



COLORADO

**Department of Health Care
Policy & Financing**

Department of Health Care Policy and Financing
Medicaid Caseload
FY 2017-18 Budget Request

November 2016

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CHANGES TO THE ELIGIBILITY CATEGORIES

The Department of Health Care Policy and Financing (“the Department”) previously altered the eligibility categories to reflect the different Federal Medical Assistance Percentage (FMAP) that is applied to different categories. Several steps in Medicaid expansion (described below) introduced new categories with an enhanced FMAP. Forecasting caseload by eligibility and FMAP categories allows for a more accurate expenditure estimate for each funding source. Beginning with the August 2014 JBC Monthly Report, caseload was restated to align with the eligibility categories described below.

- “Categorically Eligible Low-Income Adults” and “Expansion Adults to 68%” were combined into one category called “MAGI Parents/Caretakers to 68% FPL.”
- “Expansion Adults to 133% FPL” is now titled “MAGI Parents/Caretakers 69%-133% FPL”
- On January 1, 2013, Colorado implemented SB 11-008 and SB 11-250 which expanded Medicaid Eligible Children to 133% FPL (142% FPL with MAGI disregards after October 2013) for all ages and expanded Baby-Care Adults to 185% FPL (195% FPL with MAGI disregards after October 2013). The incremental increase in eligibility receives and enhanced match equal to the CHP+ FMAP. Eligible Children and Baby-Care Adults are now separated into two categories each; MAGI Eligible Children and SB 11-008 Eligible Children, and MAGI Pregnant Adults and SB 11-250 Eligible Pregnant Adults.

Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B)	Disabled Individuals to 59 (AND/AB)	Disabled Buy-In	Categorically Eligible Low-Income Adults (AFDC-A)	Expansion Adults to 68% FPL	Expansion Adults to 133% FPL	Adults Without Dependent Children (AwDC)	Breast & Cervical Cancer Program	Eligible Children (AFDC-C/BC)	Foster Care	Baby Care Program-Adults	Non-Citizens	Partial Dual Eligibles	
Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B)	Disabled Individuals to 59 (AND/AB)	Working Adults & Children with Disabilities – Buy-In	MAGI Parents/Caretakers to 68% FPL	MAGI Parents/Caretakers 69%-133% FPL	MAGI Adults	Breast & Cervical Cancer Program	MAGI Eligible Children	SB 11-008 Eligible Children	Foster Care	MAGI Pregnant Adults	SB 11-250 Eligible Pregnant Adults	Non-Citizens	Partial Dual Eligibles

MEDICAID CASELOAD

INTRODUCTION

Biannually, the Department submits its estimated funding need for the Medical Services Premiums line item. The first step in generating the November and February submissions is to project the Medicaid caseload. Medicaid caseload does not represent the number of uninsured individuals in Colorado, nor does it represent the number of Colorado residents living in poverty. Caseload figures only represent individuals that the Department expects will enroll in Medicaid because they meet specific eligibility requirements in one of three groups: 1) Families, Pregnant Women, and Children; 2) Aged and Disabled; or 3) Other.

Federal Medicaid statute defines over 50 groups of individuals that may qualify for Medicaid. Some groups are mandatory, while others are optional and each state decides which of the optional groups it will cover. From the inception of Medicaid in 1965 (Public Law 89-97) to the 1980s, the program was targeted at low-income families, the elderly, and individuals with disabilities. During the 1980s, Medicaid expanded to include pregnant women and children with greater income levels, as well as some optional elderly and disabled groups. In 2000, Medicaid coverage was extended to women with breast and cervical cancer. From the 1990s to the present, other Medicaid categories have been added through State-initiated waivers. All eligibility categories have specific income limits, and some have additional criteria such as age, resources or disability status. For budgetary purposes, the Department groups together clients with similar characteristics and costs. For example, clients grouped in the MAGI Eligible Children category have similar characteristics and costs but might have gained Medicaid eligibility through different criteria. Since each category of eligibility is affected by unique factors, the Department projects each category separately. Projecting an aggregate caseload would be easier but less precise.

Historic caseload data are used in conjunction with economic data to project caseload in each category. To make a projection, the Department uses several different statistical techniques (as described in the Forecast Models section) and chooses the projection that best fits the data. After projections are chosen for each category, the Department presents its recommendations to the Office of State Planning and Budgeting (OSPB). The Department then meets with OSPB, and the two agencies agree on an Executive caseload proposal. It is important to note that the methodology the Department used to generate its projections is not wholly reflected by the Executive caseload proposal presented in this document, since those figures are often the result of compromises with OSPB.

In 2003, the process of projecting the Medicaid caseload was drastically affected by SB 03-196, which mandated that the Department transition from accrual to cash-based accounting. From that point forward, caseload numbers no longer incorporated retroactivity. Retroactivity caused historical adjustments to caseload to account for clients who were found to be eligible for Medicaid for past months, thus increasing the count of persons eligible for Medicaid. Since most clients are eligible back to the date of their application, retroactivity adjustments assured that all months were accounted for. However, this caused variability in the caseload reports, as monthly caseload was adjusted for months, even years, after the month had ended. It also required special manually run reports to make these adjustments. Under the cash accounting system, a monthly caseload report is created from the Medicaid Management Information System (MMIS) and that caseload is considered final.

If the Department had only applied the accounting conversion to the FY 2003-04 caseload projection, this would have produced an artificial drop in caseload relative to the prior year when retroactivity was still applicable. To control for this manufactured decrease in caseload, and to develop a more accurate portrayal of history, the Department recreated 10 years of Medicaid caseload history without retroactivity. By rebuilding the caseload without retroactivity, the Department was able to put the FY 2003-04 projection in perspective and test the historical data for accuracy. Medicaid eligibility,

retroactive back to the date of application, is still in effect; however, it is no longer reported in caseload. For a complete explanation of how the historical data was rebuilt and tested, refer to the November 3, 2003 Budget Request, pages K-98 and K-99.

Through June 2008, the Department utilized the REX01/COLD (MARS) R-464600 report for caseload levels, which is a standard report from the MMIS. Eligibility information included in MMIS is fluid and is updated from the Colorado Benefits Management System on a daily basis. This report is run on the Friday before the last Tuesday of every month and does not incorporate eligibility changes that occurred between the run date and the last day of the given month. In addition, the report is a one-time snapshot and cannot be replicated in the future because of the dynamic nature of eligibility. The limitations of this report prevent the Department from analyzing caseload by characteristics other than eligibility types such as gender, county of residence, or age.

The Department has developed a new caseload report that it believes measures caseload more accurately: the REX01/COLD (MARS) R-474701. This report captures eligibility movements for the entire month in question and also stores the data table that underlies the report. As a result, the Department is able to analyze caseload by many other demographic and geographic characteristics while still balancing to the official Medicaid caseload. The Department began to use this new caseload report with the July 2008 caseload report to the Joint Budget Committee. Because of the differences between the methodologies used in the original and new caseload reports, the Department restated historical Medicaid caseload through FY 2002-03. All caseload history and forecasts included in the following narrative, as well as the Medical Services Premiums and Medicaid Behavioral Health projections, are the official restated caseload.

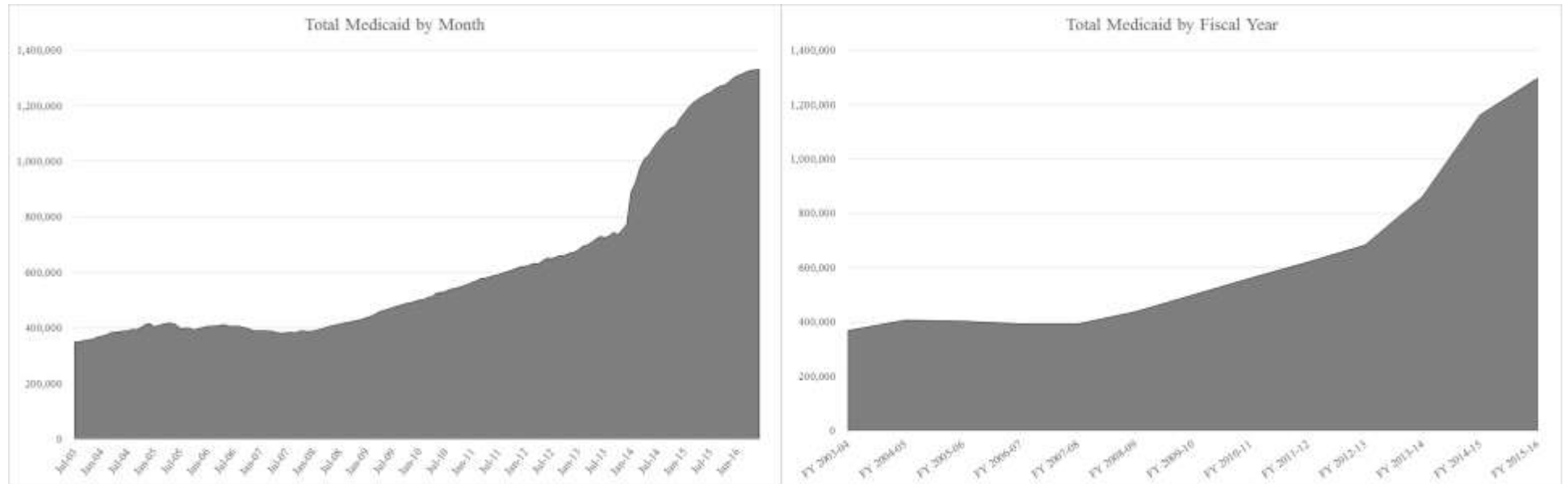
In addition to estimating the funding need for the Medical Services Premiums line item, Medicaid caseload is used to determine the funding need for the Medicaid Behavioral Health Community Programs. Comprehensive behavioral health services are available to eligible Medicaid clients. Thus, the Medicaid Behavioral Health caseload is the Medicaid caseload less Partial Dual Eligibles and Non-Citizens, which are not eligible for full Medicaid benefits. The following table displays a comparison of historical caseloads in Medicaid Medical Services Premiums and Behavioral Health.

Fiscal Year	Medical Services Premiums Caseload	Less: Behavioral Health Ineligible Categories	Behavioral Health Caseload
FY 2003-04	367,559	(14,635)	352,924
FY 2004-05	406,024	(14,755)	391,269
FY 2005-06	402,218	(17,304)	384,914
FY 2006-07	392,228	(18,109)	374,119
FY 2007-08	391,962	(18,405)	373,557
FY 2008-09	436,812	(19,062)	417,750
FY 2009-10	498,797	(19,612)	479,185
FY 2010-11	560,759	(20,303)	540,456
FY 2011-12	619,963	(21,641)	598,322
FY 2012-13	682,994	(23,890)	659,104
FY 2013-14	860,957	(25,859)	835,098
FY 2014-15	1,161,206	(30,767)	1,130,439
FY 2015-16	1,296,986	(35,234)	1,261,752

Recent Caseload History

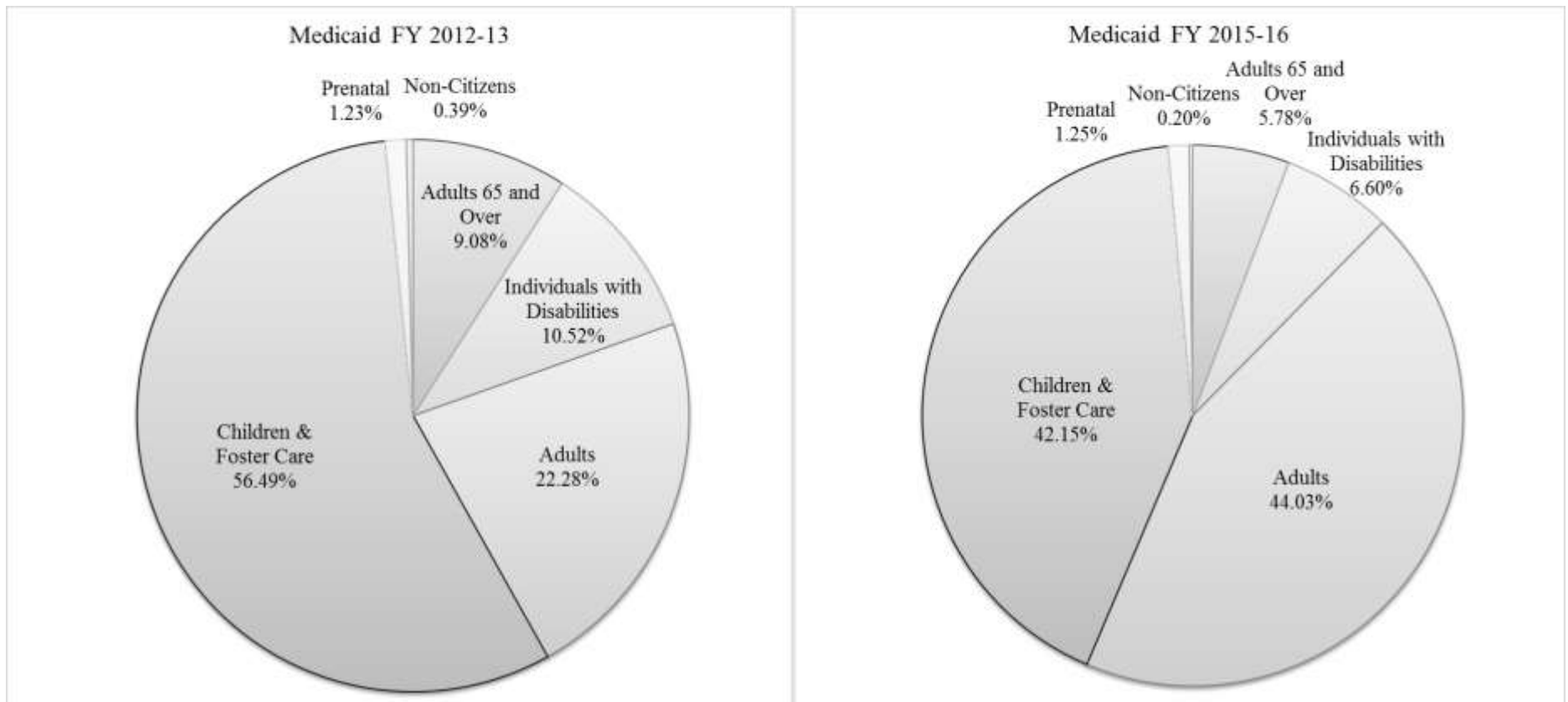
Total Medicaid Caseload

Exhibit B tabulates actual caseload figures and growth rates by eligibility category from FY 1997-98 to FY 2015-16. Projections for FY 2016-17 through FY 2018-19 are also presented in the table and will be discussed in the Categorical Projections section of this document. A graphical representation of aggregate Medicaid caseload history from FY 2003-04 is shown below. Total Medicaid caseload had an average yearly growth of 11.76% over the 5 years preceding FY 2013-14. As can be seen in the graph below, Medicaid expansion began in January 2014. The average monthly caseload for total Medicaid in FY 2013-14 increased by 26.06% from FY 2012-13. Overall, the caseload growth that is attributable to Medicaid expansion has been much greater than previously projected.



Composition of Medicaid Caseload

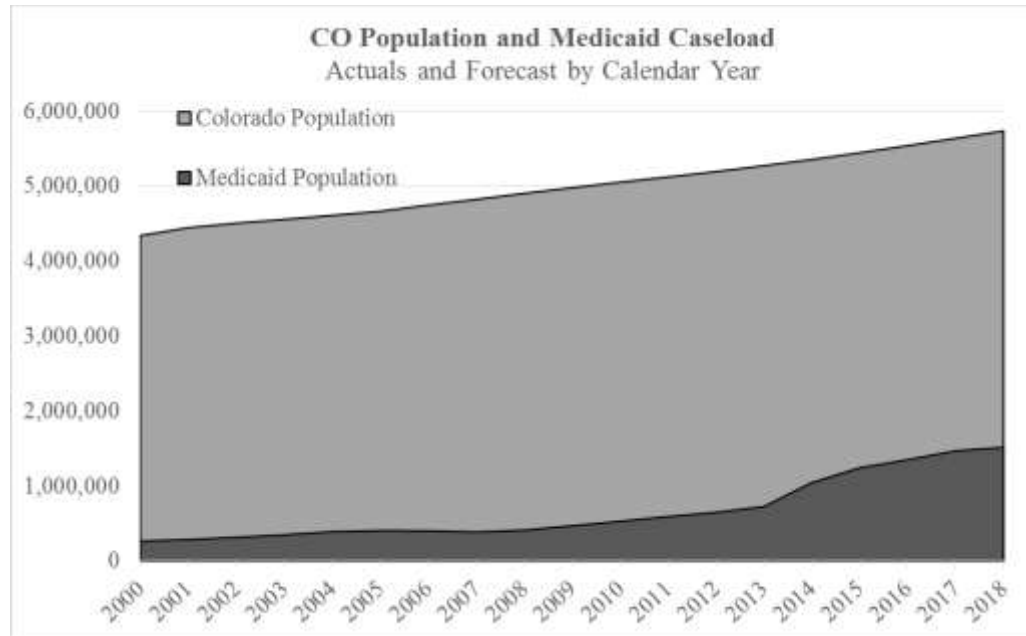
Medicaid Expansion resulted in significant changes in the composition of Medicaid caseload, mainly for Medicaid Adults. The following charts show a side-by-side comparison of the Medicaid caseload by category as a percentage of the overall caseload for FY 2012-13 (pre-expansion) and FY 2015-16 (post-expansion). Medicaid adults have increased their share of caseload by more than 21 percentage points, an increase attributable to lifting the enrollment cap in MAGI Adults and expanding eligibility for adults to 133% FPL. Children and Foster Care has lost more than fourteen percentage points and is now less than half of the composition of Medicaid. Adults ages 65 and Over and Individuals with Disabilities have also lost a portion of their share. These declines in the proportion of caseload are not due to declines in the individual eligibilities themselves, rather they are due to the large increase in Medicaid Adults.



