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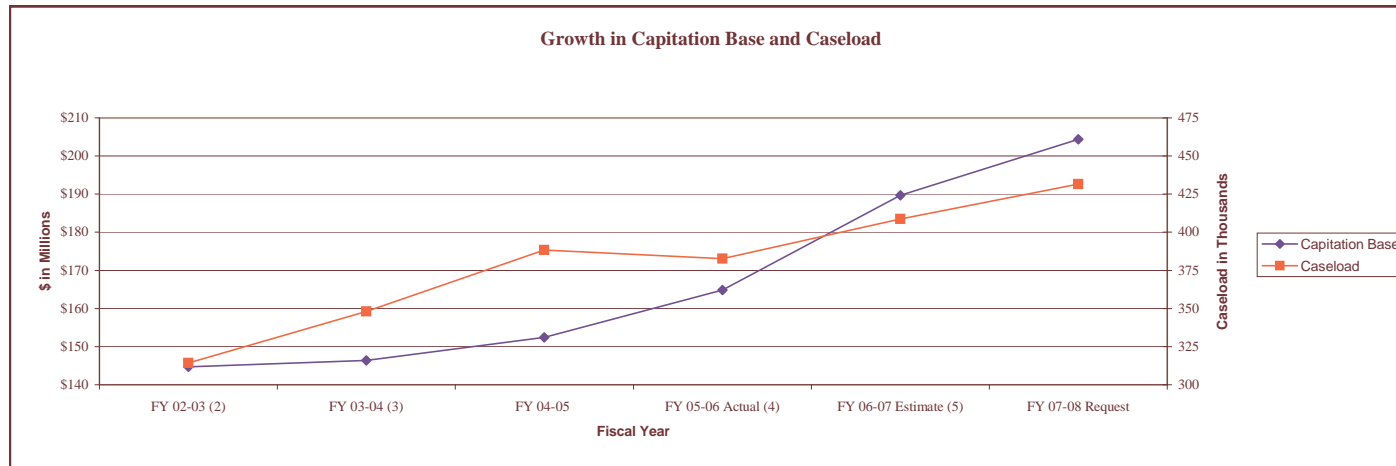
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Exhibit AA - Medicaid Mental Health Community Programs Historical and Future Projection Overview

Actual Expenditures from the Colorado Financial Reporting System

Medicaid Mental Health Caseload (without Retroactivity) ⁽⁶⁾

Fiscal Year	Total Capitation Expenditures	Fee-for-Service Expenditures	Total Capitation and Fee-for-Service Expenditures	Percent Change in Total Capitation and Fee-for-Service Expenditures	Medical Services Premiums Caseload	Less: Mental Health Ineligible Categories (6)	Mental Health Caseload	Percent Change in Mental Health Caseload
FY 01-02 ⁽¹⁾	\$148,906,860	--	\$148,906,860	--	--	--	--	--
FY 02-03 ⁽²⁾	\$144,704,276	\$2,695,135	\$147,399,411	-1.01%	327,395	(13,050)	314,345	--
FY 03-04 ⁽³⁾	\$146,346,423	\$3,509,845	\$149,856,267	1.67%	362,531	(14,391)	348,140	10.75%
FY 04-05	\$152,435,998	\$1,379,580	\$153,815,578	2.64%	402,802	(14,548)	388,254	11.52%
FY 05-06 Actual ⁽⁴⁾	\$164,839,222	\$1,231,390	\$166,070,612	7.97%	399,705	(16,971)	382,734	-1.42%
FY 06-07 Estimate ⁽⁵⁾	\$189,665,907	\$1,639,083	\$191,304,990	15.19%	427,933	(19,216)	408,717	6.79%
FY 07-08 Request	\$204,351,293	\$1,730,425	\$206,081,718	7.72%	452,128	(20,634)	431,494	5.57%



- (1) Prior to FY 02-03, Fee-for-Service was included in the Capitation Base Payments line appropriation.
- (2) Prior to FY 03-04, Capitation included Goebel enhanced services.
- (3) Fee-for-Service included case management services for Home and Community Based Services Mentally Ill clients through FY 03-04. The Department's Supplemental Request dated January 3, 2005 transferred these services to Medical Services Premiums.
- (4) FY 05-06 Fee For Service includes a one time recoupment of \$303,492. See page F.HH-1 for Fee For Service details.
- (5) \$12.3 million (7.43%) of the FY 06-07 expenditure increase is due to inclusion of Goebel enhanced services costs in the capitation base.
- (6) The following Medicaid eligibility categories are not eligible for Medicaid Mental Health care: Qualified Medicare Beneficiaries, Special Low Income Medicare Beneficiaries, and Non-Citizens.

Exhibit BB - General Fund, Cash Funds Exempt, and Federal Funds Match Calculation

CALCULATION OF MATCH - FY 06-07 MENTAL HEALTH ESTIMATE					
Item	Total Estimate	General Fund	Cash Funds Exempt	Federal Funds	FFP Rate Applied
Mental Health Capitation Base ⁽¹⁾	\$177,272,298	\$86,518,501	\$2,117,648	\$88,636,149	50%
Breast and Cervical Cancer Program ⁽¹⁾	\$50,189	\$9,227	\$8,339	\$32,623	Continuation clients: 65% FFP, 8.75% CFE, 26.25% GF ⁽²⁾ ; Tobacco Tax Expanded Clients: 65% FFP, 35% CFE
Sub-total Capitation Base	\$177,322,487	\$86,527,728	\$2,125,987	\$88,668,772	
Adjustment for Goebel Lawsuit Settlement Appropriation Transfer ⁽³⁾	\$12,343,420	\$6,171,710	\$0	\$6,171,710	50%
FY 06-07 Estimated Total Expenditures for Mental Health Capitation Payments	\$189,665,907	\$92,699,438	\$2,125,987	\$94,840,482	
Total Medicaid Mental Health Fee for Service Payments	\$1,639,083	\$819,542	\$0	\$819,541	50%
Medicaid Anti-Psychotic Pharmaceuticals	\$22,552,221	\$0	\$22,552,221	\$0	
Total Estimated FY 06-07 Expenditures	\$213,857,211	\$93,518,980	\$24,678,208	\$95,660,023	

