

JOINT BUDGET COMMITTEE



SUPPLEMENTAL BUDGET REQUESTS FY 2023-24 AND FY 2022-23

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

DEPARTMENT OVERVIEW

The Department helps pay health and long-term care expenses for low-income and vulnerable populations. To assist with these costs, the Department receives significant federal matching funds, but must adhere to federal rules regarding program eligibility, benefits, and other features, as a condition of accepting the federal money. The major programs administered by the Department include:

- **Medicaid** -- serves people with low income and people needing long-term care
- **Children's Basic Health Plan** -- provides a low-cost insurance option for children and pregnant women with income slightly higher than the Medicaid eligibility criteria
- **Colorado Indigent Care Program** -- defrays a portion of the costs to providers of uncompensated and under-compensated care for people with low income, if the provider agrees to program requirements for discounting charges to patients on a sliding scale based on income
- **Old Age Pension Health and Medical Program** -- serves elderly people with low income who qualify for a state pension but do not qualify for Medicaid or Medicare

The Department also performs functions related to improving the health care delivery system, including advising the General Assembly and the Governor, administering grants such as the Primary Care and Preventive Care Grant Program, and housing the Commission on Family Medicine Residency Training Programs.

SUMMARY: FY 2022-23 APPROPRIATION AND RECOMMENDATION

REQUEST/RECOMMENDATION DESCRIPTIONS

S15 FY 2022-23 OVEREXPENDITURE: The Department requests and the JBC staff recommends the release of restrictions on the FY 2023-24 appropriations imposed by the State Controller due to over-expenditures in prior years. Because of the entitlement nature of the Medicaid program, statute (Section 24-75-109, C.R.S.) allows the Department to overexpend Medicaid line items, except administrative line items, as long as the overexpenditures are consistent with the statutory purposes of the Medicaid program. However, the State Controller restricts the current fiscal year's appropriation until the General Assembly approves a supplemental for the prior year overexpenditures. Releasing the overexpenditure restriction requires increasing the FY 2022-23 appropriation by \$24,956,492 total funds, including \$23,257,397 General Fund.

SUMMARY: FY 2023-24 APPROPRIATION AND RECOMMENDATION

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING: RECOMMENDED CHANGES FOR FY 2023-24						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
S.B. 23-214 (Long Bill)	\$15,434,750,224	\$4,492,248,232	\$1,768,567,113	\$105,145,754	\$9,068,789,125	776.4
Other legislation	71,998,355	33,270,426	602,078	0	38,125,851	11.5
CURRENT FY 2023-24 APPROPRIATION:	\$15,506,748,579	\$4,525,518,658	\$1,769,169,191	\$105,145,754	\$9,106,914,976	787.9
RECOMMENDED CHANGES						
Current FY 2023-24 Appropriation	\$15,506,748,579	4,525,518,658	\$1,769,169,191	\$105,145,754	\$9,106,914,976	787.9
S1 Medical Services Premiums	(81,594,992)	(5,745,819)	38,058,450	1	(113,907,624)	0.0
S2 Behavioral Health	(53,162,938)	(6,608,720)	(1,370,302)	0	(45,183,916)	0.0
S3 Child Health Plan Plus	(6,859,998)	4,717,761	(6,307,621)	0	(5,270,138)	0.0
S4 Medicare Modernization Act	(5,315,525)	(5,315,525)	0	0	0	0.0
S5 Office of Community Living	(19,448,163)	(8,937,575)	2,400,269	0	(12,910,857)	0.0
S6 Public health emergency unwind	(9,087,703)	(2,192,928)	(530,742)	0	(6,364,033)	1.7
S7 Transport credentialing and reviews	1,285,101	385,529	257,020	0	642,552	0.3
S8 Community-based access to services	(1,307,653)	508,390	(908,022)	0	(908,021)	0.0
S9 Public school health services	31,045,678	0	12,461,174	0	18,584,504	0.0
S10 CO Benefits Management System	12,071,818	0	0	12,071,818	0	0.0
S11 ARPA HCBS Adjustments	(47,794,572)	0	(23,436,274)	0	(24,358,298)	15.6
S13 Contract true up	1,974,480	0	521,534	0	1,452,946	0.0
S14 Legal services	329,500	148,850	15,900	0	164,750	0.0
Nonprioritized requests	746,542	223,297	58,487	64,719	400,039	0.0
RECOMMENDED FY 2023-24 APPROPRIATION:	\$15,329,630,154	\$4,502,701,918	\$1,790,389,064	\$117,282,292	\$8,919,256,880	805.5
RECOMMENDED INCREASE/(DECREASE)	(\$177,118,425)	(\$22,816,740)	\$21,219,873	\$12,136,538	(\$187,658,096)	17.6
Percentage Change	(1.1%)	(0.5%)	1.2%	11.5%	(2.1%)	2.2%
FY 2023-24 EXECUTIVE REQUEST	\$15,329,552,588	\$4,502,715,026	\$1,790,337,173	\$117,282,292	\$8,919,218,097	804.1
Request Above/(Below) Recommendation	(\$77,566)	\$13,108	(\$51,891)	\$0	(\$38,783)	(1.4)

REQUEST/RECOMMENDATION DESCRIPTIONS

S1 MEDICAL SERVICES PREMIUMS: Staff recommends the requested decrease of \$81.6 million total funds, including \$5.7 million General Fund, to reflect the most recent caseload and expenditure estimates for Medical Services Premiums.

S2 BEHAVIORAL HEALTH: The request includes a decrease of \$53.2 million total funds, including \$6.6 million General Fund, to reflect the most recent caseload and expenditure estimates for behavioral health programs. Staff recommends approval of the request.

S3 CHILD HEALTH PLAN PLUS: Staff recommends the requested net decrease of \$6.9 million total funds, including an increase of \$4.7 million General Fund, to reflect the most recent caseload and expenditure estimates for the Child Health Plan Plus program.

S4 MEDICARE MODERNIZATION ACT: Staff recommends the requested decrease of \$5.3 million General Fund to reflect the most recent caseload and expenditure estimates for the Medicare Modernization Act.

S5 OFFICE OF COMMUNITY LIVING: Staff recommends the requested net decrease of \$19.5 million total funds, including a decrease of \$8.9 million General Fund, to reflect the most recent caseload and expenditure estimates for the Office of Community Living.

S6 PUBLIC HEALTH EMERGENCY UNWIND: Staff recommends a decrease of \$9.1 million total funds, including a decrease of \$2.2 million General Fund, and an increase of 1.7 FTE for adjustments to one-time appropriations for the surge in eligibility determinations associated with the end of the continuous coverage requirement during the federal public health emergency. The recommendation differs from the request for \$9.2 million total funds, including \$2.2 million General Fund, and no FTE, due to a recommendation to reflect transfers approved by the Governor and technical differences in FTE calculations.

S7 TRANSPORT CREDENTIALING AND REVIEWS: Staff recommends an increase of \$1.3 million total funds, including \$385,529 General Fund, and 0.3 FTE based on the JBC's previous action on the interim supplemental request. This differs from the Department's request due to technical differences in FTE calculations.

S8 COMMUNITY-BASED ACCESS TO SERVICES: Staff recommends the requested reduction of \$1.3 million total funds, including an increase of \$508,390 General Fund, to expand transition coordination for members at risk of institutionalization, for legal support and legal consultations for active litigation, and several technical changes to the rates paid and funding needs for certain activities and to reflect updated timelines for implementation.

S9 PUBLIC SCHOOL HEALTH SERVICES: Staff recommends the requested \$31.0 million total funds based on projected certified public expenditures by school districts and Boards of Cooperative Education Services (BOCES) for the Public School Health Services program.

S10 COLORADO BENEFITS MANAGEMENT SYSTEM: Staff recommends the requested \$12.1 million reappropriated funds spending authority from the Department of Human Services to align appropriations with how the Colorado Benefits Management System is being operated by the Executive Branch.

S11 ARPA HCBS ADJUSTMENTS: Staff recommends the requested net decrease of \$47.8 million total funds, including an increase of 15.6 FTE, to true-up its spending authority for the American Rescue Plan Act (ARPA) Home and Community Based Services (HCBS) spending plan.

up to \$433,700 General Fund from FY 2023-24 to FY 2024-25. The money was appropriated in H.B. 23-1215 Limits on Hospital Facility Fees (Sirota & Besenecker/Mullica & Cutter) for a report about the impact of hospital facility fees that is due October 1, 2024.

S13 CONTRACT TRUE UP: Staff recommends the requested \$2.0 million total funds, including \$521,534 cash funds from the Healthcare Affordability and Sustainability (HAS) Fee, for the centralized eligibility vendor contract to reflect the amount due under the federally approved formula. The contract pays for eligibility determinations and case maintenance for the buy-in program for

people with disabilities, managing appeals, CHP+ enrollment and disenrollment, and a customer service center that processes over-the-phone requests including applications and renewals, address and income changes, and enrollment fee payments. The current vendor is Denver Health.

S14 LEGAL SERVICES: The request includes an increase of \$329,500 total funds, including \$148,850 General Fund, in FY 2023-24 to align legal service payments with increased expenditures. The Department has submitted a budget amendment for an increase of \$237,200 total funds in FY 2024-25 and ongoing that the Committee will consider during Figure Setting. Staff recommends approval of the request.

PRIORITIZED SUPPLEMENTAL REQUESTS

OVERVIEW OF THE FORECAST REQUESTS (S1-S5)

Requests S1 through S5 are based on the Department's most recent forecasts of enrollment and expenditures under current law and policy. If the eligible population and/or the eligible services utilized are greater than expected, then the state and federal government must pay the higher cost, regardless of the appropriation. In the event that the State's Medicaid obligation is greater than anticipated, the Department has statutory authority to overexpend the Medicaid appropriation.¹

The forecasts reflect actual enrollment and expenditure data through June 2023. In mid-February the Department will submit revised forecasts incorporating enrollment and expenditure data through December 2023. The mid-February forecasts come after deadlines for the Governor to submit supplemental budget requests and budget amendments. Typically, governors do not submit official revised requests based on the mid-February forecasts, neither do they submit official adjustments to other areas of the budget to fit the revised forecasts. Sometimes governors make their priorities known through unofficial channels. Despite the lack of an official request, the JBC typically uses the mid-February forecast for the budget, because it is the most recent data available. If the mid-February forecast is higher than the November forecast, then the JBC makes adjustments elsewhere in the budget to accommodate it, and if the mid-February forecast is lower, then the JBC has more money to increase reserves or allocate for other priorities.

The table below summarizes the net impact of all five forecast requests.

FY 2023-24					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
<u>Appropriation</u>					
Medical Services Premiums	\$11,506,136,779	\$3,216,123,250	\$1,248,504,293	\$99,768,813	\$6,941,740,423
Behavioral Health	1,218,483,080	284,702,715	91,030,034	0	842,750,331
Children's Basic Health Plan	175,334,025	19,597,188	40,607,383	0	115,129,454
Medicare Modernization Act	257,069,930	257,069,930	0	0	0
Office of Community Living	1,080,475,927	517,986,549	24,021,961	0	538,467,417
TOTAL	\$14,237,499,741	\$4,295,479,632	\$1,404,163,671	\$99,768,813	\$8,438,087,625
<u>FY 23-24 Projection (Nov)</u>					
Medical Services Premiums	11,424,541,787	3,210,377,431	1,286,562,743	99,768,814	6,827,832,799
Behavioral Health	1,165,320,142	278,093,995	89,659,732	0	797,566,415
Children's Basic Health Plan	168,474,027	24,314,949	34,299,762	0	109,859,316
Medicare Modernization Act	251,754,405	251,754,405	0	0	0
Office of Community Living	1,061,027,764	509,048,974	26,422,230	0	525,556,560
TOTAL	\$14,071,118,125	\$4,273,589,754	\$1,436,944,467	\$99,768,814	\$8,260,815,090
<u>Difference Proj. to Approp.</u>					
Medical Services Premiums	(81,594,992)	(5,745,819)	38,058,450	1	(113,907,624)
Behavioral Health	(53,162,938)	(6,608,720)	(1,370,302)	0	(45,183,916)
Children's Basic Health Plan	(6,859,998)	4,717,761	(6,307,621)	0	(5,270,138)
Medicare Modernization Act	(5,315,525)	(5,315,525)	0	0	0
Office of Community Living	(19,448,163)	(8,937,575)	2,400,269	0	(12,910,857)
TOTAL	(\$166,381,616)	(\$21,889,878)	\$32,780,796	\$1	(\$177,272,535)

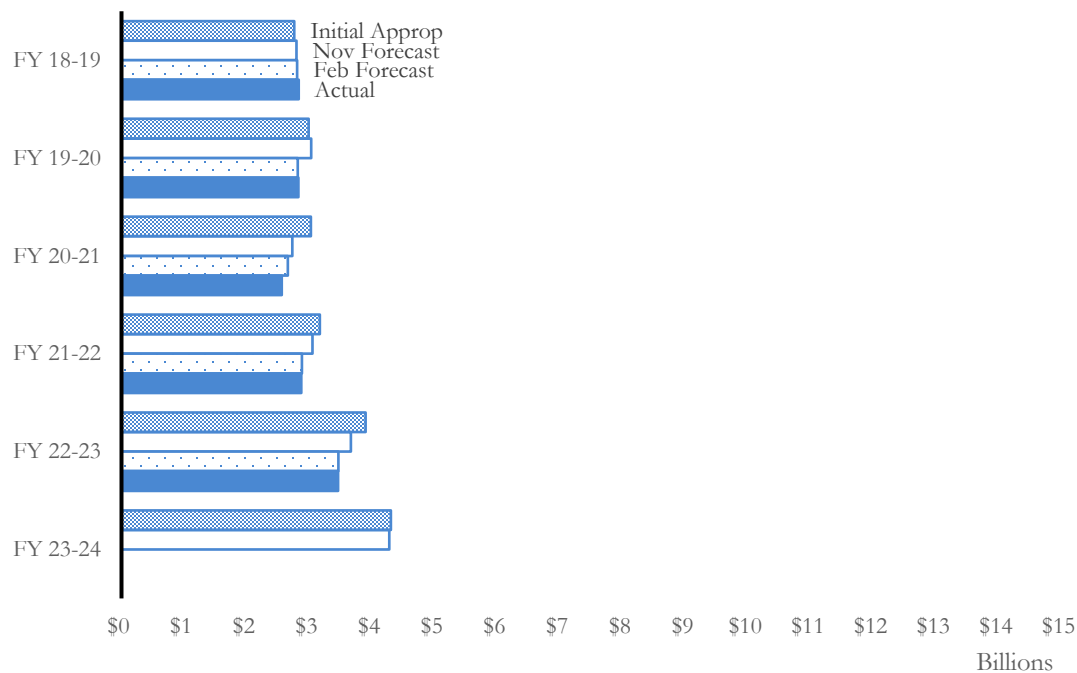
¹ See Section 24-75-109 (1)(a), C. R. S.

FY 2023-24					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Percent Change					
Medical Services Premiums	-0.7%	-0.2%	3.0%	0.0%	-1.6%
Behavioral Health	-4.4%	-2.3%	-1.5%	n/a	-5.4%
Children's Basic Health Plan	-3.9%	24.1%	-15.5%	n/a	-4.6%
Medicare Modernization Act	-2.1%	-2.1%	n/a	n/a	n/a
Office of Community Living	-1.8%	-1.7%	10.0%	n/a	-2.4%
TOTAL	-1.2%	-0.5%	2.3%	0.0%	-2.1%

The next two graphs show, for the General Fund and Total Funds respectively, the initial appropriation, November forecast, February forecast, and actual expenditures. They highlight that relative to the size of the expenditure the differences between the forecasts and the actual tend to be small, even in the pandemic years when there was unusually high uncertainty about what would happen with Medicaid expenditures.