A number of factors influence Medicaid caseload trends, including population trends, in-state migration, age of the population, length of stay, economic conditions, and State and federal policy changes. Projecting annual caseload is complicated by the fact that each of these factors can contribute to categorical changes, some of which may be contradictory. For example, the State may enact legislation that removes clients from a Medicaid category

who are aged 65 and older, while the population of adults aged 65 and older is increasing. Therefore, projections represent the *net effect* of what the Department expects will happen. Each factor and its expected impact on the Medicaid caseload are discussed below.

Population - Colorado’s total population is estimated to have increased 7.8% from 2010 to 2015, while the population increase for the total US was 4.1%¹. The Department of Local Affairs’ State Demography Office forecasts that Colorado’s population will increase a further 5.36% from 2015 to 2018². As the overall population has grown, so too has Medicaid caseload. This positive correlation implies that if population is projected to grow in the future, Medicaid caseload may also increase. The graph below shows the Department of Local Affairs’ forecast for Colorado’s population with the Department’s Medicaid Caseload forecast by calendar year.



When using population data to project caseload, the Department marries population subgroups to their appropriate Medicaid category. For example, when projecting caseload for MAGI Eligible Children, the Department uses population statistics for Colorado residents aged 0 to 18. By using subgroups instead of total population figures, the Department is able to capture subgroup specific trends.

In-State Migration - Like population, in-state migration is positively correlated with Medicaid caseload. As discussed above, Colorado’s population from 2010 to 2015 grew at a faster rate than the population of the U.S. As more individuals move to Colorado from other states, Medicaid caseload is likely to increase. During economic downturns, people usually move from states with worse economic conditions to states with better conditions in search of jobs. Although Colorado experienced economic conditions in line with the overall conditions in the United States during the recent recession,

¹ <http://www.census.gov/quickfacts/table/PST045215/00>

² Source: Department of Local Affairs, Demography Division;

<https://demography.dola.colorado.gov/births-deaths-migration/data/components-change/#components-of-change>, select Colorado, years 2010-2018, and no grouping

net migration remained positive in 2010 at approximately 70,000³. An increase of 70,000 persons in a population of over 5.1 million may not be significant, but a positive migration rate means more people who could be eligible for Medicaid. According to 2010 estimates from the Census Bureau, Colorado experienced the sixth highest migration rate in the United States.⁴ Conversely, as the economy recovers, in-state migration is expected to increase. Net migration grew to an estimated 52,346 in 2006, overtaking natural increase (births minus deaths) as the major component of population growth. Though in-state migration is projected to decrease over the forecast period, the number of individuals moving into the State is expected to remain positive, buoyed by rates of unemployment and housing value deflation that are lower than the national average.

Age - The age of the population can provide some insight as to why Medicaid caseloads have been increasing. As the population ages, the demand for medical care increases. Generally, as individuals age, their health becomes more fragile and they are more likely to seek health care. From 2002 to 2012, Colorado’s median age increased by 1.9 years, a 5.4% increase⁵. This may be the result of retirees moving to the State, increased longevity, or fewer births. Regardless of the reason, an aging population has a direct effect on the demand for medical services, though not necessarily Medicaid. According to data from the United States Census Bureau, Colorado had the 10th lowest median age in 2010 and the 4th lowest old-age dependency ratio in 2009 (defined as the population 65 and older as a percent of population 18 to 64) in the nation.⁶ The population over 60 in Colorado has increased by 59.55% between 2002 and 2013, which is expected to cause an increase in the State’s median age. Additionally, Colorado’s old-age dependency ratio is projected to increase from 15.6 in 2000 to 24.6 in 2020, a 57.2% increase.⁷ This growth is significantly higher than the national average, which is projected to increase by 34.8% over the same timeframe. This suggests that Colorado will be aging faster than the average state over the forecast period. Since 2009, Colorado has experienced increases in the eligibility categories that include older individuals, though the growth was not as high as population growth in the general population aged 60 and over. This may be the result of a healthier aging population and demographic factors, such as the elderly population working longer and some of the baby-boom generation not yet reaching retirement age. Below is a chart comparing population by age group for Colorado and the United States. The next page shows the population pyramid from the 2010 Census Summary.

Population by Age Group: 2010										
	Total Population	Under 18 years		18 to 44 Years		45 to 64 Years		65 Years and Over		Median Age
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	
United States	308,745,538	74,181,467	24.0%	112,806,642	36.5%	81,489,445	26.4%	40,267,984	13.0%	37.2
Colorado	5,029,196	1,225,609	24.4%	1,913,620	38.1%	1,340,342	26.7%	549,625	10.9%	36.1

³ Source: Department of Local Affairs, Demography Division

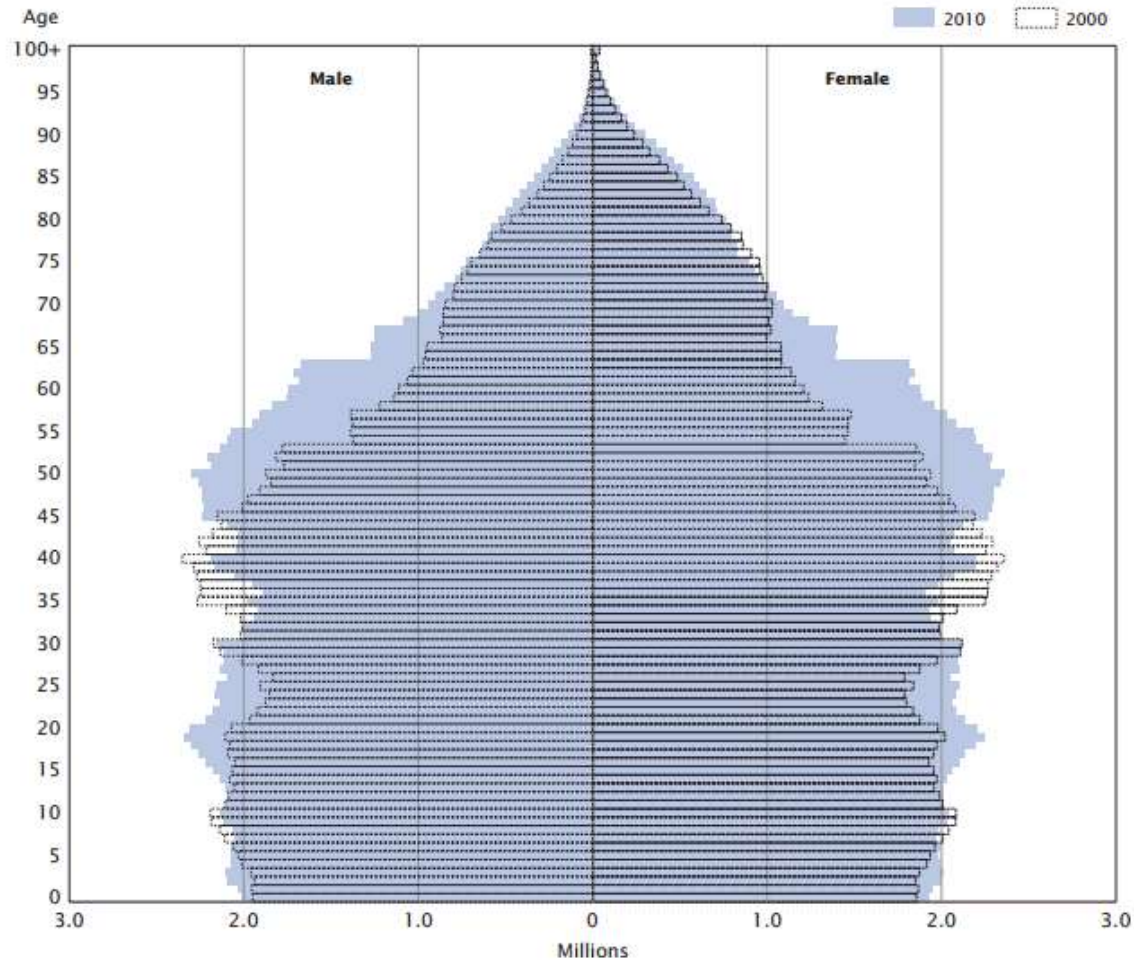
⁴ Source: 2010 American Community Survey <http://www.census.gov/acs/www/>

⁵ Source: Department of Local Affairs, Demography Division

⁶ Source: 2010 American Community Survey <http://www.census.gov/acs/www/>

⁷ Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005 <http://www.census.gov/population/www/projections/index.html>

Figure 2.
Population by Age and Sex: 2000 and 2010
(For information on confidentiality protection, nonsampling error, and definitions, see www.census.gov/prod/cen2010/doc/sf1.pdf)



Sources: U.S. Census Bureau, *Census 2000 Summary File 1* and *2010 Census Summary File 1*.

Length of Stay- Medicaid caseload is not only affected by the number of individuals served but also the length of time they remain in the program. The calculation used in the past for length of stay only considered enrollment in a given year in isolation, and did not account for clients that have eligibility that overlaps multiple fiscal years due to the timing of their eligibility determination. The Department has refined this analysis to account for the clients with a length of stay lasting longer than a fiscal year to provide a more accurate picture of the amount of time that individuals are enrolled in Medicaid. The table below shows the average length of stay in months, as well as the percent of clients that stay on Medicaid for longer than one year. The calculation for FY 2014-15 (shaded) may not be complete due to run-out and these averages could increase as more data is accrued. Between FY 2012-13 and FY 2013-14, average length of stay for MAGI Parents/Caretakers to 68% FPL increased from around 13 months to nearly 16 months and average length of stay for MAGI Eligible Children increased from nearly 17 months to just under 18 months.

Average Length of Stay in Months by Eligibility														
		Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Disabled Buy-In	MAGI Parents/ Caretakers to 68% FPL	MAGI Parents/ Caretakers to 133% FPL	MAGI Adults	Breast and Cervical Cancer Program	Eligible Children	Foster Care	Baby Care Program Adults	Non- Citizens	Partial Dual- Eligibles
FY 2010-11	Avg LOS Mo's	54.82	50.16	66.28	-	14.08	12.31	-	32.44	16.63	43.91	10.49	6.57	47.04
	% > 12 Mo's	90.82%	90.52%	93.20%	-	53.18%	48.42%	-	81.99%	67.07%	87.18%	25.16%	1.51%	89.86%
FY 2011-12	Avg LOS Mo's	51.03	44.97	61.25	13.52	14.45	13.90	10.11	30.99	17.76	42.67	10.66	6.38	42.71
	% > 12 Mo's	90.93%	90.11%	93.11%	32.61%	58.37%	62.77%	39.27%	83.96%	76.42%	88.94%	27.06%	1.35%	90.40%
FY 2012-13	Avg LOS Mo's	43.32	35.46	55.11	12.78	13.90	12.50	9.28	25.99	16.62	37.29	9.07	5.84	34.46
	% > 12 Mo's	86.05%	86.40%	90.21%	30.65%	53.55%	48.93%	32.93%	70.65%	68.90%	90.21%	16.16%	0.92%	78.52%
FY 2013-14	Avg LOS Mo's	35.28	33.14	45.31	15.94	15.78	6.95	9.86	29.02	17.84	35.91	10.29	5.74	32.28
	% > 12 Mo's	85.48%	86.30%	90.68%	47.09%	63.63%	12.00%	19.45%	75.08%	72.47%	88.48%	24.44%	0.76%	82.42%
FY 2014-15	Avg LOS Mo's	14.31	16.41	16.49	11.85	13.44	19.67	11.28	12.18	14.05	31.21	10.81	5.59	13.67
	% > 12 Mo's	80.77%	87.53%	90.23%	39.66%	72.19%	80.95%	20.04%	73.58%	79.88%	93.31%	33.37%	1.59%	81.51%

Economic Conditions - Economic indicators partially explain why some Medicaid caseload trends occur. Since Medicaid is a needs-based program where clients must meet income limits, it follows that caseload for families and children should be countercyclical to economic conditions. For example, as the state experiences recessionary conditions, the Medicaid caseload will increase. After the recession that ended in the early 1990s, Colorado enjoyed almost ten years of economic expansion. The terror attacks on the United States in 2001 combined with the bursting of the stock market bubble in late 2000 brought that expansion to a halt. For the first time in more than a decade, Colorado experienced significant job losses coupled with falling wages. In mid-2003, the Colorado economy hit bottom after the decline that started in early 2001. Due to seasonal fluctuations and wide confidence intervals for over the month changes, employment data is best analyzed by comparing the same month for different years. The first post-recession over-the-year gain in non-agricultural employment occurred in March of 2004. The State officially entered an expansionary period in early 2006, as employment surpassed the late 2000 peak. The recovery period lasted 30 months, one of the longest on record. Employment began to soften in October 2008, when 4,600 jobs were shed over the year. The State experienced over-the-year job losses for two years and the annual contractions appear to have peaked in September 2009, when job losses numbered 128,400 (5.5%) over the year. The State has seen very moderate over-the-year employment increases as of September 2010. As of June 2016, the over-the-year jobs gain was estimated to be 64,800, or 2.55%⁸. The unemployment rate for the US in 2015 was estimated at 5.3%⁹ while Colorado’s unemployment rate for the same year was 3.9%.

The table that follows shows historical and projected (shaded) wage and salary income, non-agricultural employment, and unemployment rates.¹⁰

Year	Wage and Salary Income (billions)	Non-Agricultural Employment	Unemployment Rate
2007	\$ 112.5	2,331,300	3.8%
2008	\$ 116.7	2,350,300	4.8%
2009	\$ 112.3	2,245,600	8.1%
2010	\$ 113.8	2,222,300	8.7%
2011	\$ 118.6	2,258,600	8.4%
2012	\$ 125.0	2,313,000	7.9%
2013	\$ 129.5	2,381,900	6.8%
2014	\$ 138.7	2,464,900	5.0%
2015	\$ 146.4	2,539,900	3.9%
2016	\$ 154.2	2,603,400	3.3%
2017	\$ 162.5	2,668,400	3.6%
2018	\$ 171.4	2,732,500	3.8%

The timing of an economic cycle is important in estimating the impact on the Medicaid caseload, excluding elderly eligibilities and clients with disabilities. As the economy recovers from a downturn, workers need to find jobs in order to withdraw from the Medicaid rolls. Jobs that primarily affect family and children Medicaid populations are hourly and concentrated in the service industry. These employment types are often the last to

⁸ Source: United States Department of Labor, Bureau of Labor Statistics, Current Employment Statistics <http://www.bls.gov/data/>

⁹ Source: <http://www.bls.gov/cps/>

¹⁰ Source: Office of State Planning and Budgeting, June 2016 Economic and Fiscal Review, page 65

benefit from improving economic conditions. Therefore, any economic impact on the Medicaid caseload will have a lagged effect. Second, as workers find jobs they do not instantaneously lose their Medicaid eligibility. Since 1990, states have been federally required to provide Transitional Medical Assistance (known as Transitional Medicaid) benefits for up to one year to families who lost eligibility because of increased income due to employment. This policy was directed at clients who potentially might turn down employment for fear of losing their Medicaid benefits. To be eligible for Transitional Medicaid, a client must have been eligible in at least three of the preceding six months, though states may elect to reduce this requirement to fewer than three months. Clients may receive Transitional Medicaid as long as their income is below 185% of the federal poverty level, provided that the proper income reporting requirements are followed. Another small group of clients are eligible for Transitional Medicaid services that would otherwise lose their Medicaid benefits due to child or spousal support payments. Families in this group receive a four-month extension. In the past, this program has been set to expire many times. With the passage of H.R.2 “Medicare Access and CHIP Reauthorization Act of 2015 on April 16, 2015, transitional Medicaid was made permanent. As illustrated in the following table, the average number of adults and children on Transitional Medicaid increased dramatically in FY 2004-05. The Department suspects that the high growth in FY 2004-05 and FY 2005-06 may be partially related to large monthly increases that occurred around the implementation of the Colorado Benefits Management System. Monthly caseload declined between December 2005 and June 2008, but caseload increased throughout FY 2008-09 and FY 2009-10. Transitional Medicaid increased again in FY 2013-14 and FY 2014-15 for adults, which is likely due to both expansion and an improving economy.