CALCULATION OF MATCH - FY 07-08 MENTAL HEALTH REQUEST					
Item	Total Request	General Fund	Cash Funds Exempt	Federal Funds	FFP Rate Applied
Mental Health Capitation Base ⁽¹⁾	\$204,282,354	\$98,152,412	\$3,988,765	\$102,141,177	50%
Breast and Cervical Cancer Program ⁽¹⁾	\$68,939	\$12,667	\$11,462	\$44,810	Continuation clients: 65% FFP, 8.75% CFE 26.25% GF ⁽²⁾ ; Tobacco Tax Expanded Clients: 65% FFP, 35% CFE
FY 07-08 Estimated Total Expenditures for Mental Health Capitation Payments	\$204,351,293	\$98,165,079	\$4,000,227	\$102,185,987	
Medicaid Mental Health Fee for Service Payments	\$1,730,425	\$865,213	\$0	\$865,212	50%
Medicaid Anti-Psychotic Pharmaceuticals ⁽⁴⁾	\$27,925,215	\$0	\$27,925,215	\$0	The Department continues to recommend removal of this double count, as the amount can be found in the Medical Services Premiums section.
Total Requested FY 07-08 Expenditures	\$234,006,933	\$99,030,292	\$31,925,442	\$103,051,199	
Base Request FY 07-08 (See see Schedule 6, column 5)	\$223,825,281	\$93,941,318	\$33,783,245	\$96,100,718	
FY 07-08 Budget Amendment Request (matches Schedule 6, column 6)	\$10,181,652	\$5,088,974	(\$1,857,803)	\$6,950,481	

(1) Refer to Exhibit GG regarding the Tobacco Tax impacts to the Department Request.

(2) Section 26-4-532 (7.5) (a), C.R.S. (2005) and Section 26-4-532 (7.5) (b), C.R.S. (2005)

(3) The Goebel Lawsuit Settlement appropriation transfer is a one time adjustment to the base and will not appear in future submissions after November 1, 2006. The actual transfer was \$12,275,081. The remaining \$68,339 is due to rate increases that were implemented July 1, 2006. See Mental Health Assumptions and Calculations for more detail.

(4) See Medical Services Premiums Exhibit F for more detail.

COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING: FY 07-08 BUDGET REQUEST: MEDICAID MENTAL HEALTH COMMUNITY PROGRAMS

Exhibit CC - Medicaid Mental Health Community Programs Summary
Actuals, Appropriations and Requests for FY 05-06, FY 06-07, and FY 07-08

ITEM	FY 05-06 Actual ⁽¹⁾		FY 06-07 Appropriated ⁽²⁾		FY 06-07 Estimate ⁽³⁾		FY 06-07 Change ⁽⁴⁾		FY 07-08 Request ^{(5) (6)}		FY 07-08 Change ⁽⁷⁾	
	Case-load	Expenditures	Case-load	Expenditures	Case-load	Expenditures	Case-load	Expenditures	Case-load	Expenditures	Case-load	Expenditures
Mental Health Capitation Payments												
Capitation Base (Including the Tobacco Tax Impact)												
Adults 65 and Older (OAP-A)	36,219	\$5,841,000	37,036	\$6,176,960	36,827	\$6,121,947	(209)	(\$55,013)	37,284	\$7,036,183	457	\$914,236
Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	53,612	\$51,411,502	54,688	\$53,626,272	54,525	\$53,888,699	(163)	\$262,426	55,125	\$68,837,900	600	\$14,949,201
Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A), and Baby Care Program - Adults	62,804	\$11,177,238	72,867	\$13,478,922	70,394	\$12,934,639	(2,473)	(\$544,282)	77,069	\$14,851,153	6,675	\$1,916,514
Eligible Children (AFDC-C/BC)	213,600	\$41,918,944	228,438	\$39,459,465	229,917	\$46,581,333	1,479	\$7,121,868	244,291	\$51,426,709	14,374	\$4,845,376
Foster Children	16,311	\$54,455,178	17,091	\$65,422,023	16,797	\$57,745,680	(294)	(\$7,676,343)	17,385	\$62,130,409	588	\$4,384,729
Breast and Cervical Cancer Program	188	\$35,360	223	\$20,535	257	\$50,189	34	\$29,654	340	\$68,939	83	\$18,750
Total Capitation Base	382,734	164,839,222	410,343	\$178,184,177	408,717	\$177,322,487	(1,626)	(\$861,690)	431,494	\$204,351,293	22,777	\$27,028,806
Adjustment for Goebel Lawsuit Settlement Appropriation Transfer	0	\$0	0	\$0	0	\$12,343,420	0	\$12,343,420	0	\$0	0	(\$12,343,420)
Total Mental Health Capitation Payments (8)	382,734	\$164,839,222	410,343	\$178,184,177	408,717	\$189,665,907	(1,626)	\$11,481,730	431,494	\$204,351,293	22,777	\$14,685,386
Incremental Capitation Change							-0.40%	6.44%			5.55%	8.24%
Other Medicaid Mental Health Payments												
Medicaid Mental Health Fee-for-Service Payments - Inpatient Services ⁽⁹⁾	0	\$177,511	0	\$768,708	0	\$513,658	0	(\$255,050)	0	\$542,283	0	\$28,625
Medicaid Mental Health Fee-for-Service Payments - Outpatient Services	0	\$1,040,344	0	\$940,424	0	\$1,110,971	0	\$170,547	0	\$1,172,883	0	\$61,912
Medicaid Mental Health Fee-for-Service Payments - Physician Services	0	\$13,535	0	\$26,886	0	\$14,454	0	(\$12,432)	0	\$15,259	0	\$805
Rounding Adjustment	0	\$0	0	\$1	0	\$0	0	(\$1)	0	\$0	0	\$0
Total Medicaid Mental Health Fee-for-Service Payments	0	\$1,231,390	0	\$1,736,019	0	\$1,639,083	0	(\$96,936)	0	\$1,730,425	0	\$91,342
Medicaid Anti-Psychotic Pharmaceuticals ⁽¹⁰⁾	0	\$27,105,418	0	\$31,630,004	0	\$22,552,221	0	(\$9,077,783)	0	\$27,925,215	0	\$5,372,994
Sub-total Other Medicaid Mental Health Payments	0	\$28,336,808	0	\$33,366,023	0	\$24,191,304	0	(\$9,174,719)	0	\$29,655,640	0	\$5,464,336
Total Medicaid Mental Health Community Programs	0	\$193,176,030	0	\$211,550,200	0	\$213,857,211	0	\$2,307,011	0	\$234,006,933	0	\$20,149,722
Total Incremental Change ⁽¹¹⁾								6.33%				7.72%

(1) From the Colorado Financial Reporting System (COFRS).