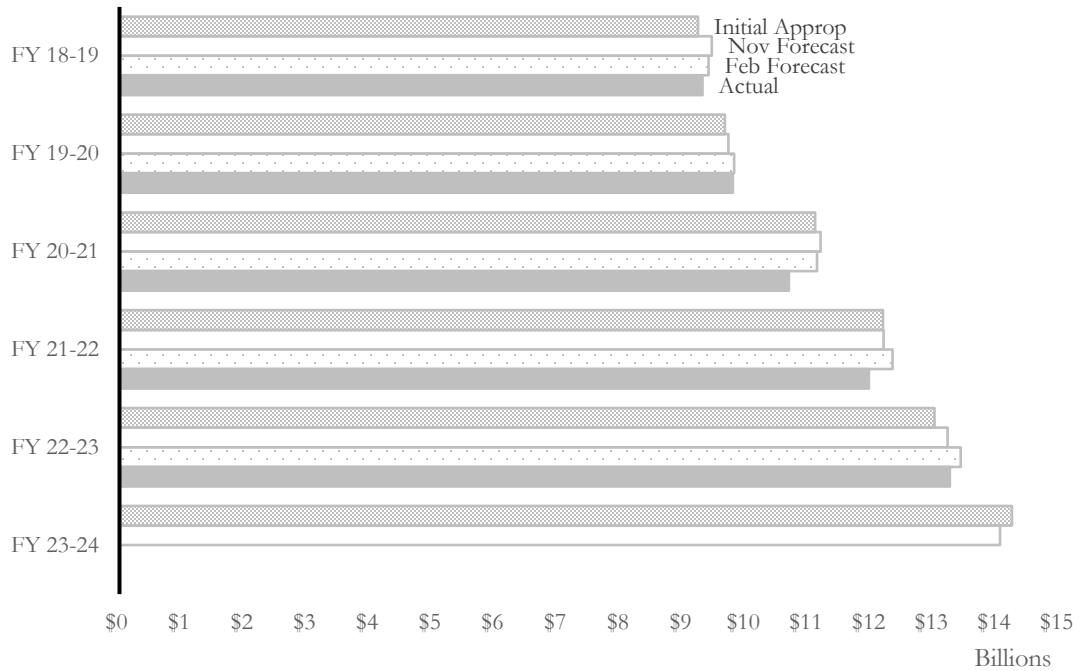
General Fund forecasts and actual expenditures for the forecasted programs

(Medical Services Premiums/Behavioral Health/CHP+/Medicare Modernization Act/Office of Community Living)



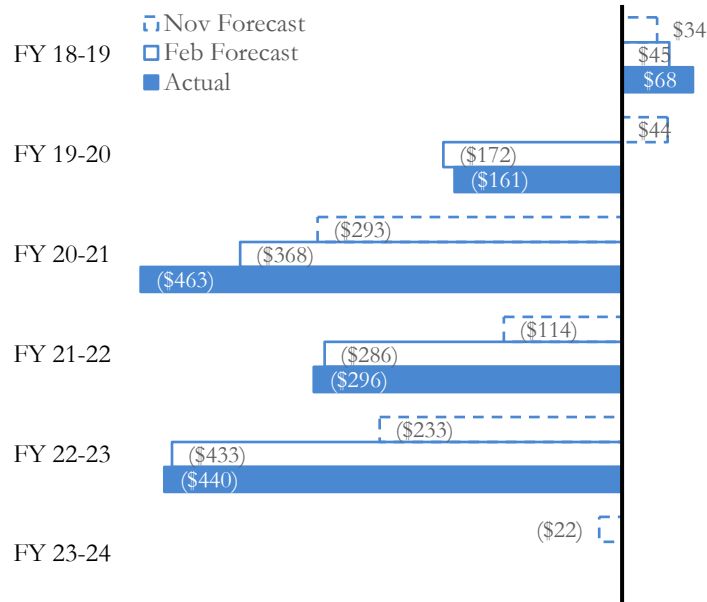
Total Funds forecasts and actual expenditures for the forecasted programs

(Medical Services Premiums/Behavioral Health/CHP+/Medicare Modernization Act/Office of Community Living)



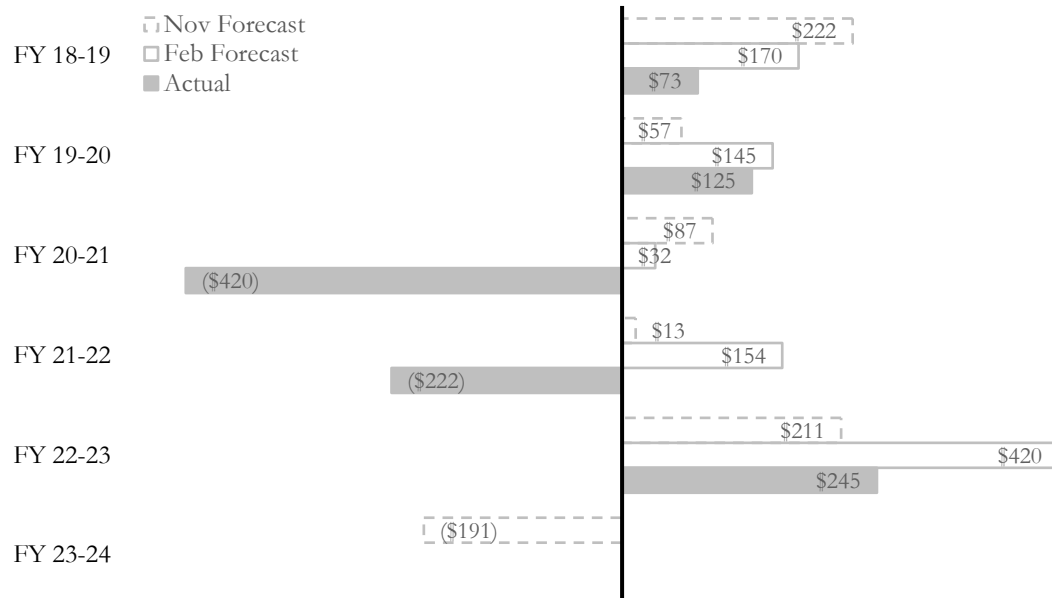
Though the variations visually look small compared to the total size of the expenditures, they are meaningful to the budget. To understand this better, the next two graphs look at just the differences between the initial appropriation and each forecast and actual expenditure. During the pandemic, the federal government kept extending an enhanced federal match rate that provided fiscal relief to states. Each forecast was chasing those changes in federal policy, so the General Fund graph shows large decreases in the General Fund that are not likely to reoccur in FY 2023-24. Both graphs reflect high uncertainty about what would happen during the pandemic and conservative forecasting that proved higher than the actual expenditures in FY 2020-21 and FY 2021-22. There is still heightened uncertainty in FY 2023-24 as operations return to a more normal trend that is potentially hard to identify due to the series interruption caused by the pandemic. As a result of that heightened uncertainty, it would not be surprising to the JBC staff if the February forecast included a larger than normal adjustment, either up or down, now that the Department has another half a year of data to analyze. It is too soon to speculate, or for the Department to drop hints, about the magnitude and direction of any potential change in the February forecast.

Forecast and actual differences from the original **General Fund** appropriation for the forecasted programs¹ (in millions)



¹ The forecasted programs include: Medical Services Premiums, Behavioral Health, Child Health Plan Plus, Medicare Modernization Act, and Office of Community Living

Forecast and actual differences from the original **Total Funds** appropriation for the forecasted programs¹ (in millions)



¹ The forecasted programs include: Medical Services Premiums, Behavioral Health, Child Health Plan Plus, Medicare Modernization Act, and Office of Community Living

S1 MEDICAL SERVICES PREMIUMS

	REQUEST	RECOMMENDATION
TOTAL	(\$81,594,992)	(\$81,594,992)
General Fund	(5,745,819)	(5,745,819)
Cash Funds	38,058,450	38,058,450
Reappropriated Funds	1	1
Federal Funds	(113,907,624)	(113,907,624)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available when the original appropriation was made regarding actual enrollment and expenditures.

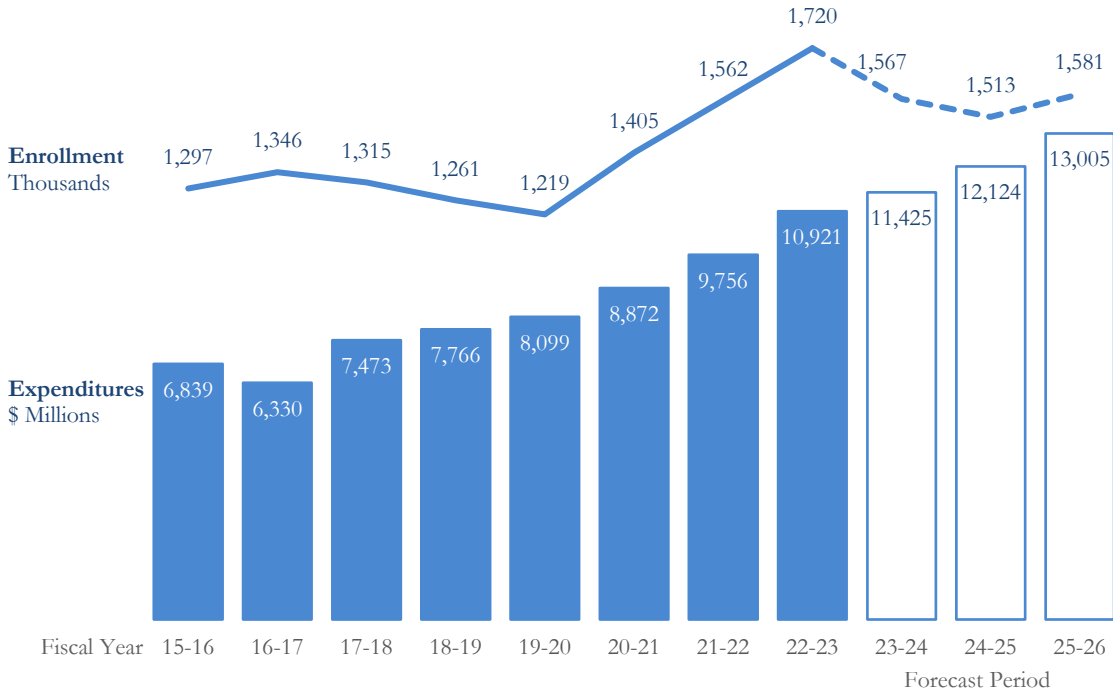
REQUEST

The Department requests a net decrease of \$81.6 million total funds, including a decrease of \$5.7 million General Fund, based on a new projection of enrollment and expenditures under current law. The Medical Services Premiums line item pays for physical health care and most long-term services and supports for clients eligible for the Medicaid program. The forecast used for the original FY 2023-24 appropriation incorporated trend data through December 2022 while the latest forecast used for this supplemental request incorporates data through June 2023. The Department will submit a new forecast in February that uses data through December 2023. If that February forecast is significantly different than the forecast used for this supplemental, then the JBC staff may recommend a supplemental add-on to the Long Bill.

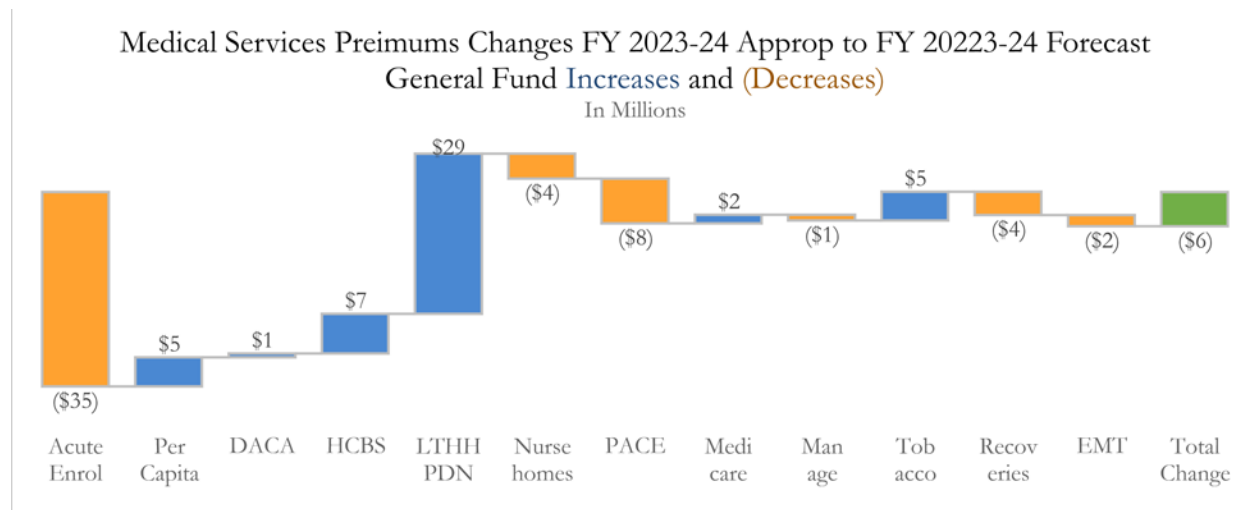
The chart below summarizes the Department's forecast of enrollment and expenditures.

Medical Services Premiums Enrollment and Expenditures

November 2023 forecast



The graph below shows the major contributors to the General Fund change from the FY 2023-24 appropriation to the Department's November 2023 forecast for FY 2023-24. It does not show differences from FY 2022-23 expenditures. The decrease in the projection for enrollment is largely offset by an increase in the projected costs for Long-Term Home Health, Private Duty Nursing, and Hospice.



Specific values by fund source for the preceding chart are provided below.

FY 2023-24 Medical Services Premiums Enrollment/Utilization Trends				
	Total Funds	General Fund	Other State	Federal Funds
FY 2023-24 Appropriation	\$11,506,136,779	3,216,123,250	1,348,273,106	6,941,740,423
Acute Care				
Enrollment	(117,300,327)	(34,945,922)	(4,740,848)	(77,613,557)
Per capita	(40,987,591)	5,241,732	23,645,080	(69,874,403)
DACA recipients	<u>1,374,126</u>	<u>687,063</u>	<u>0</u>	<u>687,063</u>
<i>Subtotal - Acute Care</i>	<i>(156,913,792)</i>	<i>(29,017,127)</i>	<i>18,904,232</i>	<i>(146,800,897)</i>
Long-term Care Programs				
HCBS waivers	30,362,000	7,151,537	7,725,843	15,484,620
Long-Term Home Health/PDN/Hospice	55,338,505	28,775,938	0	26,562,567
Nursing homes	(9,067,755)	(4,473,675)	246,475	(4,840,555)
PACE	<u>(16,196,160)</u>	<u>(8,098,080)</u>	<u>0</u>	<u>(8,098,080)</u>
<i>Subtotal - Long-term Care Programs</i>	<i>60,436,590</i>	<i>23,355,720</i>	<i>7,972,318</i>	<i>29,108,552</i>
Medicare & private premiums	2,909,408	1,585,630	0	1,323,778
Service management	(1,775,412)	(1,054,766)	1,537,338	(2,257,984)
Tobacco forecast	0	5,200,600	(5,200,600)	0
Recoveries	0	(4,201,037)	9,365,094	(5,164,057)
EMT certified public expenditures	14,104,037	(2,053,263)	6,833,252	9,324,048
Other financing	(355,823)	438,424	(1,353,183)	558,936
TOTAL	\$11,424,541,787	\$3,210,377,431	\$1,386,331,557	\$6,827,832,799
Increase/(Decrease)	(81,594,992)	(5,745,819)	38,058,451	(113,907,624)
Percentage Change	-0.7%	-0.2%	2.8%	-1.6%

ACUTE CARE

The acute care category includes expenditures for hospitals, primary care, specialty care, and pharmacy, among others.

ENROLLMENT

Actual enrollment is coming in below the assumptions in the appropriation for most enrollment categories. The elderly and people with disabilities account for about a third of the total dollar change and more than half of the General Fund change. These eligibility categories have high per capita costs. The forecast for people with disabilities is down about 3,000 people.

PER CAPITA

In FY 2022-23 actual per capita costs were higher than expected for the elderly and people with disabilities but lower than expected for children, parents, pregnant women, and the ACA expansion. There is a net \$3.8 million total funds increase, including an increase of \$11.3 million General Fund, that the Department indicates is mostly attributable to an increase in utilization of non-emergent medical transportation (NEMT) and a change in the mix of who is utilizing the service that impacts the federal match rate.

DACA RECIPIENTS

The forecast assumes a new proposed federal regulation will be implemented imminently that would require Colorado to provide Medicaid coverage to children and pregnant people with Deferred Action for Childhood Arrivals (DACA) status who meet the income qualifications. The Department has statutory authority to implement provisions of Medicaid that are necessary to comply with federal

regulation. Given that authority and that the Department does not have a choice but to comply, the Long Bill is a reasonable place to provide the needed funding. However, the Department is proposing legislation to align state statute with the new federal regulation.

The Department did not submit an official request for the JBC to carry the alignment legislation, but the JBC staff thinks that the JBC should consider carrying the bill. If funding for the DACA recipients is provided in the Long Bill and then a separate bill authorizes the services, it could appear that the JBC is providing special favor for another legislator's bill. If the JBC sponsors the bill it reduces this potential perception challenge. Another option would be to provide the funding in the authorizing bill, rather than the Long Bill. However, if the authorizing bill were to fail, the Department would still need the funding.

DACA recipients who otherwise meet the Medicaid eligibility criteria are currently eligible only for emergency services. The Department anticipates that the new regulation will primarily impact non-delivery maternity services. Most DACA recipients are older and do not require significant childhood medical services. The Department estimate the regulation will extend coverage to approximately 237 DACA recipients.

LONG-TERM CARE PROGRAMS

The long-term care programs include nursing homes, in-home nursing services, and community supports that help people live at home.

HCBS WAIVERS

The Department is seeing higher than expected increases in utilization in the waivers and higher-than-expected costs in the Community Mental Health Services waiver.

Home- and Community-Based Services (HCBS) assist the elderly and people with disabilities with activities of daily living, so that they can live in the community instead of an institutional setting. The services are either non-medical services or routine and repetitive health maintenance services that do not require clinical judgement or assessment. Examples of the services include assistance with bathing, meals, or cleaning a feeding tube.

LONG-TERM HOME HEALTH/PDN/HOSPICE

The Department increased the forecast due to higher than expected utilization of long-term home health and specifically the home health basic and extended services.

Long-term home health (LTHH) and private duty nursing (PDN) are skilled nursing and therapy services provided in a home setting. People can potentially receive both HCBS and long-term home health or private duty nursing. The difference between long-term home health and private duty nursing is a matter of degree, with private duty nursing the more intensive service and generally limited to people who are machine-dependent and/or require round-the-clock care. In addition to traditional nursing services, home health includes physical therapy, occupational therapy, and speech therapy.

NURSING HOMES

Year-to-date bed days are running lower than the assumptions in the appropriation.

PACE

The Department had projected aggressive enrollment growth and actual enrollment is coming in somewhat less, but still strong.

The Program of All-inclusive Care for the Elderly is a managed care program that includes both acute care and long-term care programs.

MEDICARE & PRIVATE PREMIUMS

The forecast makes an adjustment for actual enrollment to date. For people eligible for both Medicaid and Medicare the Department pays the Medicare premiums. In a small number of cases the Department also pays private insurance premiums.

SERVICE MANAGEMENT

The forecast reflects the change in expected enrollment. Service management is primarily administrative payments to the Regional Accountable Entities for the Accountable Care Collaborative on a per enrollee basis.

TOBACCO FORECAST

The Department decreased the expected funding from the Health Care Expansion Fund that offsets the need for General Fund based on lower tobacco revenues.

RECOVERIES

The Department increased the projected recoveries that offset General Fund and federal fund expenditures.

EMT CERTIFIED PUBLIC EXPENDITURES

The Department increased the forecast of expenditures by public Emergency Medical Transportation providers that the Department can certify as public expenditures to increase reimbursements to EMT providers. The Department retains a small portion of the increased federal funds to offset General Fund, which is a way of recovering the Department's administrative costs in operating the program.

