programs	GF	\$4,013,374	(\$270,000)	\$4,017,335	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$4,131,814	(\$277,890)	\$4,127,853	(\$277,890)	(\$277,890)

	Total	\$633,314	\$547,890	\$633,314	\$277,890	\$277,890
	FTE	0.0	0.0	0.0	0.0	0.0
06. Other Medical Services - Teaching Hospital -- University of Colorado Hospital	GF	\$311,654	\$270,000	\$312,118	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$321,660	\$277,890	\$321,196	\$277,890	\$277,890

	Total	\$2,491,722	(\$6,064)	\$2,491,722	(\$10,644)	(\$10,644)
	FTE	0.0	0.0	0.0	0.0	0.0
06. Other Medical Services - Public School Health Services Contract Administration	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$2,491,722	(\$6,064)	\$2,491,722	(\$10,644)	(\$10,644)
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$16,709,224	\$713,260	\$15,609,321	\$713,260	\$713,260
	FTE	0.0	0.0	0.0	0.0	0.0
07. Department of Human Services Medicaid-Funded Programs - Executive Director's Office - Medicaid Funding	GF	\$8,223,190	\$356,630	\$7,738,678	\$356,630	\$356,630
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$8,486,034	\$356,630	\$7,870,643	\$356,630	\$356,630

	Total	\$140,806	\$0	\$117,736	\$0	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
07. Department of Human Services Medicaid-Funded Programs - Administration	GF	\$69,291	\$1,112	\$59,065	(\$197)	(\$197)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$71,515	(\$1,112)	\$58,671	\$197	\$197



Cost and FTE

- The Department requests an increase of \$7,101,996 total funds, \$30,317 General Fund, in FY 2015-16 in order to correct technical issues with its spending authority by line item.
- The Department requests a reduction of \$3,773 total funds, including an increase of \$25,455 General Fund, in FY 2016-17 to account for any ongoing impacts of the technical adjustments that have not been incorporated in the FY 2016-17 base request or a change request.

Current Program

- This request impacts several lines throughout the Department's budget, which fund the various programs that the Department administers.

Problem or Opportunity

- Each requested item addresses a technical issue in the budget rather than a change to policy or program operations.

Consequences of Problem

- If the technical issues are not resolved, the Department would be at risk of overexpending its spending authority in some lines and reverting General Fund in other lines.

Proposed Solution

- The Department requests to correct each technical issue in order to ensure there is adequate spending authority by line item and funding source in FY 2015-16 and FY 2016-17. The solution for each issue is described separately in the narrative.



COLORADO

Department of Health Care
Policy & Financing

FY 2015-16 and FY 2016-17 Funding Request | January 4, 2016

John W. Hickenlooper
Governor

Susan E. Birch
Executive Director

Department Priority: S-11, BA-11
Request Detail: Budgetary Technical Adjustments

Summary of Incremental Funding Change for FY 2015-16	Total Funds	General Fund
Budgetary Technical Adjustments	\$7,101,996	\$30,317

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Budgetary Technical Adjustments	(\$3,773)	\$25,455

Problem or Opportunity:

The Department has identified several technical issues within its spending authority for various line items in FY 2015-16. Each one is described separately below, along with the proposed solution.

Proposed Solution:

(1) Centralized Eligibility Vendor and County Administration

For FY 2015-16, the Department reallocated certain eligibility determination activities related to the centralized eligibility vendor to the counties. In addition, the federal funds appropriated to the county administration lines are based on an estimate of enhanced match that is much lower than actual experience. The Department is requesting to true up spending authority for both of these items, as described below and as described in the Department’s November 2, 2015 budget request¹.

Centralized Eligibility Vendor Funding

The Department requests to move \$4,000,000 total funds, including \$1,360,000 cash funds, from the Centralized Eligibility Vendor Contract Project line to the Hospital Provider Fee County Administration line to account for the transition of work from the centralized eligibility vendor to the counties.

The Department also requests to change the letternote for the cash funds appropriated to the Centralized Eligibility Vendor Contract Project line by moving \$991,235 from the Children’s Basic Health Plan Trust fund to the Hospital Provider Fee cash fund. This amount was added through an annualization of SB 13-200

¹ R-7 “County Administration Financing”

“Expand Medicaid Eligibility,” which was incorrectly requested as Children’s Basic Health Plan Trust fund in the Department’s FY 2015-16 base request.

The Department shifted some of the responsibilities previously completed by the centralized eligibility vendor to the counties during the re-procurement of the centralized eligibility vendor contract for FY 2015-16. The spending authority for those activities remains in the Centralized Eligibility Vendor Contract Project line item but is more appropriately allocated to the Hospital Provider Fee County Administration line.

The centralized eligibility vendor contract ended June 30, 2015 and required re-procurement. As the Department evaluated the roles and responsibilities of the vendor and reviewed performance metrics across all eligibility determination sites, the review indicated that the centralized eligibility vendor performance in areas of timeliness and customer service standards were far below the performance of the counties and other sites. The Department also received feedback from county staff and clients reporting that having a centralized vendor in place for ongoing case maintenance led to customer confusion as clients were transferred from one site to another to have issues resolved since the county could not access the cases assigned to the vendor. Based upon this review and consultation with stakeholders, some of the duties were transferred to the counties, who are the primary eligibility determination sites in the state. The scope of work transferred to the counties is similar to the core services that the counties provide to Coloradans statewide.