While the economy is projected to continue improving, the Department does not anticipate declines in caseload. The Affordable Care Act expands State-provided medical coverage, implements an insurance mandate, and changes the way poverty levels are measured (MAGI conversion). Despite the improving economy, these policy changes are resulting in aggressive caseload growth. As discussed above, many of the expansion groups in Medicaid caseload grew much faster than originally predicted. More details will be presented in the Categorical Projections section. The improving economy is better demonstrated in the average monthly caseload that is on Transitional Medicaid, see the chart on the next page.

The Department implemented two changes that affected Transitional Medicaid in FY 2009-10. First, section 5004 of the American Recovery and Reinvestment Act of 2009 (ARRA) included options for states to modify eligibility for Transitional Medicaid, including waiving the requirement that the family was eligible for Medicaid in at least three of the preceding six months and extending families’ eligibility to 12 months, rather than six months followed by a second six-month period that is dependent upon reporting, income, and technical eligibility requirements. Colorado elected the option to provide 12 months of Transitional Medicaid coverage, which was effective October 1, 2010. Finding #58a of the State of Colorado Statewide Single Audit for the Fiscal Year ending June 30, 2009 stated that the Department should address an issue in the Colorado Benefits Management System that prevented the prompt termination of Transitional Medicaid benefits if the proper reporting, income, and technical eligibility requirements were not met. The Department’s response indicated that it was researching whether it would be more efficient for both county eligibility staff and clients, as well as from a fiscal standpoint, to grant 12 months of Transitional Medicaid eligibility with no reporting requirements. The Department determined that this was indeed more efficient and decided in 2010 to go forward with this option. Second, when the Department implemented the eligibility expansion for Medicaid Parents/Caretakers to 100% of the federal poverty level, the Department made modifications to the Colorado Benefits Management System to increase eligibility for all Family Medicaid clients to 100% of the federal poverty level. Previously, the Expansion Adults to 60% of the federal poverty level (FPL) group had its own eligibility requirements within Family Medicaid, which the Centers for Medicare and Medicaid Services indicated to the Department was incorrect. Prior to Medicaid expansion on January 2014, income eligibility for Transitional Medicaid spanned 101% to 185% FPL rather than 26% to 185% FPL, the Aid to Families with Dependent Children (AFDC) level. However, Transitional Medicaid caseload has steadily increased since this level shift, as is reflected in the table below. The number of adults on Transitional Medicaid nearly doubled in FY 2013-14 and more than doubled in FY 2014-15. The Department believes this is due to the MAGI conversion and the

mass update that was completed in March 2014. The MAGI conversion was implemented in October 2013 and changed the income determination for certain populations, including parents/caretakers. The Department ran a systems update in March 2014 to redetermine all clients under the MAGI rules. As clients income level changed with the new MAGI determination, many parents/caretakers experienced an increase in measured income and were then identified as eligible for transitional Medicaid. This similar increase was not identified in children’s categories because of the implementation of continuous eligibility for children. Adult clients eligible for Transitional Medicaid remain in the MAGI Parents/Caretakers to 68% FPL category rather than transitioning to expansion categories, when their FPL is at or below 133%.

Fiscal Year	Average Number of Eligible Children on Transitional Medicaid	Average Number of Parents/Caretakers on Transitional Medicaid
FY 2002-03	7,645	4,689
FY 2003-04	7,349	4,709
FY 2004-05	10,776	6,586
FY 2005-06	16,749	10,745
FY 2006-07	16,065	9,968
FY 2007-08	13,000	7,778
FY 2008-09	13,489	7,905
FY 2009-10	13,582	8,099
FY 2010-11	11,042	6,173
FY 2011-12	21,311	11,171
FY 2012-13	16,544	8,643
FY 2013-14	16,335	16,668
FY 2014-15	4,969	34,001
FY 2015-16	12,451	29,329

Policy Changes - State and federal policy decisions can alter the Medicaid caseload. The following list briefly describes major State and federal policy changes that have affected Medicaid eligibility and, therefore, caseload. This list is not meant to be comprehensive in nature but a summary of major changes affecting eligibility since 2000.

- Breast and Cervical Cancer Prevention and Treatment Act of 2000, Public Law 106-354: Established a new group of eligibility for women under 65 who have been screened under the Centers for Disease Control and Prevention Board and need treatment for either diagnosis. Colorado implemented this optional eligibility group in July 2002 pursuant to SB 01S2-012.
- Medicare Prescription Drug, Improvement, and Modernization Act of 2003: This act causes more potential beneficiaries to be screened for Medicaid when they apply for this Medicare benefit.
- Presumptive eligibility for Medicaid pregnant women was discontinued on September 1, 2004. It was re-established by HB 05-1262 on July 1, 2005.
- HB 05-1262, the Tobacco Tax bill: This bill provided funding for the removal of the Medicaid asset test, the expansion of the income guideline used to establish eligibility for parents of children eligible for either Medicaid or the Children's Basic Health Plan to 60% of the federal poverty level (known as Expansion Adults to 60% FPL), and to expand the number of children enrolled in the Home- and Community-Based Services and the Children's Extensive Support Waiver.
- Deficit Reduction Act of 2005: This Act contained provisions related to premiums and cost sharing, benefits, and asset transfers that will have implications for Medicaid beneficiaries. In addition, the Deficit Reduction Act contained a provision requiring States to obtain satisfactory documentary evidence of citizenship and identity for all Medicaid applicants who have declared that they are citizens or nationals of the United States, with exemptions for individuals that are eligible for Medicaid and entitled to or enrolled in Medicare and those eligible for Medicaid by virtue of receiving Supplemental Security Income benefits.
- SB 07-211: Established presumptive eligibility for Medicaid children.
- HB 09-1293: The Colorado Health Care Affordability Act of 2009, authorizes the Department to collect hospital provider fees for the purpose of obtaining federal financial participation for the State's medical assistance programs and using the combined funds to: 1) increase reimbursement to hospitals for providing medical care under the medical assistance program and the Colorado Indigent Care Program; 2) increase the number of persons covered by public medical assistance; and 3) pay the administrative costs to the Department in implementing and administering the program. Populations that receive Hospital Provider Fee funding are disabled buy-in, adults without dependent children, and expansion adults 60%-133%. HB 09-1293 also established continuous eligibility for twelve months for children in Medicaid.
- HB 09-1353: Expands Medicaid eligibility to pregnant women who are legal permanent residents that have been in the country for less than 5 years.
- SB 11-008: Increases Medicaid eligibility for children from 6 through 18 years of age to 133% FPL beginning in January 2013 (142% FPL after MAGI disregards in October 2013). These clients are identified separately in the JBC monthly report and in the caseload forecast. They are the clients that are Medicaid eligible children between the ages of 6 and 18, FPL within 108% and 142%, and have no other insurance. These clients receive the CHP+ enhanced Federal match.
- SB 11-250: Increases Medicaid eligibility for pregnant women from 142% FPL to 185% FPL beginning in January 2013 (195% FPL after MAGI disregards in October 2013). These clients are identified separately in the JBC monthly report and in the caseload forecast. They are the clients that are Medicaid eligible pregnant adults that are within 142% FPL and 195% FPL and have no other insurance. These clients receive the CHP+ enhanced Federal match.
- SB 13-200: Increases Medicaid eligibility for expansion adults from 100% FPL to 133% FPL and lifts the enrollment cap on MAGI Adults.

- Continuous eligibility for Medicaid Eligible Children and CHP+ Children was implemented March 2014. Clients on Medicaid or CHP+ that are determined over the income threshold will have an additional 12 months of eligibility before losing benefits. This reduces churn between Medicaid and CHP+ as well as the client's ability to maintain continuous medical coverage as they churn from Medicaid or CHP+ into the Marketplace. This change results in an increased length of stay for MAGI Eligible Children and SB 11-008 Eligible Children.
- HB 14-1045: Extends funding for the Breast and Cervical Cancer Program through FY 2018-19.
- HB 14-1252: Increases the system capacity for home- and community-based intellectual and developmental disabilities programs, services, and supports.
- Annualization of income began July 1, 2016 and allows individuals with seasonal fluctuations in income to remain eligible throughout the year so long as their income, annualized throughout the year, meets Medicaid qualification requirements.
- The age range for screening and treatment of cervical cancer under the Breast and Cervical Cancer Program will expand to 21 through 64, from 40 through 64, in January 2017, based on the Department of Public Health and Environment's FY 2016-17 R-04 "Cervical Cancer Eligibility Expansion" request.
- HB 16-1321: Allows for a Medicaid Buy-In option for Supported Living Services waiver (under the Office of Community Living) and the Spinal Cord Injury and Brain Injury waivers under Medical Services Premiums, beginning in FY 2017-18.

Oftentimes, a forecast cannot instantaneously incorporate policy changes even with the use of dummy or indicator variables. When this occurs, adjustments are made to the forecast off-line. Detailed accountings of off-line adjustments are in Exhibit B, page EB-2.

Under Medicaid regulations before January 2014, the rules for counting income varied from state to state and differed based on the category through which an individual was eligible for the program. For example, Medicaid allowed applicants to disregard some child support payments and the first \$90 of earned income, and to deduct certain childcare expenses from income when determining eligibility for benefits. States also had the flexibility to disregard additional income and deduct other expenses, and a number of states used this authority to expand Medicaid eligibility. States' use of deductions and income disregards had the effect of increasing income eligibility standards for many families, but they also resulted in a somewhat more complex application and renewal process. Different income and household counting rules for federal CHIP programs, which often do not align with Medicaid rules, exacerbated this process. Pursuant to the federal Patient Protection and Affordable Care Act of 2010 (ACA), eligibility for Family Medicaid, CHIP and premium subsidies to purchase coverage in health insurance exchanges (the Colorado Health Benefit Exchange, or COHBE, in Colorado) are determined using the Modified Adjusted Gross Income (MAGI), beginning January 1, 2014. MAGI is adjusted gross income as determined under the federal income tax, plus various income amounts and adjustments, and is calculated for the household, defined as the tax filing unit. The family's assets are not considered in determining eligibility, and a standard 5% of the federal poverty level disregard is applied. The new rules also changed how family size is calculated and how household income is defined. Previously under Medicaid and CHIP programs, states took different approaches to determine family size and which family members' income to count depending on who in the family applied for benefits. Under the new rules, however, family size and household income are based on the tax filing unit. All individuals claimed as a dependent on a taxpayer's return are included in determining that taxpayer's family size. These new income eligibility rules generally apply to all children (except foster children) who qualify for Medicaid and to all adults under age 65. The health reform law does not change Medicaid eligibility rules for beneficiaries who are 65 or older or those in eligibility categories based on disability, though those who qualify for Medicaid as an individual with disabilities may be determined with the new income eligibility rules temporarily until their disability determination has been completed.

The transition to MAGI resulted in standardization of the definition and measurement of income, both across states and programs. This resulted in streamlined eligibility determinations that are based solely on national tax filing standards rather than disparate methodologies. For example, in Colorado, Medicaid applied a mandatory minimum disregard to earnings, whereas CHP+ did not, and CHP+ disregards any income earned by a child in the household, whereas Medicaid may count the child's income depending on the family circumstance.

In addition, Medicaid and CHP+ defined the family unit differently. For Medicaid, the "family" was determined similarly to the "nuclear" approach. This would include a spouse, parents, and any dependent children in the home. For CHP+, the "family" was defined as all related family members in the household that receive at least 50% of their financial support from the household.

For example, suppose a family applied for coverage for a child in a household with a married couple, the dependent child, and a grandmother, and annual household income was \$25,000. Under the Medicaid rules prior to October 2013, the grandmother was not counted in the household; therefore, the household size was three and the FPL of the child was approximately 135%, making the family over-income for Medicaid eligibility. Under the CHP+ rules prior to October 2013, the grandmother was counted in the household; therefore, the household size was four and the FPL of the child was approximately 112% and the child was eligible for CHP+.

As can be seen in the example above, these factors led to individuals enrolled in CHP+ that appear to meet Medicaid income eligibility. In FY 2011-12, approximately 43% of children enrolled in CHP+ had income below 133% FPL and 67% of pregnant women had income below 185% FPL. Under the streamlined income and household counting rules of MAGI, there should no longer be any clients in CHP+ with income below 133% FPL (142% FPL after MAGI disregards in October 2013) for children and 185% FPL (195% FPL after MAGI disregards in October 2013) for pregnant women, and clients should have transitioned from CHP+ to Medicaid. The Department included a bottom-line adjustment to reflect this change in the February 2014 forecast. The Department believes that the transition due to MAGI is complete and no longer includes this as a bottom line adjustment.

The transition to MAGI not only caused movement of clients from CHP+ to Medicaid, but also resulted in significant movement within the MAGI Parents/Caretakers eligibility groups in Medicaid. After the implementation of MAGI in October 2013, a large number of MAGI Parents/Caretakers 69% to 133% FPL moved to the lower FPL category MAGI Parents/Caretakers to 68% FPL. This is important as these categories have differing sources of state funding as well as federal medical assistance percentages (FMAP); the MAGI Parents/Caretakers to 68% FPL category is funded with General Fund and Hospital Provider Fee at the standard FMAP, whereas the MAGI Parents/Caretakers 69% to 133% FPL category is currently eligible for the enhanced FMAP under the federal ACA, with any State share funded with Hospital Provider Fee. This shift was accounted for as a bottom line adjustment, with a positive impact to the MAGI Parents/Caretakers to 68% FPL and a negative impact to the MAGI Parents/Caretakers 69% to 133% FPL. The sum of these two adjustments was equal to zero to show the net movement between the two categories. Such movement was included in the February 2014 forecast, but not of the same magnitude. The Department was aware of the movement, but did not believe it was entirely accurate due to known issues with the available data. A systems fix was scheduled for March 2014 and the Department believed that the majority of the movement would revert after the systems fix went into place. Clients did not return to their original categories after March 2014. The Department included the full effect of this shifting between categories in the November 2014 forecast. This change resulted in a large increase to the forecast for MAGI Parents/Caretakers to 68% FPL. The Department believes that this is now complete and no longer includes this as a bottom line adjustment.

There was also an ACA-related adjustment to the Foster Care eligibility type. Pursuant to the ACA, eligibility for children enrolled in Medicaid that turned 21 while in foster care was increased to age 26 in January 2014. This expansion was mandatory and was not subject to the Supreme Court of the United States ruling, which found the Medicaid expansion unconstitutionally coercive of states. The Department included a bottom-line adjustment

to account for the eligibility increase from age 21 to age 26 beginning January 1, 2014. The Department had predicted an average monthly growth in FY 2013-14 of 76 due to increasing the age from 21 to 26. By June 2016, the Department identified 1,643 clients in the Foster Care eligibility that were over age 21. The average monthly caseload in FY 2015-16 attributable to this expansion was 1,668. As enough time has passed since January 2014, the Department can now include the data of clients over age 21 in the technical forecast and is therefore no longer including a bottom-line adjustment for this expansion, beginning with the November 2016 forecast.

Caseload decreased from FY 2004-05 through FY 2007-08, resulting in a decline of 14,062, or 3.46%, between these fiscal years. The Department believes that improving economic conditions were the driving factor in this decrease, as consistent monthly declines occurred in MAGI Parents/Caretakers and MAGI Eligible Children, which are expected to be most affected by the economy. This trend reversed as of the second half of FY 2007-08, when the Eligible Children caseload started to show significant monthly increases. Strong increases continued in Medicaid in FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, and FY 2012-13, with annual growth of 11.44%, 14.19%, 12.42%, 10.56%, and 10.17% respectively. With Medicaid expansion beginning in January 2014, the second half of FY 2013-14, caseload increased by 26.06% between FY 2012-13 and FY 2013-14 and 34.87% between FY 2013-14 and FY 2014-15. The increase continued in FY 2015-16, but at a lower rate, at 11.70%. The Department is forecasting Medicaid caseload to continue to increase by 9.10% in FY 2016-17 to 1,414,916. In FY 2017-18 and FY 2018-19, the trends are projected to be 5.49% and 4.02% respectively. Medicaid caseload is expected to increase at a decreasing rate as the expansionary period comes to an end and the economy continues to improve. The following table shows actual and projected aggregate Medicaid caseload from FY 2005-06 through FY 2018-19.