OTHER FINANCING

The Department made miscellaneous other changes to the forecasted financing expenditures.

RECOMMENDATION

Staff recommends approval of the request. The new forecast uses more recent data than the forecast used for the original appropriation. All of the expenditures contained in the supplemental are for programs authorized in current law. If the February forecast is significantly different than the forecast used for this supplemental, then the JBC staff may recommend a supplemental add-on to the Long Bill.

S2 BEHAVIORAL HEALTH PROGRAMS

	REQUEST	RECOMMENDATION
TOTAL	(\$53,162,938)	(\$53,162,938)
FTE	0.0	0.0
General Fund	(6,608,720)	(6,608,720)
Cash Funds	(1,370,302)	(1,370,302)
Federal Funds	(45,183,916)	(45,183,916)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.

REQUEST

The Department requests a decrease of \$53.2 million total funds, including \$6.6 million General Fund, for the FY 2023-24 behavioral health programs forecast. The table below provides the requested adjustment for capitated and fee-for-service payments.

FY 2023-24 BEHAVIORAL HEALTH TOTAL ADJUSTMENT				
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS
Current FY 2023-24 Appropriation	\$1,218,484,664	\$284,767,300	\$91,030,783	842,686,581
Capitation adjustment	(54,815,773)	(7,149,928)	(1,455,095)	(46,210,750)
Fee-for-service adjustment	1,652,835	541,208	84,793	1,026,834
Total revised appropriation	\$1,165,321,726	\$278,158,580	\$89,660,481	797,502,665
Increase/(Decrease)	(\$53,162,938)	(\$6,608,720)	(\$1,370,302)	(45,183,916)
Percent change	(4.4%)	(2.3%)	(1.5%)	(5.4%)

RECOMMENDATION

Staff recommends approval of the request.

ANALYSIS

Behavioral health services, which include both mental health and substance use-related services, are primarily provided to Medicaid clients through a statewide managed care or "capitated" program. The Department contracts with "regional accountable entities" (RAEs) to arrange for behavioral health services for clients enrolled with each RAE. Each RAE receives a pre-determined monthly amount for each Medicaid client who is eligible for behavioral health services and enrolled with the RAE. The "per-member-per-month" rates paid to each RAE are unique for each Medicaid eligibility category in each geographic region. These rates are periodically adjusted based on clients' actual utilization of behavioral health services and the associated expenditures.

Fee-for-service payments reflect the appropriation for Medicaid members not covered by capitated payments. Services may not be covered because the Medicaid member is not enrolled with the RAE, or the service is not within the RAE contract. Medicare/Medicaid crossover claims are included in the fee-for-service line item rather than the capitated payments line item.

Behavioral health services are primarily supported by the General Fund and federal funds. For adults who are "newly eligible" pursuant to the federal Affordable Care Act (which includes adults without dependent children) the state receives a 90 percent federal match and the state share of costs is financed with the Healthcare Affordability and Sustainability (HAS) Fee. Services for these expansion adults represent a significant portion of total expenditures, but General Fund expenditures are driven more by children (because there are a lot of them) and people with disabilities (because the per capita expenditures are high).

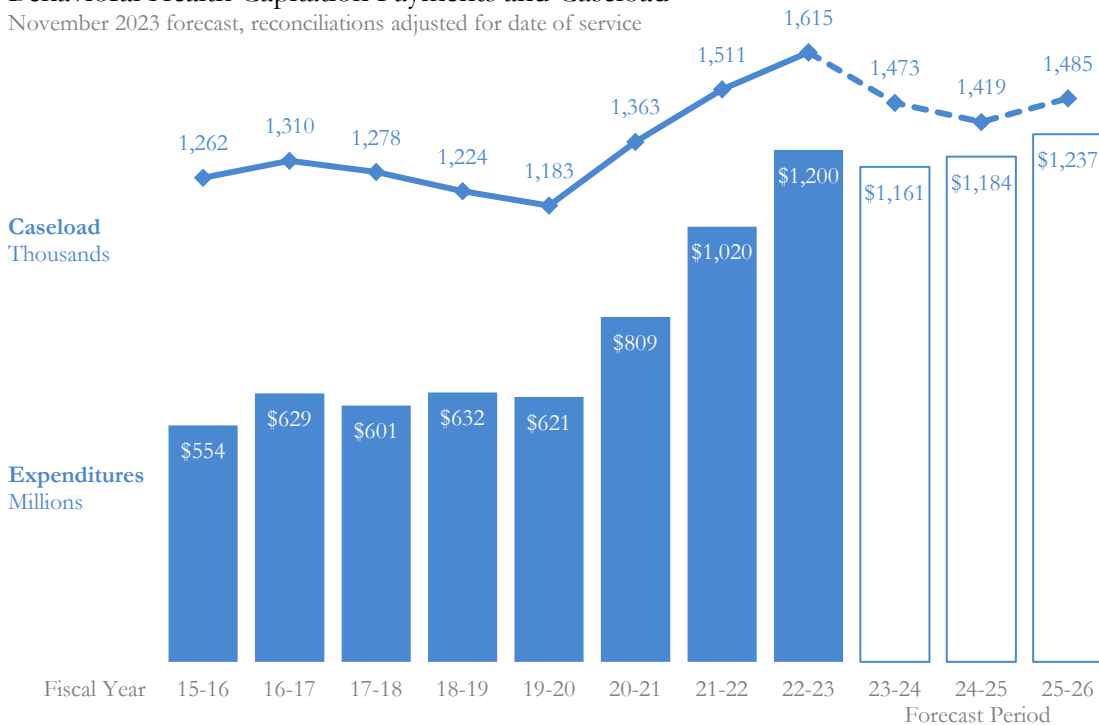
The forecast used for the original FY 2023-24 appropriation incorporated trend data through December 2022, while the latest forecast used for this supplemental request incorporates data through June 2023. The Department will submit a new forecast in February that uses data through December 2023. If that February forecast is significantly different than the forecast used for this supplemental, JBC Staff may recommend further adjustments for FY 2023-24 as part of the Long Bill.

FORECAST SUMMARY

The chart below summarizes the Department's forecast of enrollment and expenditures.

Behavioral Health Capitation Payments and Caseload

November 2023 forecast, reconciliations adjusted for date of service



ENROLLMENT

A decrease of \$23.3 million total funds, including \$5.8 million General Fund, is attributed to changes in enrollment. The Department is projecting enrollment decreases in all eligibility areas, with a total enrollment decrease of 26,300, or 1.8 percent of the appropriated caseload. The Department attributes caseload changes to the end of the Public Health Emergency and the related end to prohibition on disenrollments. Disenrollments began in May 2023 and are expected to continue through May 2024. Caseload is currently projected to decrease by an additional 54,068 individuals in FY 2024-25. Projected caseload changes by eligibility area are provided in the table below.

FY 2023-24 BEHAVIORAL HEALTH ENROLLMENT				
	APPROPRIATED CASELOAD	ESTIMATED CASELOAD	REQUESTED CHANGE	PERCENT CHANGE
Adults 65 and older	49,330	48,976	(354)	(0.7%)
Disabled individuals	96,871	94,724	(2,147)	(2.2%)
Low income adults	224,620	218,728	(5,892)	(2.6%)
Expansion parents & caretakers	83,511	82,018	(1,493)	(1.8%)
MAGI adults	500,403	489,921	(10,482)	(2.1%)
Eligible children	524,029	519,081	(4,948)	(0.9%)
Foster care	20,278	19,308	(970)	(4.8%)
Breast and cervical cancer	143	129	(14)	(9.8%)
	1,499,185	1,472,885	(26,300)	(1.8%)

PER CAPITA

A total decrease of \$16.9 million total funds, including an increase of \$2.1 million General Fund, is attributed to changes in per capita payments. The Department is projecting decreases in the per capita payments for many eligibility areas, but is projecting increases for adults over 65, disabled adults, and foster youth. Fund splits vary based on eligibility criteria, resulting in a General Fund increase even though expenditures are expected to decrease overall. The requested per capita payments still reflect an overall increase of 14.5 percent from FY 2022-23, even though the updated forecast reflects a reduction from the current appropriation. The change in the appropriated and estimated per capita expenditures is provided in the table below.

FY 2023-24 ESTIMATED PER CAPITA PAYMENTS				
	APPROPRIATED PER CAPITA	ESTIMATED PER CAPITA	REQUESTED CHANGE	PERCENT CHANGE
Adults 65 and Older	\$307.1	\$372.3	\$65.2	21.2%
Disabled Adults	1,616.4	1,977.3	360.9	22.3%
MAGI Parents/Caretakers to 68% FPL and eligible pregnant adults	753.8	646.3	(107.6)	(14.3%)
MAGI Parents/ Caretakers 69% to 133% FPL	462.3	431.5	(30.8)	(6.7%)
MAGI Adults	1,031.6	982.6	(49.0)	(4.7%)
Eligible Children	404.9	387.7	(17.2)	(4.3%)
Foster Care	1,944.5	2,204.2	259.7	13.4%
Breast & Cervical Cancer Program	753.8	646.2	(107.6)	(14.3%)
Total per capita	\$765.5	\$752.0	(\$13.5)	(1.8%)

MEDICAL LOSS RATIO

A total decrease of \$13.0 million total funds, including \$3.0 General Fund, for money the Department expected to reoup from RAEs related to the medical loss ratio from FY 2021-22. The Department requires that RAEs spend at least 85.0 percent of funds on medical services. When the RAEs fall below target, the Department recoups the difference, usually in a following fiscal year. The Department notes that FY 2023-24 amounts account for a \$4.1 million recoupment related to a new inpatient/residential Substance Use Disorder benefit in FY 2021-22 that was processed against July 2023 capitation payments.

RECOMMENDATION

Staff recommends approval of the requested adjustments to reflect the most recent caseload and expenditure estimates for behavioral health programs. Whether or not the General Assembly approves the supplemental adjustment, the Department will continue to make payments to RAEs using actuarially certified rates that set based on state and federal law. If the February forecast is significantly

different than the forecast used for this supplemental, JBC staff may recommend a supplemental add-on to the Long Bill as part of the Figure Setting process.

S3 CHILD HEALTH PLAN PLUS

	REQUEST	RECOMMENDATION
TOTAL	(\$6,859,998)	(\$6,859,998)
General Fund	4,717,761	4,717,761
Cash Funds	(6,307,621)	(6,307,621)
Federal Funds	(5,270,138)	(5,270,138)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available when the original appropriation was made regarding actual enrollment and expenditures.

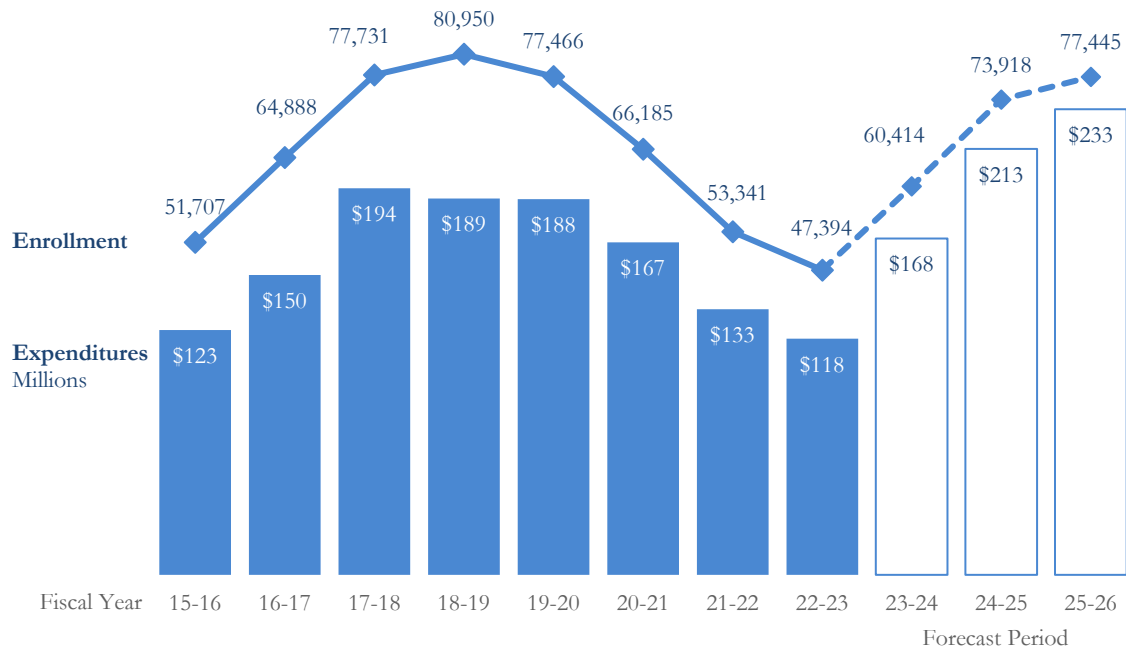
REQUEST

The Department requests a net decrease of \$6.9 million total funds, including an increase of \$4.7 million General Fund, based on a new projection of enrollment and expenditures under current law. The Children's Basic Health Plan pays for physical health services for eligible children and pregnant women and for dental services for children. The forecast used for the original FY 2023-24 appropriation incorporated trend data through December 2022 while the latest forecast used for this supplemental request incorporates data through June 2023. The Department will submit a new forecast in February that uses data through December 2023. If that February forecast is significantly different than the forecast used for this supplemental, then the JBC staff may recommend a supplemental add-on to the Long Bill.

The chart below summarizes the Department's forecast of enrollment and expenditures.

Children's Basic Health Plan (CHP+) Enrollment and Expenditures

November 2023 forecast, without reconciliations



The overall forecast for CHP+ is deeply intertwined with the forecast for Medicaid. The Department expects members who are locked in on Medicaid with a CHP+ income level will enroll in CHP+ as Medicaid continuous coverage ends.

Favorable federal match rates from FY 15-16 through FY 19-20 made General Fund costs for CHP+ minimal and allowed for the accumulation of a fund balance in the CHP+ Trust. When the favorable federal match rates began to phase out, the General Assembly spent down the reserves in the CHP+ Trust to soften the blow to the General Fund. That balance in the CHP+ Trust is now gone. In addition, the projected expiration of the enhanced federal match through the federal Families First Coronavirus Response Act requires more General Fund in FY 2024-25. The chart below summarizes the projected cash flow for the Children's Basic Health Plan Trust.

Children's Basic Health Plan Trust					
	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Beginning Fund Balance	\$843,772	\$5,222,715	\$4,444,784	\$0	\$0
Revenue	\$15,856,503	\$16,450,529	\$16,448,833	\$15,908,833	\$15,284,833
Fees	157,784	933	0	0	0
Tobacco Settlement	15,583,445	15,992,063	16,164,000	15,624,000	15,000,000
Interest	112,133	457,533	284,833	284,833	284,833
Recoveries	3,141	0	0	0	0
Expenses	\$11,477,560	\$17,228,460	\$20,893,617	\$15,908,833	15,284,833
Net Cash Flow	\$4,378,943	(\$777,931)	(\$4,444,784)	\$0	\$0
Ending Fund Balance	\$5,222,715	\$4,444,784	\$0	\$0	\$0

The table below shows the major contributors to the change from the FY 2023-24 appropriation to the Department's November 2023 forecast for FY 2023-24. It does not show differences from the FY 2022-23 expenditures.

FY 2023-24 Children's Basic Health Plan Enrollment/Utilization Trends				
	TOTAL FUNDS	GENERAL FUND	OTHER STATE	FEDERAL FUNDS
FY 2023-24 Appropriation	\$175,334,025	\$19,597,188	\$40,607,383	\$115,129,454
Enrollment	(6,040,962)	2,144,175	(4,216,225)	(3,968,912)
Per capita	(819,036)	692,135	(209,945)	(1,301,226)
Tobacco forecast	0	1,881,451	(1,881,451)	0
TOTAL	\$168,474,027	\$24,314,949	\$34,299,762	\$109,859,316
Increase/(Decrease)	(6,859,998)	4,717,761	(6,307,621)	(5,270,138)
Percentage Change	-3.9%	24.1%	-15.5%	-4.6%

ENROLLMENT

The Department slightly lowered the enrollment projection overall, but increased the projection for the lowest income populations where the state match comes from the General Fund. For the somewhat higher income expansion population the state match comes from the HAS Fee. Although the Department lowered the enrollment forecast, the Department is still projecting enrollment will increase from the FY 2022-23 level by a whopping 42.4 percent.

PER CAPITA

The Department lowered the projection overall, but increased the projection for the lowest income populations where the state match comes from the General Fund. For the slightly higher income expansion population the state match comes from the HAS Fee. The General Fund increase is driven by delivery payments, newborn reinsurance, and the RSV vaccine.

TOBACCO FORECAST

The Department lowered the forecast of tobacco settlement funds that will be available for CHP+ to offset the need for General Fund.

RECOMMENDATION

Staff recommends approval of the request. The new forecast uses more recent data than the forecast used for the original appropriation. All of the expenditures contained in the supplemental are for programs authorized in current law. If the February forecast is significantly different than the forecast used for this supplemental, then the JBC staff may recommend a supplemental add-on to the Long Bill.

S4 MEDICARE MODERNIZATION ACT

	REQUEST	RECOMMENDATION
TOTAL	(\$5,315,525)	\$800,000
General Fund	(5,315,525)	XX

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available when the original appropriation was made regarding actual enrollment and expenditures.