County Administration Federal and Local Funding

The Department requests to increase the federal funds appropriated to the County Administration line by \$6,461,585 and to increase the federal funds appropriated to the Hospital Provider Fee County Administration line by \$644,184 in FY 2015-16 and ongoing to account for the higher proportion of activities eligible for the enhanced match. The Department also requests to remove the (M) headnote from the General Fund appropriation for the County Administration line item, which would allow the Department to fully expend the General Fund appropriation if the proportion of activities eligible for the enhanced match varies from the estimate.

Additionally, the Department requests to add an (I) notation to the cash funds on County Administration, which represents local funds as indicated by letternote (d). Section 25.5-1-121(2), C.R.S would allow counties to contribute additional local funds in order to draw down the federal matching funds for approved activities in the event the state funding had been exhausted. However, in 2014, section 24-75-109(2)(c), C.R.S was added, which prevents the Department from overexpending any line items in any of the Executive Director’s Office Long Bill groups. The Department requests the (I) notation on the cash funds in order to make the legislative intent clear that the local funds are not subject to the overexpenditure statute.

The Department’s spending authority for county administration and hospital provider fee county administration does not currently include a sufficient amount of federal funds to fully reimburse counties for their costs related to Medicaid and CHP+ activities. In addition, the (M) headnote on both lines restricts the amount of General Fund that the Department is able to spend, further limiting the amount that the Department can pay to the counties.

The funding appropriated for the county administration lines is based on an assumption that 56% of counties’ expenditure would be eligible for an enhanced federal match of 75%, which was estimated in an interim

supplemental submitted in FY 2013-14. JBC staff noted as part of the interim supplemental recommendations that due to the uncertainties about which portion of county activities would qualify for the enhanced match, future revisions to the appropriation may be required. As the counties implemented the enhanced funding, the Department discovered that closer to 65% of their activities are attributable to the 75% enhanced federal match. In an effort to ensure that counties could be reimbursed for the full state share of their costs, the Department submitted an interim supplemental request in June 2015 to allow an overexpenditure of federal funds, which was approved. This allowed the Department to reimburse counties for activities eligible for an enhanced match without restricting General Fund in FY 2014-15. Even with the additional federal funds spending authority, the Department was unable to reimburse counties for \$175,000 of their covered costs.

(2) Customer Service Technology Funding

The Department requests a reduction of \$715,468 from its Payments to OIT line item for FY 2015-16 to account for duplicate and unnecessary spending authority. For FY 2016-17 and ongoing, the Department requests to increase OIT's spending authority by \$972,775 for an annual appropriation of \$1,688,243 in reappropriated funds to ensure OIT has adequate spending authority to administer the projects authorized in the Department's FY 2014-15 budget request BA-14 "Customer Service Technology True-Up". In order to streamline the common policy billing process, the Department also requests to transfer the funding for the project from its General Professional Services line to its Payments to OIT line starting in FY 2016-17.

The Department was appropriated funding to the Payments to OIT common policy line for customer service technology, which is duplicative of funding appropriated in the General Professional Services line. In addition, the funding appropriated to OIT for the project was not adjusted as the Department's funding increased, creating a gap in the spending authority available to OIT in FY 2016-17 and ongoing.

The Department was appropriated funding in two different line items for the same function in FY 2015-16. In FY 2014-15 BA-14 "Customer Service Technology True-Up," the Department received \$715,468 in additional funds to pay for technology supporting the customer service center, for an annual total of \$895,468. The funding was appropriated to the Department's General Professional Services line. OIT was also appropriated \$715,468 in reappropriated funds from the Department as a result of the request. As part of the OIT common policy request for FY 2015-16, OIT incorporated that amount into the total allocation for the Department, which was subsequently included in the final appropriation for the Department's Payments to OIT line. The funding is duplicative of the amount appropriated in General Professional Services.

The Department was appropriated additional funds for the project as part of FY 2015-16 R-10 "Customer Service Center," for a total of \$1,688,243 for FY 2015-16 and ongoing. OIT did not receive a corresponding increase in its spending authority. In order for OIT to support the project in FY 2016-17 and future years, OIT's spending authority would need to increase to \$1,688,243 in reappropriated funds to align with the Department's funding. The project will not fully transition to OIT until the spring of FY 2015-16, and therefore OIT's spending authority does not need to be adjusted for FY 2015-16.

(3) Department of Human Services Medicaid Funding Discrepancy

The Department requests an increase of \$713,260 total funds, including \$356,630 General Fund, in FY 2015-16 and ongoing to fully fund the Medicaid-funded portions of DHS' General Administration, Employment and Regulatory Affairs, and Health Insurance Portability and Accountability Act line items.

The Executive Director's Office – Medicaid Funding line item, within the Department of Human Services (DHS) Medicaid-Funded Programs Long Bill group, provides Medicaid funding to support three line items in the DHS budget. Due to a technical error, this line item was not appropriated sufficient funds to support the amount of reappropriated Medicaid funding approved in the corresponding DHS appropriations for FY 2015-16 and ongoing. The shortfall of \$713,260 in the Department's spending authority is due to an error made in the Department's FY 2015-16 base request submitted November 1, 2014, which failed to include funding for Employment and Regulatory Affairs. Without additional funding, the Department would not have sufficient spending authority to fully reimburse DHS for the costs of activities supported with Medicaid funding within the Executive Director's Office lines at DHS. These lines include funding for audits for federally mandated sub-recipient monitoring of federal and state funds, human resources, federally mandated food assistance quality control functions, and remediation efforts for Health Insurance Portability and Accountability Act (HIPAA) breaches and non-compliance.