Fiscal Year	Medicaid Caseload	Growth Rate	Level Growth
FY 2005-06	402,218	-0.94%	(3,806)
FY 2006-07	392,228	-2.48%	(9,990)
FY 2007-08	391,962	-0.07%	(266)
FY 2008-09	436,812	11.44%	44,850
FY 2009-10	498,797	14.19%	61,985
FY 2010-11	560,759	12.42%	61,962
FY 2011-12	619,963	10.56%	59,204
FY 2012-13	682,994	10.17%	63,031
FY 2013-14	860,957	26.06%	177,963
FY 2014-15	1,161,206	34.87%	300,249
FY 2015-16	1,296,986	11.70%	135,829
FY 2016-17 Projection	1,414,916	9.10%	117,930
FY 2017-18 Projection	1,484,636	4.93%	69,720
FY 2018-19 Projection	1,530,832	3.11%	46,196

FORECAST MODELS

The Department's caseload projections utilize statistical forecasting methodologies to predict Medicaid caseload by eligibility category. Historical monthly caseload data from July 1993 to June 2016 and historical and forecasted economic data (revised in June 2016) and demographic data (revised in June 2016) are used. The following forecasting models are used in this forecast: trend and monthly seasonal dummy variables, ARIMA models, trend stationary, difference stationary, regression analysis with explanatory variables, and vector auto regression models. In the past, the software used by the Department for developing trend and regression forecasts was *Forecast Pro XE*. The Department is now using *EViews 7*.

Trend and Seasonality Model

Medicaid caseload is a non-stationary series with a positive trend and many of the categories experience some level of seasonality. One of the models used incorporates a time trend and monthly seasonal dummy variables.

ARIMA Model

ARIMA models, also referred to as Box-Jenkins models, rely on the past behavior of the series being forecasted. Relying on the past behavior of a series mandates that a series be stationary. Most of the eligibilities in Medicaid caseload have a positive growth trend (non-stationary) and require differencing to be made stationary.

Trend Stationary and Difference Stationary

Series that are stationary have a constant mean; caseload series frequently do not have this characteristic and often have a trending mean. Two popular models used for non-stationary series with a trending mean are trend stationary and difference stationary. The trend stationary model serves as an effective model if the series has a deterministic trend. The difference stationary model is useful when the trend is stochastic. Differencing the dependent variable gives a stationary series. The basic forms of the two models are listed below, where y is the dependent variable. Lags of the dependent variable are added to clear up serial correlation within the series.

- Trend Stationary: $\log(y) = c + \text{trend} + \varepsilon$
- Difference Stationary: $\text{differenced}(\log(y)) = c + \varepsilon$

Regression Models

Regression analysis, unlike trend analysis, incorporates independent variables when making projections. For example, a regression equation may include the unemployment rate if the forecaster expects it to have an effect on the caseload for MAGI Parents/Caretakers. Statistically, the forecaster can test whether or not there is a relationship between independent variables and the caseload by constructing a correlation matrix. Variables that are highly correlated with the caseload are more likely to be predictive. Regression equations are useful in that they provide some insight into why the trend projection is increasing, decreasing, or static. Although regression equations help explain why trends occur, their value depends on the quality of the independent variables used. In order to project caseload, historical and forecasted values of the independent variables must be used. Therefore, the accuracy of the caseload forecast depends on the accuracy of the forecasted independent variables. The Department accessed the Colorado Department of Local Affairs' Demography Division's actual and forecasted values of different populations by age and the unemployment rate in June 2016 and used this information in the regression models.

Vector Auto Regression Models (VARs)

The Department has frequently used regression analysis to forecast caseload. Regression analysis, as described above, incorporates independent variables when making projections. Regression analysis has the unfortunate requirement that the independent variables be exogenous to the dependent variable, or only allows the independent variable on the right-hand side of the equation to have an effect on the dependent variable on the left-hand side of the equation. This is unlikely in reality as most factors are interrelated and may affect each other simultaneously. Vector Auto Regression (VAR) models are simultaneous equations, allowing the different variables to affect each other equally. In other words, both variables are dependent and are able to change over time together in the forecast. The simultaneous process is better able to capture a long-term relationship between multiple variables and does not restrict one variable to the right hand side of the equation.¹¹ This can serve as a better reflection of reality than forcing the assumption that a variable is exogenous to Medicaid caseload.

Exponential Smoothing

For over 30 years, Exponential Smoothing models have been used to forecast data within a variety of applications. Considered simplistic, Exponential Smoothing models extract trend and seasonal patterns from a time-series to predict a future stream of values. There are two types of Exponential Smoothing models that address trend and seasonality in time-series data: Holt and Winters. The Holt Exponential Smoothing model adjusts for long-term linear trend in data, while the Winters Exponential Smoothing model adjusts for both trend and seasonal components of data. Both Holt and Winters use recursive equations to determine the estimated parameters of the model, giving more weight to recent observations and exponentially smaller weight to historically distant observations. One advantage of this model is that it produces robust results with limited data sets. This is very useful Medicaid eligibility categories that have not been in existence for very long. While the Department has used this model in the past, the November 2016 forecast does not use exponential smoothing.

Model Selection

After several different forecasts are produced, the Department normally chooses one for each category. Several statistics are produced to grade and compare the forecast models. The three statistics provided in the narrative are the Schwartz Info Criterion (SIC), Akaike Info Criterion (AIC), and the adjusted R^2 . The SIC and the AIC provide a means for model selection. Both statistics include a trade-off between the goodness of fit of the model and the complexity of the model by applying a penalty for using up degrees of freedom (adding independent variables). These measures encourage the use of simpler models. The closer the SIC or AIC are to negative infinity, the better the model. The adjusted R^2 measures the goodness of fit of the model in-sample; the closer the R^2 statistic is to one the better the goodness of fit. The calculation of the adjusted R^2 contains the most lenient penalty for using up the degrees of freedom in the model. It is important to note that this measure is not reliable when forecasting the differences of a series. When differencing a series to make it stationary, fitting a model becomes incredibly difficult and the R^2 value drops. This does not indicate a poor model; it is simply a result of differencing a series. For models where the dependent variable is differenced, the AIC and SIC prove much more useful for comparing different models than the R^2 . When selecting a model, the Department closely analyzes the historical data, possible future impacts like the predicted state of the economy, and the above-mentioned statistics.

¹¹ Sims, Chris "Macroeconomics and Reality." *Econometrica*. Volume. 48 No.1 (1980)
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CATEGORICAL PROJECTIONS

This next section details the caseload projections by eligibility category. For each category, the following are presented: a discussion of the category, statutory authority, model results, rationale for the forecast, and historical caseload and forecasts. FY 2018-19 projections are included for informational purposes.

Adults Over 65 (OAP-A)

Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. The Supplemental Security Income adults aged 65 and older are included in this category. Also included are individuals aged 65 and older who meet the Medicaid resource and income requirements, but are not receiving Supplemental Security Income. In addition, states may extend coverage to individuals with incomes above the Supplemental Security Income limit and who meet the nursing home level of care. Referred to as ‘Three-hundred Percenters’, these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home.

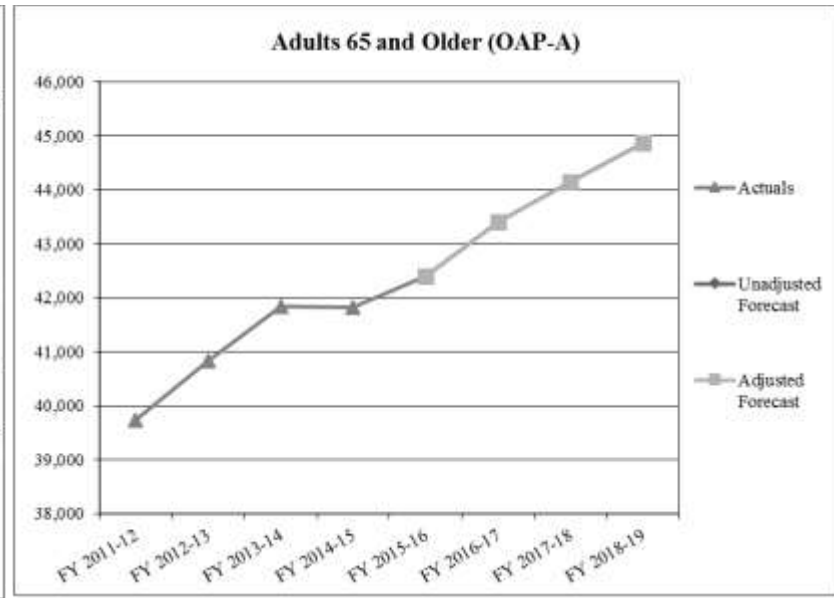
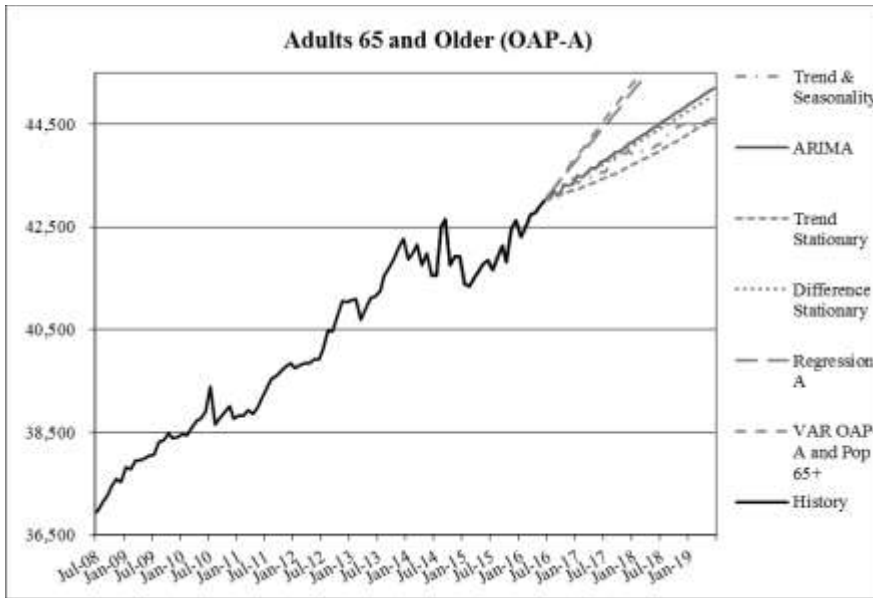
25.5-5-101 (1), C.R.S.

- (f) Individuals receiving supplemental security income;*
- (g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*
- (h) Institutionalized individuals who were eligible for medical assistance in December 1973;*
- (i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*
- (j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;*

25.5-5-201 (1), C.R.S.

- (b) Individuals who would be eligible for cash assistance except for their institutionalized status;*
- (c) Individuals receiving home-and community-based services as specified in part 6 of this article;*
- (f) Individuals receiving only optional state supplement;*
- (g) Individuals in institutions who are eligible under a special income level. Colorado’s program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;*
- (j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;*

Adults 65 and Older (OAP-A): Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	OAP-A	Constant, Trend, Seasonal Dummy Variables	15.93	15.76	0.9719
ARIMA	D(OAP-A)	Constant, AR variables, MA variables	13.89	13.7	0.2059
Trend Stationary	LOG(OAP-A)	Constant, Trend, 4 lags of the dependent variable	-7.83	-7.91	0.998
Difference Stationary	DLOG(OAP-A)	Constant, 3 lags of the dependent variable	-7.83	-7.88	0.0336
Regression A	OAP-A	Constant, CO population over 65, 1 lag of the dependent variable	13.24	13.2	0.9974
VAR OAP-A and Pop 65+			NA	NA	NA

Adults 65 and Older: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	41,817	42,403	2.27%	43,366	963	45
ARIMA	41,817	42,403	2.38%	43,412	1,009	63
Trend Stationary	41,817	42,403	1.95%	43,230	827	33
Difference Stationary	41,817	42,403	2.32%	43,387	984	57
Regression A	41,817	42,403	3.20%	43,760	1,357	114
VAR OAP-A and Pop 65+	41,817	42,403	3.33%	43,815	1,412	123
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	42,403	43,366	1.25%	43,908	542	45
ARIMA	42,403	43,412	1.67%	44,137	725	58
Trend Stationary	42,403	43,230	1.09%	43,701	471	46
Difference Stationary	42,403	43,387	1.56%	44,064	677	56
Regression A	42,403	43,760	3.09%	45,112	1,352	112
VAR OAP-A and Pop 65+	42,403	43,815	3.30%	45,261	1,446	118
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	43,366	43,908	1.23%	44,448	540	45
ARIMA	43,412	44,137	1.66%	44,870	733	61
Trend Stationary	43,230	43,701	1.38%	44,304	603	53
Difference Stationary	43,387	44,064	1.55%	44,747	683	57
Regression A	43,760	45,112	2.97%	46,452	1,340	112
VAR OAP-A and Pop 65+	43,815	45,261	3.12%	46,673	1,412	118

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Adults 65 and Older (OAP-A): Trend Selections

FY 2016-17: 2.38%
FY 2017-18: 1.67%
FY 2018-19: 1.66%

Adults 65 and Older (OAP-A): Justifications

- Average monthly caseload in FY 2015-16 for Adults 65 and Older was 42,403, which was 168 clients, or 0.40%, over what was forecast in February 2016. This is due to a lower decrease seen in October 2015 and January 2016 than has been previously witnessed in those months in past years. For FY 2015-16, caseload in this category grew at an average of 97 clients per month. Consequently, the Department increased the previous trends. The projected percent growth for FY 2016-17 is 2.38%.
- This population will be affected by the aging of the “baby boomers”, defined by the U.S. Census Bureau as the generation born between 1946 and 1964. The Department believes that this population is beginning to see this increase and has selected strong growth trends for FY 2017-18 and FY 2018-19 to account for the expected baby boomers. A population pyramid is available for review on page MC-10.
- This population may be affected by provisions in the Deficit Reduction Act of 2005, notably sections 6011 (lengthening of look-back period), 6012 (treatment of annuities), 6014 (disqualification of individuals with substantial home equity), 6015 (reform of asset test rules). These provisions may decrease the long-term growth rates as fewer people may now be eligible due to these provisions.
- The graph above shows that growth has been strong since FY 2011-12. Historical growth rates are stable and tend to fluctuate between 1% and 2%. The Department suspects that the high growth rate in FY 2004-05 is due to the court order regarding the Colorado Benefits Management System. The Department speculates that the decline in FY 2006-07 may be indicative that the effects of the asset and annuities provisions in the Deficit Reduction Act was stronger than expected. The Department has seen strong growth in the Home- and Community-Based Services for the Elderly, Blind, and Disabled waiver. This eligibility group has seen a large increase in the number of clients who are not eligible for SSI or on a waiver. The Department believes this is related to caseload declines in the State-only Old Age Pension Health and Medical Care program, which were caused by the implementation of new requirements around Systematic Alien Verification for Entitlements (SAVE) to comply with HB 06S-1023 and Department regulations.