(2) From HB 06-1385 (FY 06-07 Long Bill) plus special bills.

(3) FY 06-07 Estimate reflects changes due to: a) new per capita based on FY 05-06 Actuals, b) caseload changes due to new projections found in DD, and c) inclusion of Goebel clients in the capitation base.

(4) FY 06-07 Change reflects the same changes as footnote 3 above. Change amounts are based on FY 06-07 Estimated amounts, less FY 06-07 Appropriated amounts.

(5) The FY 07-08 Request is based on updated caseload projections illustrated in Exhibit DD and per capita methodology found in Exhibit EE.

(6) This is the total capitation base including Goebel clients costs. Caseloads attributable to the Tobacco Tax are included, however, they are identified by program and eligibility category in Exhibit GG.

(7) Change amounts are based on FY 07-08 Request amounts, less FY 06-07 Estimated amounts.

(8) FY 05-06 actual expenditures include no recoupments of capitation payments for clients found ineligible during FY 03-04 or FY04-05 which was requested and appropriated (see Assumptions and Calculations for a full explanation). FY 06-07 Estimate includes \$1,300,000 in recoupment of capitation payments for clients found ineligible during FY 03-04. FY 07-08 Request includes \$300,000 net recoupments for clients found ineligible during FY 04-05 and FY 05-06 (see page F.FF-2).

(9) Includes a one time recoupment (\$303,392) in FY 05-06 Actuals. See Page F.HH-1.

(10) This item is reported for information purposes only and is not used in calculating the total incremental change percentages. See Medical Services Premiums Exhibit F for more detail.

(11) This represents the change in the sum of Mental Health Capitation Payments plus Medicaid Mental Health Fee for Service Payments. The first percentage change measures the FY 06-07 Estimated against the FY 06-07 Appropriation. The second percentage change compares the FY 07-08 Request to the FY 06-07 Estimated.

**Exhibit DD - Mental Health Programs Caseload for FY 07-08 Projection and Historical Per Capita Calculation ⁽¹⁾
Medicaid Caseload without Retroactivity from REX01/COLD (MARS) 464600 Report**

Item	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A), and Baby Care Program - Adults	Eligible Children (AFDC C/BC)	Foster Children	Breast and Cervical Cancer Patients (BCCP)	TOTAL MENTAL HEALTH
FY 02-03 Actuals	34,485	51,834	47,600	166,537	13,843	46	314,345
FY 03-04 Actuals	34,149	52,093	54,957	192,048	14,790	103	348,140
% Change from FY 02-03	-0.97%	0.50%	15.46%	15.32%	6.84%	123.91%	10.75%
FY 04-05 Actuals	35,615	53,729	62,563	220,592	15,669	86	388,254
% Change from FY 03-04	4.29%	3.14%	13.84%	14.86%	5.94%	-16.50%	11.52%
FY 05-06 Actuals	36,219	53,612	62,804	213,600	16,311	188	382,734
% Change from FY 04-05	1.70%	-0.22%	0.38%	-3.17%	4.10%	118.31%	-1.42%
FY 06-07 Projection	36,827	54,525	70,394	229,917	16,797	257	408,717
% Change from FY 05-06	1.68%	1.70%	12.09%	7.64%	2.98%	36.88%	6.79%
FY 07-08 Projection	37,284	55,125	77,069	244,291	17,385	340	431,494
% Change from FY 06-07	1.24%	1.10%	9.48%	6.25%	3.50%	32.30%	5.57%
FY 08-09 Projection	37,739	55,526	78,464	247,616	18,065	395	437,805
% Change from FY 07-08	1.22%	0.73%	1.81%	1.36%	3.91%	16.18%	1.46%
FY 06-07 Appropriation	37,036	54,688	72,867	228,438	17,091	223	410,343
Difference between the FY 06-07 Appropriation and the FY 06-07 Projection	(209)	(163)	(2,473)	1,479	(294)	34	(1,626)

(1) Based on Medical Services Premiums caseload, Exhibit B. Non-citizens, Qualified Medicare Beneficiary, and Special Low-Income Medicare Beneficiary eligibility categories have been carved out since they are not Medicaid eligible categories serviced within the Mental Health capitation program.

Exhibit EE - Eligibility Category Per Capita Calculation Using Actual FY 05-06 Expenditures Distributed by BOA Percentages

Column>	A	B	C	D	E	F	G	H	I	J	K	L	
<Row	DATA SOURCE	Total	Adults 65 and Older (OAP-A)	Percent of Total ⁽⁴⁾	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Percent of BHO Total ⁽⁴⁾	Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A), and Baby Care Program - Adults	Percent of BHO Total ⁽⁴⁾	Eligible Children (AFDC-C/BC)	Percent of BHO Total ⁽⁴⁾	Foster Children	Percent of BHO Total ⁽⁴⁾	Breast and Cervical Cancer Patients (BCCP) ⁽⁵⁾
1	Total Expenditures by Eligibility Type from the Business Objects of America (BOA) Subsystem ⁽¹⁾	\$164,954,591	\$5,845,089	3.54%	\$51,447,492	31.20%	\$11,185,062	6.78%	\$41,948,289	25.44%	\$54,493,299	33.04%	\$35,360
2	Total by Eligibility Type from the Colorado Financial Reporting System (COFRS) distributed by BOA ratios ⁽²⁾	\$164,839,222	\$5,841,000	3.54%	\$51,411,502	31.20%	\$11,177,238	6.78%	\$41,918,944	25.44%	\$54,455,178	33.04%	\$35,360
3	Actual Average Monthly Caseload from Exhibit DD	382,734	36,219	N/A	53,612	N/A	62,804	N/A	213,600	N/A	16,311	N/A	188
4	Annualized Per Capita by actual reported caseload ⁽³⁾	\$430.69	\$161.27	N/A	\$958.95	N/A	\$177.97	N/A	\$196.25	N/A	\$3,338.52	N/A	\$188.34

(1) Actual eligibility type expenditure amounts by eligibility category within BHO from BOA.