(4) Federal Medical Assistance Percentages Applied to Administrative Lines

The Department requests an increase of \$1,112 General Fund and a decrease of \$1,112 federal funds for FY 2015-16, and a reduction of \$197 in General Fund and an increase of \$197 in federal funds for FY 2016-17 and ongoing in the Division of Child Welfare – Medicaid Fund, Administration item; and an increase of \$3,287 General Fund and decrease of \$3,287 federal funds for FY 2015-16, and a decrease of \$266 in General Fund and an increase of \$266 in federal funds for FY 2016-17 and ongoing in the Behavioral Health Services – Medicaid Funding, Community Behavioral Health Administration line.

The Federal Medical Assistance Percentage (FMAP) rate was applied to two administrative lines in FY 2015-16, including the Division of Child Welfare – Medicaid Funding, Administration line and the Behavioral Health Services – Medicaid Funding, Community Behavioral Health Administration line in error. The Department can only apply the FMAP to expenditures on medical assistance, whereas administrative costs receive federal funding at the standard 50% federal financial participation administration rate. The Department's FY 2016-17 base request for these two lines included annualizations that incorrectly incorporated the FMAP rate, and therefore the Department is also requesting true ups for these lines for FY 2016-17 and ongoing.

(5) Fund Splits for Medical Identification Cards

The Department requests an increase of \$27,022 General Fund, a decrease of \$29,341 cash funds and \$1,565 reappropriated funds, and an increase of \$3,884 in federal funds in the Medical Identification Cards line to correct the technical issue with the calculation of funding distribution of this line. The Department also requests a corresponding reduction of \$1,565 cash funds from the Old Age Pension State Medical Program line.

In S-14, BA-14 "Medical Identification Card Adjustment," the Department miscalculated the proportion of medical identification card funding attributable to the Hospital Provider Fee Cash Fund. The request was

based on an assumption that 26.5% of Medicaid clients are the population funded with the hospital provider fee. The Department incorrectly applied that percentage to the total funds requested rather than to the state share of funding. In addition, the proportion of the appropriation attributable to the Old Age Pension Health and Medical Cash Fund, which is reappropriated from the Old Age Pension State (OAP-SO) Medical Program line, has not been revised since the implementation of SB 13-200 “Medicaid Expansion.” Most of the clients in the OAP-SO program became eligible for Medicaid at that time, resulting in a significant decrease in OAP-SO caseload from 2,878 clients in December 2013 to an average monthly caseload of 147 in FY 2014-15. The distribution also did not factor in the Child Health Plan Plus (CHP+) caseload.

The Department is using FY 2015-16 caseload projections from the Department’s FY 2016-17 R-1 and FY 2016-17 R-3 requests to determine funding distribution for this line.

(6) Contractor Costs Appropriated in HB 15-1186

The Department requests to move \$62,000 total funds, including \$31,000 General Fund, from Personal Services to General Professional Services in FY 2015-16 and ongoing since the General Professional Services line is specifically intended to pay for contractor costs.

HB 15-1186 “Services for Children with Autism” included an appropriation of \$115,736 to the Department’s Personal Services line in FY 2015-16. Of that amount, \$53,736 is for one-time costs to hire temporary staff, and \$62,000 is for ongoing contractor costs to perform a waiver effectiveness study. The contractor funding would be more appropriately allocated to the General Professional Services line rather than Personal Services, as the Department pays for most of its professional contracts in General Professional Services.

(7) FTE Appropriated in HB 15-1368

The Department requests an increase of 1.0 FTE in the DIDD Personal Services line in FY 2015-16 and ongoing.

HB 15-1368 “Cross-System Response Pilot Intellectual Developmental Disability” included an appropriation of \$75,000 for the Department to hire 1.0 FTE in the Division of Intellectual and Developmental Disabilities (DIDD). The bill did not appropriate an additional FTE to be added to the FTE count in the DIDD Personal Services line. The need for an FTE is clearly reflected in the Legislative Council fiscal note.²

(8) Roll Forward Authority

Health Information Exchange Maintenance and Projects

The Department requests that the General Assembly provide roll forward authority for any unspent funding within the Health Information Exchange Maintenance and Projects line item in FY 2015-16 for two reasons, as described below.