Adults 65 and Older: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	41,564	-	-
Jul-14	41,551	(13)	-0.03%
Aug-14	42,513	962	2.32%
Sep-14	42,643	130	0.31%
Oct-14	41,763	(880)	-2.06%
Nov-14	41,918	155	0.37%
Dec-14	41,927	9	0.02%
Jan-15	41,392	(535)	-1.28%
Feb-15	41,334	(58)	-0.14%
Mar-15	41,518	184	0.45%
Apr-15	41,621	103	0.25%
May-15	41,778	157	0.38%
Jun-15	41,849	71	0.17%
Jul-15	41,661	(188)	-0.45%
Aug-15	41,909	248	0.60%
Sep-15	42,134	225	0.54%
Oct-15	41,817	(317)	-0.75%
Nov-15	42,456	639	1.53%
Dec-15	42,628	172	0.41%
Jan-16	42,301	(327)	-0.77%
Feb-16	42,504	203	0.48%
Mar-16	42,733	229	0.54%
Apr-16	42,778	45	0.11%
May-16	42,900	122	0.29%
Jun-16	43,015	115	0.27%

	Caseload	% Change	Level Change
FY 2003-04	34,329	-	-
FY 2004-05	35,780	4.23%	1,451
FY 2005-06	36,207	1.19%	427
FY 2006-07	35,888	-0.88%	(319)
FY 2007-08	36,284	1.10%	396
FY 2008-09	37,619	3.68%	1,335
FY 2009-10	38,487	2.31%	868
FY 2010-11	38,921	1.13%	434
FY 2011-12	39,740	2.10%	819
FY 2012-13	40,827	2.74%	1,087
FY 2013-14	41,836	2.47%	1,009
FY 2014-15	41,817	-0.05%	(19)
FY 2015-16	42,403	1.40%	586
FY 2016-17	43,412	2.38%	1,009
FY 2017-18	44,137	1.67%	725
FY 2018-19	44,870	1.66%	733

Actuals		
	Monthly Change	% Change
6-month average	65	0.15%
12-month average	97	0.23%
18-month average	60	0.14%
24-month average	60	0.15%

February 2016 Forecast	
Forecasted June 2016 Level	42,497

Base trend from June 2016 level			
FY 2016-17	43,015	1.44%	612

February 2016 Projection			
FY 2014-15	41,817	-0.05%	(19)
FY 2015-16	42,235	1.00%	418
FY 2016-17	42,831	1.41%	596
FY 2017-18	43,469	1.49%	638

Monthly Average Growth Actuals		
FY 2010-11 1st Half	(22)	-0.05%
FY 2010-11 2nd Half	64	0.17%
FY 2010-11	21	0.06%
FY 2011-12 1st Half	115	0.29%
FY 2011-12 2nd Half	13	0.03%
FY 2011-12	64	0.16%
FY 2012-13 1st Half	185	0.46%
FY 2012-13 2nd Half	20	0.05%
FY 2012-13	103	0.25%
FY 2013-14 1st Half	185	0.45%
FY 2013-14 2nd Half	(117)	-0.28%
FY 2013-14	34	0.08%
FY 2014-15 1st Half	61	0.15%
FY 2014-15 2nd Half	(13)	-0.03%
FY 2014-15	24	0.06%
FY 2015-16 1st Half	130	0.31%
FY 2015-16 2nd Half	65	0.15%
FY 2015-16	97	0.23%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	51	53	0.12%	0.12%
FY 2016-17 2nd Half	53	73	0.12%	0.17%
FY 2016-17	52	63	0.12%	0.15%
FY 2017-18 1st Half	53	57	0.12%	0.13%
FY 2017-18 2nd Half	55	59	0.13%	0.13%
FY 2017-18	54	58	0.12%	0.13%
FY 2018-19 1st Half	-	62	-	0.14%
FY 2018-19 2nd Half	-	61	-	0.14%
FY 2018-19	-	61	-	0.14%

Adults 60 to 64 with Disabilities (OAP-B)

Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. Disabled adults aged 60 to 64 who are eligible for Supplemental Security Income are included in this category. In addition, states may extend coverage to individuals with incomes above the Supplemental Security Income limit, and who meet the nursing home level of care. Referred to as 'Three-hundred Percenters', these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home.

Quality control checks are completed from time to time to look for eligibility coding errors that commonly result in clients being misclassified between this Medicaid category and the State-only Old Age Pension Health and Medical Care program (non-Medicaid). Historical miscoding can make it difficult to forecast this Medicaid category as groups of individuals identified through this process may be abruptly moved in and out of this category.

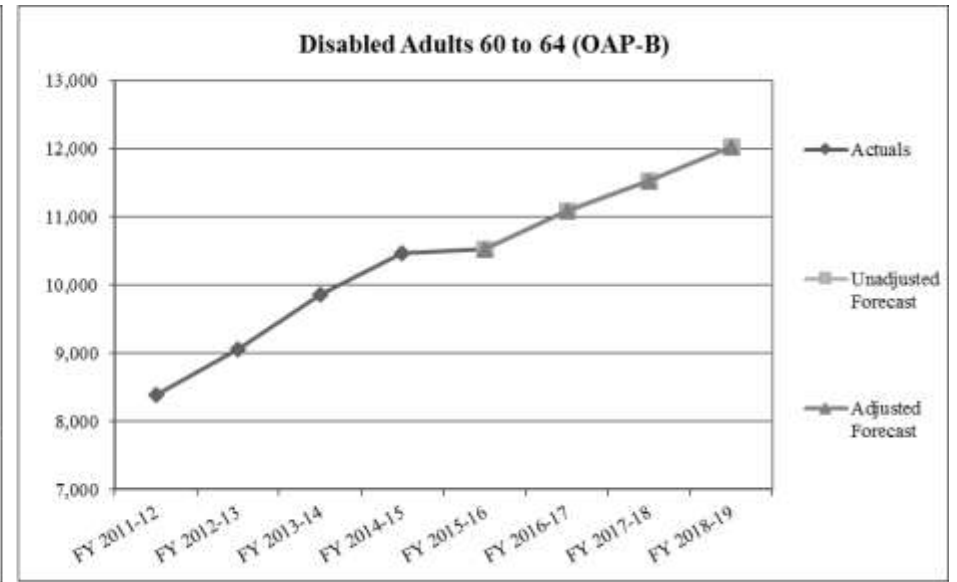
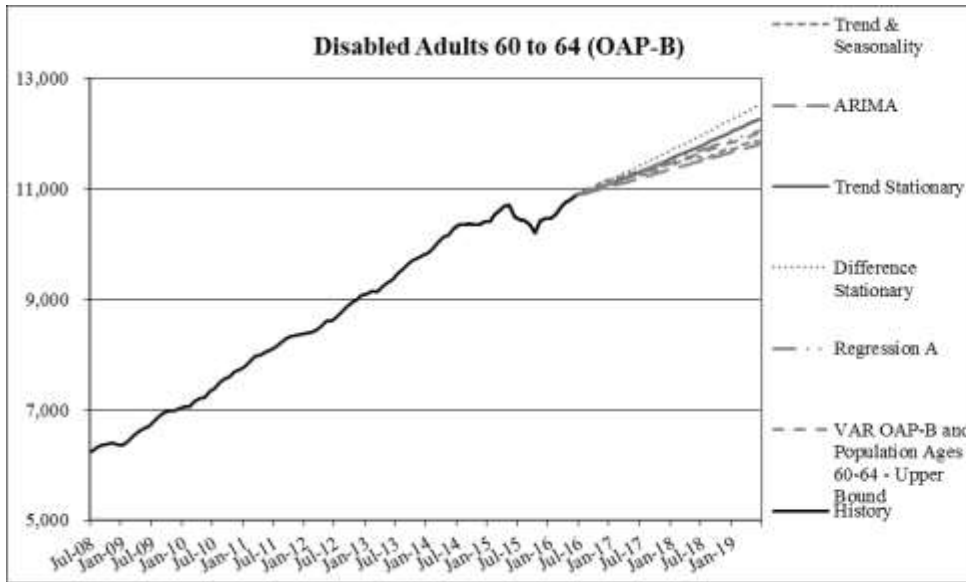
25.5-5-101 (1), C.R.S.

- (f) Individuals receiving supplemental security income;*
- (g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*
- (h) Institutionalized individuals who were eligible for medical assistance in December 1973;*
- (i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*
- (j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;*

25.5-5-201 (1), C.R.S.

- (b) Individuals who would be eligible for cash assistance except for their institutionalized status;*
- (c) Individuals receiving home-and community-based services as specified in part 6 of this article;*
- (f) Individuals receiving only optional state supplement;*
- (g) Individuals in institutions who are eligible under a special income level. Colorado's program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;*
- (j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;*

Adults 60 to 64 with Disabilities (OAP-B): Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	OAP-B	Constant, trend, and monthly seasonal variables	16.04	15.87	0.8945
ARIMA	dlog(OAP-B)	Constant, AR(1), AR(2), MA(1)	12.19	12.14	0.0933
Trend Stationary	log(OAP-B)	Constant, trend, and 3 lags on the dependent variable	-5.05	-5.12	0.9962
Difference Stationary	dlog(OAP-B)	Constant and 2 lags on the dependent variable	-5.08	-5.12	0.1078
Regression A	OAP-B	Constant, 3 lags on dependent variable, population age 60-64	12.17	12.11	0.9974
VAR OAP-B and Population Ages 60-64 - Upper Bound			NA	NA	NA

Disabled Adults 60 to 64: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	10,466	10,529	5.82%	11,142	613	35
ARIMA	10,466	10,529	4.78%	11,032	503	25
Trend Stationary	10,466	10,529	5.30%	11,087	558	34
Difference Stationary	10,466	10,529	5.86%	11,146	617	43
Regression A	10,466	10,529	5.29%	11,086	557	33
VAR OAP-B and Population Ages 60-64 - Upper Bound	10,466	10,529	5.17%	11,073	544	31
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	10,529	11,142	2.54%	11,425	283	24
ARIMA	10,529	11,032	2.81%	11,342	310	26
Trend Stationary	10,529	11,087	4.04%	11,535	448	39
Difference Stationary	10,529	11,146	4.81%	11,682	536	46
Regression A	10,529	11,086	3.64%	11,490	404	33
VAR OAP-B and Population Ages 60-64 - Upper Bound	10,529	11,073	3.46%	11,456	383	32
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	11,142	11,425	2.49%	11,709	284	24
ARIMA	11,032	11,342	2.74%	11,653	311	26
Trend Stationary	11,087	11,535	4.24%	12,024	489	42
Difference Stationary	11,146	11,682	4.80%	12,243	561	48
Regression A	11,086	11,490	3.37%	11,877	387	31
VAR OAP-B and Population Ages 60-64 - Upper Bound	11,073	11,456	3.28%	11,832	376	31

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Adults 60 to 64 with Disabilities (OAP-B): Trend Selections

FY 2016-17: 5.30%
FY 2017-18: 4.04%
FY 2018-19: 4.24%

Adults 60 to 64 with Disabilities (OAP-B): Justifications

- Average monthly caseload in FY 2015-16 for Adults 60 to 64 with Disabilities was 10,529, which was 12 clients, or 0.11%, under what was forecasted in February 2016. After analyzing the most recent monthly data and the 2010 population pyramid from the 2010 Census (see page MC-10), the Department anticipates aggressive growth in the coming years for this population. The Department has selected a trend in line with the average monthly growth witnessed in FY 2015-16.
- Average monthly growth for FY 2015-16 was 31 clients per month, with the average monthly growth for the first six months at -9 clients per month but the second half of the year averaged growth of 71 clients per month. Consequently, the Department has selected a higher growth trend.
- The Department selected a trend stationary model for this eligibility, as the model produced a trend that is in line with historical actuals and anticipated aggressive growth going forward. This is the selected model for FY 2016-17 through FY 2018-19.
- Historically, this category has displayed consistently slow growth, with caseload increasing by an average of 12 clients per month between FY 2002-03 and FY 2007-08, excluding the level shift that occurred from the court order regarding the Colorado Benefits Management System. Growth from FY 2008-09 through FY 2010-11 averaged 52 per month. This population, like the Adults 65 and Older category, may be affected by the asset and annuities provisions in the Deficit Reduction Act of 2005, which would promote low growth. This category began to be affected by the baby-boom generation, defined by the U.S. Census Bureau as the generation born between 1946 and 1964, in calendar year 2006, which may have resulted in higher growth. Population growth in this age group was 10.8% in 2009 and 7.1% in 2010. The Department has seen strong growth in the Home- and Community-Based Services (HCBS) for the Elderly, Blind, and Disabled waiver over the last four years. There has also been a large increase in the number of clients in this eligibility type who are not eligible for Supplemental Security Income (SSI) or on a waiver. The Department believes this is related to caseload declines in the State-only Old Age Pension Health and Medical Care program, which were caused by the implementation of new requirements around Systematic Alien Verification for Entitlements (SAVE) to comply with HB 06S-1023 and Department regulations.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Disabled Adults 60 to 64: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	10,263	-	-
Jul-14	10,346	83	0.81%
Aug-14	10,350	4	0.04%
Sep-14	10,362	12	0.12%
Oct-14	10,355	(7)	-0.07%
Nov-14	10,341	(14)	-0.14%
Dec-14	10,404	63	0.61%
Jan-15	10,395	(9)	-0.09%
Feb-15	10,532	137	1.32%
Mar-15	10,615	83	0.79%
Apr-15	10,690	75	0.71%
May-15	10,703	13	0.12%
Jun-15	10,503	(200)	-1.87%
Jul-15	10,437	(66)	-0.63%
Aug-15	10,423	(14)	-0.13%
Sep-15	10,348	(75)	-0.72%
Oct-15	10,190	(158)	-1.53%
Nov-15	10,429	239	2.35%
Dec-15	10,451	22	0.21%
Jan-16	10,462	11	0.11%
Feb-16	10,531	69	0.66%
Mar-16	10,664	133	1.26%
Apr-16	10,749	85	0.80%
May-16	10,788	39	0.36%
Jun-16	10,876	88	0.82%

	Caseload	% Change	Level Change
FY 2003-04	5,548	-	-
FY 2004-05	6,082	9.63%	534
FY 2005-06	6,042	-0.66%	(40)
FY 2006-07	6,059	0.28%	17
FY 2007-08	6,146	1.44%	87
FY 2008-09	6,447	4.90%	301
FY 2009-10	7,049	9.34%	602
FY 2010-11	7,767	10.19%	718
FY 2011-12	8,383	7.93%	616
FY 2012-13	9,051	7.97%	668
FY 2013-14	9,853	8.86%	802
FY 2014-15	10,466	6.22%	613
FY 2015-16	10,529	0.60%	63
FY 2016-17	11,087	5.30%	558
FY 2017-18	11,535	4.04%	448
FY 2018-19	12,024	4.24%	489

Actuals		
	Monthly Change	% Change
6-month average	71	0.67%
12-month average	31	0.30%
18-month average	26	0.25%
24-month average	26	0.25%

February 2016 Projection			
FY 2014-15	10,466	6.22%	613
FY 2015-16	10,541	0.72%	75
FY 2016-17	11,058	4.90%	517
FY 2017-18	11,581	4.73%	523

Monthly Average Growth Actuals		
FY 2010-11 1st Half	66	0.88%
FY 2010-11 2nd Half	61	0.78%
FY 2010-11	64	0.83%
FY 2011-12 1st Half	44	0.54%
FY 2011-12 2nd Half	42	0.49%
FY 2011-12	43	0.52%
FY 2012-13 1st Half	79	0.89%
FY 2012-13 2nd Half	47	0.51%
FY 2012-13	63	0.70%
FY 2013-14 1st Half	73	0.77%
FY 2013-14 2nd Half	78	0.78%
FY 2013-14	75	0.77%
FY 2014-15 1st Half	24	0.23%
FY 2014-15 2nd Half	17	0.16%
FY 2014-15	20	0.20%
FY 2015-16 1st Half	(9)	-0.08%
FY 2015-16 2nd Half	71	0.67%
FY 2015-16	31	0.30%

February 2016 Forecast		
Forecasted June 2016 Level		10,799

Base trend from June 2016 level			
FY 2016-17	10,876	3.30%	347

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	30	32	0.27%	0.29%
FY 2016-17 2nd Half	58	36	0.52%	0.33%
FY 2016-17	44	34	0.40%	0.31%
FY 2017-18 1st Half	29	38	0.26%	0.33%
FY 2017-18 2nd Half	58	40	0.50%	0.34%
FY 2017-18	44	39	0.38%	0.34%
FY 2018-19 1st Half	-	41	-	0.35%
FY 2018-19 2nd Half	-	43	-	0.36%
FY 2018-19	-	42	-	0.35%

Individuals to 59 with Disabilities (AND/AB)

Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. This category includes the disabled portion of this group through age 59. These individuals: are blind, have a physical or mental impairment that keeps them from performing substantial work expected to last 12 months or result in death, or are children who have a marked and severe functional limitation expected to last 12 months or until death. Children were added to the Title XVI Act in 1972. In addition, states may extend coverage to individuals with incomes too high for Supplemental Security Income, and who meet the nursing facility level of care. Referred to as ‘Three-hundred Percenters’, these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home. Often, ‘Three-hundred Percenters’ are enrolled in a Home- and Community-Based waiver program.

The 1990 outcome of the *Zebley v. Sullivan* lawsuit found that children could not be held to a higher standard of disability than adults. *Zebley* required that children’s disability be measured using child-appropriate activities. As a result, the number of children determined to be disabled significantly increased until 1996. Welfare reform in 1996 tightened the disability criteria for children. An Individual Evaluation Plan from the public school system was no longer sufficient to verify disability, and children were required to have a physician document their level of functional impairment. However, any child receiving Supplemental Security Income before 1996 who lost his/her Supplemental Security Income benefits due to the new rules is still eligible for Medicaid. This category also includes disabled adult children age 18 and older who lost their Supplemental Security Income eligibility due to their parents receiving Social Security Administration benefits and disabled widows and widowers aged 50 to 64 who lost Supplemental Security Income due to the receipt of Social Security Administration benefits.

In July 2001, the Med-9 disability determination application process was disbanded due to federal requirements. This process let individuals under 65 who were seeking Medicaid coverage because of a disability experience an expeditious application process as compared to other applicants. By discontinuing the Med-9, clients underwent a more rigorous eligibility determination and caseload fell slightly.