(2) Actual expenditures by BHO from COFRS are distributed by the BOA percentages in Group 1. Example: B2 = (A2-L2) x C1. Column M is carved out of the equation since the total BCCP category amount is available in COFRS and can be identified by category within the BHO.

(3) Annualized per capitas are calculated by dividing the COFRS category amount by the caseload, (example: A4 = A2/A3).

(4) Column is the percentage of BOA expenditures for each eligibility type in each BHO.

(5) Column is the actual COFRS amounts for BCCP as it is the only eligibility type available separately in COFRS.

Exhibit EE - FY 06-07 Goebel Clients Per Capita Development

	Column>	A	B	C	D	E	F
<Row		Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A), and Baby Care Program - Adults	Eligible Children (AFDC-C /BC)	Foster Children	Total
1	FY 06-07 Goebel-specific capitated rate ⁽¹⁾	\$6.53	\$83.58	\$0.69	\$0.00	\$0.35	
2	Member Months ⁽¹⁾	86,729	139,321	175,622	561,834	32,721	996,227
3	Increase to eligibility category due to Goebel ⁽¹⁾	\$566,340	\$11,644,449	\$121,179	\$0	\$11,452	\$12,343,420
4	Eligibility category caseload ⁽²⁾	36,827	54,525	70,394	229,917	16,797	408,460
5	Increase to per capita due to Goebel ⁽³⁾	\$15.38	\$213.56	\$1.72	\$0.00	\$0.68	\$30.22
6	Base per capita before Goebel ⁽⁴⁾	\$166.23	\$988.33	\$183.75	\$202.60	\$3,437.86	\$434.12
7	Per Capita including Goebel Clients ⁽⁵⁾	\$181.61	\$1,201.89	\$185.47	\$202.60	\$3,438.54	\$464.34

(1) From the September 20, 2006 1331 Emergency Supplemental titled "Pay Goebel Lawsuit Settlement Costs through Mental Health Capitation".

(2) From Page F.DD-1, FY 06-07 Estimate.

(3) Row 3 divided by row 4; Example: 5A = (3A /4A).

(4) From Page F.EE-5, FY 06-07 Budget Estimate.

(5) Row 7 equals row 5 plus row 6; Example: 7A = (5A + 6A). Note: The per capita in 7F does not include BCCP and therefore does not match the per capita on pages F.EE-4 and F.EE5.

Exhibit EE - FY 07-08 Per Capita Increase Percentage Development ^{(1) (2)}

Row	Year	Per Capita ⁽³⁾	06- 07 Caseload ⁽⁵⁾	Fixed Caseload Expenditures ⁽⁵⁾	2 Year Rolling Average	2 Year Average	
						Per Capita ⁽⁶⁾	Percent Increase ⁽⁶⁾
1	FY 03-04 Actual ⁽³⁾	\$401.20	408,717	\$163,977,243			
2	FY 04-05 Actual ⁽³⁾	\$401.84	408,717	\$164,238,839	\$164,108,041	\$401.52	
3	FY 05-06 Actual ⁽³⁾	\$430.69	408,717	\$176,029,962	\$170,134,401	\$416.26	3.67%
4	FY 06-07 Estimate ⁽⁴⁾	\$433.85	408,717	\$177,322,487	\$176,676,225	\$432.27	3.85%
5	Mean Average						3.76%

- 1 This method is used for the Request Year (FY 07-08) projections. The Current Year (FY 06-07) Estimate will use the percent increase from the actuarial certification letter as that is the most recent certified data available. See Mental Health Assumptions and Calculations for a complete explanation of the rationale for this exhibit.
- 2 Since the actuarial increase is used for the current year FY 06-07 Estimate (see page F.EE-5, footnotes 5 and 9), this methodology at F.EE-3 is valid to trend the FY 07-08 Request year. This is also the methodology the Department will use for Request Years in future submissions.
- 3 Based on data found on page F.EE-4.
- 4 FY 06-07 Estimate is from page F.EE-5 and is (FY 06-07 Expenditures before Recoupments and Adjustments) plus (Recoupments) divided by (Total Eligibles FY 06-07).
- 5 The per capita shows changes due to utilization and capitation rates. The per capita is then multiplied by the caseload to show overall expenditure changes due to rates and utilization. See Mental Health Assumptions and Calculations for more detail.
- 6 The two year average per capita smoothes out year to year fluctuations to reflect less volatile trend in annual percent increase.

Exhibit EE - Mental Health Community Programs Per Capita History FY 06-07 Budget Estimate and FY 07-08 Budget Request ⁽¹⁾