FY 2015-16 R-9 “Personal Health Records and Online Health Education”

In FY 2015-16 R-9 “Personal Health Records and Online Health Education,” the Department proposed creating a centralized web portal through which Medicaid clients could access online health education materials, view their Personal Health Record, and communicate securely with their providers. The Department requested roll-forward authority in the original request but that portion of the request was not

² http://www.leg.state.co.us/clics/clics2015a/csl.nsf/fsbillcont3/C8340BC862E42A7B87257E06007E4F16?Open&file=HB1368_f1.pdf

presented to the committee in either the JBC staff briefing or in the staff Figure Setting document. The Department requests that this roll-forward request be considered at this time. The Department's original request was as follows:

In addition to the funding requested, the Department requests that the General Assembly add a footnote to the FY 2015-16 Long Bill to allow for roll-forward authority for unspent funding. Because a number of these components would need to be competitively procured, the timing for spending FY 2015-16 funding is relatively uncertain; it is possible that lengthy proposals or appeals could delay the start of the project. As a result, the Department may not know that it needs to shift funding into a future year until after the statutory deadline for supplemental requests and budget amendments. A footnote to allow for roll-forward authority would prevent reversions that could impair the project's implementation. The Department is only requesting such a footnote for FY 2015-16; for FY 2016-17 and future years, the Department would be able to use the regular budget process to request any needed funding changes.

Executive Order B 2015-008

The Department requests adding a footnote to the FY 2015-16 Health Information Exchange Maintenance and Projects line to allow for roll-forward authority for unspent funding from that line.

In addition to the centralized web portal described above, the Health Information Exchange Maintenance and Projects line is used to build infrastructure to allow for the secure and private exchange of electronic client health information among providers, labs, the Department, and other appropriate health care entities. On October 6th, 2015 Governor Hickenlooper issued Executive Order B 2015-008 which changed the State Designated Entity (SDE) for Health Information Technology from the Colorado Regional Health Information Organization (CORHIO) to the newly created Office of eHealth Innovation, residing within the Governor's Office. This order also designated that the Department would serve as the administrative and fiscal agent for the new office. Since the SDE is a vital part of building the infrastructure associated with the exchange of private electronic health information, this change has caused delays in the projects funded by this appropriation.

Community Living Advisory Group (CLAG) and Community Living Plan Funding

The Department received \$496,575 in FY 2014-15, with roll forward authority into FY 2015-16, to develop a plan to implement CLAG and Olmstead recommendations and conduct financial analysis around the recommendations. The Department submitted an initial plan in November 2015, and is continuing work with contractors to further refine the plan and perform more robust policy and financial analysis. Through the initial planning process, the Department has learned that there are gaps that still need to be addressed; for example, the Department needs to evaluate the technological infrastructure needed to support potential future CLAG reforms. The Department believes that strategically planning for the future of Long Term Services and Supports (LTSS) needs to be done thoroughly and will take multiple iterations, which is going to take more time than originally anticipated and likely will not be completed by June 2016. In order to continue the work with the existing available funds, the Department requests that the General Assembly add a footnote to the Department's General Professional Services appropriation to allow any unexpended funding in FY 2015-16 be rolled forward into FY 2016-17.

(9) State University Teaching Hospitals

The Department requests to move \$547,890, which is equivalent to the funding for one residency position, from the Commission on Family Medicine line to the State University Teaching Hospitals – University of Colorado Hospital Authority line for FY 2015-16, FY 2016-17 and ongoing. The Department was appropriated funding for five additional family medicine residency positions in FY 2015-16 to the Commission on Family Medicine line. The Commission on Family Medicine subsequently awarded one of those positions to the University of Colorado Hospital Authority (CUHA). However, CUHA is funded under a separate line item, the State University Teaching Hospitals - University of Colorado Hospital Authority line. This line item was created through SB 08-230 to clarify the status of the University of Colorado Hospital Authority as a "Unit of Government" in its role as a provider of Graduate Medical Education. In addition, the reorganization implemented by the bill allowed the Department to better identify the funding designated for medical education services recognized by a public university, namely the University of Colorado Health Sciences Center.

(10) Transfer to Department of Education for Public School Health Services Administration

The Department requests to transfer \$6,064 for FY 2015-16 and \$10,644 for FY 2016-17 and ongoing from the Public School Health Services Contract Administration line to the Transfer to Department of Education for Public School Health Services line. The request would allow the Department to increase the amount of funding transferred to the Department of Education for reimbursement of expenditures related to the Public School Health Services (SHS) program. The SHS program is administered jointly by the Department and the Colorado Department of Education. The Department of Education provides technical assistance related to the development, review and approval of districts' local service plans as well as other collaborative contributions including ongoing technical training to the districts and assistance in completing reporting requirements. The Department of Education would utilize the additional funding to offset the operating expenditures attributed to the Public School Health Services program. Specifically, salary, travel and rent are increasing in FY 2015-16, FY 2016-17 and ongoing, therefore, the Department requests adjustments to the appropriate line items.

Anticipated Outcomes:

Approving this request would ensure the Department has sufficient funding by line item to administer and support its programs.

Assumptions and Calculations:

The tables in the appendix attached to this request provide detailed calculations for each of the technical corrections included in this request.

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

The requested changes correct technical errors in the Department's spending authority which have a substantive effect on the operation of the relevant programs.