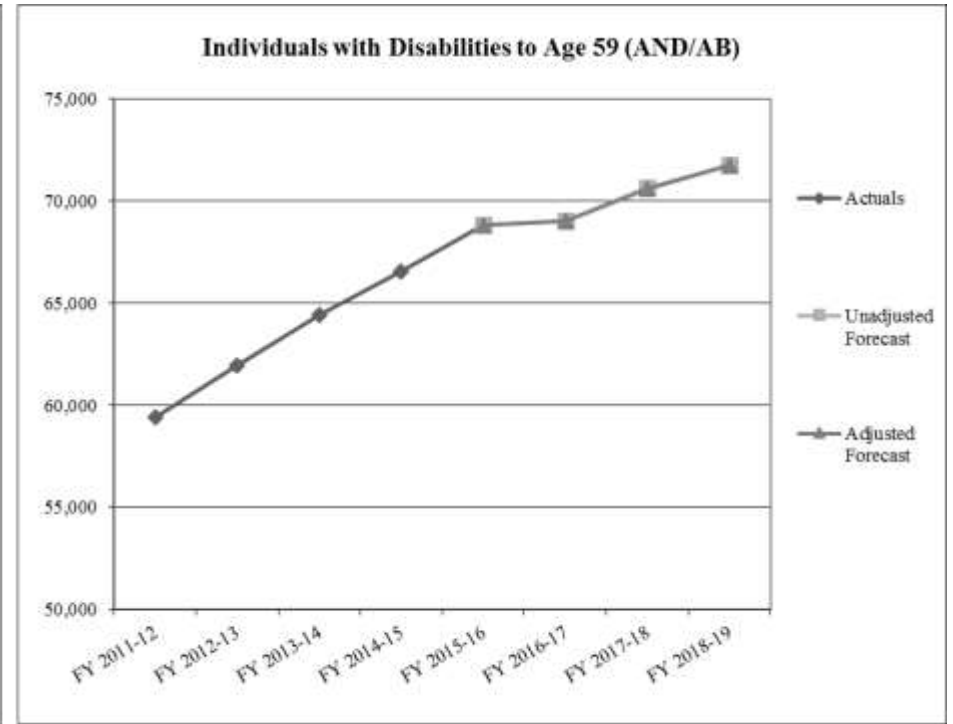
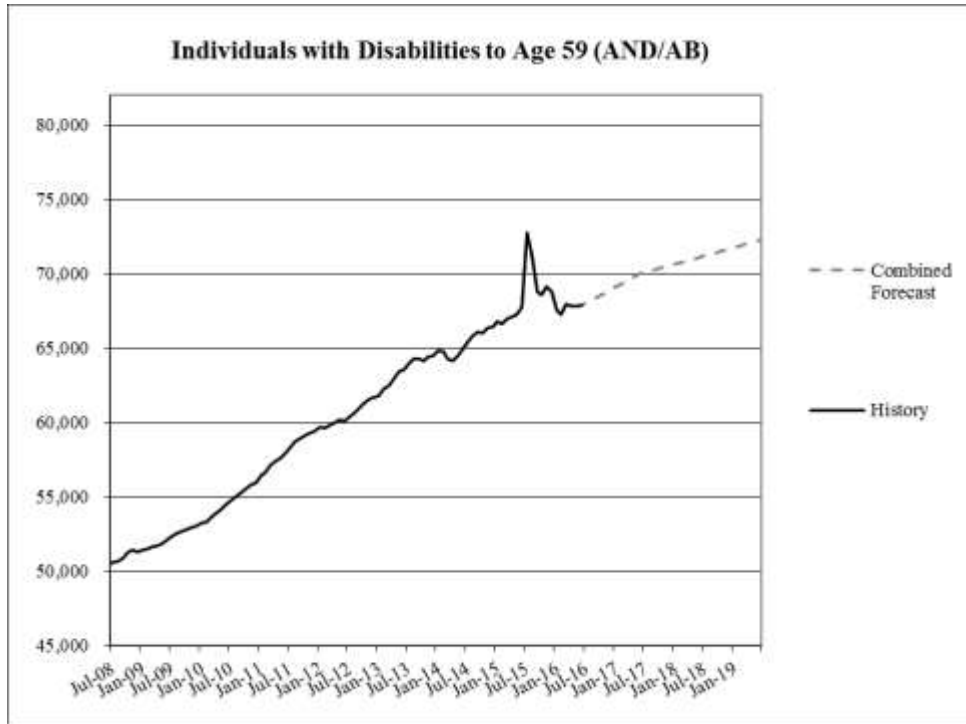
25.5-5-101 (1), C.R.S.

- (f) Individuals receiving supplemental security income;*
- (g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*
- (h) Institutionalized individuals who were eligible for medical assistance in December 1973;*
- (i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*
- (j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;*
- (k) Disabled widows or widowers fifty through sixty years of age who have become ineligible for federal supplemental security income or state supplementation as a result of becoming eligible for federal social security survivor's benefits, in accordance with the social security act, 42 U.S.C. sec. 1383c;*

25.5-5-201 (1), C.R.S.

- (b) Individuals who would be eligible for cash assistance except for their institutionalized status;*
- (c) Individuals receiving home-and community-based services as specified in part 6 of this article;*
- (f) Individuals receiving only optional state supplement;*
- (g) Individuals in institutions who are eligible under a special income level. Colorado's program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;*
- (j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;*

Individuals to 59 with Disabilities (AND/AB): Model Results



Individuals with Disabilities to Age 59: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	66,548	68,800	0.33%	69,028	228	179
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	68,800	69,028	2.28%	70,602	1,574	90
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	69,028	70,602	1.58%	71,717	1,115	94

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Individuals to 59 with Disabilities (AND/AB): Trend Selections

FY 2016-17: 0.33%
FY 2017-18: 2.28%
FY 2018-19: 1.58%

Individuals to 59 with Disabilities (AND/AB): Justifications

- Average monthly caseload in FY 2015-16 for AND/AB was 68,800, which was 587, or 0.85%, under what was forecasted in February 2016. The Department has selected models separately for the age group 0-18 and the age group 19-59. See those sections below for more details.
- HB 05-1262 expanded the number of children that can be enrolled in the Children's Home- and Community-Based Service (HCBS) Waiver Program and the Children's Extensive Support (CES) Waiver Program. The original expansion was 527 slots, which began to be filled in FY 2005-06. During the March 13, 2006 Figure Setting, the number of expansion slots funded under the Tobacco Tax bill was increased by 200 in the Children's HCBS Waiver Program and 30 in the CES Waiver Program. The Department received approval for the additional expansions from the Centers for Medicare and Medicaid Services in December 2006. All new expansion slots were filled by FY 2007-08.
- HB 16-1321 allows for a Medicaid Buy-In option for Supported Living Services waiver (under the Office of Community Living) and the Spinal Cord Injury and Brain Injury waivers under Medical Services Premiums, beginning in FY 2017-18. A negative bottom-line impact has been added to this category to account for clients transitioning from this category to Medicaid Buy-In, with the expanded option for increased employment.
- This population has historically been stable, having increased by approximately 5,000 clients between FY 1998-99 and FY 2007-08, or an average of 0.8% per year. However, growth rates in this population have increased significantly in the last four fiscal years, with caseload in HCBS waivers showing strong growth. In addition, over the last four years, the number of individuals eligible for Medicaid due to receipt of SSI has represented most of the growth in this eligibility group. The Department believes that this may be related to economic conditions in that individuals with work-limiting disabilities who were employed prior to the recession and have exhausted their federally-extended unemployment benefits may now be applying for Supplemental Security Income (SSI) if they cannot find work.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Individuals with Disabilities to age 59: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	64,968	-	-
Jul-14	65,459	491	0.76%
Aug-14	65,785	326	0.50%
Sep-14	66,054	269	0.41%
Oct-14	66,009	(45)	-0.07%
Nov-14	66,343	334	0.51%
Dec-14	66,441	98	0.15%
Jan-15	66,758	317	0.48%
Feb-15	66,651	(107)	-0.16%
Mar-15	66,974	323	0.48%
Apr-15	67,110	136	0.20%
May-15	67,261	151	0.23%
Jun-15	67,726	465	0.69%
Jul-15	72,760	5,034	7.43%
Aug-15	71,167	(1,593)	-2.19%
Sep-15	68,765	(2,402)	-3.38%
Oct-15	68,576	(189)	-0.27%
Nov-15	69,113	537	0.78%
Dec-15	68,813	(300)	-0.43%
Jan-16	67,571	(1,242)	-1.80%
Feb-16	67,298	(273)	-0.40%
Mar-16	67,979	681	1.01%
Apr-16	67,828	(151)	-0.22%
May-16	67,842	14	0.02%
Jun-16	67,891	49	0.07%

February 2016 Forecast		
Forecasted June 2016 Level		69,413

Base trend from June 2016 level		
FY 2016-17	67,891	-1.32% (909)

	Caseload	% Change	Level Change
FY 2003-04	46,789	-	-
FY 2004-05	47,929	2.44%	1,140
FY 2005-06	47,855	-0.15%	(74)
FY 2006-07	48,799	1.97%	944
FY 2007-08	49,933	2.32%	1,134
FY 2008-09	51,355	2.85%	1,422
FY 2009-10	53,264	3.72%	1,909
FY 2010-11	56,285	5.67%	3,021
FY 2011-12	59,434	5.59%	3,149
FY 2012-13	61,920	4.18%	2,486
FY 2013-14	64,424	4.04%	2,504
FY 2014-15	66,548	3.30%	2,124
FY 2015-16	68,800	3.38%	2,252
FY 2016-17	69,028	0.33%	228
FY 2017-18	70,636	2.33%	1,608
FY 2018-19	71,754	1.58%	1,118

HB 16-1321 Medicaid Buy-In for SLS, SCL, and BI Waivers		
FY 2015-16		0
FY 2016-17		0
FY 2017-18		-33
FY 2018-19		-35

November 2016 Projections After Adjustments		
FY 2015-16	68,800	3.38% 2,252
FY 2016-17	69,028	0.33% 228
FY 2017-18	70,603	2.28% 1,575
FY 2018-19	71,719	1.58% 1,116

Actuals		
	Monthly Change	% Change
6-month average	(154)	-0.22%
12-month average	14	0.05%
18-month average	81	0.14%
24-month average	122	0.20%

February 2016 Projection Before Adjustments			
FY 2014-15	66,548	3.30%	2,124
FY 2015-16	69,387	4.27%	2,839
FY 2016-17	70,731	1.94%	1,344
FY 2017-18	73,179	3.46%	2,448

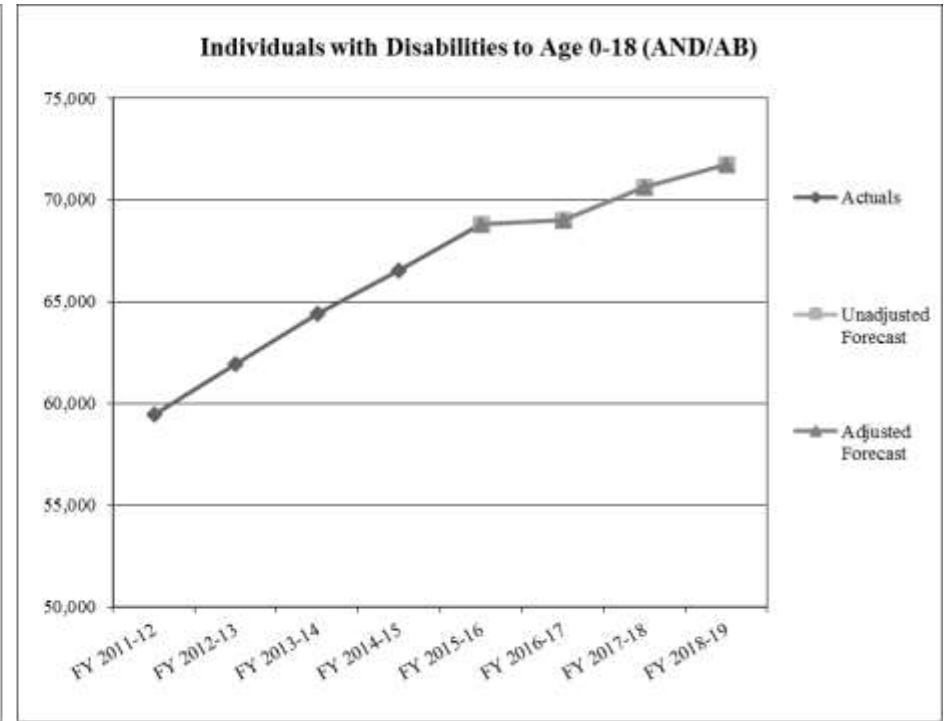
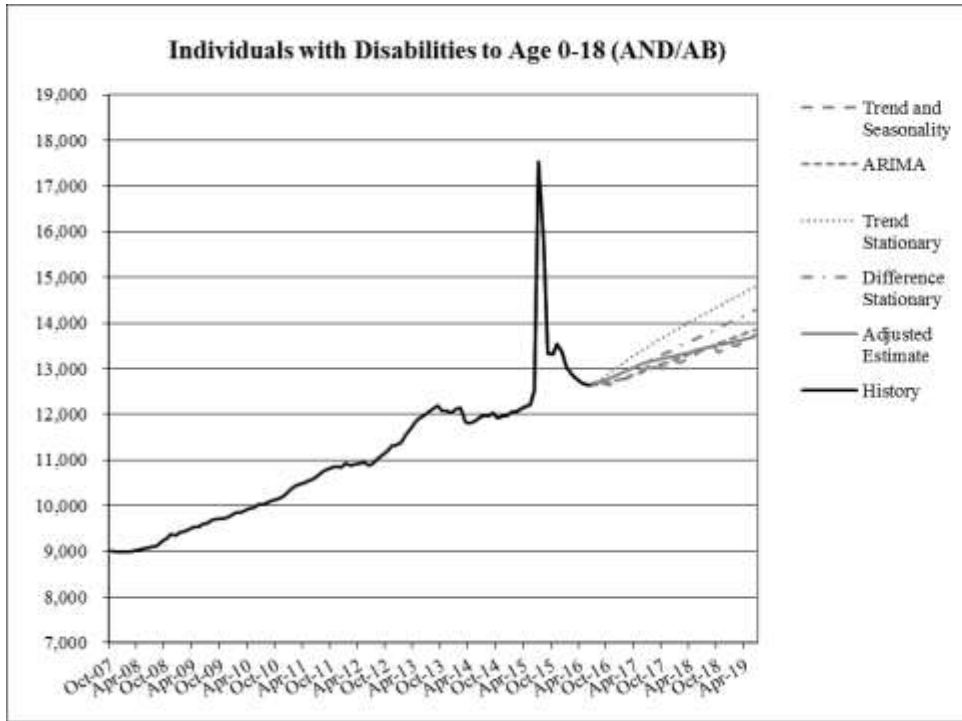
HB 16-1321 Medicaid Buy-In for SLS, SCL, and BI Waivers	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments			
FY 2014-15	66,548	3.30%	2,124
FY 2015-16	69,387	4.27%	2,839
FY 2016-17	70,731	1.94%	1,344
FY 2017-18	73,179	3.46%	2,448

Monthly Average Growth Actuals		
FY 2010-11 1st Half	241	0.44%
FY 2010-11 2nd Half	342	0.60%
FY 2010-11	291	0.52%
FY 2011-12 1st Half	233	0.40%
FY 2011-12 2nd Half	118	0.20%
FY 2011-12	175	0.30%
FY 2012-13 1st Half	268	0.44%
FY 2012-13 2nd Half	307	0.49%
FY 2012-13	287	0.47%
FY 2013-14 1st Half	156	0.24%
FY 2013-14 2nd Half	82	0.13%
FY 2013-14	119	0.19%
FY 2014-15 1st Half	246	0.37%
FY 2014-15 2nd Half	214	0.32%
FY 2014-15	230	0.35%
FY 2015-16 1st Half	181	0.32%
FY 2015-16 2nd Half	(154)	-0.22%
FY 2015-16	14	0.05%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	203	174	0.29%	0.25%
FY 2016-17 2nd Half	204	184	0.29%	0.26%
FY 2016-17	203	179	0.29%	0.26%
FY 2017-18 1st Half	204	87	0.28%	0.12%
FY 2017-18 2nd Half	206	93	0.28%	0.13%
FY 2017-18	205	90	0.28%	0.13%
FY 2018-19 1st Half	-	93	-	0.13%
FY 2018-19 2nd Half	-	95	-	0.13%
FY 2018-19	-	94	-	0.13%

Individuals to 59 with Disabilities (AND/AB), Age 0 to 18: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	AND/AB 0-18	Constant, trend, and monthly seasonal variables	7.04	6.45	0.9942
ARIMA	d(AND/AB 0-18)	Constant, AR(1), MA(1)	11.05	10.97	0.0371
Trend Stationary	log(AND/AB 0-18)	Constant, trend, and 3 lags on the dependent variable	-7.57	-7.7	0.9975
Difference Stationary	dlog(AND/AB 0-18)	Constant and 2 lags on the dependent variable	-7.63	-7.71	0.029
Adjusted Estimate	N/A	N/A	N/A	N/A	N/A

Individuals with Disabilities to Age 18: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	12,079	13,632	-6.23%	12,783	(849)	31
ARIMA	12,079	13,632	-6.27%	12,777	(855)	26
Trend Stationary	12,079	13,632	-4.19%	13,061	(571)	66
Difference Stationary	12,079	13,632	-5.41%	12,895	(737)	41
Adjusted Estimate	12,079	13,632	-5.41%	12,895	(737)	41

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	13,632	12,783	2.86%	13,149	366	31
ARIMA	13,632	12,777	3.29%	13,197	420	37
Trend Stationary	13,632	13,061	5.90%	13,832	771	59
Difference Stationary	13,632	12,895	4.23%	13,440	545	47
Adjusted Estimate	13,632	12,895	3.07%	13,291	396	23

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	12,783	13,149	2.78%	13,515	366	31
ARIMA	12,777	13,197	3.43%	13,650	453	38
Trend Stationary	13,061	13,832	4.87%	14,506	674	55
Difference Stationary	12,895	13,440	4.26%	14,013	573	49
Adjusted Estimate	12,895	13,291	2.15%	13,577	286	24

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Individuals to 59 with Disabilities (AND/AB), Age 0 to 18: Trend Selections

FY 2016-17: -5.41%

FY 2017-18: 3.07%

FY 2018-19: 2.15%

Individuals to 59 with Disabilities (AND/AB), Age 0 to 18: Justifications

Beginning with the November 2015 forecast, the Department estimates this eligibility category with two age group sub-categories, to increase forecast accuracy.