	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A), and Baby Care Program - Adults	Eligible Children (AFDC-C/BC)	Foster Children	Breast and Cervical Cancer Patients (BCCP)	Adjusted Totals	Amount Change
Expenditure History and Percent Change ⁽²⁾								
Adjusted Actual FY 02-03 Expenditures	\$5,931,512	\$35,316,435	\$7,313,673	\$29,085,116	\$54,896,079	\$4,275	\$132,547,090	
Adjusted Actual FY 03-04 Expenditures	\$4,919,288	\$44,145,181	\$8,144,772	\$29,763,270	\$52,692,946	\$8,295	\$139,673,753	\$7,126,663
% Change	-17.07%	25.00%	11.36%	2.33%	-4.01%	94.04%	5.38%	
Adjusted Actual FY 04-05 Expenditures	\$5,158,296	\$47,258,368	\$9,999,143	\$34,181,462	\$56,275,269	\$12,318	\$152,884,856	\$13,211,103
% Change	4.86%	7.05%	22.77%	14.84%	6.80%	48.50%	9.46%	
Adjusted Actual FY 05-06 Expenditures	\$5,841,000	\$51,411,502	\$11,177,238	\$41,918,944	\$54,455,178	\$35,360	\$164,839,222	\$11,954,366
% Change	13.24%	8.79%	11.78%	22.64%	-3.23%	187.06%	7.82%	
Estimated FY 06-07 Expenditures	\$6,688,287	\$65,533,148	\$13,055,818	\$46,581,333	\$57,757,132	\$50,189	\$189,665,907	\$24,826,685
% Change	14.51%	27.47%	16.81%	11.12%	6.06%	41.94%	15.06%	
Requested FY 07-08 Expenditures	\$7,036,183	\$68,837,900	\$14,851,153	\$51,426,709	\$62,130,409	\$68,939	\$204,351,293	\$14,685,386
% Change	5.20%	5.04%	13.75%	10.40%	7.57%	37.36%	7.74%	
Per Capita History and Percent Change ⁽³⁾⁽⁴⁾								
Total Caseload FY 03-04	34,149	52,093	54,957	192,048	14,790	103	348,140	
Per Capita Cost	\$144.05	\$847.43	\$148.20	\$154.98	\$3,562.74	\$80.53	\$401.20	
% Change	-16.25%	24.38%	-3.54%	-11.26%	-10.16%	-13.34%	-4.85%	
Total Caseload FY 04-05	35,615	53,729	62,563	220,592	15,669	86	388,254	
Per Capita Cost	\$144.83	\$879.57	\$159.83	\$154.95	\$3,591.50	\$143.23	\$393.78	
% Change	0.54%	3.79%	7.84%	-0.02%	0.81%	77.85%	-1.85%	
Total Caseload FY 05-06	36,219	53,612	62,804	213,600	16,311	188	382,734	
Per Capita Cost FY 05-06	\$161.27	\$958.95	\$177.97	\$196.25	\$3,338.52	\$188.34	\$430.69	
% Change	11.35%	9.02%	11.35%	26.65%	-7.04%	31.49%	9.37%	
Estimated Total Caseload FY 06-07	36,827	54,525	70,394	229,917	16,797	257	408,717	
Estimated Per Capita Cost FY 06-07	\$181.61	\$1,201.89	\$185.47	\$202.60	\$3,438.54	\$195.29	\$464.05	
% Change	12.61%	25.33%	4.21%	3.24%	3.00%	3.69%	7.75%	
Requested Total Caseload FY 07-08	37,284	55,125	77,069	244,291	17,385	340	431,494	
Requested Per Capita Cost FY 07-08	\$188.72	\$1,248.76	\$192.70	\$210.51	\$3,573.79	\$202.76	\$473.59	
% Change	3.91%	3.90%	3.90%	3.91%	3.93%	3.83%	2.06%	
Percentage Changes in Actual Per Capita Costs								
Change from FY 03-04 to FY 04-05	0.54%	3.79%	7.84%	-0.02%	0.81%	77.85%	-1.85%	
Change from FY 04-05 to FY05-06	11.35%	9.02%	11.35%	26.65%	-7.04%	31.49%	9.37%	
Average of Changes to FY 04-05 and FY 05-06	5.94%	6.41%	9.60%	13.32%	-3.12%	54.67%	3.76%	

Footnotes:

- (1) Total eligibles are based on the Medical Services Premiums caseload detail found in Exhibit B. The Mental Health Caseload found in Exhibit DD carves out aid categories not eligible for Mental Health services, which are Qualified Medicare Beneficiaries, Special Low Income Medicare Beneficiaries, and Non-Citizens.
- (2) Expenditure information is actual expenditures from the Colorado Financial Reporting System. Recoupments for ineligible clients are included in the capitation base by eligibility category.
- (3) Beginning with FY 05-06, the Department began projecting the Mental Health Capitation budget using a per capita methodology based on actual expenditures and Mental Health caseload. This table details what the per capita history would have been, had the Department used such methodology prior to the FY 05-06 projection.
- (4) Per capita cost equals fiscal year expenditures divided by Mental Health average caseload per eligibility category for the fiscal year.

Exhibit EE - Mental Health Community Programs Per Capita History and FY 06-07 Budget Estimate

Expenditures by Fiscal Year	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Category Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A), and Baby Care Program - Adults	Eligible Children (AFDC-C/BC)	Foster Children	Breast and Cervical Cancer Patients	Adjusted Totals	Amount Change
Percentage Change for FY 06-07 ⁽⁵⁾	3.85%	3.85%	3.85%	3.85%	3.85%	3.85%		
FY 06-07 Per Capita Cost ⁽⁶⁾	\$167.48	\$995.87	\$184.82	\$203.81	\$3,467.05	\$195.59	\$437.03	
Total Eligibles FY 06-07	36,827	54,525	70,394	229,917	16,797	257	408,717	
FY 06-07 Expenditures before Recoupments and Adjustments	\$6,167,733	\$54,299,576	\$13,010,446	\$46,858,352	\$58,236,114	\$50,266	\$178,622,487	
Adjustment to FY 06-07 Expenditures for Goebel Lawsuit Settlement clients	\$566,340	\$11,644,449	\$121,179	\$0	\$11,452	\$0	\$12,343,420	
FY 06-07 Expenditures including Goebel before Recoupments	\$6,734,073	\$65,944,025	\$13,131,625	\$46,858,352	\$58,247,566	\$50,266	\$190,965,907	
FY 06-07 Per Capita Cost including Goebel	\$182.86	\$1,209.43	\$186.54	\$203.81	\$3,467.74	\$195.59	\$467.23	
Adjustment for Estimate of Recoupments in FY 06-07 for FY 03-04 Ineligibles ⁽⁷⁾	(\$45,786)	(\$410,877)	(\$75,807)	(\$277,019)	(\$490,434)	(\$77)	(\$1,300,000)	
Estimated FY 06-07 Total Expenditures	\$6,688,287	\$65,533,148	\$13,055,818	\$46,581,333	\$57,757,132	\$50,189	\$189,665,907	\$24,826,685
Estimated FY 06-07 Per Capita Cost Following Adjustments ⁽⁸⁾	\$181.61	\$1,201.89	\$185.47	\$202.60	\$3,438.54	\$195.29	\$464.05	
% Change from FY 05-06 Actuals	12.61%	36.65%	16.04%	30.75%	-4.26%	36.34%	17.85%	