S-11, BA-11 Budgetary Technical Adjustments

Budgetary Technical Adjustments								
FY 2015-16 Summary of Request by Initiative and Line Item								
Row	Initiative/Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Notes/Calculations
A	Total Request	\$7,101,996	1.0	\$30,317	(\$30,906)	(\$1,565)	\$7,104,150	Total of all initiatives listed below
<i>(1) Centralized Eligibility Vendor and County Administration</i>								
B	Centralized Eligibility Vendor Contract Project	(\$4,000,000)	0.0	\$0	(\$1,360,000)	\$0	(\$2,640,000)	Table 1.1, Row B
C	County Administration	\$6,461,585	0.0	\$0	\$0	\$0	\$6,461,585	Table 1.2, Row H
D	Hospital Provider Fee County Administration	\$4,644,184	0.0	\$0	\$1,360,000	\$0	\$3,284,184	Table 1.3, Row H
E	Total Request for Centralized Eligibility Vendor and County Administration	\$7,105,769	0.0	\$0	\$0	\$0	\$7,105,769	Row B + Row C + Row D
<i>(2) Customer Service Technology Funding</i>								
F	Payments to OIT	(\$715,468)	0.0	(\$357,734)	\$0	\$0	(\$357,734)	Table 2.1, Row E
G	Total Request for Customer Service Technology Funding	(\$715,468)	0.0	(\$357,734)	\$0	\$0	(\$357,734)	Row F
<i>(3) Department of Human Services (DHS) Medicaid Funding Discrepancy</i>								
H	Department of Human Services, Executive Director's Office - Medicaid Funding	\$713,260	0.0	\$356,630	\$0	\$0	\$356,630	Table 3.1, Row F
I	Total Request for DHS Medicaid Funding Discrepancy	\$713,260	0.0	\$356,630	\$0	\$0	\$356,630	Row H
<i>(4) FMAP Applied to Administrative Lines</i>								
J	Division of Child Welfare - Medicaid Funding, Administration	\$0	0.0	\$1,112	\$0	\$0	(\$1,112)	Table 4.1, Row C
K	Behavioral Health Services - Medicaid Funding, Community Behavioral Health Administration	\$0	0.0	\$3,287	\$0	\$0	(\$3,287)	Table 4.2, Row C
L	Total Request for FMAP Applied to Administrative Lines	\$0	0.0	\$4,399	\$0	\$0	(\$4,399)	Row J + Row K
<i>(5) Medical Identification Card Fund Splits</i>								
M	Medical Identification Cards	\$0	0.0	\$27,022	(\$29,341)	(\$1,565)	\$3,884	Table 5.1, Row C
N	Old Age Pension State Medical Program	(\$1,565)	0.0	\$0	(\$1,565)	\$0	\$0	Table 5.1, Row F
O	Total Request for Medical Identification Card Fund Splits	(\$1,565)	0.0	\$27,022	(\$30,906)	(\$1,565)	\$3,884	Row M + Row N
<i>(6) Contractor Costs Appropriated in HB 15-1186</i>								
P	Personal Services	(\$62,000)	0.0	(\$31,000)	\$0	\$0	(\$31,000)	See narrative
Q	General Professional Services	\$62,000	0.0	\$31,000	\$0	\$0	\$31,000	See narrative
R	Total Request for Contractor Costs Appropriated in HB 15-1186	\$0	0.0	\$0	\$0	\$0	\$0	Row P + Row Q
<i>(7) FTE Appropriated in HB 15-1368</i>								
S	Division of Intellectual and Developmental Disabilities, Personal Services	\$0	1.0	\$0	\$0	\$0	\$0	Request to add 1.0 FTE to the FTE count in this line based on the appropriation clause and fiscal note for HB 15-1368
T	Total Request for FTE Appropriated in HB 15-1368	\$0	1.0	\$0	\$0	\$0	\$0	Row S
<i>(8) Roll Forward Authority</i>								
U	General Professional Services	\$0	0.0	\$0	\$0	\$0	\$0	Request to add a footnote on this line to allow for roll-forward authority for any unspent funding related to the Community Living Advisory Group (CLAG) and Community Living Plan Funding
V	Health Information Exchange Maintenance and Projects	\$0	0.0	\$0	\$0	\$0	\$0	Request to add a footnote on this line to allow for roll-forward authority for any unspent funding, rather than a change to spending authority
W	Total Request for HIE Roll Forward Authority	\$0	0.0	\$0	\$0	\$0	\$0	Row U + Row V
<i>(9) State University Teaching Hospitals</i>								
X	Commission on Family Medicine	(\$547,890)	0.0	(\$270,000)	\$0	\$0	(\$277,890)	See narrative
Y	State University Teaching Hospitals - University of Colorado Hospital Authority	\$547,890	0.0	\$270,000	\$0	\$0	\$277,890	See narrative
Z	Total Request for State University Teaching Hospitals	\$0	0.0	\$0	\$0	\$0	\$0	Row X + Row Y
<i>(10) Transfer to Department of Education for Public School Health Services Administration</i>								
AA	Public School Health Services Contract Administration	(\$6,064)	0.0	\$0	\$0	(\$6,064)	\$0	See narrative
BB	Transfer to Department of Education for Public School Health Services Administration	\$6,064	0.0	\$0	\$0	\$0	\$6,064	See narrative
CC	Total Request for Transfer to Department of Education for Public School Health Services Administration	\$0	0.0	\$0	\$0	\$0	\$0	Row AA + Row BB