The Department identified a data error for July 2015 through December 2015 that incorrectly assigned children to eligibility categories for individuals with disabilities, based on their parents' disability status. This error incorrectly moved clients from Eligible Children and Children's Basic Health Plan (CHP) to Individuals to 59 with Disabilities (AND/AB) and Children with Disabilities - Buy-In. This data issue has falsely inflated the FY 2015-16 actuals, resulting in the spike in clients that can be seen in the graph on page MC-36.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Individuals with Disabilities age 0 to 18: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	11,919	-	-
Jul-14	11,976	57	0.48%
Aug-14	11,963	(13)	-0.11%
Sep-14	12,022	59	0.49%
Oct-14	11,909	(113)	-0.94%
Nov-14	11,955	46	0.39%
Dec-14	11,966	11	0.09%
Jan-15	12,061	95	0.79%
Feb-15	12,045	(16)	-0.13%
Mar-15	12,133	88	0.73%
Apr-15	12,172	39	0.32%
May-15	12,219	47	0.39%
Jun-15	12,531	312	2.55%
Jul-15	17,518	4,987	39.80%
Aug-15	15,782	(1,736)	-9.91%
Sep-15	13,331	(2,451)	-15.53%
Oct-15	13,320	(11)	-0.08%
Nov-15	13,552	232	1.74%
Dec-15	13,353	(199)	-1.47%
Jan-16	13,039	(314)	-2.35%
Feb-16	12,879	(160)	-1.23%
Mar-16	12,791	(88)	-0.68%
Apr-16	12,709	(82)	-0.64%
May-16	12,669	(40)	-0.31%
Jun-16	12,643	(26)	-0.21%

	Caseload	% Change	Level Change
FY 2007-08	9,019	-	-
FY 2008-09	9,375	3.95%	356
FY 2009-10	9,812	4.66%	437
FY 2010-11	10,308	5.06%	496
FY 2011-12	10,848	5.24%	540
FY 2012-13	11,436	5.42%	588
FY 2013-14	12,019	5.10%	583
FY 2014-15	12,079	0.50%	60
FY 2015-16	13,632	12.86%	1,553
FY 2016-17	12,895	-5.41%	(737)
FY 2017-18	13,291	3.07%	396
FY 2018-19	13,577	2.15%	286

Actuals		
	Monthly Change	% Change
6-month average	(118)	-0.90%
12-month average	9	0.76%
18-month average	38	0.77%
24-month average	30	0.59%

February 2016 Projection			
FY 2014-15	12,079	0.50%	60
FY 2015-16	13,698	13.40%	1,619
FY 2016-17	13,343	-2.59%	(355)
FY 2017-18	13,926	4.37%	583

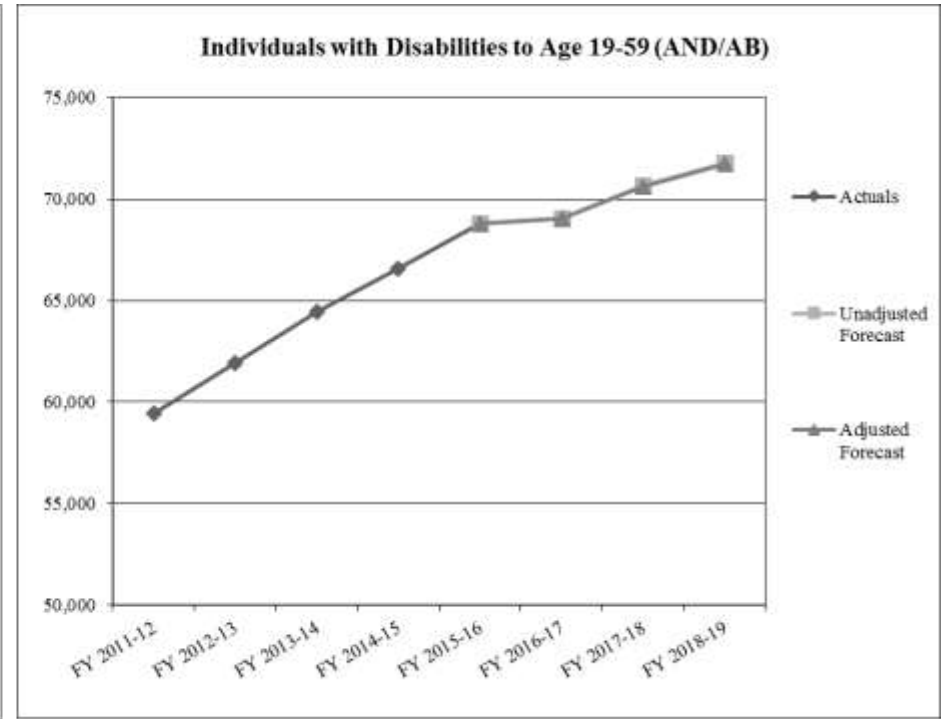
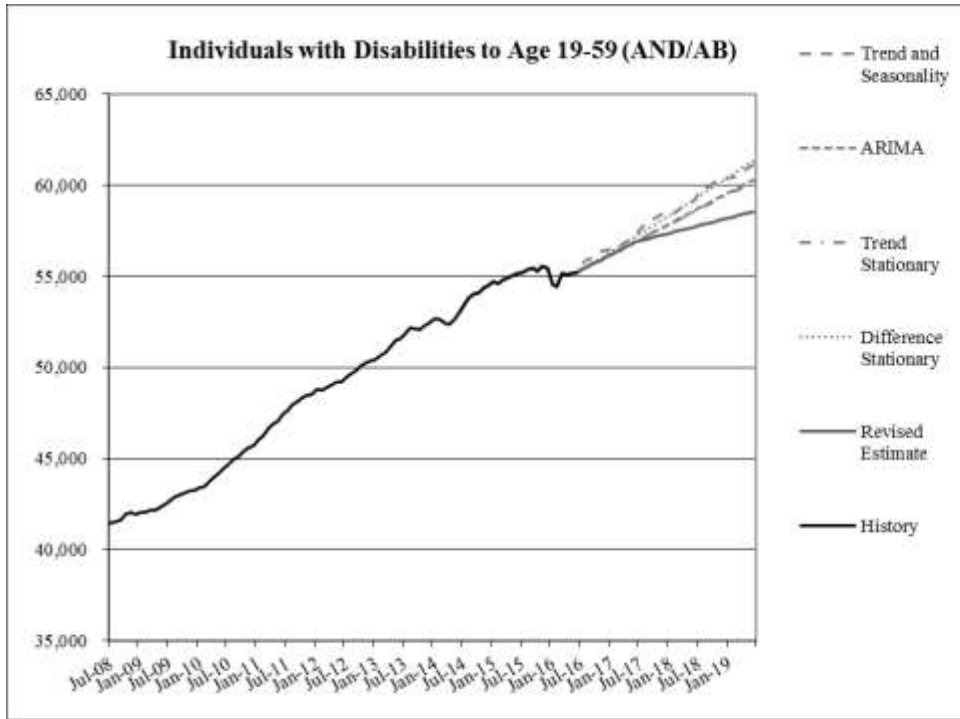
Monthly Average Growth Actuals		
FY 2010-11 1st Half	39	0.38%
FY 2010-11 2nd Half	56	0.54%
FY 2010-11	47	0.46%
FY 2011-12 1st Half	41	0.39%
FY 2011-12 2nd Half	9	0.08%
FY 2011-12	25	0.23%
FY 2012-13 1st Half	75	0.68%
FY 2012-13 2nd Half	103	0.89%
FY 2012-13	89	0.78%
FY 2013-14 1st Half	13	0.11%
FY 2013-14 2nd Half	(19)	-0.16%
FY 2013-14	(3)	-0.02%
FY 2014-15 1st Half	8	0.07%
FY 2014-15 2nd Half	94	0.78%
FY 2014-15	51	0.42%
FY 2015-16 1st Half	137	2.42%
FY 2015-16 2nd Half	(118)	-0.90%
FY 2015-16	9	0.76%

February 2016 Forecast	
Forecasted June 2016 Level	13,036

Base trend from June 2016 level			
FY 2016-17	12,643	-7.25%	(989)

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	47	38	0.36%	0.30%
FY 2016-17 2nd Half	48	45	0.36%	0.35%
FY 2016-17	48	41	0.36%	0.32%
FY 2017-18 1st Half	49	23	0.36%	0.17%
FY 2017-18 2nd Half	50	24	0.36%	0.18%
FY 2017-18	50	23	0.36%	0.18%
FY 2018-19 1st Half	-	24	-	0.18%
FY 2018-19 2nd Half	-	25	-	0.18%
FY 2018-19	-	24	-	0.18%

Individuals to 59 with Disabilities (AND/AB), Age 19 to 59: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	AND/AB 19+	Constant, trend, and monthly seasonal variables	16.15	15.82	0.9847
ARIMA	d(AND/AB 19+)	Constant, AR(1), AR(2), MA(1)	13.34	13.24	0.0353
Trend Stationary	log(AND/AB 19+)	Constant, trend, and 2 lags on the dependent variable	-8.33	-8.43	0.9988
Difference Stationary	dlog(AND/AB 19+)	Constant and 1 lag on the dependent variable	-8.41	-8.46	0.0319
Adjusted Estimate	N/A	N/A	N/A	N/A	N/A

Individuals with Disabilities Ages 19 to 59: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	54,469	55,168	2.35%	56,464	1,296	164
ARIMA	54,469	55,168	1.76%	56,139	971	139
Trend Stationary	54,469	55,168	1.75%	56,133	965	137
Difference Stationary	54,469	55,168	2.03%	56,288	1,120	163
Adjusted Estimate	54,469	55,168	1.75%	56,133	965	137

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	55,168	56,464	3.48%	58,429	1,965	164
ARIMA	55,168	56,139	3.01%	57,829	1,690	141
Trend Stationary	55,168	56,133	2.96%	57,795	1,662	139
Difference Stationary	55,168	56,288	3.58%	58,303	2,015	170
Adjusted Estimate	55,168	56,133	2.16%	57,345	1,212	69

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	56,464	58,429	3.36%	60,392	1,963	164
ARIMA	56,139	57,829	2.92%	59,518	1,689	141
Trend Stationary	56,133	57,795	2.88%	59,459	1,664	139
Difference Stationary	56,288	58,303	3.57%	60,384	2,081	177
Adjusted Estimate	56,133	57,345	1.45%	58,177	832	69

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Individuals to 59 with Disabilities (AND/AB), Age 19 to 59: Trend Selections

FY 2016-17: 1.75%

FY 2017-18: 2.10%

FY 2018-19: 1.45%

Individuals to 59 with Disabilities (AND/AB), Age 19 to 59: Justifications

Beginning with the November 2015 forecast, the Department estimates this eligibility category with two age group sub-categories, to increase forecast accuracy. Average monthly caseload growth for FY 2015-16 was 4. This is below what was expected in the February 2016 forecast. The Department has accordingly brought down the forecast.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Individuals with Disabilities age 19 to 59: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	53,049	-	-
Jul-14	53,483	434	0.82%
Aug-14	53,822	339	0.63%
Sep-14	54,032	210	0.39%
Oct-14	54,100	68	0.13%
Nov-14	54,388	288	0.53%
Dec-14	54,475	87	0.16%
Jan-15	54,697	222	0.41%
Feb-15	54,606	(91)	-0.17%
Mar-15	54,841	235	0.43%
Apr-15	54,938	97	0.18%
May-15	55,042	104	0.19%
Jun-15	55,195	153	0.28%
Jul-15	55,242	47	0.09%
Aug-15	55,385	143	0.26%
Sep-15	55,434	49	0.09%
Oct-15	55,256	(178)	-0.32%
Nov-15	55,561	305	0.55%
Dec-15	55,460	(101)	-0.18%
Jan-16	54,532	(928)	-1.67%
Feb-16	54,419	(113)	-0.21%
Mar-16	55,188	769	1.41%
Apr-16	55,119	(69)	-0.13%
May-16	55,173	54	0.10%
Jun-16	55,248	75	0.14%

	Caseload	% Change	Level Change
FY 2007-08	40,914	-	-
FY 2008-09	41,980	2.61%	1,066
FY 2009-10	43,452	3.51%	1,472
FY 2010-11	45,977	5.81%	2,525
FY 2011-12	48,586	5.67%	2,609
FY 2012-13	50,484	3.91%	1,898
FY 2013-14	52,405	3.81%	1,921
FY 2014-15	54,469	3.94%	2,064
FY 2015-16	55,168	1.28%	699
FY 2016-17	56,133	1.75%	965
FY 2017-18	57,345	2.16%	1,212
FY 2018-19	58,177	1.45%	832

HB 16-1321 Medicaid Buy-In for SLS, SCI, and BI Waivers			
FY 2015-16			0
FY 2016-17			0
FY 2017-18			-33
FY 2018-19			-35

November 2016 Projections After Adjustments			
FY 2015-16	55,168	1.28%	699
FY 2016-17	56,133	1.75%	965
FY 2017-18	57,312	2.10%	1,179
FY 2018-19	58,142	1.45%	830

Actuals		
	Monthly Change	% Change
6-month average	(35)	-0.06%
12-month average	4	0.01%
18-month average	43	0.08%
24-month average	92	0.17%

February 2016 Projection Before Adjustments			
FY 2014-15	54,469	3.94%	2,064
FY 2015-16	55,689	2.24%	1,220
FY 2016-17	57,388	3.05%	1,699
FY 2017-18	59,253	3.25%	1,865

HB 16-1321 Medicaid Buy-In for SLS, SCI, and BI Waivers	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments			
FY 2014-15	54,469	3.94%	2,064
FY 2015-16	55,689	2.24%	1,220
FY 2016-17	57,388	3.05%	1,699
FY 2017-18	59,253	3.25%	1,865

Monthly Average Growth Actuals		
FY 2010-11 1st Half	202	0.45%
FY 2010-11 2nd Half	285	0.62%
FY 2010-11	244	0.53%
FY 2011-12 1st Half	192	0.40%
FY 2011-12 2nd Half	109	0.22%
FY 2011-12	150	0.31%
FY 2012-13 1st Half	193	0.39%
FY 2012-13 2nd Half	204	0.40%
FY 2012-13	198	0.39%
FY 2013-14 1st Half	144	0.28%
FY 2013-14 2nd Half	101	0.19%
FY 2013-14	122	0.23%
FY 2014-15 1st Half	238	0.44%
FY 2014-15 2nd Half	120	0.22%
FY 2014-15	179	0.33%
FY 2015-16 1st Half	44	0.08%
FY 2015-16 2nd Half	(35)	-0.06%
FY 2015-16	4	0.01%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	156	136	0.27%	0.24%
FY 2016-17 2nd Half	156	139	0.27%	0.25%
FY 2016-17	156	137	0.27%	0.25%
FY 2017-18 1st Half	155	64	0.26%	0.11%
FY 2017-18 2nd Half	156	69	0.26%	0.12%
FY 2017-18	155	67	0.26%	0.12%
FY 2018-19 1st Half	-	69	-	0.12%
FY 2018-19 2nd Half	-	70	-	0.12%
FY 2018-19	-	69	-	0.12%

February 2016 Forecast	
Forecasted June 2016 Level	56,377

Base trend from June 2016 level			
FY 2016-17	55,248	0.15%	80

Working Adults and Children with Disabilities – Buy-In

HB 09-1293 (Colorado Health Care Affordability Act) establishes the Buy-In Program for Individuals with Disabilities, which will allow individuals to pay a premium to purchase Medicaid coverage if they are over income or are otherwise ineligible for Medicaid. The Buy-In Program for Working Adults with Disabilities was implemented on March 1, 2012 and allows eligible clients age 16 to 65 with income up to 450% of the federal poverty level that have a qualifying disability and are working to receive Medicaid by paying a monthly premium based on their income. The Buy-In Program for Disabled Children was implemented on July 1, 2012. This program allows children under age 19 with a qualifying disability and family income up to 300% of the federal poverty level to receive Medicaid by paying a monthly premium based on their family income.