Exhibit EE - Mental Health Community Programs Per Capita History and FY 07-08 Base Request (including Goebel enhanced services)

Expenditures by Fiscal Year	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Category Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A), and Baby Care Program - Adults	Eligible Children (AFDC-C/BC)	Foster Children	Breast and Cervical Cancer Patients	Adjusted Totals	Amount Change
Percentage Selected for FY 07-08 ⁽⁹⁾	3.76%	3.76%	3.76%	3.76%	3.76%	3.76%		
Projected FY 07-08 Per Capita ⁽¹⁰⁾	\$188.44	\$1,247.07	\$192.44	\$210.22	\$3,567.78	\$202.63	\$472.89	
Estimated Total Caseload FY 07-08	37,284	55,125	77,069	244,291	17,385	340	431,494	
Requested FY 07-08 Expenditures Before Adjustments	\$7,025,797	\$68,744,734	\$14,831,158	\$51,354,854	\$62,025,856	\$68,894	\$204,051,293	
Adjustment for Estimate of Recoupments in FY 07-08 for FY 04-05 and FY 05-06 Ineligibles ⁽⁷⁾	\$10,386	\$93,166	\$19,995	\$71,855	\$104,553	\$45	\$300,000	
FY 07-08 Budget Request	\$7,036,183	\$68,837,900	\$14,851,153	\$51,426,709	\$62,130,409	\$68,939	\$204,351,293	\$14,685,386
Requested FY 07-08 Per Capita Cost Following Adjustments ⁽⁸⁾	\$188.72	\$1,248.76	\$192.70	\$210.51	\$3,573.79	\$202.76	\$473.59	
Per Capita % Change from FY 06-07 Estimate	3.91%	3.90%	3.90%	3.90%	3.93%	3.83%	2.06%	

Footnotes:

(5) From the actuarial certification letter for FY 06-07 Mental Health Capitation rates, see Mental Health Assumptions and Calculations for more details.

(6) The FY 05-06 per capita is from page F.EE-1 row 4. The FY 06-07 per capita is (1 + Percentage Change for FY 06-07) X (FY 05-06 per capita).

(7) See Exhibit FF regarding recoupment of capitated Mental Health payments made for clients later found to be ineligible for Medicaid. Allocations are made across eligibility categories according to the expenditures during the years for which recoupments are being made. For example, a recoupment for FY 03-04 ineligible is allocated according to FY 03-04 expenditures.

(8) Estimated FY 06-07 Expenditures after Adjustments equal Mental Health Estimated FY 06-07 Caseload ("Total Eligibles") times Estimated FY 06-07 Per Capita Cost Following Adjustments. The same methodology is used for FY 07-08 using projected per capita rates.

(9) The FY 07-08 percentage change is from the calculations on page F.EE-3.

(10) FY 07-08 Per Capita = (Estimated FY 06-07 Per Capita Cost Following Adjustments) X (1 + Percentage Selected for FY 07-08).

Exhibit II - Global Reasonableness Test for Mental Health Capitation Payments⁽¹⁾

	Actual/Requested Expenditures ⁽²⁾	Percent Change	Dollar Increase/ Decrease	Two-year Rolling Average	Percent Change Two-year Average	Three-year Rolling Average	Percent Change Three-year Average
FY 01-02	\$136,664,156	--	--	--	--	--	--
FY 02-03	\$132,547,090	-3.01%	(\$4,117,066)	\$134,605,623	--	--	--
FY 03-04	\$139,673,753	5.38%	\$7,126,663	\$136,110,421	1.12%	\$136,295,000	--
FY 04-05	\$152,884,856	9.46%	\$13,211,103	\$146,279,304	7.42%	\$141,701,900	3.97%
FY 05-06 Actual	\$164,839,222	7.82%	\$11,954,366	\$158,862,039	8.60%	\$152,465,944	7.60%
FY 06-07 Appropriation vs. FY 05-06 Actual	\$178,184,177	8.10%	\$13,344,955	\$171,511,700	7.96%	\$165,302,752	8.42%
FY 06-07 Estimate vs. FY 05-06 Actual	\$177,322,487	7.57%	\$12,483,265	\$171,080,855	7.69%	\$165,015,522	8.23%
FY 06-07 Estimate vs. Appropriation	\$177,322,487	-0.48%	(\$861,690)	\$177,753,332	3.64%	\$169,463,840	2.52%
FY 07-08 Request vs. FY 06-07 Appropriation	\$191,543,761	7.50%	\$13,359,584	\$184,863,969	7.79%	\$178,189,053	7.80%
FY 07-08 Request vs. FY 06-07 Estimate	\$191,543,761	8.02%	\$14,221,274	\$184,433,124	3.76%	\$177,901,823	4.98%

(1) This analysis compares the percent change between Mental Health Capitation Payments Reported in Exhibit EE. Other Medicaid Mental Health Payments have been excluded.

(2) Expenditures for FY 01-02, FY 02-03, FY 06-07 Estimate, and FY 07-08 Request have Goebel expenditures carved out so comparable data is presented. For expenditures by eligibility category (including Goebel) see page F.EE-4.

Exhibit FF - Mental Health Recoupment of Payments Made for Clients Found to be Ineligible for Medicaid ⁽¹⁾

	FY 04-05 Actuals	FY 05-06 Actuals	FY 06-07 Estimate	FY 07-08 Request
Actual Recoupments in FY 04-05 for FY 02-03 Ineligibles	(\$3,131,775)	\$0	\$0	\$0
Actual Recoupments in FY 05-06 for FY 03-04 and 04-05 Ineligibles ⁽²⁾	\$0	\$0	\$0	\$0
Estimate of Recoupments in FY 06-07 for FY 03-04 Ineligibles ⁽³⁾	\$0	\$0	(\$1,300,000)	\$0
Reverse FY 06-07 Recoupments for FY 03-04 to Capitation Base ⁽³⁾	\$0	\$0	\$0	\$1,300,000
Estimate of Recoupments in FY 07-08 for FY 04-05 Ineligibles ⁽⁴⁾	\$0	\$0	\$0	(\$500,000)
Estimate of Recoupments in FY 07-08 for FY 05-06 Ineligibles ⁽⁴⁾	\$0	\$0	\$0	(\$500,000)
Net Impact of Estimated Recoupments in FY 07-08 for FY 04-05 and FY 05-06 Ineligibles	(\$3,131,775)	\$0	(\$1,300,000)	\$300,000

(1) The Department considers recoupments of capitated payments made for clients later found to be ineligible for Medicaid as part of the capitation base for per capita analyses, as illustrated in page F.EE-5.