Budgetary Technical Adjustments								
FY 2016-17 Summary of Request by Initiative and Line Item								
Row	Initiative/Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Notes/Calculations
A	Total Request	(\$3,773)	1.0	\$25,455	(\$30,906)	(\$1,565)	\$3,243	Total of all initiatives listed below
<i>(2) Customer Service Technology Funding</i>								
B	General Professional Services	(\$1,688,243)	0.0	(\$658,013)	(\$186,109)	\$0	(\$844,121)	Table 2.2, Row B
C	Payments to OIT	\$972,775	0.0	\$300,279	\$186,109	\$0	\$486,387	Table 2.2, Row F
D	Total Request for Customer Service Technology Funding	(\$715,468)	0.0	(\$357,734)	\$0	\$0	(\$357,734)	Row B + Row C
<i>(3) Department of Human Services (DHS) Medicaid Funding Discrepancy</i>								
E	Department of Human Services, Executive Director's Office - Medicaid Funding	\$713,260	0.0	\$356,630	\$0	\$0	\$356,630	Table 3.1, Row F
F	Total Request for DHS Medicaid Funding Discrepancy	\$713,260	0.0	\$356,630	\$0	\$0	\$356,630	Row E
<i>(4) FMAP Applied to Administrative Lines</i>								
G	Division of Child Welfare - Medicaid Funding, Administration	\$0	0.0	(\$197)	\$0	\$0	\$197	Table 4.1, Row C
H	Behavioral Health Services - Medicaid Funding, Community Behavioral Health Administration	\$0	0.0	(\$266)	\$0	\$0	\$266	Table 4.3, Row C
I	Total Request for FMAP Applied to Administrative Lines	\$0	0.0	(\$463)	\$0	\$0	\$463	Row G + Row H
<i>(5) Medical Identification Card Fund Splits</i>								
J	Medical Identification Cards	\$0	0.0	\$27,022	(\$29,341)	(\$1,565)	\$3,884	Table 5.1, Row C
K	Old Age Pension State Medical Program	(\$1,565)	0.0	\$0	(\$1,565)	\$0	\$0	Table 5.1, Row F
L	Total Request for Medical Identification Card Fund Splits	(\$1,565)	\$0	\$27,022	(\$30,906)	(\$1,565)	\$3,884	Row J + Row K
<i>(6) Contractor Costs Appropriated in HB 15-1186</i>								
M	Personal Services	(\$62,000)	0.0	(\$31,000)	\$0	\$0	(\$31,000)	See narrative
N	General Professional Services	\$62,000	0.0	\$31,000	\$0	\$0	\$31,000	See narrative
O	Total Request for Contractor Costs Appropriated in HB 15-1186	\$0	0.0	\$0	\$0	\$0	\$0	Row M + Row N
<i>(7) FTE Appropriated in HB 15-1368</i>								
P	Division of Intellectual and Developmental Disabilities, Personal Services	\$0	1.0	\$0	\$0	\$0	\$0	Request to add 1.0 FTE to the FTE count in this line based on the appropriation clause and fiscal note for HB 15-1368
Q	Total Request for FTE Appropriated in HB 15-1368	\$0	1.0	\$0	\$0	\$0	\$0	Row P
<i>(9) State University Teaching Hospitals</i>								
R	Commission on Family Medicine	(\$547,890)	0.0	(\$270,000)	\$0	\$0	(\$277,890)	See narrative
S	State University Teaching Hospitals - University of Colorado Hospital Authority	\$547,890	0.0	\$270,000	\$0	\$0	\$277,890	See narrative
T	Total Request for State University Teaching Hospitals	\$0	0.0	\$0	\$0	\$0	\$0	Row R + Row S
<i>(10) Transfer to Department of Education for Public School Health Services Administration</i>								
U	Public School Health Services Contract Administration	(\$10,644)	0.0	\$0	\$0	(\$10,644)	\$0	See narrative
V	Transfer to Department of Education for Public School Health Services Administration	\$10,644	0.0	\$0	\$0	\$10,644	\$0	See narrative
W	Total Request for Transfer to Department of Education for Public School Health Services Administration	\$0	0.0	\$0	\$0	\$0	\$0	Row U + Row V

S-11, BA-11 Budgetary Technical Adjustments

Table 1.1
FY 2015-16 Centralized Eligibility Vendor - Transition Activities to Counties

Row	Item	Total Funds	General Fund	Cash Funds ¹	Federal Funds	FFP	Notes/Calculations
A	FY 2015-16 Spending Authority	\$9,133,612	\$0	\$3,145,326	\$5,988,286	-	SB 15-234 Long Bill
B	FY 2015-16 Request - Transfer to Hospital Provider Fee County Administration	(\$4,000,000)	\$0	(\$1,360,000)	(\$2,640,000)	66.00%	Amount agreed upon with stakeholder input to transfer to counties for FY 2015-16
C	Total Amount Remaining for Centralized Eligibility Vendor	\$5,133,612	\$0	\$1,785,326	\$3,348,286	-	Row A + Row B

¹The Department requests to change the cash funding source in the amount of \$991,235 from Children's Basic Health Plan Trust to hospital provider fee as intended by the General Assembly. Currently, a portion of the funding is appropriated to the Children's Basic Health Plan trust fund incorrectly.