REQUEST

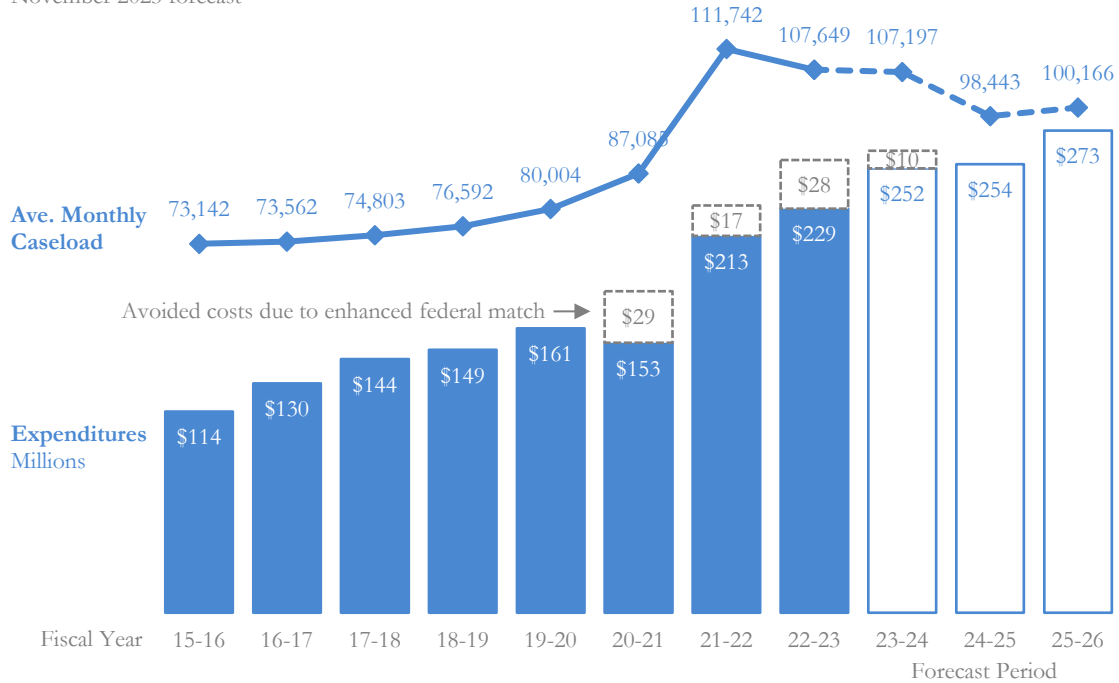
The Department requests a decrease of \$5.3 million General Fund based on a new projection of enrollment and expenditures under current law. The Medicare Modernization Act line item reimburses the federal government for a portion of prescription drug costs for people dually eligible for Medicare and Medicaid. In 2006 Medicare took over responsibility for these drug benefits, but to defray the costs the federal legislation requires states to make an annual payment based on a percentage of what states would have paid for this population in Medicaid, as estimated by a federal formula. This is a state obligation with no federal match, but the federal match rate for Medicaid does impact the calculation of how much the state owes.

The forecast used for the original FY 2023-24 appropriation incorporated trend data through December 2022 while the latest forecast used for this supplemental request incorporates data through June 2023. The Department will submit a new forecast in February that uses data through December 2023. If that February forecast is significantly different than the forecast used for this supplemental, then the JBC staff may recommend a supplemental add-on to the Long Bill.

The chart below summarizes the Department's forecast of enrollment and expenditures.

Medicare Modernization Act Caseload and Expenditures

November 2023 forecast



The table below shows the major contributors to the change from the FY 2023-24 appropriation to the Department's November 2023 forecast for FY 2023-24. It does not show differences from the FY 2022-23 expenditures.

FY 2023-24 Medicare Modernization Act	
	GENERAL FUND
FY 2023-24 Appropriation	\$257,069,930
Enrollment	(5,315,525)
Per capita	0
TOTAL	\$251,754,405
Increase/(Decrease)	(5,315,525)
Percentage Change	-2.1%

ENROLLMENT: The change in the forecast is entirely attributable to lower projected enrollment.

RECOMMENDATION

Staff recommends approval of the request. The new forecast uses more recent data than the forecast used for the original appropriation. All of the expenditures contained in the supplemental are for programs authorized in current law. If the February forecast is significantly different than the forecast used for this supplemental, then the JBC staff may recommend a supplemental add-on to the Long Bill.

S5 OFFICE OF COMMUNITY LIVING

	REQUEST	RECOMMENDATION
TOTAL	(\$19,448,163)	(\$19,448,163)
General Fund	(8,937,575)	(8,937,575)
Cash Funds	2,400,269	2,400,269
Federal Funds	(12,910,857)	(12,910,857)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available when the original appropriation was made regarding actual enrollment and expenditures.

DEPARTMENT REQUEST

The Department requests a net decrease of \$19.4 million total funds, including a decrease of \$8.9 million General Fund to align appropriations with the estimated number of enrollments in each Medicaid Home and Community Based Services waiver program for people with intellectual and developmental disabilities.

Intellectual and developmental disability waiver services are not subject to standard Medicaid State Plan service and duration limits. Instead, these services are provided under a Medicaid waiver program. Colorado has four Medicaid waivers for individuals who qualify for intellectual and developmental disability services:

- 1 Adult Comprehensive/Developmental Disabilities Waiver (DD Waiver) is for individuals over the age of 18 who require residential and daily support services to live in the community.
- 2 Supported Living Service Waiver (SLS Waiver) is for individuals over the age of 18 who do not require residential services but require daily support services to live in the community.
- 3 Children's Extensive Services Waiver (CES Waiver or Children's Waiver) is for youth aged 5 to 18 who do not require residential services but do require daily support services to be able to live in their family home.
- 4 Children's Habilitation Residential Services Waiver (CHRP Waiver) is for children with intellectual and developmental disabilities and complex behavioral support needs requiring home- and community- based services

As part of the waivers, Colorado is allowed to limit the number of waiver program participants. Annually, the General Assembly appropriates sufficient funding to ensure no waiting list for the SLS, CES, and CHRP waivers.

The Department calculated maximum enrollment figures for each waiver program and the number of full-program equivalents (FPE) for each fiscal year. If this request is approved, the Department calculates that by the end of 2023-24 it would serve: 8,020 FPE on the DD waiver, 4,053 FPE on the SLS waiver, 2,427 FPE on the CES waiver, and 204 FPE on the CHRP waiver. For this request, the Department has limited the DD enrollments to the maximum enrollment figure.

MEDICAID PROGRAMS*COMPREHENSIVE/DEVELOPMENTAL DISABILITIES WAIVER*

The DD waiver provides access to 24-hour/seven-day-a-week supervision through Residential Habilitation and Day Habilitation Services and Supports. The service provider is responsible for supporting individuals in securing living arrangements that can range from host home settings with 1-2 persons, individualized settings of 1-3 persons, and group settings of 4-8 persons. Support is also available for participants who live in their own home or who live with and/or are provided services by members of their family.

Annually, the Department requests funding for reserved capacity and emergency enrollments. The FY 2023-24 appropriation includes funding for 411 enrollments.

The estimated FY 2023-24 maximum enrollment in the DD waiver is 8,019 members. The forecast is based on the number of FPE who are anticipated to be served, in this case 8,019 at an anticipated cost of \$93,733.05 per FPE. The request reflects a net decrease of \$19.8 million.

SUPPORTED LIVING SERVICES WAIVER

The SLS waiver provides necessary services and supports for adults with intellectual or developmental disabilities so they can remain in their homes and communities with minimal impact to the individual's community and social supports. It promotes individual choice and decision-making through the individualized planning process and the tailoring of services and supports to address prioritized, unmet needs. In addition, this waiver is designed to supplement existing natural supports to address prioritized, unmet needs. The person receiving services is responsible for his or her living arrangements that can include living with family or in their own home. Up to three persons receiving services can live together. Participants on this waiver do not require 24-hour supervision on a continuous basis for services and supports offered on this waiver. The rate of some services and the Service Plan Authorization Limit (SPAL) is determined through member intake and assessments. The number of FPE anticipated to be served in FY 2023-24 is 4,053, with an average cost of \$22,985.29. There is no waiting list for SLS waiver enrollment, therefore the Department adjusts costs based on actual enrollment, utilization, and per capita trends.

The forecast reflects a stable amount of FPE for previous years and fiscal years related to SLS enrollment trends. The Department projects a net decrease of \$607,191 million total funds.

CHILDREN'S EXTENSIVE SUPPORT WAIVER

The CES waiver provides services to and supports to children and families that will help children establish a long-term foundation for community inclusion as they grow into adulthood. The number of FPE anticipated to be served in FY 2023-24 is 2,426, at an average cost of \$26,291. There is no waiting list for CES enrollment, therefore the Department adjusts costs based on actual enrollment, utilization, and per capita trends.

The Department projects a net decrease of \$0.9 million total funds.

CHILDREN'S HABILITATION RESIDENTIAL WAIVER PROGRAM

The CHRP waiver provides residential services for children and youth in foster care or at risk of child welfare involvement who have a developmental disability and very high needs that put them at risk for institutional care. Services are intended to help children and youth learn and maintain skills that

are necessary for successful community living. The number of FPE anticipated to be serviced in FY 2023-24 is 204 at an average cost of \$68,601. There is no waiting list for CHRP enrollment, therefore the Department adjusts costs based on actual enrollment, utilization, and per capita trends.

RECOMMENDATION

JBC staff recommends approval of the Department's request. All of the expenditures contained in the supplemental are for programs authorized in current law. If the February forecast is significantly different than the forecast used for this supplemental, then the JBC staff may recommend a supplemental add-on to the Long Bill.

S6 PUBLIC HEALTH EMERGENCY UNWIND

	REQUEST	RECOMMENDATION
TOTAL	(\$9,193,786)	(\$9,087,703)
FTE	0.0	1.7
General Fund	(2,188,376)	(2,192,928)
Cash Funds	(581,336)	(530,742)
Federal Funds	(6,417,074)	(6,364,033)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of unforeseen contingencies related to the unwind of the public health emergency.

REQUEST

The Department requests adjustments to one-time appropriations for the surge in eligibility determinations associated with the end of the continuous coverage requirement during the federal public health emergency. The Department received additional resources to manage the surge and then several modifications to those appropriations as the timing of expenditures and needs changed. This request is another of those modifications, based on the most recent available information. The supplemental includes a reduction in FY 2023-24 and an associated budget amendment asks for an increase in FY 2024-25. The Department proposes that all of the requested funds would go away at the end of FY 2024-25.

For FY 2023-24 the Department proposes a reduction to the County Administration line item that reimburses counties for eligibility determination services for Medicaid clients. The General Assembly had provided \$21.0 million total funds in FY 2023-24 based on the expected increase in county workload. The actual workload increase is very similar to the projection used for the FY 2023-24 appropriation. However, counties have struggled to hire and maintain short-duration staff. As a result, the Department anticipates it will revert \$10.3 million total funds from the County Administration line item, because the Department cannot push the money out to the counties under the current federally-approved funding formula unless the actual allowable expenditures by the counties justify the payments.

Of the \$10.3 million total funds the Department does not expect to spend on County Administration, the Department plans to spend \$1.1 million total funds on a set of initiatives to address: (1) emerging issues around eligibility determinations for people receiving long-term care; (2) a backlog of eligibility determinations for people needing long-term care, which is accruing at least in part due to the inability of counties to fully staff; and (3) automated, or ex parte, eligibility determinations. The Governor already authorized the transfers under the Governor's limited authority to approve transfers for like purposes.² Therefore, the request proposes a reduction of only \$9.2 million total funds from the County Administration line item, leaving the \$1.1 million total funds that is being transferred by executive action to the Personal Services, Operating Expenses, and General Professional Services line items.

For FY 2024-25, the Department proposes giving the money cut from the counties in FY 2023-24 back to the counties to address the accumulating backlog of eligibility redeterminations, plus funding to continue the new initiatives begun with transferred funds in FY 2023-24, including:

- A long-term care outbound contact center that will do outreach to people losing Medicaid coverage who utilize long-term care
- Additional resources to eliminate backlogs in processing eligibility determinations for people who utilize long-term care
- A unit to resolve long-term care eligibility issues that are escalated to the Department
- Additional resources for appeals, primarily related to people who utilize long-term care
- Additional resources for communications related to eligibility redetermination procedures
- Information technology resources to make system changes necessary to comply with new federal guidance on how to process automated, or ex parte, eligibility determinations

The proposed FY 2023-24 and FY 2024-25 appropriations are described in more detail following the staff recommendation.

RECOMMENDATION

Staff recommends approval of the request with modification to:

- adjust appropriations in FY 2023-24 to reflect the transfers approved by the Governor
- apply the JBC's common policies regarding new FTE, which results in a slightly larger net reduction in FY 2023-24 due to the JBC's common policy not providing additional funding for benefits in the first fiscal year
- adjust the assumed start date of the FTE to better match the Department's hiring status
- do not provide the requested funds for additional leased space, since these are term-limited FTE and the Department is not likely to change their leases to accommodate them, especially with a large portion of the Department working remotely

The components of the staff recommendation are summarized in the table below, with each component described in more detail following the table.

² Pursuant to Section 24-75-108, C.R.S., the Governor may authorize transfers within a department for "like purposes", consistent with the statutory uses of the fund sources, up to a statewide total of \$10.0 million annually. Presumably, the "like purposes" here are that the original appropriation to County Administration was for eligibility determinations and the proposed use of the transferred funds is for eligibility determinations. The counter argument would be that the name of the line item is County Administration and the money is intended for counties and not state level work.

S6/BA6 Public Health Emergency Unwind							
	Total Funds	General Fund	Cash Funds (HAS Fee)	Cash Funds (HCBS ARPA)	Reapprop. Funds	Federal Funds	FTE
FY 2023-24							
County Administration	(\$10,266,675)	(\$2,520,970)	(\$792,185)	\$0	\$0	(\$6,953,520)	0.0
Like purpose transfers	(1,038,292)	(328,042)	(201,057)	0	0	(509,193)	0.0
Remaining FY 23-24 underutilization	(9,228,383)	(2,192,928)	(591,128)	0	0	(6,444,327)	0.0
Outbound contact center for LTC	704,570	32,763	20,080	299,442	0	352,285	0.0
Backlog processing for LTC eligibility	432,085	20,092	12,314	183,636	0	216,043	1.7
Eligibility processing unit	142,085	6,607	4,049	60,386	0	71,043	1.7
Contract services	290,000	13,485	8,265	123,250	0	145,000	0.0
Escalations resolution unit	517,293	133,331	81,719	43,596	0	258,647	0.0
Automated eligibility system update	457,600	141,856	86,944	0	0	228,800	0.0
Appeals	0	0	0	0	0	0	0.0
HCPF	0	0	0	0	0	0	0.0
Office of Administrative Courts	0	0	0	0	0	0	0.0
Communications	0	0	0	0	0	0	0.0
Reallocate existing ARPA funds	(932,576)	0	0	(466,288)	0	(466,288)	0.0
Subtotal - HCPF	(\$9,087,703)	(\$2,192,928)	(\$591,128)	\$60,386	\$0	(\$6,364,033)	1.7
Personnel and Administration	0	0	0	0	0	0	0.0
TOTAL - All Departments	(\$9,087,703)	(\$2,192,928)	(\$591,128)	\$60,386	\$0	(\$6,364,033)	1.7
FY 2024-25							
County Administration	\$9,228,383	\$2,192,928	\$591,128	\$0	\$0	\$6,444,327	0.0
Like purpose transfer	0	0	0	0	0	0	0.0
Remaining FY 23-24 underutilization	9,228,383	2,192,928	591,128	0	0	6,444,327	0.0
Outbound contact center for LTC	920,795	164,131	100,597	195,669	0	460,398	0.0
Backlog processing for LTC eligibility	564,444	72,941	44,708	164,571	0	282,224	4.0
Eligibility processing unit	354,444	63,176	38,723	75,321	0	177,224	4.0
Contract services	210,000	9,765	5,985	89,250	0	105,000	0.0
Escalations resolution unit	775,939	220,269	135,003	32,697	0	387,970	0.0
Automated eligibility system update	1,294,800	401,388	246,012	0	0	647,400	0.0
Appeals	268,412	83,207	50,998	0	0	134,207	0.9
HCPF	59,196	18,350	11,247	0	0	29,599	0.9
Office of Administrative Courts	209,216	64,857	39,751	0	0	104,608	0.0
Communications	165,000	51,150	31,350	0	0	82,500	0.0
Reallocate existing ARPA funds	(635,232)	0	0	(317,616)	0	(317,616)	0.0
Subtotal - HCPF	\$12,582,541	\$3,186,014	\$1,199,796	\$75,321	\$0	\$8,121,410	4.9
Personnel and Administration	209,216	0	0	0	209,216	0	2.7
TOTAL - All Departments	\$12,791,757	\$3,186,014	\$1,199,796	\$75,321	\$209,216	\$8,121,410	7.6

COUNTY ADMINISTRATION

Staff recommends the Department's request to reduce County Administration by \$10.3 million total funds, including \$2.5 million General Fund, based on the Department's forecast of what the counties will actually spend. To make the estimate the Department looked at average monthly expenditures from July 2023 through November 2023 and extrapolated what the expenditures would be from December 2023 through June 2024. The Department then added a 25 percent contingency, or \$1.4 million total funds, in case counties aggressively ramp up staffing levels and overtime, and because there has been significant variation from month to month in the utilization of the public health emergency funding. The JBC staff sees little in current county expenditure trends to suggest that the Department will be able to utilize the 25 percent contingency, but it has been both the General Assembly's and the Department's goal to push as much of these funds out to the counties as possible, and there is a sufficient backlog to suggest that if counties ramped up staffing levels and overtime it would be a good policy outcome.

For now, the JBC staff is recommending the Department's proposal to take the expected unspent money from County Administration in FY 2023-24 and appropriate it again to the counties in FY 2024-25. The Department describes anecdotal feedback from the counties that part of the barrier to hiring more staff is the time limit on the funding. Counties are calculating that by the time they hire and train new staff, they will get only a few months of service from those staff before the one-time funding runs out. The Department hopes that by extending a portion of the one-time funding into FY 2024-25, more counties will take advantage of the funding and increase staffing levels. To the extent the Department's assessment is correct, the JBC staff sees value in signaling the JBC's intent regarding FY 2024-25 funding as soon as possible.