(2) Recoupments for FY 05-06 were intentionally postponed until a CBMS change effecting retroactive eligibility is completed in FY 06-07. It is estimated a recoupment for FY 03-04 will be made in FY 06-07, with recoupments for FY 04-05 and FY 05-06 being made in FY 07-08. See Assumptions and Calculations for a complete explanation.

(3) During February 2004, the Department converted from prospective to concurrent capitation payments. FY 03-04 was the first year to experience concurrent monthly capitation payments. This explains the first decrease in annual recoupments from \$3,131,775 to an estimated \$1,300,000.

(4) The Department anticipates a second decrease in recoupments. The projection for FY 04-05 and FY 05-06 is decreased as the ability of county technicians to cancel eligibility retroactively (except in cases of fraud or death) is being removed from CBMS. The system change is to be completed in FY 06-07. See Assumptions and Calculations for more details.

Exhibit GG - Tobacco Tax Impacts on General Fund, Cash Funds Exempt, and Federal Funds Match Calculations for Medicaid Mental Health Community Programs

FY 06-07 MENTAL HEALTH BUDGET ESTIMATE								
DESCRIPTION OF ESTIMATE				CALCULATION OF MATCH				
Eligibility Category	Annualized Caseload Arising from Tobacco Tax ^{(1) (2)}	Projected Per Capita Cost ⁽³⁾	Total Estimate	General Fund	Cash Funds Exempt	Federal Funds	Check	FFP Rate Applied
Health Care Expansion Fund contributions: ⁽⁴⁾								
Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB) ⁽⁵⁾	550	\$1,201.89	\$661,040	\$0	\$330,520	\$330,520	\$661,040	50%
Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults (AFDC-A) and Baby Care Program - Adults ⁽⁶⁾	6,114	\$185.47	\$1,133,863	\$0	\$566,932	\$566,931	\$1,133,863	50%
Eligible Children (AFDC-C/BC) ⁽⁷⁾	12,045	\$202.60	\$2,440,392	\$0	\$1,220,196	\$1,220,196	\$2,440,392	50%
Subtotal from Health Care Expansion Fund	18,709	\$226.38	\$4,235,295	\$0	\$2,117,648	\$2,117,647	\$4,235,295	
Prevention, Early Detection, and Treatment Fund contribution: ⁽⁸⁾								
Breast and Cervical Cancer Program ⁽⁹⁾	77	\$195.29	\$15,037	\$0	\$5,263	\$9,774	\$15,037	65%
Total	18,786	\$226.25	\$4,250,332	\$0	\$2,122,911	\$2,127,421	\$4,250,332	

- (1) The Mental Health Community Programs Caseload in F.DD-1 includes this increase arising from the Tobacco Tax. See Medicaid Mental Health Community Programs Assumptions and Calculations for an explanation of the caseload.
- (2) Caseload in the Annualized Caseload Arising from Tobacco Tax column for FY 06-07 reflect staggered starting dates for the categories shown in footnotes below. For a complete explanation see Medicaid Mental Health Community Programs Assumptions and Calculations for an explanation.
- (3) Refer to F.EE-4 and F.EE-5 for development of per capita costs.
- (4) Cash Funds Exempt are provided by the Health Care Expansion Fund administered by the Department.
- (5) See Medical Services Premiums Page E.B-2 for the caseload number. Note: The Disabled Adults 60 to 64 and Disabled Individuals to 59 columns are combined in this exhibit.
- (6) See Medical Services Premiums Page E.B-2 for the caseload number. Note: The Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults and Baby Care Program-Adults" columns are combined in this exhibit.
- (7) See Medical Services Premiums Page E.B-2 for the caseload number.
- (8) Cash Funds Exempt are transferred from the Department of Public Health and Environment from the Prevention, Detection, and Early Treatment Fund.
- (9) See Medical Services Premiums Page E.F-6 for the caseload number.

COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING: FY 07-08 BUDGET REQUEST: MEDICAID MENTAL HEALTH COMMUNITY PROGRAMS

FY 07-08 MENTAL HEALTH BUDGET REQUEST								
DESCRIPTION OF ESTIMATE				CALCULATION OF MATCH				
Eligibility Category	Annualized Caseload Arising from Tobacco Tax ^{(1) (2)}	Projected Per Capita Cost ⁽³⁾	Total Estimate	General Fund	Cash Funds Exempt	Federal Funds	Check	FFP Rate Applied
Health Care Expansion Fund contributions: ⁽⁴⁾								
Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB) ⁽⁵⁾	755	\$1,248.76	\$942,814	\$0	\$471,407	\$471,407	\$942,814	50%
Categorically Eligible Adults and Health Care Expansion Fund Low-Income Adults (AFDC-A) and Baby Care Program - Adults ⁽⁶⁾	11,554	\$192.70	\$2,226,456	\$0	\$1,113,228	\$1,113,228	\$2,226,456	50%
Eligible Children (AFDC-C/BC) ⁽⁷⁾	22,841	\$210.51	\$4,808,259	\$0	\$2,404,130	\$2,404,129	\$4,808,259	50%
Subtotal from Health Care Expansion Fund	35,150	\$226.96	\$7,977,529	\$0	\$3,988,765	\$3,988,764	\$7,977,529	
Prevention, Early Detection, and Treatment Fund contribution: ⁽⁸⁾								
Breast and Cervical Cancer Program ⁽⁹⁾	102	\$202.76	\$20,682	\$0	\$7,239	\$13,443	\$20,682	65%
Total	35,252	\$226.89	\$7,998,211	\$0	\$3,996,004	\$4,002,207	\$7,998,211	

(1) The Mental Health Community Programs Caseload in F.DD-1 includes this increase arising from the Tobacco Tax. See Medicaid Mental Health Community Programs Assumptions and Calculations for an explanation.