Table 1.2
FY 2015-16 County Administration - Federal Fund Spending Authority

Row	Item	Total Funds	General Fund	Local Funds	Federal Funds	FFP	Notes/Calculations
A	FY 2015-16 Spending Authority	\$39,536,478	\$11,114,448	\$5,859,623	\$22,562,407	-	SB 15-234 Long Bill
B	PARIS	\$200,000	\$100,000	\$0	\$100,000	50.00%	PARIS allocation
C	Incentive Payments	\$4,394,717	\$4,394,717	\$0	\$0	0.00%	FY 2014-15 R-6 "Eligibility Determination Enhanced Match"
D	Remaining Amount	\$34,941,761	\$6,619,731	\$5,859,623	\$22,462,407	-	Row A - Row B - Row C
E	Projected Expenditure on Activities Eligible for Enhanced Match	\$32,889,276	\$4,361,567	\$3,860,752	\$24,666,957	75.00%	General Fund and Local Funds: Row D * Table 1.4, Percentage Enhanced
F	Projected Expenditure on Activities Not Eligible for Enhanced Match	\$8,514,070	\$2,258,164	\$1,998,871	\$4,257,035	50.00%	General Fund and Local Funds: Row D - Row E
G	Total Projected Expenditure	\$45,998,063	\$11,114,448	\$5,859,623	\$29,023,992	-	Row B + Row C + Row E + Row F
H	FY 2015-16 Request	\$6,461,585	\$0	\$0	\$6,461,585	-	Row G - Row A

Table 1.3
FY 2015-16 Hospital Provider Fee County Administration Line - Federal Fund Spending Authority

Row	Item	Total Funds	General Fund	Hospital Provider Fee Cash Fund	Federal Funds	FFP	Notes/Calculations
A	FY 2015-16 Spending Authority	\$11,104,684	\$0	\$3,585,446	\$7,519,238	-	SB 15-234 Long Bill
B	Grant Payments	\$1,000,000	\$0	\$500,000	\$500,000	50.00%	FY 2014-15 R-6 "Eligibility Determination Enhanced Match"
C	Requested Transfer from Centralized Eligibility Vendor	\$4,000,000	\$0	\$1,360,000	\$2,640,000	66.00%	Amount agreed upon with stakeholder input to transfer to counties for FY 2015-16
D	Remaining Amount	\$14,104,684	\$0	\$4,445,446	\$9,659,238	-	Row A - Row B + Row C
E	Projected Expenditure on Activities Eligible for Enhanced Match	\$11,715,952	\$0	\$2,928,988	\$8,786,964	75.00%	Cash funds: Row D cash fund amount * Table 1.4, Percentage Enhanced
F	Projected Expenditure on Activities Not Eligible for Enhanced Match	\$3,032,916	\$0	\$1,516,458	\$1,516,458	50.00%	Cash Funds: Row D - Row C
G	Total Projected Expenditure	\$15,748,868	\$0	\$4,945,446	\$10,803,422	-	Row B + Row E + Row F
H	FY 2015-16 Request	\$4,644,184	\$0	\$1,360,000	\$3,284,184	-	Row G - Row A

S-11, BA-11 Budgetary Technical Adjustments

Table 1.4			
FY 2014-15 County Administration and Hospital Provider Fee County Administration Allocation Expenditure			
Item	Medicaid Enhanced Expenditures	Non-Enhanced Medicaid Expenditures	Percentage Enhanced
Total Expenditure	\$32,122,861	\$16,631,333	65.89%

S-11, BA-11 Budgetary Technical Adjustments

Table 2.1						
FY 2015-16 Customer Service Technology Funding						
Row	Item	Total Funds	General Fund	Cash Funds	Federal Funds	Notes/Calculations
A	Funding Appropriated in General Professional Services	\$1,688,243	\$658,013	\$186,109	\$844,121	FY 2015-16 R-10 "Customer Service Center"
B	Funding Incorporated in Payments to OIT Common Policy Appropriation	\$715,468	\$357,734	\$0	\$357,734	SB 15-234 Long Bill
C	Total Appropriated Funding for Project	\$2,403,711	\$1,015,747	\$186,109	\$1,201,855	Row A + Row B
D	Total Amount Needed for Project	\$1,688,243	\$658,013	\$186,109	\$844,121	Row A
E	FY 2015-16 Request	(\$715,468)	(\$357,734)	\$0	(\$357,734)	Row D - Row C

Table 2.2						
FY 2016-17 Customer Service Technology Funding						
Row	Item	Total Funds	General Fund	Cash Funds	Federal Funds	Notes/Calculations
<i>General Professional Services</i>						
A	Funding Appropriated in General Professional Services	\$1,688,243	\$658,013	\$186,109	\$844,121	FY 2015-16 R-10 "Customer Service Center"
B	FY 2016-17 Request - Transfer Funding to Payments to OIT	(\$1,688,243)	(\$658,013)	(\$186,109)	(\$844,121)	Row A * -1
C	Total Amount Remaining in General Professional Services for Project	\$0	\$0	\$0	\$0	Row A + Row B
<i>Payments to OIT</i>						
D	Funding Incorporated in Payments to OIT Common Policy Appropriation	\$715,468	\$357,734	\$0	\$357,734	SB 15-234 Long Bill
E	Total Amount Needed for Project	\$1,688,243	\$658,013	\$186,109	\$844,121	Table 2.1, Row A
F	FY 2016-17 Request¹	\$972,775	\$300,279	\$186,109	\$486,387	Row E - Row D

¹The Department also requests a corresponding increase in spending authority for OIT in the amount of \$972,775 in reappropriated funds.