However, the JBC staff has two concerns about the proposed funding for FY 2024-25 that the JBC staff is continuing to investigate. The results of that additional investigation might lead to a different recommendation for FY 2024-25 at figure setting. First, since the Department identifies the short duration of the one-time funding as the primary barrier to counties increasing staffing levels, the JBC staff wonders if a more effective solution might be to make a portion of the one-time funding on-going, and if the workload projection could justify on-going funding. Second, the Department reports that where the eligibility backlogs are occurring does not correlate with whether a county is utilizing the one-time funding provided to manage the surge in eligibility redeterminations. This suggests there might be more complicated things than just money that are impacting the ability of counties to keep up with the increased workload. The counties have been more efficient per worker in managing the eligibility redeterminations than the Department projected, but at the same time there are greater backlogs in eligibility redeterminations than the Department expected. The Department attributes at least some of the redetermination backlog to counties not fully utilizing the provided funds to increase staffing levels.

OUTBOUND CONTACT CENTER FOR LONG-TERM CARE (LTC)

Staff recommends reinvesting \$704,570 total funds, including \$32,763 General Fund, of the savings from the County Administration into an outbound contact center for long-term care. The outbound contact center talks to every member who utilizes long-term care services and is overdue for renewing eligibility. The goal is to reduce procedural denials where a client loses Medicaid eligibility due to a failure to submit required documentation in a timely manner or some other similar technical and procedural problem.

The Department is particularly concerned about people receiving long-term care due to the vulnerability of the population, the assumption that the eligibility status for people receiving long-term care does not frequently change, and the complexity of eligibility determinations for people receiving long-term care. The eligibility determinations for people receiving long-term care include documentation and analysis of assets, in addition to just income, and functional assessments of the need for care.

The Governor has already authorized a transfer administratively and the Department contracted for 20 full-time agents that started October 16, 2023. The staff recommendation to make the appropriation adjustment is intended to be more transparent than the Governor's administrative action.

BACKLOG PROCESSING FOR LTC ELIGIBILITY

Staff recommends reinvesting \$432,085 total funds, including \$20,092 General Fund, of the savings from the County Administration into 1.7 FTE and contract services for backlog processing for long-

term care eligibility. As noted above, eligibility redeterminations for people receiving long-term care are more complicated than standard eligibility redeterminations. The Department is particularly concerned about a backlog of long-term care eligibility redeterminations due to the vulnerability of the population and the cost to the Department when eligibility is continued for a high-cost client because the Department is unable to process an eligibility redetermination in a timely manner. To reduce the existing backlog, the Department is contracting for outside help and staffing up four state positions (1.7 FTE in FY 2023-24).

The Governor has already authorized a transfer administratively. The Department has already contracted for the outside help and is in the process of hiring the new state positions. The staff recommendation to make the appropriation adjustment is intended to be more transparent than the Governor's administrative action.

The staff recommendation is a little lower than the Department's original estimate of \$530,020 total funds, including \$24,644 General Fund, due to new information from the Department that the state positions are not likely to be filled before February and due to application of the JBC's common policies for new FTE.

ESCALATIONS RESOLUTION UNIT

Staff recommends reinvesting \$517,293 total funds, including \$133,331 General Fund, of the savings from the County Administration into an escalations resolution unit. The Department is experiencing an unprecedented and unexpected increase in escalations. From March to October 2023, the Department saw a significant increase in LTC escalations from 17 to 161. Further, overall escalations increased during this time period from 87 to 369, with each of these cases taking approximately 2-3 hours to resolve. One organization submitted over 40 escalations and identified over 100 more that may need to be escalated. According to the Department, advocates are encouraging and teaching members how to appeal their cases.

The Governor has already authorized a transfer administratively. The Department has contracted for: (1) an eligibility escalations coordinator that focuses on Home- and Community-Based Services and coordinates with stakeholders on both functional and financial eligibility escalations, gathers data related to eligibility escalations and root causes and trends, makes recommendations for improved customer service, and provides training and guidance; (2) complaints and escalations staff to respond to the high volume of complaints and escalations; and (3) additional staff for the Medicaid eligibility inbox to research and respond to eligibility worker policy and processing questions, which have increased dramatically due in part to the large number of new eligibility staff and in part to all the new state and federal guidance related to the public health emergency unwind. The staff recommendation to make the appropriation adjustment is intended to be more transparent than the Governor's administrative action.

AUTOMATED ELIGIBILITY SYSTEM UPDATE

Staff recommends reinvesting \$457,600 total funds, including \$141,856 General Fund, of the savings from the County Administration into contract services to support system and policy changes needed to comply with new federal guidance on automated (ex parte) eligibility renewals. Instead of sending renewal packets including all members of a household, the new federal guidance requires states to perform automated eligibility reviews on an individual basis.

The Governor has already authorized a transfer administratively. The Department contracted for two project coordinators and two business analysts to facilitate eligibility system changes to comply with the new federal guidance and mitigate miscellaneous specific circumstances contributing to procedural denials. As an interim step, the Department is continuing to send a renewal packet to all household members, but if a household does not respond, then any member of the household with eligibility by automated procedures is renewed manually. Once the system changes these contract staff are working on are implemented, any member with eligibility by automated procedures will be renewed immediately, resulting in approval up to 60 days sooner.

APPEALS

Staff recommends an extension of \$268,412 total funds, including \$83,207 General Fund, of one-time funding to manage appeals into FY 2024-25. The federal Centers for Medicare and Medicaid Services (CMS) is threatening to withhold federal financial participation from states not resolving appeals within 90 days. The Department was out of compliance with this standard prior to the pandemic. For the unwind of the public health emergency, the Department received additional resources to manage appeals, but these resources are scheduled to expire at the end of FY 2023-24. The Department now expects a backlog of appeals to continue into FY 2024-25. In August 2023 there were 413 appeals, or 51 percent of appeals, were outside the 90 day federal standard. To meet federal guidelines, the Department has implemented procedures to ensure clients waiting for appeals continue to receive coverage. The request includes \$59,196 total funds for one position (0.9 FTE) in HCPF and \$209,216 total funds for an administrator, an administrative law judge, and two technicians for the Office of Administrative Courts in the Department of Personnel. Separately, the Department submitted R8 Eligibility process compliance that includes funding for additional on-going staff to manage appeals to address pre-pandemic appeals compliance issues.

COMMUNICATIONS

Staff recommends an extension of \$165,000 total funds, including \$51,150 General Fund, of one-time funding into FY 2024-25 for contract services to coordinate stakeholder outreach, improve eligibility communications, and develop and publish member facing materials to support the unwind, such as toolkits and Frequently Asked Questions. The Department has used the FY 2023-24 funding to increase and improve communications with clients and eligibility partners. The Department anticipates that many of the materials produced to date will need further updates and revisions based on new guidance, process improvements, and the federal changes to ex parte renewals.

REALLOCATE EXISTING ARPA FUNDS

To help finance the changes discussed above, staff recommends the Department's request to reallocate a portion of existing appropriations from the Home- and Community-Based Services (HCBS) Improvement Fund. Pursuant to the American Rescue Plan Act (ARPA), the federal government provided a temporary 10 percent additional match on HCBS services. The additional federal funds were deposited in the HCBS Improvement Fund and must be used to improve or expand HCBS programs. Some of the initiatives funded from the HCBS Improvement Fund are using less resources than originally forecasted, freeing up funds that can be used for this supplemental. The Department provides a more global picture of the status of expenditures from the HCBS Improvement Fund in *S11 ARPA HCBS Adjustments*.

S8 ADJUSTMENT TO COMMUNITY-BASED ACCESS TO SERVICES

	REQUEST	RECOMMENDATION
TOTAL	(\$1,307,653)	(\$1,307,653)
General Fund	508,390	508,390
Cash Funds	(908,022)	(908,022)
Federal Funds	(908,021)	(908,021)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available when the original appropriation was made regarding actual enrollment and expenditures.

REQUEST

The Department requests a decrease of \$1.3 million total funds, including an increase of \$508,390 General Fund, to reflect technical adjustments in the implementation plan of the FY 2023-24 BA-7, “Community Based Access to Services.” The Department requests to expand transition coordination for members at risk of institutionalization. The Department also requests funding for legal support and legal consultations for active litigation with the U.S. Department of Justice (DOJ). Lastly, the Department requests several technical changes to the rates paid and funding needs for certain activities and to reflect updated timelines for implementation.

LEGAL CONSULTATIONS FOR ONGOING LITIGATION

On September 29, 2023, the DOJ filed a complaint against the State of Colorado alleging that thousands of Coloradans with physical disabilities are unnecessarily segregated or at risk of being unnecessarily segregated in nursing facilities due to the State’s failure to make community services available to them. The U.S. alleges that the State is in violation of Title II of the ADA by administering its service system for individuals with physical disabilities in a discriminatory manner that fails to ensure the Institutionalized and At-Risk Individuals receive services in the most integrated setting appropriate to their needs. The complaint states that the state must provide services to the Institutionalized and At-Risk Individuals in the most integrated setting appropriate to their needs.

Letter from DOJ to Governor Jared Polis

In a letter to Governor Polis dated March 3, 2022, the DOJ reported their findings that led to the official complaint. The Department opened the investigation in response to several complaints alleging that the State’s administration of its long-term care system unnecessarily segregates individuals with disabilities and places them at serious risk of unnecessary segregation. The letter identified four modifications to the State’s long-term care system that would reduce these issues, as listed below.

- 1 **Provide Information to Prevent Unnecessary Discrimination** - The DOJ stated in their letter to Governor Polis that Colorado can facilitate and expand community-based placement of nursing facility residents, and help avert the unnecessary institutionalization of at-risk individuals,

through a person-centered planning process.³ Currently, the Department enforces a regulation requiring information about community-based alternatives to be provided to all individuals entering a nursing facility. The letter stated that although the Department technically provides this service, individuals commonly receive no information about community-based alternatives. The letter concluded that this leads to a barrier for individuals wanting to transition out of facilities, and the information is conveyed in a confusing and inaccessible manner to many individuals living in facilities.

2 Provide Effective Transition Services

The DOJ's second recommended medication is rooted in their argument that too few Coloradans have been transitioned from nursing facilities back into the community. The letter stated that from 2013, when Colorado began its community transition program, through the end of 2019, only 269 Coloradans with physical disabilities transitioned from nursing facilities to the community.⁴ The letter stated that the low transition numbers stem from insufficient numbers of transition coordinators, delays throughout the transition process, and extended processing times for financial eligibility determinations for waiver services and Prior Authorization Requests.

3 Expand Access to Colorado's Community-Based Service System

The letter stated that the DOJ learned of challenges across the State through provider interviews and from acknowledgements from the State itself that there is insufficient community-based provider capacity. The letter noted an alleged insufficiency of community services specifically in rural areas.

4 Increase Access to Integrated Community-Based Housing Opportunities

The DOJ's last requested modification was rooted in their allegation that Coloradans currently face obstacles to accessing affordable, accessible housing opportunities, leading to unnecessary institutionalization. The letter noted that the State should expand their home modification services, increasing the accessibility of existing housing stock, ensuring that housing navigation services are fully operable, incentivizing housing developers to increase the number of accessible units, and to take steps to expand the availability of affordable housing units for individuals with physical disabilities transitioning from or diverted from nursing facilities.

Department Request for Legal Consultations for Ongoing Litigation

The Department is requesting an increase of \$508,390 General Fund for legal consultations to address the ongoing litigation with the DOJ. The Department worked with the Department of Law to identify the cost required to address the DOJ's complaint and future litigation. The Department estimates that an average rate of \$314.20 per hour will be needed for 1,619 hours of consultation for FY 2023-24. The Department identified \$314.20 per hour by averaging the current rate for legal services of \$128.20 per hour and a higher rate of \$500 per hour for expert legal consultations.

The Department projects that 1,619 hours of consultation will be needed in FY 2023-24. This number was reached by dividing the Department's anticipated need of 4,000 hours per year of legal

³ As noted by the DOJ, person-centered planning is a formal service planning process in which the person with a disability directs the services and supports they receive. With the help of people they choose, service recipients identify their goals and preferences for community living, and the steps and services needed to achieve those goals.

⁴ The DOJ cited this source: KRISTIE LIAO ET AL. MATHEMATICA, MONEY FOLLOWS THE PERSON: STATE TRANSITIONS AS OF DEC. 31, 2019 at 6, Table 2.

consultations by about 40%, to address that this request specifically is for fewer months than the entire fiscal year.

IMPLEMENT DIVERSION AND RAPID REINTEGRATION ACTIVITIES

The Department is requesting a decrease of \$294,049. The Department has identified that Rapid Reintegration (RR)⁵ activities, which were previously requested as a standalone service, are covered activities under the proposed increase to the Level of Care (LOC) rate for the CMAs. The Department has stated that they do not need the separate funding appropriated for this activity.

CREATE COMMUNITY OPTIONS OUTREACH MATERIALS AND TRAINING

The Department is requesting a decrease of \$266,000. The Department states that funding is no longer needed for outreach materials and training. The Department anticipates that the ongoing costs will be low and can be absorbed by existing funding for the in-reach counseling team.

INDIVIDUAL AND GROUP IN-REACH COUNSELING

The Department is requesting a decrease of \$1,255,993 for individual and in-reach group counseling, and has identified that the rates are lower than the original estimates. Beginning on January 1, 2025, individual in-reach counseling will be implemented to support CMAs. Group in-reach counseling provided by contractors will begin July 1, 2024. This service was provided by personnel within the Department during FY 2023-24, so the Department has identified a decrease in required funding.

This request is to true-up funding to reflect the lower rates and to provide additional short-term savings due to the delayed implementation dates.

RECOMMENDATION

Staff recommends approval of this request. The Department has identified multiple technical adjustments that will lead to savings for the current fiscal year. The request of funding for legal consultations and services are in line with current estimates for legal fees and services.

S9 PUBLIC SCHOOL HEALTH SERVICES

	REQUEST	RECOMMENDATION
TOTAL	\$31,045,678	\$31,045,678
Cash Funds	12,461,174	12,461,174
Federal Funds	18,584,504	18,584,504

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

⁵ RR is a referral to transition coordination services which will help the member identify their housing and support needs and get them back to their community as quickly as possible. RR, once implemented, will occur at the LOC screening when someone requests to be admitted to a nursing facility. During the LOC, members are given information about their options for services and where to receive them. If during the process for a nursing facility admission a member indicates that they would like to live in the community but needs a short term stay at the facility, the case manager will implement RR.

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made regarding the actual certified public expenditures by school districts and BOCES.

Department Request

The Department requests an increase of \$31.0 million total funds, including \$12.5 million cash funds and \$18.6 million federal funds based on projected certified public expenditures by school districts and Boards of Cooperative Education Services (BOCES). The Department attributes the increase to expenditure trends returning to pre-pandemic levels.

Through the School Health Services Program school districts and BOCES are allowed to identify their expenses in support of Medicaid eligible children with an Individual Education Plan (IEP) or Individualized Family Services Plan (IFSP) and claim federal Medicaid matching funds for these costs. Beginning in FY 2020-21 the program expanded, following new federal guidance, to include services outside an IEP or IFSP that are included in other student health plans, such as a 504 disability plan, behavior plan, nursing plan, physician order, or crisis intervention services. Participating school districts and BOCES report their allowable expenses to the Department according to a federally-approved methodology and the Department submits them as certified public expenditures to claim the federal matching funds. The federal matching funds, less administrative expenses, are then disbursed to the school districts and BOCES and may be used to offset their costs of providing services or to expand services for low-income, underinsured, or uninsured children and to improve coordination of care between school districts and health providers.

The Department's revised forecast for FY 2023-24 projects total allowable expenses for Public School Health Services will be \$31.0 million higher than the appropriation. The request also updates the fund sources to account for the enhanced federal match. Due to the lag between when services are delivered and when the administratively intensive process of certifying the expenditures is done and payments and reconciliations are complete, a large portion of the payments in FY 2023-24 are for services provided in FY 2022-23. Pursuant to S.B. 21-213, the amount of increased federal financial participation above 50 percent for certified public expenditures is transferred to the General Fund. The school districts are reimbursed as if the federal match were 50 percent. The General Fund revenue impact will be reflected in the Legislative Council Staff's March revenue forecast.

STAFF RECOMMENDATION

Staff recommends approval of the request. The expenses for Public School Health Services are driven by the amount of expenditures by school districts and BOCES that can be claimed for a federal match. The actual local certified public expenditures are not under the direct control of the Department. The availability of data to forecast the expenditures is limited and delayed, so this is a line item that frequently receives mid-year adjustments.

S10 CO BENEFITS MANAGEMENT SYSTEM

	REQUEST	RECOMMENDATION
TOTAL	\$12,071,818	\$12,071,818
Reappropriated Funds	12,071,818	12,071,818

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of an unforeseen contingency.

REQUEST

The Department requests an increase in reappropriated funds spending authority from the Department of Human Services to align appropriations with how the Colorado Benefits Management System is being operated by the Executive Branch. The Colorado Benefits Management System (CBMS) handles eligibility determinations and case maintenance for food, cash, and medical assistance programs for people in need. There is an associated decrease of \$37,659,180 reappropriated funds in the Office of Information Technology (OIT) in the Governor's Office.

In FY 2022-23 and in response to H.B. 21-1236 State Information Technology (Titone & Baisley/Bridges & Priola), OIT started delegating day-to-day operations of several information technology systems, including CBMS, to departments with the necessary resources and skills where the program is a unique or mission-critical function of the state agency. OIT continues to maintain a supervisory, guidance, and support role for the delegated programs. The executive branch initially tried to accomplish the delegation of CBMS from OIT to the Department of Health Care Policy and Financing through administrative procedures without fully considering the budget ramifications. During the 2003 legislative session, OIT and HCPF realized that appropriations for some FTE associated with CBMS were in the wrong line item and needed to be moved. Specifically, HCPF had money in the main CBMS line item that was appropriated for transfer to OIT that needed to be moved to HCPF's Personal Services line item, since the positions would now be housed at HCPF instead of OIT. No official request was submitted and this was brought to the attention of JBC members at the 11th hour, but the JBC agreed to move the money as proposed to accomplish the intent of H.B. 21-1236.