(2) Caseload in the Annualized Caseload Arising from Tobacco Tax column for FY 07-08 reflect staggered starting dates for the categories shown in footnotes below. For a complete explanation see Medicaid Mental Health Community Programs Assumptions and Calculations for an explanation.

(3) Refer to F.EE-4 and F.EE-5 for development of per capita costs.

(4) Cash Funds Exempt are provided by the Health Care Expansion Fund administered by the Department.

(5) See Medical Services Premiums Page E.B-2 for the caseload number. Note: The Disabled Adults 60 to 64 and Disabled Individuals to 59 columns are combined in this exhibit.

(6) See Medical Services Premiums Page E.B-2 for the caseload number. Note: The Categorically Eligible Adults, Health Care Expansion Fund Low-Income Adults and Baby Care Program-Adults" columns are combined in this exhibit.

(7) See Medical Services Premiums Page E.B-2 for the caseload number.

(8) Cash Funds Exempt are transferred from the Department of Public Health and Environment from the Prevention, Detection, and Early Treatment Fund.

(9) See Medical Services Premiums Page E.F-6 for the caseload number.

Exhibit HH - Medicaid Mental Health Fee For Service Payments

Components	FY 05-06 Actual⁽¹⁾	FY 06-07 Appropriation	FY 06-07 Growth Rate in Mental Health Caseload⁽²⁾	FY 06-07 Estimate	FY 06-07 Change⁽³⁾
<i>Inpatient Services⁽¹⁾</i>	\$481,003	\$768,708	6.79%	\$513,658	(\$255,050)
<i>Outpatient Services</i>	\$1,040,344	\$940,424	6.79%	\$1,110,971	\$170,547
<i>Physician Services</i>	\$13,535	\$26,886	6.79%	\$14,454	(\$12,432)
Mental Health Fee-for-Service Before Prior Year Adjustments	\$1,534,882	\$1,736,018		\$1,639,083	(\$96,935)
Adjustment for Inpatient Services FY 05-06 one time recoupment ⁽⁴⁾	(\$303,492)	\$0		\$0	\$0
Rounding Adjustment	\$0	\$1		\$0	(\$1)
Total After Prior Year Adjustments	\$1,231,390	\$1,736,019		\$1,639,083	(\$96,936)

Components	FY 06-07 Estimate	FY 07-08 Growth Rate in Mental Health Caseload⁽²⁾	FY 07-08 Request	FY 07-08 Change⁽⁵⁾
<i>Inpatient Services⁽⁴⁾</i>	\$513,658	5.57%	\$542,283	\$28,625
<i>Outpatient Services</i>	\$1,110,971	5.57%	\$1,172,883	\$61,912
<i>Physician Services</i>	\$14,454	5.57%	\$15,259	\$805
Mental Health Fee-for-Service Before Prior Year Adjustments	\$1,639,083		\$1,730,425	\$91,342
Prior Year Adjustments	\$0		\$0	\$0
Total After Prior Year Adjustments	\$1,639,083		\$1,730,425	\$91,342

- (1) FY 05-06 actuals are actual expenditures from the Colorado Financial Reporting System plus a one-time recoupment of \$303,492 in Inpatient Services.
- (2) Mental Health Caseload and projected growth rates for Mental Health are found in Exhibit DD.
- (3) FY 06-07 Change equals FY 06-07 Estimate less FY 06-07 Appropriated.
- (4) FY 05-06 actuals included a one time recoupment of \$303,492 for Inpatient Services (see footnote 1). This item subtracts the recoupment to adjust to the actual Colorado Financial Reporting System amount.
- (5) FY 07-08 Change equals FY 07-08 Request less FY 06-07 Estimate.

Exhibit II - Global Reasonableness Test for Mental Health Capitation Payments⁽¹⁾

	Actual/Requested Expenditures ⁽²⁾	Percent Change	Dollar Increase/ Decrease	Two-year Rolling Average	Percent Change Two-year Average	Three-year Rolling Average	Percent Change Three-year Average
FY 01-02	\$136,664,156	--	--	--	--	--	--
FY 02-03	\$132,547,090	-3.01%	(\$4,117,066)	\$134,605,623	--	--	--
FY 03-04	\$139,673,753	5.38%	\$7,126,663	\$136,110,421	1.12%	\$136,295,000	--
FY 04-05	\$152,884,856	9.46%	\$13,211,103	\$146,279,304	7.42%	\$141,701,900	3.97%
FY 05-06 Actual	\$164,839,222	7.82%	\$11,954,366	\$158,862,039	8.60%	\$152,465,944	7.60%
FY 06-07 Appropriation vs. FY 05-06 Actual	\$178,184,177	8.10%	\$13,344,955	\$171,511,700	7.96%	\$165,302,752	8.42%
FY 06-07 Estimate vs. FY 05-06 Actual	\$177,322,487	7.57%	\$12,483,265	\$171,080,855	7.69%	\$165,015,522	8.23%
FY 06-07 Estimate vs. Appropriation	\$177,322,487	-0.48%	(\$861,690)	\$177,753,332	3.64%	\$169,463,840	2.52%
FY 07-08 Request vs. FY 06-07 Appropriation	\$191,543,760	7.50%	\$13,359,583	\$184,863,969	7.79%	\$178,189,053	7.80%
FY 07-08 Request vs. FY 06-07 Estimate	\$191,543,760	8.02%	\$14,221,273	\$184,433,124	3.76%	\$177,901,823	4.98%

(1) This analysis compares the percent change between Mental Health Capitation Payments Reported in Exhibit EE. Other Medicaid Mental Health Payments have been excluded.

(2) Expenditures for FY 01-02, FY 02-03, FY 06-07 Estimate, and FY 07-08 Request have Goebel expenditures carved out so comparable data is presented. For expenditures by eligibility category (including Goebel) see page F.EE-4.