Table 3.1
FY 2015-16 and Ongoing Department of Human Services (DHS) Executive Director's Office - Medicaid Funding Discrepancy

Row	Item	Total Medicaid Funding ¹	Fund Splits of Medicaid Funding			Source
			General Fund	Federal Funds	FFP	
<i>DHS Funding</i>						
A	DHS Line Item: (1) EDO (A) General Administration (Medicaid funding only)	\$16,635,866	\$8,186,511	\$8,449,355	50.79%	SB 15-234 Long Bill, page 85, letternote b
B	DHS Line Item: (1) EDO (B) Special Purpose, Employment and Regulatory Affairs	\$712,620	\$356,310	\$356,310	50.00%	SB 15-234 Long Bill, page 86, letternote b
C	DHS Line Item: (1) EDO (B) Special Purpose, Health Insurance Portability and Accountability Act of 1996 - Security Remediation	\$73,998	\$36,999	\$36,999	50.00%	SB 15-234 Long Bill, page 86, letternote b
D	Total Medicaid Funding in DHS Lines	\$17,422,484	\$8,579,820	\$8,842,664		Row A + Row B + Row C
<i>HCPF Funding</i>						
E	HCPF Line Item: (7) Department of Human Services Medicaid-Funded Programs, (A) Executive Director's Office - Medicaid Funding	\$16,709,224	\$8,223,190	\$8,486,034		SB 15-234 Long Bill
F	FY 2015-16 Request	\$713,260	\$356,630	\$356,630	50.00%	Row D - Row E

¹Total Medicaid funding is shown as reappropriated funds in DHS' long bill.

Table 4.1						
FY 2015-16 Division of Child Welfare Medicaid Funding, Administration - Funding Split Correction						
Row	Item	Total Funds	General Fund	Federal Funds	FFP	Source
A	FY 2015-16 Spending Authority	\$140,806	\$69,291	\$71,515	50.79%	SB 15-234 Long Bill
B	Revised Funding	\$140,806	\$70,403	\$70,403	50.00%	Calculated using FFP rate
C	FY 2015-16 Request	\$0	\$1,112	(\$1,112)		Row B - Row A

Table 4.2						
FY 2016-17 Division of Child Welfare Medicaid Funding, Administration - Funding Split Correction						
Row	Item	Total Funds	General Fund	Federal Funds	FFP	Source
A	FY 2016-17 Annualized Request	\$117,736	\$59,065	\$58,671	49.83%	FY 2016-17 Nov. 1, 2015 Request
B	Revised Funding	\$117,736	\$58,868	\$58,868	50.00%	Calculated using FFP rate
C	FY 2016-17 Request	\$0	(\$197)	\$197		Row B - Row A

Table 4.3						
FY 2015-16 Behavioral Health Services, Medicaid Funding - Funding Split Correction						
Row	Item	Total Funds	General Fund	Federal Funds	FFP	Source
A	FY 2015-16 Spending Authority	\$416,056	\$204,741	\$211,315	50.79%	SB 15-234 Long Bill
B	Revised Funding	\$416,056	\$208,028	\$208,028	50.00%	Calculated using FFP rate
C	FY 2015-16 Request	\$0	\$3,287	(\$3,287)		Row B - Row A

Table 4.4						
FY 2016-17 Behavioral Health Services, Medicaid Funding - Funding Split Correction						
Row	Item	Total Funds	General Fund	Federal Funds	FFP	Source
A	FY 2016-17 Annualized Request	\$416,056	\$208,294	\$207,762	49.94%	FY 2016-17 Nov. 1, 2015 Request
B	Revised Funding	\$416,056	\$208,028	\$208,028	50.00%	Calculated using FFP rate
C	FY 2016-17 Request	\$0	(\$266)	\$266		Row B - Row A

Table 5.1									
FY 2015-16 and Ongoing Medical Identification Card Funding Correction									
Row	Line	Total Funds	General Fund	Hospital Provider Fee Cash Fund	Children's Basic Health Plan Trust	OAP Health and Medical Care Fund	Reappropriated Funds¹	Federal Funds	Source
<i>(I) Executive Director's Office; (D) Eligibility Determination and Client Services, Medical Identification Cards</i>									
A	FY 2015-16 Spending Authority	\$278,974	\$63,966	\$73,928	\$0	\$0	\$1,593	\$139,487	SB 15-234 Long Bill
B	Revised Fund Split	\$278,974	\$90,988	\$43,200	\$1,387	\$0	\$28	\$143,371	Revised based on FY 2015-16 Medicaid caseload projections from the FY 2016-17 R-1 request
C	FY 2015-16 Request	\$0	\$27,022	(\$30,728)	\$1,387	\$0	(\$1,565)	\$3,884	Row B - Row A
¹ Reappropriated funds are from money originally appropriated to the the Old Age Pension State Medical Program line.									
<i>(6) Other Medical Services, Old Age Pension State Medical Program</i>									
D	FY 2015-16 Spending Authority	\$7,574,103	\$2,962,510	\$0	\$0	\$4,611,593	\$0	\$0	SB 15-234 Long Bill
E	Revised Fund Split	\$7,572,538	\$2,962,510	\$0	\$0	\$4,610,028	\$0	\$0	Revised based on FY 2014-15 Medicaid caseload distribution
F	FY 2015-16 Request	(\$1,565)	\$0	\$0	\$0	(\$1,565)	\$0	\$0	Row E - Row D