This year's supplemental request is for a further cleanup of appropriations that is necessary to accomplish the delegation of CBMS from OIT to HCPF.

- Money that was appropriated to the Department of Human Services for transfer to OIT will now be transferred to HCPF. No change is needed to Department of Human Services appropriations.
- HCPF needs an increase of \$12.1 million reappropriated funds to reflect the money that is coming from the Department of Human Services. HCPF will combine the money coming from the Department of Human Services with existing appropriations to HCPF to: (1) make vendor payments related to CBMS; and (2) transfer money for OIT support for CBMS.
- OIT will no longer receive \$37.7 million reappropriated funds from the Department of Human Services and HCPF for vendor payments related to CBMS, since HCPF will now make those payments directly. OIT will continue to receive \$21.9 million in reappropriated funds for OIT support for CBMS, but all the money will now come from HCPF, rather than some of the money

coming from the Department of Human Services, because HCPF will be collecting from the Department of Human Services on behalf of OIT.

The table below summarizes the proposed changes. It is focused only on the appropriation changes and does not include all appropriations related to CBMS.

S10 CBMS True-up			
	Current Appropriation	Supplemental Change	New Appropriation
Office of Information Technology			
OIT support for CBMS	<u>\$21,866,546</u>	<u>\$0</u>	<u>\$21,866,546</u>
from HCPF	17,432,010	4,434,536	21,866,546
from DHS	4,434,536	(4,434,536)	0
Vendor payments related to CBMS	<u>37,659,180</u>	<u>(37,659,180)</u>	<u>0</u>
from HCPF	30,021,898	(30,021,898)	0
from DHS	7,637,282	(7,637,282)	0
TOTAL - OIT	\$59,525,726	(\$37,659,180)	\$21,866,546
Health Care Policy and Financing			
OIT support for CBMS	<u>\$17,432,010</u>	<u>\$4,434,536</u>	<u>\$21,866,546</u>
from HCPF	17,432,010	0	17,432,010
from DHS	0	4,434,536	4,434,536
Vendor payments related to CBMS	<u>30,021,898</u>	<u>7,637,282</u>	<u>37,659,180</u>
from HCPF	30,021,898	0	30,021,898
from DHS	0	7,637,282	7,637,282
TOTAL - HCPF	\$47,453,908	\$12,071,818	\$59,525,726
Human Services			
OIT support for CBMS	\$4,434,536	\$0	\$4,434,536
Vendor payments related to CBMS	7,637,282	0	7,637,282
TOTAL - HUM	\$12,071,818	\$0	\$12,071,818
TOTAL - Statewide	\$119,051,452	(\$25,587,362)	\$93,464,090

RECOMMENDATION

Staff recommends approval of the request. The changes are necessary to reflect how CBMS is now being administered by the executive branch in response to the conceptual direction provided in H.B. 21-1236. The bill did not explicitly tell the executive branch to administer CBMS in this way, but it authorized OIT to delegate information technology programs and provided broad conceptual guidance for when to do it that seems consistent with the executive branch's decision. This supplemental only changes the way CBMS money is moved between departments and does not change the original primary sources of funding for CBMS. The net result is a reduction in statewide reappropriated funds, because a step has been eliminated where money was transferred to OIT for vendor payments related to CBMS.

The executive branch probably could have avoided the need for two supplementals in consecutive years if it had gone through the formal budget process and taken the time to think through the fiscal ramifications of delegating CBMS from OIT to HCPF, rather than trying to accomplish the changes administratively. The executive branch made technical errors and omissions in not submitting an official budget request before delegating CBMS from OIT to HCPF, but due to the statutory direction provided in H.B. 21-1236 it does not appear to the JBC staff that the executive branch was intentionally circumnavigating the budget authority of the General Assembly.

S11 ARPA HCBS ADJUSTMENTS

	REQUEST	RECOMMENDATION
TOTAL	(\$47,728,022)	(\$47,728,022)
General Fund	0	0
Cash Funds	(23,402,873)	(23,402,873)
Federal Funds	(24,325,149)	(24,325,149)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available when the original appropriation was made.

REQUEST

The Department requests a decrease of \$47.7 total funds for FY 2023-24, along with 15.6 FTE. The Department is requesting to true-up its spending authority for the American Rescue Plan Act (ARPA) Home and Community Based Services (HCBS) spending plan. The Department requests modifications from the Department's current appropriations for the ARPA HCBS spending plan. The Department requests modifications to the previous plan due to the extension of term-limited staff to the end of ARPA HCBS funding, moving money currently appropriated to different lines to support different requests, reallocating funds for systems infrastructure for social determinants of health, reallocating funds to the ARPA HAS Fee account, and to provide flexibility for direct provider payments at the end of ARPA HCBS funding. The Department is also requesting several technical changes to the previously appropriated funding.

HISTORY

The Department's FY 2022-23 BA-10 "American Rescue Plan Act Spending Authority" requested formal spending authority for the ARPA HCBS spending plan and the Department's FY 2023-24 BA-8 "ARPA HCBS Adjustments" adjusted the ARPA spending plan. Since these requests the Department has identified \$35.4 million in project underspending due to lower-than-expected service utilization related to ARPA HCBS funded rate increases, lower than expected contract amounts for certain projects, and lower than expected grant applications. Also, the Department has identified that the funding available for reinvestment must be reduced from \$317.9 million to \$304.3 million due to adjustments to claims that received the enhanced 10 percent FMAP. The remaining \$21.8 million must be reinvested through the spending plan, per federal legislation.

STAFFING EXTENSIONS

The Department requests funding to support extending all ARPA HCBS term-limited staff to December 31, 2024. In the Department's FY 2022-23 BA-8 "ARPA HCBS Adjustments" 35.5 FTE were extended beyond their initial term-limits. The Department also requests moving some money from the state-only appropriation to the personal services appropriation based on updates to staff working less on state-only projects. In order to ensure that all projects complete their intended work,

the Department is requesting approval of its spending plan to extend all ARPA HCBS term-limited staff into FY 2024-25.

REALLOCATION FUNDS

The Department requests a reduction to the General Professional Services, Medical Services Premiums, Office of Community Living, Medicaid Management Information Systems, and State-Only appropriations for a total of \$35.4 million in total funds. The Department identified excess funds in their project budgets that were no longer needed to support the project's goals. These funds were removed from the project budgets and set aside into a "reallocation fund" per appropriation for use on other initiatives. All of the projects that have reduced their budgets and moved funding to the reallocation fund are listed in the Department's quarterly ARPA HCBS reports to the Centers for Medicare & Medicaid Services (CMS) and the JBC. The liquidation of these reallocation funds will support the decrease in cash funds available for reinvestment as well as the ARPA related funds in S-06 "PHE Unwind Resources" and R-06 "Provider Rate Adjustments."

The Department estimated the amount of unused funds available for use on other projects based on project team's updated spending estimates. Throughout the year, teams submitted budget change requests that either money into the reallocation funds or moved money from the reallocation funds to the project budgets.

TECHNICAL ADJUSTMENTS – ROLLFORWARD

The Department requests a decrease of \$14.1 million total funds to reconcile the total amount available for reinvestment to the spending plan. For payments related to rate increases, the rollforward amounts were higher than anticipated and can cover a greater amount of the current rate increase budget. Therefore, the Department is requesting a reduction in the Medical Services Premiums and Office of Community Living lines.

The Department calculated the technical adjustments needed to ensure the full utilization of cash funds available for reinvestment by comparing the approved FY 2023-24 spending plan.

RECOMMENDATION

JBC staff recommends approval of the Department's request. The Department's request includes technical adjustments that are appropriate for a wind-down of ARPA state spending, and will allow for the Department to appropriately allocate funds to transition out of reliance on ARPA funds for certain projects.

S12 ROLLFORWARD AUTHORITY

	REQUEST	RECOMMENDATION
TOTAL	\$0	\$0
General Fund	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available when the original appropriation was made.

REQUEST

The Department requests authority to roll forward up to \$433,700 General Fund from FY 2023-24 to FY 2024-25. The money was appropriated in H.B. 23-1215 Limits on Hospital Facility Fees (Sirota & Besenecker/Mullica & Cutter) for a report about the impact of hospital facility fees that is due October 1, 2024. The Department anticipates that there will be some work that needs to be started and completed in FY 2024-25, particularly any analysis and report finalization in response to the steering committee's feedback. There is some uncertainty about the amount of expenditures that will occur in FY 2023-24 versus FY 2024-25, so to avoid the need for potential further technical modifications to the appropriation in the future, the Department proposes roll forward authority for all of the contract services where any portion of the payments may bleed into FY 2024-25. The Department does not request roll forward authority for one-time data purchases that will definitely occur in FY 2023-24. There would be no net increase in total appropriations, just permission to spend some of the money that was appropriated for FY 2023-24 in FY 2024-25.

RECOMMENDATION

Staff recommends approval of the request. The Legislative Council Staff Fiscal Note for the bill assumed all of the contract services would be paid, or at least encumbered, in FY 2023-24. Based on the way the contracts are structured, the Department will not be able to encumber all the money in FY 2023-24 and get administrative roll forward authority from the State Controller, and so the Department would need legislative authorization to roll forward the money. The money will be used for the same purpose as originally intended and there will be no net increase in expenditures. It is just a change in timing where a portion of the money will be spent in FY 2024-25 instead of FY 2023-24.

S13 CONTRACT TRUE UP

	REQUEST	RECOMMENDATION
TOTAL	\$1,974,480	\$1,974,480
Cash Funds	521,534	521,534
Federal Funds	1,452,946	1,452,946

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of ...

REQUEST

The Department requests an increase of \$2.0 million total funds, including \$521,534 cash funds from the Healthcare Affordability and Sustainability (HAS) Fee, for the centralized eligibility vendor contract. The contract for the centralized eligibility vendor pays for eligibility determinations and case maintenance for the buy-in program for people with disabilities, managing appeals, CHP+ enrollment and disenrollment, and a customer service center that processes over-the-phone requests including applications and renewals, address and income changes, and enrollment fee payments. The contract is based on a federal formula that takes into account actual allowable costs and a random moment time study of activities eligible for different federal reimbursement rates. The current vendor is Denver Health.

RECOMMENDATION

Staff recommends approval of the request. Pursuant to the federal formula, the Department is currently underpaying the vendor for the services based on the vendor's actual allowable costs. Pursuant to statute, the source of the state match for the payment is the Healthcare Affordability and Sustainability Fee and there is no General Fund impact. Most of the population served is eligible for an enhanced federal match, so an estimated 73.6 percent of the total payment is coming from federal funds. Correcting the contract payment will reduce the amount of Denver Health's hospital and clinical revenue getting syphoned off for unrelated administrative activities and overall improve Denver Health's financial stability, though the impact of this change is relatively very small compared to the magnitude of the structural deficit that the Department believes Denver Health is facing.

S14 LEGAL SERVICES INCREASE

	REQUEST	RECOMMENDATION
TOTAL	\$329,500	\$329,500
FTE	0.0	0.0
General Fund	148,850	148,850
Cash Funds	15,900	15,900
Federal Funds	164,750	164,750

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.

DEPARTMENT REQUEST: The Department requests an increase of \$329,500 total funds, including \$148,850 General Fund, in FY 2023-24 to align legal services appropriations with anticipated expenditures. The Department has submitted a budget amendment for an increase of \$237,200 total funds, including \$71,160 General Fund, in FY 2024-25 and ongoing that the Committee will consider during Figure Setting.

STAFF RECOMMENDATION: Staff recommends approval of the request.

STAFF ANALYSIS: The Department receives legal services from the Department of Law, including contract review, rule writing assistance, and legal representation. The Department of Law also investigates and prosecutes Medicaid provider fraud and pursues civil damages for fraud and overbilling. The Department is billed on a blended attorney/paralegal hourly rate determined by the legal services common policy. Appropriations to HCPF, and all other Departments, are reflected as reappropriated funds in the Department of Law.

The request consists of two components listed below.

- 5 \$79,500 for increased legal services hours related to provider audit appeals reviews.
- 6 \$250,000 for litigation monitoring of a settlement agreement.

LEGAL SERVICES

The Department requests an increase of \$79,500 for legal services due to caseload increases. The request indicates that fraud cases have increased from 209 in FY 2021-22 to 503 in FY 2022-23. The request further notes that actual legal billable hours increased from 9,793 in FY 2020-21 to 14,979 in FY 2022-23. This reflects an increase of 53.0 percent that the Department states is not attributable to the public health emergency.

The legal services common policy is set annually based on the last three years of expenditures. HCPF indicates that the existing appropriation is not able to support the existing and increasing caseload that is expected to continue due to increasing provider appeals and audits. Staff agrees that the request is aligned with litigation caseload increases the Department of Law has experienced in recent years. Amounts are based on an additional 620 projected legal hours in FY 2023-24 at a rate of \$128 per

hour, which is aligned with the FY 2023-24 common policy legal services rate. The request reflects a 4.3 percent increase to the existing legal services appropriation for the Department.

LITIGATION MONITORING

In January 2022, the United States Department of Justice filed a Statement of Interest in a case filed against the Department on behalf of children with mental health disabilities in Colorado. Plaintiffs allege that the Department has failed to arrange medically necessary care in violation of the American Disabilities Act, resulting in institutionalization rather than intensive home and community-based services. The court has authorized a monitoring and improvement plan that requires plaintiff oversight as an alternative to the lawsuit.

The request includes \$250,000 in FY 2023-24 with roll-forward spending authority through FY 2024-25 for a private contractor to provide independent monitoring in compliance with the settlement agreement. The contractor will be responsible for providing analysis to determine if the Department is following the conditions of the agreement. The Department of Law is not considered to be an independent third-party for the purposes of the settlement. The Department states that failure to secure a third-party contract to provide adequate legal monitoring may result in judgements against the Department and the State.

RECOMMENDATION

Staff agrees that the request is the result of data that was not available when the original appropriation was made and recommends approval of the request. The Department has also submitted a budget amendment to continue the legal services increase in FY 2024-25 and ongoing. The litigation monitoring is only requested for FY 2023-24 with roll-forward through 2024-25. Staff anticipates that the majority of expenditures for the monitoring contract may occur in FY 2024-25, but providing spending authority beginning in FY 2023-24 will allow the Department to enter into a contract as early as possible to maintain compliance with the settlement agreement.

The Department assumes all costs would be eligible for 50.0 percent federal match. Fund sources for legal services are calculated based on estimated caseload projections that result in a state share of 30.0 percent General Fund and 20.0 percent cash funds from the Hospital Affordability and Sustainability (HAS) Fee cash fund. Litigation monitoring is assumed to be 50/50 General Fund and federal funds.

S15 FY 2022-23 OVEREXPENDITURE

	REQUEST	RECOMMENDATION
TOTAL	\$24,956,492	\$24,956,492
General Fund	23,257,397	23,257,397
Cash Funds	1,699,095	1,699,095

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of **data that was not available** when the original appropriation was made regarding actual expenditures for Medicaid.

REQUEST

The Department requests \$25.0 million total funds, including \$23.3 million General Fund, in FY 2022-23 to release restrictions on the FY 2023-24 appropriations imposed by the State Controller due to over-expenditures in prior years. Because of the entitlement nature of the Medicaid program, statute (Section 24-75-109, C.R.S.) allows the Department to overexpend Medicaid line items, except administrative line items, as long as the overexpenditures are consistent with the statutory purposes of the Medicaid program. However, the State Controller restricts the current fiscal year's appropriation until the General Assembly approves a supplemental for the prior year overexpenditures. This restriction allows the JBC an opportunity to review the reasons for overexpenditures and to decide if the overexpenditures could have been avoided with better management of the appropriation or if the overexpenditures occurred as a result of an unforeseen event or forecast error. Mechanically, the release of the restrictions on the FY 2023-24 appropriations is accomplished by amending the FY 2022-23 appropriations.

RECOMMENDATION

Staff recommends releasing the restrictions as requested.

S15 FY 2022-23 Overexpenditure			
	Total Funds	General Fund	Cash Funds (HAS Fee)
Medical Services Premiums	\$20,329,789	\$20,329,789	\$0
Behavioral Health Community Programs			
Behavioral Health Capitation Payments	474,709	0	474,709
Office of Community Living			
Adult Comprehensive Services	2,927,608	2,927,608	0
Adult Supported Living Services	1,224,386	0	1,224,386
Total	\$24,956,492	\$23,257,397	\$1,699,095

The largest overexpenditure was in Medical Services Premiums and primarily due to: (1) overestimating the amount from the HCBS Improvement Cash Fund that would be utilized in FY 2022-23, which understated the General Fund needed for long-term services and supports; and (2) underestimating expenditures for non-emergent medical transportation (NEMT). Part of the underestimate for NEMT was due to under projecting the impact of rate increases that were implemented in July 2022 and part was due to an unprecedented increase in NEMT utilization, which the Department believes was attributable to an alleged fraud scheme.

The overexpenditure for behavioral health was due to higher than expected caseload growth. For the Office of Community Living the Department overestimated: (1) the portion of total costs attributable to a rate increase financed with ARPA money deposited in the HCBS Improvement Fund; and (2) the portion of total costs attributable to the disabled buy-in program that are financed from the Healthcare Affordability and Sustainability (HAS) Fee. This caused the Department to under forecast the amount of General Fund required. The Department did not exceed the total funds appropriation.

The FY 2022-23 overexpenditures already occurred and have been accounted for in the General Fund Overview as an accounting adjustment.

