



COLORADO DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

A Fact Sheet

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DI-4 Increase Funding for State Contribution Payment

Request: The Department of Health Care Policy and Financing is requesting funds to pay the State contribution payment to the federal government under the Medicare Modernization Act of 2003 for the drug costs of Medicare and Medicaid eligible clients. The additional funds are needed due to an increase in the projected caseload of dual eligible individuals and a projected increase in the per-client per-month rate paid by the State per federal regulations. This request would be a permanent increase to the base.

Summary of Request FY 2010-11	Total Funds	General Fund
Total Request	\$1,727,607	\$1,727,607

Highlights:

- The FY 2009-10 payment is estimated to total \$86,821,002, a decrease of \$1,987,584 from previous estimates.
- The per-client per-month rate is estimated to increase from the current rate of \$128.62 per-client per-month to \$132.12 per-client per-month in calendar year 2010 and to \$136.23 per-client per-month in calendar year 2011. As a result of these increases, the total payment for FY 2010-11 is estimated to increase \$438,060 over the most recent estimate for the FY 2009-10 total payment.
- The Department estimates that the number of dual eligible clients in the May 2010 invoice will be 55,912. By April 2011, the Department estimates that the number of dual eligible clients will reach 57,164. These estimates are based on the historic growth rate and level of retroactivity in dual eligible caseload. The total state contribution payment is estimated to increase by \$3,277,131 in FY 2010-11 over the most recent estimate for the FY 2009-10 total payment due only to increases in the dual eligible caseload.
- The total FY 2010-11 General Fund need is projected to equal \$90,536,193.
- This request would allow the Department to meet its obligations to the federal government and ensure that the Department would not have the amount due plus interest deducted from the federal funds that the Department receives for the Medicaid program.

For more information about this Department and its programs, please call Ginny Brown at 303-866-3972 or Nicole Storm at 303-866-3180.

Media inquires should be directed to Joanne Lindsay at 303-866-3144.