PREVIOUSLY APPROVED INTERIM SUPPLEMENTAL REQUEST

S7 TRANSPORTATION CREDENTIALING AND REVIEWS

	REQUEST	JBC ACTION
TOTAL	\$1,313,618	\$1,285,101
FTE	0.6	0.3
General Fund	394,085	385,529
Cash Funds	262,723	257,020
Federal Funds	656,810	642,552

JBC Action

In December, 2023, the JBC approved an interim supplemental for \$1,285,101 total funds, including \$385,529 General Fund, and 0.3 FTE to increase oversight of the non-emergent medical transportation (NEMT) benefit in response to a suspected fraud scheme, including hiring a vendor for a statewide credentialing process, contracting with a vendor for pre- and post-payment claims reviews and analysis of how to mitigate vulnerabilities, and employing temporary staff to help providers navigate new screening requirements, manage the high volume of payment reviews, and coordinate with law enforcement investigating the alleged fraud.

No further action by the JBC is necessary. This interim adjustment will be included in the supplemental bill as required by Section 24-75-111, C.R.S.

The table below summarizes the JBC's previous action.

Provider Credentialing and Reviews					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS	FTE
FY 2023-24					
Statewide credentialing	\$506,773	\$152,032	\$101,354	\$253,387	0.0
Claims reviews	750,000	225,000	150,000	375,000	0.0
Outreach & oversight	28,328	8,497	5,666	14,165	0.3
Total FY 2023-24	\$1,285,101	\$385,529	\$257,020	\$642,552	0.3
FY 2024-25					
Statewide credentialing	\$0	\$0	\$0	\$0	0.0
Claims reviews	1,500,000	450,000	300,000	750,000	0.0
Outreach & oversight	64,634	19,390	12,927	32,317	1.0
Total FY 2024-25	\$1,564,634	\$469,390	\$312,927	\$782,317	1.0
FY 2025-26					
Statewide credentialing	\$0	\$0	\$0	\$0	0.0
Claims reviews	0	0	0	0	0.0
Outreach & oversight	32,317	9,695	6,463	16,159	0.5
Total FY 2025-26	\$32,317	\$9,695	\$6,463	\$16,159	0.5

STATEWIDE CREDENTIALING

This is a contract for a vendor to perform in-person vehicle inspections, liability and insurance checks, driver qualification reviews (including license and fingerprint background checks), standard of service reviews, and accident protocol reviews. Currently, only providers in the nine-county metro area are

required to be credentialed. The Department was already in the process of expanding credentialing requirements statewide for FY 2024-25. Costs for FY 2024-25 and beyond are absorbable within existing appropriations. The request is for one-time credentialing catch up work in FY 2023-24 for providers outside the nine-county metro area and to address the unexpected surge in provider enrollment.

CLAIMS REVIEWS

This is a contract for pre- and post-payment claims reviews to prevent overbilling. The expectation is that this will make it more difficult for providers to profit from operating in ways that put clients at risk, in addition to protecting the financial interests of the state. Without funding the Department would not be able to put the same level of protections in place and whatever protections the Department could implement would take longer, further slowing payments to legitimate providers. Currently the Department has put 400 providers on prepayment claims review and each review takes 6-8 weeks. The Department's analysis indicates that it needs to conduct post-payment claims reviews on approximately 25,000 claims to approximately 130 providers. The post-payment claims review typically takes 210 days to complete, or longer if there is litigation. In addition, the vendor would analyze utilization and billing habits and make recommendations for program improvements to address existing vulnerabilities. The Department anticipates the work would continue through FY 2024-25. The Department anticipates implementing automated screens and process changes so such intensive pre- and post-payment claims reviews are not necessary indefinitely and the Department has not requested any funding in FY 2025-26 and beyond.

OUTREACH & OVERSIGHT

This would pay for one position that would be responsible for providing outreach and technical assistance to providers in navigating the more rigorous payment requirements. Also, the position would coordinate with law enforcement and manage the high volume of pre- and post-payment claims reviews. The Department anticipates most of the work will be needed in FY 2023-24 and FY 2024-25 and the position would have some wrap up work continuing through December 2025, after which the position would no longer be needed.

STATEWIDE COMMON POLICY SUPPLEMENTAL REQUESTS

These requests are not prioritized and are not analyzed in this packet. The JBC will act on these items later when it makes decisions regarding common policies.

DEPARTMENT'S PORTION OF STATEWIDE SUPPLEMENTAL REQUEST	TOTAL	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
OIT Real-time billing	\$325,206	\$58,599	\$25,417	\$52,848	\$188,342	0.0
Risk funding adjustment	425,086	166,573	33,070	11,871	213,572	0.0
Annual fleet vehicle true up	(3,750)	(1,875)	0	0	(1,875)	0.0
DEPARTMENT'S TOTAL STATEWIDE SUPPLEMENTAL REQUESTS	\$746,542	\$223,297	\$58,487	\$64,719	\$400,039	0.0

STAFF RECOMMENDATION

The staff recommendation for these requests is pending Committee action on common policy supplementals. Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee acts on common policy supplementals. If staff believes there is reason to deviate from the common policy, staff will appear before the Committee at a later date to present the relevant analysis.

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Kim Bimestefer, Executive Director

S1 Medical Services Premiums

(2) MEDICAL SERVICES PREMIUMS

Medical and Long-Term Care Services for Medicaid

Eligible Individuals	<u>10,921,010,282</u>	<u>11,506,136,779</u>	<u>(81,594,992)</u>	<u>(81,594,992)</u>	<u>11,424,541,787</u>
General Fund	2,630,296,339	2,034,930,085	(5,745,819)	(5,745,819)	2,029,184,266
General Fund Exempt	0	1,181,193,165	0	0	1,181,193,165
Cash Funds	1,294,227,032	1,248,504,293	38,058,450	38,058,450	1,286,562,743
Reappropriated Funds	90,000,798	99,768,813	1	1	99,768,814
Federal Funds	6,906,486,113	6,941,740,423	(113,907,624)	(113,907,624)	6,827,832,799

Total for S1 Medical Services Premiums	10,921,010,282	11,506,136,779	(81,594,992)	(81,594,992)	11,424,541,787
<i>FTE</i>	<u>0 .0</u>	<u>0 .0</u>	<u>0 .0</u>	<u>0 .0</u>	<u>0 .0</u>
General Fund	2,630,296,339	2,034,930,085	(5,745,819)	(5,745,819)	2,029,184,266
General Fund Exempt	0	1,181,193,165	0	0	1,181,193,165
Cash Funds	1,294,227,032	1,248,504,293	38,058,450	38,058,450	1,286,562,743
Reappropriated Funds	90,000,798	99,768,813	1	1	99,768,814
Federal Funds	6,906,486,113	6,941,740,423	(113,907,624)	(113,907,624)	6,827,832,799

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S2 Behavioral health programs

(3) BEHAVIORAL HEALTH COMMUNITY PROGRAMS

Behavioral Health Capitation Payments	<u>1,073,070,076</u>	<u>1,207,509,714</u>	<u>(54,815,773)</u>	<u>(54,815,773)</u>	<u>1,152,693,941</u>
General Fund	215,820,743	282,270,782	(7,149,928)	(7,149,928)	275,120,854
Cash Funds	92,271,268	90,368,457	(1,455,095)	(1,455,095)	88,913,362
Reappropriated Funds	0	0	0	0	0
Federal Funds	764,978,065	834,870,475	(46,210,750)	(46,210,750)	788,659,725

Behavioral Health Fee-for-service Payments	<u>8,929,133</u>	<u>10,973,366</u>	<u>1,652,835</u>	<u>1,652,835</u>	<u>12,626,201</u>
General Fund	1,692,019	2,431,933	541,208	541,208	2,973,141
Cash Funds	558,233	661,577	84,793	84,793	746,370
Reappropriated Funds	0	0	0	0	0
Federal Funds	6,678,881	7,879,856	1,026,834	1,026,834	8,906,690

Total for S2 Behavioral health programs	<u>1,081,999,209</u>	<u>1,218,483,080</u>	<u>(53,162,938)</u>	<u>(53,162,938)</u>	<u>1,165,320,142</u>
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	217,512,762	284,702,715	(6,608,720)	(6,608,720)	278,093,995
Cash Funds	92,829,501	91,030,034	(1,370,302)	(1,370,302)	89,659,732
Reappropriated Funds	0	0	0	0	0
Federal Funds	771,656,946	842,750,331	(45,183,916)	(45,183,916)	797,566,415

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S3 Child Health Plan Plus

(4) INDIGENT CARE PROGRAM

Children's Basic Health Plan Medical and Dental Costs	<u>118,283,242</u>	<u>175,334,025</u>	<u>(6,859,998)</u>	<u>(6,859,998)</u>	<u>168,474,027</u>
General Fund	381,798	19,291,864	4,717,761	4,717,761	24,009,625
General Fund Exempt	0	305,324	0	0	305,324
Cash Funds	36,255,947	40,607,383	(6,307,621)	(6,307,621)	34,299,762
Reappropriated Funds	0	0	0	0	0
Federal Funds	81,645,497	115,129,454	(5,270,138)	(5,270,138)	109,859,316

Total for S3 Child Health Plan Plus	118,283,242	175,334,025	(6,859,998)	(6,859,998)	168,474,027
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	381,798	19,291,864	4,717,761	4,717,761	24,009,625
General Fund Exempt	0	305,324	0	0	305,324
Cash Funds	36,255,947	40,607,383	(6,307,621)	(6,307,621)	34,299,762
Reappropriated Funds	0	0	0	0	0
Federal Funds	81,645,497	115,129,454	(5,270,138)	(5,270,138)	109,859,316

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S4 Medicare Modernization Act

(5) OTHER MEDICAL SERVICES

Medicare Modernization Act State Contribution

Payment	<u>216,337,023</u>	<u>257,069,930</u>	<u>(5,315,525)</u>	<u>(5,315,525)</u>	<u>251,754,405</u>
General Fund	216,337,023	257,069,930	(5,315,525)	(5,315,525)	251,754,405
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Total for S4 Medicare Modernization Act	216,337,023	257,069,930	(5,315,525)	(5,315,525)	251,754,405
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	216,337,023	257,069,930	(5,315,525)	(5,315,525)	251,754,405
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S5 OCL

(4) OFFICE OF COMMUNITY LIVING

(A) Division for Individuals with Intellectual and Developmental Disabilities

Medicaid Programs

Adult Comprehensive Waiver Services	660,264,798 0.0	771,570,563	(10,951,269)	(10,951,269)	760,619,294
General Fund	274,738,522	368,919,010	(2,239,072)	(2,239,072)	366,679,938
Cash Funds	15,581,089	9,151,410	77,822	77,822	9,229,232
Reappropriated Funds	0	0	0	0	0
Federal Funds	369,945,187	393,500,143	(8,790,019)	(8,790,019)	384,710,124
Adult Supported Living Waiver Services	76,193,493	93,765,842	(601,191)	(601,191)	93,164,651
General Fund	25,140,173	38,926,121	(2,666,089)	(2,666,089)	36,260,032
Cash Funds	7,593,201	7,024,708	2,365,940	2,365,940	9,390,648
Reappropriated Funds	0	0	0	0	0
Federal Funds	43,460,119	47,815,013	(301,042)	(301,042)	47,513,971
Children's Extensive Support Services	51,164,467	62,870,839	938,206	938,206	63,809,045
General Fund	22,227,459	29,190,545	438,651	438,651	29,629,196
Cash Funds	0	1,649,152	(11,916)	(11,916)	1,637,236
Reappropriated Funds	0	0	0	0	0
Federal Funds	28,937,008	32,031,142	511,471	511,471	32,542,613
Children's Habilitation Residential Program	11,513,849	14,689,243	(716,685)	(716,685)	13,972,558
General Fund	5,074,425	7,068,174	(353,813)	(353,813)	6,714,361
Cash Funds	6,829	132,200	(7)	(7)	132,193
Reappropriated Funds	0	0	0	0	0
Federal Funds	6,432,595	7,488,869	(362,865)	(362,865)	7,126,004

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
Case Management for People with IDD	88,501,594	115,903,041	(8,117,224)	(8,117,224)	107,785,817
General Fund	40,634,931	52,206,300	(4,117,252)	(4,117,252)	48,089,048
Cash Funds	2,266,858	6,064,491	(31,570)	(31,570)	6,032,921
Reappropriated Funds	0	0	0	0	0
Federal Funds	45,599,805	57,632,250	(3,968,402)	(3,968,402)	53,663,848
Total for S5 OCL	887,638,201	1,058,799,528	(19,448,163)	(19,448,163)	1,039,351,365
<i>FTE</i>	0 .0	0 .0	0 .0	0 .0	0 .0
General Fund	367,815,510	496,310,150	(8,937,575)	(8,937,575)	487,372,575
Cash Funds	25,447,977	24,021,961	2,400,269	2,400,269	26,422,230
Reappropriated Funds	0	0	0	0	0
Federal Funds	494,374,714	538,467,417	(12,910,857)	(12,910,857)	525,556,560

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S6 Public health emergency unwind

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) General Administration

Personal Services	<u>62,060,344</u>	<u>68,472,030</u>	<u>0</u>	<u>110,068</u>	<u>68,582,098</u>
FTE	704.7	741.4	0.0	1.7	743.1
General Fund	21,628,822	25,204,598	0	5,118	25,209,716
Cash Funds	5,859,142	7,546,836	0	49,916	7,596,752
Reappropriated Funds	1,388,133	2,674,462	0	0	2,674,462
Federal Funds	33,184,247	33,046,134	0	55,034	33,101,168
Operating Expenses	<u>3,091,508</u>	<u>3,703,098</u>	<u>0</u>	<u>32,017</u>	<u>3,735,115</u>
General Fund	1,398,738	1,424,388	0	1,489	1,425,877
Cash Funds	339,880	461,677	0	14,519	476,196
Reappropriated Funds	59,204	40,724	0	0	40,724
Federal Funds	1,293,686	1,776,309	0	16,009	1,792,318
General Professional Services and Special Projects	<u>24,920,490</u>	<u>62,877,160</u>	<u>0</u>	<u>1,036,887</u>	<u>63,914,047</u>
General Fund	5,695,511	13,811,567	0	321,435	14,133,002
Cash Funds	6,848,472	16,155,462	0	197,008	16,352,470
Reappropriated Funds	60,500	81,000	0	0	81,000
Federal Funds	12,316,007	32,829,131	0	518,444	33,347,575

(1) EXECUTIVE DIRECTOR'S OFFICE

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
(D) Eligibility Determinations and Client Services					
County Administration	<u>102,184,661</u>	<u>132,209,721</u>	<u>(9,193,786)</u>	<u>(10,266,675)</u>	<u>121,943,046</u>
General Fund	19,193,620	22,999,538	(2,188,376)	(2,520,970)	20,478,568
Cash Funds	25,643,473	26,966,487	(588,336)	(792,185)	26,174,302
Reappropriated Funds	0	0	0	0	0
Federal Funds	57,347,568	82,243,696	(6,417,074)	(6,953,520)	75,290,176
Total for S6 Public health emergency unwind	192,257,003	267,262,009	(9,193,786)	(9,087,703)	258,174,306
FTE	<u>704.7</u>	<u>741.4</u>	<u>0.0</u>	<u>1.7</u>	<u>743.1</u>
General Fund	47,916,691	63,440,091	(2,188,376)	(2,192,928)	61,247,163
Cash Funds	38,690,967	51,130,462	(588,336)	(530,742)	50,599,720
Reappropriated Funds	1,507,837	2,796,186	0	0	2,796,186
Federal Funds	104,141,508	149,895,270	(6,417,074)	(6,364,033)	143,531,237

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
S7 Transportation credentialing and reviews					
(1) EXECUTIVE DIRECTOR'S OFFICE					
(A) General Administration					
Personal Services	<u>62,060,344</u>	<u>68,472,030</u>	<u>36,831</u>	<u>21,095</u>	<u>68,493,125</u>
FTE	704.7	741.4	0.6	0.3	741.7
General Fund	21,628,822	25,204,598	11,049	6,328	25,210,926
Cash Funds	5,859,142	7,546,836	7,367	4,219	7,551,055
Reappropriated Funds	1,388,133	2,674,462	0	0	2,674,462
Federal Funds	33,184,247	33,046,134	18,415	10,548	33,056,682
Health, Life, and Dental	<u>9,139,400</u>	<u>10,436,584</u>	<u>6,421</u>	<u>0</u>	<u>10,436,584</u>
General Fund	3,552,746	4,144,398	1,926	0	4,144,398
Cash Funds	796,123	753,615	1,284	0	753,615
Reappropriated Funds	229,292	221,797	0	0	221,797
Federal Funds	4,561,239	5,316,774	3,211	0	5,316,774
Short-term Disability	<u>93,895</u>	<u>98,551</u>	<u>52</u>	<u>0</u>	<u>98,551</u>
General Fund	35,944	38,706	16	0	38,706
Cash Funds	7,760	7,097	10	0	7,097
Reappropriated Funds	2,119	1,911	0	0	1,911
Federal Funds	48,072	50,837	26	0	50,837
Paid Family and Medical Leave Insurance	<u>0</u>	<u>0</u>	<u>147</u>	<u>0</u>	<u>0</u>
General Fund	0	0	44	0	0
Cash Funds	0	0	29	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	74	0	0

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
S.B. 04-257 Amortization Equalization Disbursement	<u>2,935,436</u>	<u>3,290,125</u>	<u>1,630</u>	<u>0</u>	<u>3,290,125</u>
General Fund	1,123,363	1,292,773	489	0	1,292,773
Cash Funds	243,684	237,090	326	0	237,090
Reappropriated Funds	66,241	62,817	0	0	62,817
Federal Funds	1,502,148	1,697,445	815	0	1,697,445
 S.B. 06-235 Supplemental Amortization Equalization					
Disbursement	<u>2,935,437</u>	<u>3,290,125</u>	<u>1,630</u>	<u>0</u>	<u>3,290,125</u>
General Fund	1,123,363	1,292,773	489	0	1,292,773
Cash Funds	243,684	237,090	326	0	237,090
Reappropriated Funds	66,241	62,817	0	0	62,817
Federal Funds	1,502,149	1,697,445	815	0	1,697,445
 Operating Expenses	<u>3,091,508</u>	<u>3,703,098</u>	<u>7,428</u>	<u>7,233</u>	<u>3,710,331</u>
General Fund	1,398,738	1,424,388	2,228	2,169	1,426,557
Cash Funds	339,880	461,677	1,486	1,447	463,124
Reappropriated Funds	59,204	40,724	0	0	40,724
Federal Funds	1,293,686	1,776,309	3,714	3,617	1,779,926
 Leased Space	<u>2,339,116</u>	<u>3,925,908</u>	<u>2,706</u>	<u>0</u>	<u>3,925,908</u>
General Fund	871,723	1,477,587	812	0	1,477,587
Cash Funds	265,993	448,474	541	0	448,474
Reappropriated Funds	31,842	38,849	0	0	38,849
Federal Funds	1,169,558	1,960,998	1,353	0	1,960,998

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
General Professional Services and Special Projects	<u>24,920,490</u>	<u>62,877,160</u>	<u>1,256,773</u>	<u>1,256,773</u>	<u>64,133,933</u>
General Fund	5,695,511	13,811,567	377,032	377,032	14,188,599
Cash Funds	6,848,472	16,155,462	251,354	251,354	16,406,816
Reappropriated Funds	60,500	81,000	0	0	81,000
Federal Funds	12,316,007	32,829,131	628,387	628,387	33,457,518
Total for S7 Transportation credentialing and reviews	107,515,626	156,093,581	1,313,618	1,285,101	157,378,682
<i>FTE</i>	<u>704.7</u>	<u>741.4</u>	<u>0.6</u>	<u>0.3</u>	<u>741.7</u>
General Fund	35,430,210	48,686,790	394,085	385,529	49,072,319
Cash Funds	14,604,738	25,847,341	262,723	257,020	26,104,361
Reappropriated Funds	1,903,572	3,184,377	0	0	3,184,377
Federal Funds	55,577,106	78,375,073	656,810	642,552	79,017,625

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S8 Adjustment to community-based access to services

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) General Administration

Legal Services	<u>956,323</u>	<u>1,814,684</u>	<u>508,390</u>	<u>508,390</u>	<u>2,323,074</u>
General Fund	371,762	669,628	508,390	508,390	1,178,018
Cash Funds	92,356	198,037	0	0	198,037
Reappropriated Funds	21,289	71,089	0	0	71,089
Federal Funds	470,916	875,930	0	0	875,930
 General Professional Services and Special Projects	 <u>24,920,490</u>	 <u>62,877,160</u>	 <u>(266,000)</u>	 <u>(266,000)</u>	 <u>62,611,160</u>
General Fund	5,695,511	13,811,567	0	0	13,811,567
Cash Funds	6,848,472	16,155,462	(133,000)	(133,000)	16,022,462
Reappropriated Funds	60,500	81,000	0	0	81,000
Federal Funds	12,316,007	32,829,131	(133,000)	(133,000)	32,696,131

(2) MEDICAL SERVICES PREMIUMS

Medical and Long-Term Care Services for Medicaid

Eligible Individuals	<u>10,921,010,282</u>	<u>11,506,136,779</u>	<u>227,700</u>	<u>227,700</u>	<u>11,506,364,479</u>
General Fund	2,630,296,339	2,034,930,085	0	0	2,034,930,085
General Fund Exempt	0	1,181,193,165	0	0	1,181,193,165
Cash Funds	1,294,227,032	1,248,504,293	113,850	113,850	1,248,618,143
Reappropriated Funds	90,000,798	99,768,813	0	0	99,768,813
Federal Funds	6,906,486,113	6,941,740,423	113,850	113,850	6,941,854,273

(4) OFFICE OF COMMUNITY LIVING

(A) Division for Individuals with Intellectual and Developmental Disabilities

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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Medicaid Programs

Case Management for People with IDD	<u>88,501,594</u>	<u>115,903,041</u>	<u>(1,777,743)</u>	<u>(1,777,743)</u>	<u>114,125,298</u>
General Fund	40,634,931	52,206,300	0	0	52,206,300
Cash Funds	2,266,858	6,064,491	(888,872)	(888,872)	5,175,619
Reappropriated Funds	0	0	0	0	0
Federal Funds	45,599,805	57,632,250	(888,871)	(888,871)	56,743,379

Total for S8 Adjustment to community-based access to services	11,035,388,689	11,686,731,664	(1,307,653)	(1,307,653)	11,685,424,011
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	2,676,998,543	2,101,617,580	508,390	508,390	2,102,125,970
General Fund Exempt	0	1,181,193,165	0	0	1,181,193,165
Cash Funds	1,303,434,718	1,270,922,283	(908,022)	(908,022)	1,270,014,261
Reappropriated Funds	90,082,587	99,920,902	0	0	99,920,902
Federal Funds	6,964,872,841	7,033,077,734	(908,021)	(908,021)	7,032,169,713

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S9 Public school health services

(5) OTHER MEDICAL SERVICES

Public School Health Services	<u>152,899,688</u>	<u>161,383,372</u>	<u>31,045,678</u>	<u>31,045,678</u>	<u>192,429,050</u>
General Fund	0	0	0	0	0
Cash Funds	68,247,434	78,719,855	12,461,174	12,461,174	91,181,029
Reappropriated Funds	0	0	0	0	0
Federal Funds	84,652,254	82,663,517	18,584,504	18,584,504	101,248,021

Total for S9 Public school health services	152,899,688	161,383,372	31,045,678	31,045,678	192,429,050
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	68,247,434	78,719,855	12,461,174	12,461,174	91,181,029
Reappropriated Funds	0	0	0	0	0
Federal Funds	84,652,254	82,663,517	18,584,504	18,584,504	101,248,021

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S10 CO Benefits Management System

(1) EXECUTIVE DIRECTOR'S OFFICE

(C) Information Technology Contracts and Projects

Colorado Benefits Management Systems, Operating
and Contract Expenses

	<u>52,741,144</u>	<u>56,067,055</u>	<u>12,071,818</u>	<u>12,071,818</u>	<u>68,138,873</u>
General Fund	9,741,310	11,608,377	0	0	11,608,377
Cash Funds	6,364,853	6,470,009	0	0	6,470,009
Reappropriated Funds	1,556	1,657	12,071,818	12,071,818	12,073,475
Federal Funds	36,633,425	37,987,012	0	0	37,987,012

Total for S10 CO Benefits Management System	52,741,144	56,067,055	12,071,818	12,071,818	68,138,873
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	9,741,310	11,608,377	0	0	11,608,377
Cash Funds	6,364,853	6,470,009	0	0	6,470,009
Reappropriated Funds	1,556	1,657	12,071,818	12,071,818	12,073,475
Federal Funds	36,633,425	37,987,012	0	0	37,987,012

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
S11 ARPA HCBS adjustments					
(1) EXECUTIVE DIRECTOR'S OFFICE					
(A) General Administration					
Personal Services	<u>62,060,344</u>	<u>68,472,030</u>	<u>526,179</u>	<u>526,179</u>	<u>68,998,209</u>
FTE	704.7	741.4	11.3	11.3	752.7
General Fund	21,628,822	25,204,598	0	0	25,204,598
Cash Funds	5,859,142	7,546,836	262,659	262,659	7,809,495
Reappropriated Funds	1,388,133	2,674,462	0	0	2,674,462
Federal Funds	33,184,247	33,046,134	263,520	263,520	33,309,654
Health, Life, and Dental	<u>9,139,400</u>	<u>10,436,584</u>	<u>202,653</u>	<u>202,653</u>	<u>10,639,237</u>
General Fund	3,552,746	4,144,398	0	0	4,144,398
Cash Funds	796,123	753,615	99,779	99,779	853,394
Reappropriated Funds	229,292	221,797	0	0	221,797
Federal Funds	4,561,239	5,316,774	102,874	102,874	5,419,648
Short-term Disability	<u>93,895</u>	<u>98,551</u>	<u>2,352</u>	<u>2,352</u>	<u>100,903</u>
General Fund	35,944	38,706	0	0	38,706
Cash Funds	7,760	7,097	1,175	1,175	8,272
Reappropriated Funds	2,119	1,911	0	0	1,911
Federal Funds	48,072	50,837	1,177	1,177	52,014
S.B. 04-257 Amortization Equalization Disbursement	<u>2,935,436</u>	<u>3,290,125</u>	<u>66,550</u>	<u>66,550</u>	<u>3,356,675</u>
General Fund	1,123,363	1,292,773	0	0	1,292,773
Cash Funds	243,684	237,090	33,401	33,401	270,491
Reappropriated Funds	66,241	62,817	0	0	62,817
Federal Funds	1,502,148	1,697,445	33,149	33,149	1,730,594

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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
General Professional Services and Special Projects	<u>24,920,490</u>	<u>62,877,160</u>	<u>(8,660,288)</u>	<u>(8,660,288)</u>	<u>54,216,872</u>
General Fund	5,695,511	13,811,567	0	0	13,811,567
Cash Funds	6,848,472	16,155,462	(1,149,507)	(1,149,507)	15,005,955
Reappropriated Funds	60,500	81,000	0	0	81,000
Federal Funds	12,316,007	32,829,131	(7,510,781)	(7,510,781)	25,318,350

(1) EXECUTIVE DIRECTOR'S OFFICE

(C) Information Technology Contracts and Projects

Medicaid Management Information System

Maintenance and Projects	<u>7,767,294</u>	<u>114,169,537</u>	<u>(6,538,875)</u>	<u>(6,538,875)</u>	<u>107,630,662</u>
General Fund	16,340	16,757,266	0	0	16,757,266
Cash Funds	1,495,618	11,042,019	(361,129)	(361,129)	10,680,890
Reappropriated Funds	0	12,204	0	0	12,204
Federal Funds	6,255,336	86,358,048	(6,177,746)	(6,177,746)	80,180,302

Colorado Benefits Management Systems, Operating
and Contract Expenses

	<u>52,741,144</u>	<u>56,067,055</u>	<u>3,300,000</u>	<u>3,300,000</u>	<u>59,367,055</u>
General Fund	9,741,310	11,608,377	0	0	11,608,377
Cash Funds	6,364,853	6,470,009	1,650,000	1,650,000	8,120,009
Reappropriated Funds	1,556	1,657	0	0	1,657
Federal Funds	36,633,425	37,987,012	1,650,000	1,650,000	39,637,012

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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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(2) MEDICAL SERVICES PREMIUMS

Medical and Long-Term Care Services for Medicaid

Eligible Individuals	<u>10,921,010,282</u>	<u>11,506,136,779</u>	<u>(9,515,810)</u>	<u>(9,515,810)</u>	<u>11,496,620,969</u>
General Fund	2,630,296,339	2,034,930,085	0	0	2,034,930,085
General Fund Exempt	0	1,181,193,165	0	0	1,181,193,165
Cash Funds	1,294,227,032	1,248,504,293	(4,757,905)	(4,757,905)	1,243,746,388
Reappropriated Funds	90,000,798	99,768,813	0	0	99,768,813
Federal Funds	6,906,486,113	6,941,740,423	(4,757,905)	(4,757,905)	6,936,982,518

(4) OFFICE OF COMMUNITY LIVING

(A) Division for Individuals with Intellectual and Developmental Disabilities

Medicaid Programs

Adult Comprehensive Waiver Services	<u>660,264,798 0.0</u>	<u>771,570,563</u>	<u>(7,830,843)</u>	<u>(7,830,843)</u>	<u>763,739,720</u>
General Fund	274,738,522	368,919,010	0	0	368,919,010
Cash Funds	15,581,089	9,151,410	(2,841,585)	(2,841,585)	6,309,825
Reappropriated Funds	0	0	0	0	0
Federal Funds	369,945,187	393,500,143	(4,989,258)	(4,989,258)	388,510,885
Adult Supported Living Waiver Services	<u>76,193,493</u>	<u>93,765,842</u>	<u>(2,388,853)</u>	<u>(2,388,853)</u>	<u>91,376,989</u>
General Fund	25,140,173	38,926,121	0	0	38,926,121
Cash Funds	7,593,201	7,024,708	(1,170,538)	(1,170,538)	5,854,170
Reappropriated Funds	0	0	0	0	0
Federal Funds	43,460,119	47,815,013	(1,218,315)	(1,218,315)	46,596,698

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
Children's Extensive Support Services	<u>51,164,467</u>	<u>62,870,839</u>	<u>(1,645,490)</u>	<u>(1,645,490)</u>	<u>61,225,349</u>
General Fund	22,227,459	29,190,545	0	0	29,190,545
Cash Funds	0	1,649,152	(658,714)	(658,714)	990,438
Reappropriated Funds	0	0	0	0	0
Federal Funds	28,937,008	32,031,142	(986,776)	(986,776)	31,044,366
Children's Habilitation Residential Program	<u>11,513,849</u>	<u>14,689,243</u>	<u>(4,932)</u>	<u>(4,932)</u>	<u>14,684,311</u>
General Fund	5,074,425	7,068,174	0	0	7,068,174
Cash Funds	6,829	132,200	(5,060)	(5,060)	127,140
Reappropriated Funds	0	0	0	0	0
Federal Funds	6,432,595	7,488,869	128	128	7,488,997
Case Management for People with IDD	<u>88,501,594</u>	<u>115,903,041</u>	<u>(1,352,140)</u>	<u>(1,352,140)</u>	<u>114,550,901</u>
General Fund	40,634,931	52,206,300	0	0	52,206,300
Cash Funds	2,266,858	6,064,491	(583,775)	(583,775)	5,480,716
Reappropriated Funds	0	0	0	0	0
Federal Funds	45,599,805	57,632,250	(768,365)	(768,365)	56,863,885
(5) OTHER MEDICAL SERVICES					
ARPA HCBS State-only Funds	<u>8,758,574</u>	<u>46,817,018 4.0</u>	<u>(13,955,075) 4.3</u>	<u>(13,955,075) 4.3</u>	<u>32,861,943 8.3</u>
General Fund	0	0	0	0	0
Cash Funds	8,758,574	46,817,018	(13,955,075)	(13,955,075)	32,861,943
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
Total for S11 ARPA HCBS adjustments	11,977,065,060	12,927,164,367	(47,794,572)	(47,794,572)	12,879,369,795
<i>FTE</i>	<u>704.7</u>	<u>745.4</u>	<u>15.6</u>	<u>15.6</u>	<u>761</u>
General Fund	3,039,905,885	2,604,097,920	0	0	2,604,097,920
General Fund Exempt	0	1,181,193,165	0	0	1,181,193,165
Cash Funds	1,350,049,235	1,361,555,400	(23,436,274)	(23,436,274)	1,338,119,126
Reappropriated Funds	91,748,639	102,824,661	0	0	102,824,661
Federal Funds	7,495,361,301	7,677,493,221	(24,358,298)	(24,358,298)	7,653,134,923

JBC Staff Supplemental Recommendations - FY 2023-24
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	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S13 Contract true up

(1) EXECUTIVE DIRECTOR'S OFFICE

(D) Eligibility Determinations and Client Services

Centralized Eligibility Vendor Contract Project	<u>6,777,665</u>	<u>6,122,400</u>	<u>1,974,480</u>	<u>1,974,480</u>	<u>8,096,880</u>
General Fund	0	0	0	0	0
Cash Funds	2,279,719	2,279,719	521,534	521,534	2,801,253
Reappropriated Funds	0	0	0	0	0
Federal Funds	4,497,946	3,842,681	1,452,946	1,452,946	5,295,627

Total for S13 Contract true up	6,777,665	6,122,400	1,974,480	1,974,480	8,096,880
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	2,279,719	2,279,719	521,534	521,534	2,801,253
Reappropriated Funds	0	0	0	0	0
Federal Funds	4,497,946	3,842,681	1,452,946	1,452,946	5,295,627

JBC Staff Supplemental Recommendations - FY 2023-24
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2023-24 Requested Change	FY 2023-24 Rec'd Change	FY 2023-24 Total w/Rec'd Change
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S14 Legal services

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) General Administration

Legal Services	<u>956,323</u>	<u>1,814,684</u>	<u>329,500</u>	<u>329,500</u>	<u>2,144,184</u>
General Fund	371,762	669,628	148,850	148,850	818,478
Cash Funds	92,356	198,037	15,900	15,900	213,937
Reappropriated Funds	21,289	71,089	0	0	71,089
Federal Funds	470,916	875,930	164,750	164,750	1,040,680

Total for S14 Legal services	956,323	1,814,684	329,500	329,500	2,144,184
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	371,762	669,628	148,850	148,850	818,478
Cash Funds	92,356	198,037	15,900	15,900	213,937
Reappropriated Funds	21,289	71,089	0	0	71,089
Federal Funds	470,916	875,930	164,750	164,750	1,040,680

Totals Excluding Pending Items					
HEALTH CARE POLICY AND FINANCING					
TOTALS for ALL Departmental line items	14,269,559,447	15,506,748,579	(177,942,533)	(177,864,967)	15,328,883,612
<i>FTE</i>	<u>1,443.1</u>	<u>787.9</u>	<u>16.2</u>	<u>17.6</u>	<u>805.5</u>
General Fund	3,629,754,936	3,344,020,169	(23,026,929)	(23,040,037)	3,320,980,132
General Fund Exempt	0	1,181,498,489	0	0	1,181,498,489
Cash Funds	1,741,986,619	1,769,169,191	21,109,495	21,161,386	1,790,330,577
Reappropriated Funds	93,997,088	105,145,754	12,071,819	12,071,819	117,217,573
Federal Funds	8,803,820,804	9,106,914,976	(188,096,918)	(188,058,135)	8,918,856,841