25.5-5-206 (1), C.R.S.

(a) Subject to available appropriations, the state department is authorized to seek federal authorization to and to establish a Medicaid buy-in program or programs for:

(I) Disabled children; or

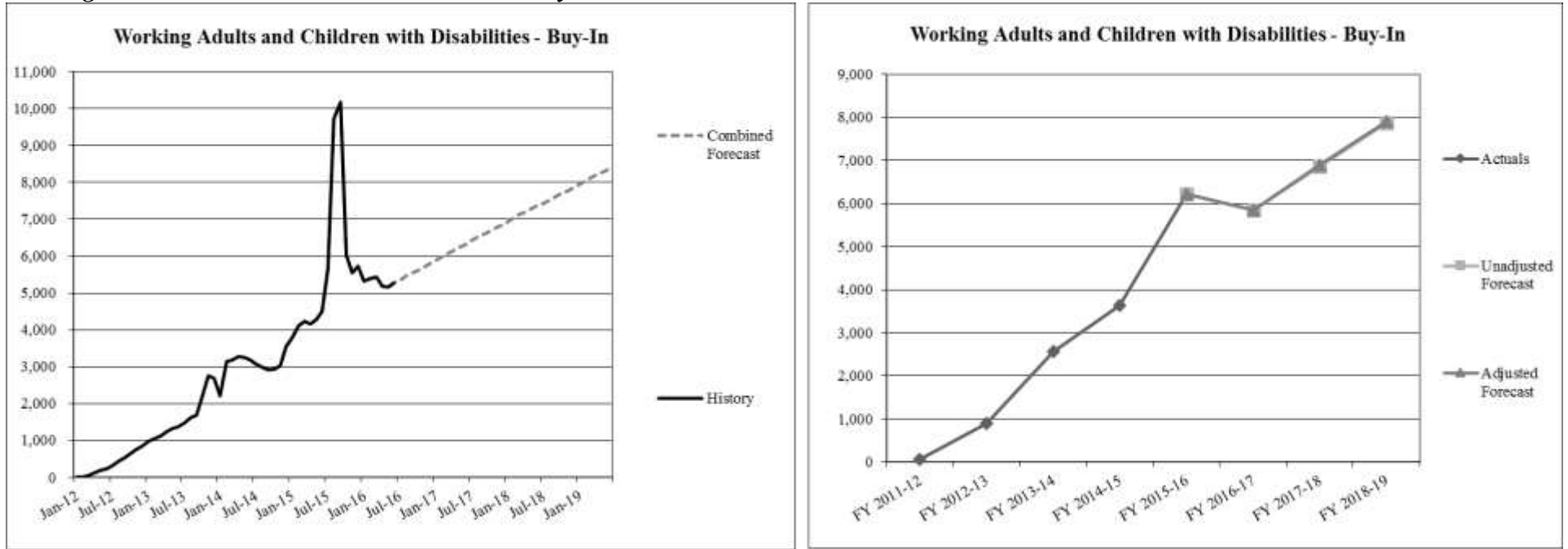
(II) Disabled adults who do not qualify for the Medicaid buy-in program established pursuant to part 14 of article 6 of this title.

(b) The Medicaid buy-in program or programs established pursuant to paragraph (a) of this subsection (1) may provide for premium and cost-sharing charges on a sliding fee scale based upon a family's income.

25.5-5-206 (2), C.R.S.

The state board shall promulgate rules consistent with any federal authorization to implement and administer the Medicaid buy-in program or programs established pursuant to paragraph (a) of subsection (1) of this section.

Working Adults and Children with Disabilities – Buy-In: Model Results



Working Adults and Children with Disabilities - Buy-In: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	3,627	6,217	-6.00%	5,844	(373)	88
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	6,217	5,844	18.09%	6,901	1,057	88
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	5,844	6,901	14.66%	7,913	1,012	84

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Working Adults and Children with Disabilities – Buy-In: Trend Selections

FY 2016-17: -6.00%
FY 2017-18: 18.09%
FY 2018-19: 14.66%

Working Adults and Children with Disabilities – Buy-In: Justifications

- Average monthly caseload in FY 2014-15 for Working Adults and Children with Disabilities – Buy-In was 3,627, which was 202 clients, or 5.90%, over what was forecasted in February 2015. The Department has selected models separately for working adults and children. See below for more details.
- HB 09-1293 established the Buy-In Program for Working Adults with Disabilities beginning March 1, 2012 and for Disabled Children July 1, 2012. This program allows individuals to pay a premium to purchase Medicaid coverage if they are over income or are otherwise ineligible for Medicaid.
- HB 16-1321 allows for a Medicaid Buy-In option for Supported Living Services waiver (under the Office of Community Living) and the Spinal Cord Injury and Brain Injury waivers under Medical Services Premiums, beginning in FY 2017-18. A positive bottom-line impact has been added to this category to account for clients transitioning to this category from Individuals to 59 with Disabilities (AND/AB), with the expanded option for increased employment.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Working Adults and Children with Disabilities - Buy-In: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	3,186	-	-
Jul-14	3,065	(121)	-3.80%
Aug-14	2,971	(94)	-3.07%
Sep-14	2,925	(46)	-1.55%
Oct-14	2,927	2	0.07%
Nov-14	3,023	96	3.28%
Dec-14	3,556	533	17.63%
Jan-15	3,772	216	6.07%
Feb-15	4,112	340	9.01%
Mar-15	4,226	114	2.77%
Apr-15	4,161	(65)	-1.54%
May-15	4,279	118	2.84%
Jun-15	4,509	230	5.38%
Jul-15	5,670	1,161	25.75%
Aug-15	9,733	4,063	71.66%
Sep-15	10,175	442	4.54%
Oct-15	6,030	(4,145)	-40.74%
Nov-15	5,539	(491)	-8.14%
Dec-15	5,717	178	3.21%
Jan-16	5,311	(406)	-7.10%
Feb-16	5,393	82	1.54%
Mar-16	5,424	31	0.57%
Apr-16	5,192	(232)	-4.28%
May-16	5,152	(40)	-0.77%
Jun-16	5,265	113	2.19%

February 2016 Forecast	
Forecasted June 2016 Level	5,316

Base trend from June 2016 level			
FY 2016-17	5,265	-15.31%	(952)

	Caseload	% Change	Level Change
FY 2011-12	52	-	-
FY 2012-13	888	1607.69%	836
FY 2013-14	2,560	188.29%	1,672
FY 2014-15	3,627	41.68%	1,067
FY 2015-16	6,217	71.41%	2,590
FY 2016-17	5,844	-6.00%	(373)
FY 2017-18	6,863	17.44%	1,019
FY 2018-19	7,872	14.70%	1,009

HB 16-1321 Medicaid Buy-In for SLS, SCI, and BI Waivers		
FY 2015-16		0
FY 2016-17		0
FY 2017-18		38
FY 2018-19		41

November 2016 Projection After Adjustments			
FY 2015-16	6,217	71.41%	2,590
FY 2016-17	5,844	-6.00%	(373)
FY 2017-18	6,901	18.09%	1,057
FY 2018-19	7,913	14.66%	1,012

Actuals		
	Monthly Change	% Change
6-month average	(75)	-1.31%
12-month average	63	4.04%
18-month average	95	4.05%
24-month average	87	3.56%

February 2016 Projection Before Adjustments			
FY 2014-15	3,627	41.68%	1,067
FY 2015-16	6,122	68.79%	2,495
FY 2016-17	5,858	-4.31%	(264)
FY 2017-18	6,874	17.34%	1,016

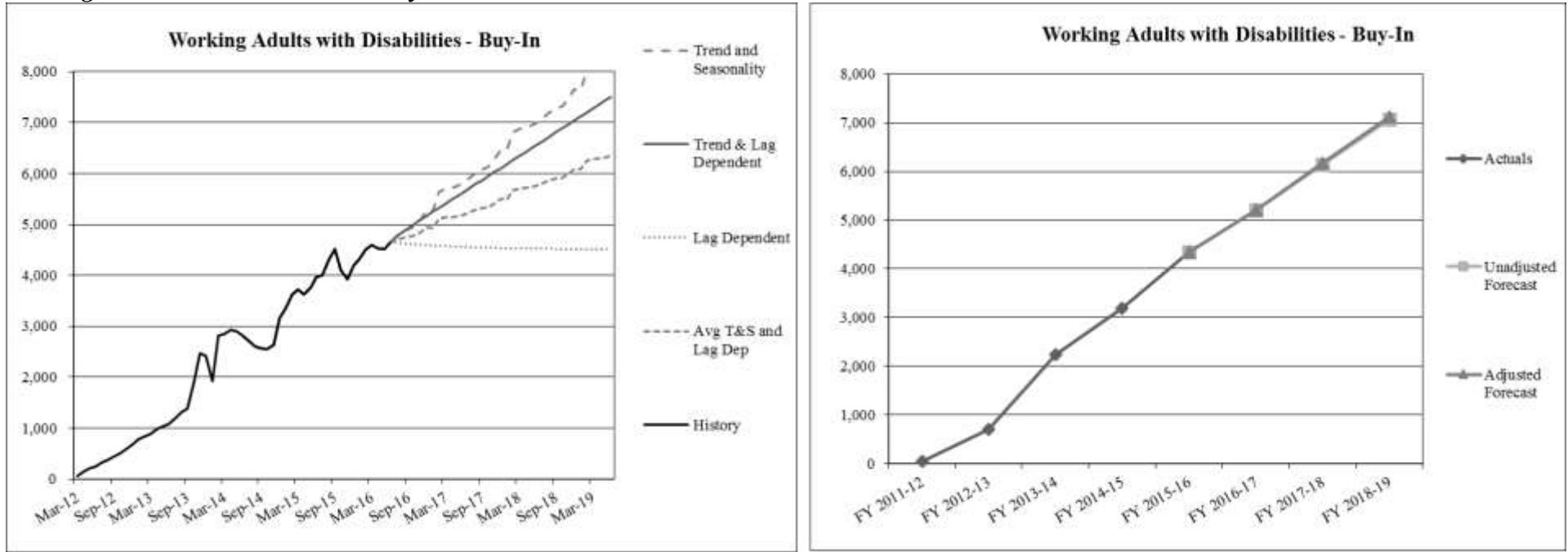
HB 16-1321 Medicaid Buy-In for SLS, SCI, and BI Waivers	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments			
FY 2014-15	3,627	41.68%	1,067
FY 2015-16	6,122	68.79%	2,495
FY 2016-17	5,858	-4.31%	(264)
FY 2017-18	6,874	17.34%	1,016

Monthly Average Growth Actuals		
FY 2010-11 1st Half	0	-
FY 2010-11 2nd Half	0	-
FY 2010-11	0	-
FY 2011-12 1st Half	0	-
FY 2011-12 2nd Half	40	-
FY 2011-12	20	-
FY 2012-13 1st Half	103	23.97%
FY 2012-13 2nd Half	85	8.16%
FY 2012-13	94	16.07%
FY 2013-14 1st Half	220	12.49%
FY 2013-14 2nd Half	83	4.28%
FY 2013-14	152	8.38%
FY 2014-15 1st Half	62	2.09%
FY 2014-15 2nd Half	159	4.09%
FY 2014-15	110	3.09%
FY 2015-16 1st Half	201	9.38%
FY 2015-16 2nd Half	(75)	-1.31%
FY 2015-16	63	4.04%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	82	89	1.49%	1.62%
FY 2016-17 2nd Half	88	88	1.46%	1.46%
FY 2016-17	85	88	1.47%	1.54%
FY 2017-18 1st Half	81	88	1.24%	1.34%
FY 2017-18 2nd Half	87	87	1.24%	1.24%
FY 2017-18	84	88	1.24%	1.29%
FY 2018-19 1st Half	-	81	-	1.07%
FY 2018-19 2nd Half	-	87	-	1.08%
FY 2018-19	-	84	-	1.08%

Working Adults with Disabilities – Buy-In: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	DBI-Adults	Constant, trend, and monthly seasonal variables	10.93	10.36	0.9104
Trend & Lag Dependent	DBI-Adults	Constant, October 2013 dummy, trend, and 1 lag on the dependent variable	8.35	8.17	0.9846
Lag Dependent	DBI-Adults	Constant, October 2013 dummy, and 1 lag on the dependent variable	8.63	8.54	0.9752
Avg T&S and Lag Dep					

Working Adults and Children with Disabilities - Buy-In: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	3,189	4,345	22.26%	5,312	967	98
Trend & Lag Dependent	3,189	4,345	19.84%	5,207	862	82
Lag Dependent	3,189	4,345	5.73%	4,594	249	(8)
Avg T&S and Lag Dep	3,189	4,345	13.99%	4,953	608	45

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	4,345	5,312	22.20%	6,491	1,179	98
Trend & Lag Dependent	4,345	5,207	18.01%	6,145	938	78
Lag Dependent	4,345	4,594	-1.20%	4,539	(55)	(3)
Avg T&S and Lag Dep	4,345	4,953	11.35%	5,515	562	48

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	5,312	6,491	18.16%	7,670	1,179	98
Trend & Lag Dependent	5,207	6,145	15.18%	7,078	933	78
Lag Dependent	4,594	4,539	-0.44%	4,519	(20)	(1)
Avg T&S and Lag Dep	4,953	5,515	10.52%	6,095	580	49

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Working Adults with Disabilities – Buy-In: Trend Selections

FY 2016-17: 19.84%

FY 2017-18: 18.74%

FY 2018-19: 15.14%

Working Adults with Disabilities – Buy-In: Justifications

Beginning with the November 2015 forecast, the Department estimates this eligibility category with sub-categories, to increase forecast accuracy. FY 2015-16 actuals were 4, or 0.09%, higher than the February 2016 estimates; the Department has kept the forecast on par with the February 2016 estimates.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Working Adults with Disabilities - Buy-In: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	2,823	-	-
Jul-14	2,708	(115)	-4.07%
Aug-14	2,607	(101)	-3.73%
Sep-14	2,566	(41)	-1.57%
Oct-14	2,558	(8)	-0.31%
Nov-14	2,640	82	3.21%
Dec-14	3,155	515	19.51%
Jan-15	3,342	187	5.93%
Feb-15	3,623	281	8.41%
Mar-15	3,718	95	2.62%
Apr-15	3,630	(88)	-2.37%
May-15	3,755	125	3.44%
Jun-15	3,973	218	5.81%
Jul-15	3,995	22	0.55%
Aug-15	4,318	323	8.09%
Sep-15	4,508	190	4.40%
Oct-15	4,109	(399)	-8.85%
Nov-15	3,926	(183)	-4.45%
Dec-15	4,178	252	6.42%
Jan-16	4,313	135	3.23%
Feb-16	4,507	194	4.50%
Mar-16	4,592	85	1.89%
Apr-16	4,525	(67)	-1.46%
May-16	4,518	(7)	-0.15%
Jun-16	4,653	135	2.99%

February 2016 Forecast	
Forecasted June 2016 Level	4,705

Base trend from June 2016 level		
FY 2016-17	4,653	7.09%
		308

	Caseload	% Change	Level Change
FY 2011-12	52	-	-
FY 2012-13	707	1259.62%	655
FY 2013-14	2,243	217.26%	1,536
FY 2014-15	3,189	42.18%	946
FY 2015-16	4,345	36.25%	1,156
FY 2016-17	5,207	19.84%	862
FY 2017-18	6,145	18.01%	938
FY 2018-19	7,078	15.18%	933

HB 16-1321 Medicaid Buy-In for SLS, SCL, and BI Waivers		
FY 2015-16		0
FY 2016-17		0
FY 2017-18		38
FY 2018-19		41

November 2016 Projections After Adjustments			
FY 2015-16	4,345	36.25%	1,156
FY 2016-17	5,207	19.84%	862
FY 2017-18	6,183	18.74%	976
FY 2018-19	7,119	15.14%	936

Actuals		
	Monthly Change	% Change
6-month average	79	1.83%
12-month average	57	1.43%
18-month average	83	2.28%
24-month average	76	2.25%

February 2016 Projection Before Adjustments			
FY 2014-15	3,189	42.18%	946
FY 2015-16	4,341	36.12%	1,152
FY 2016-17	5,211	20.04%	870
FY 2017-18	6,144	17.90%	933

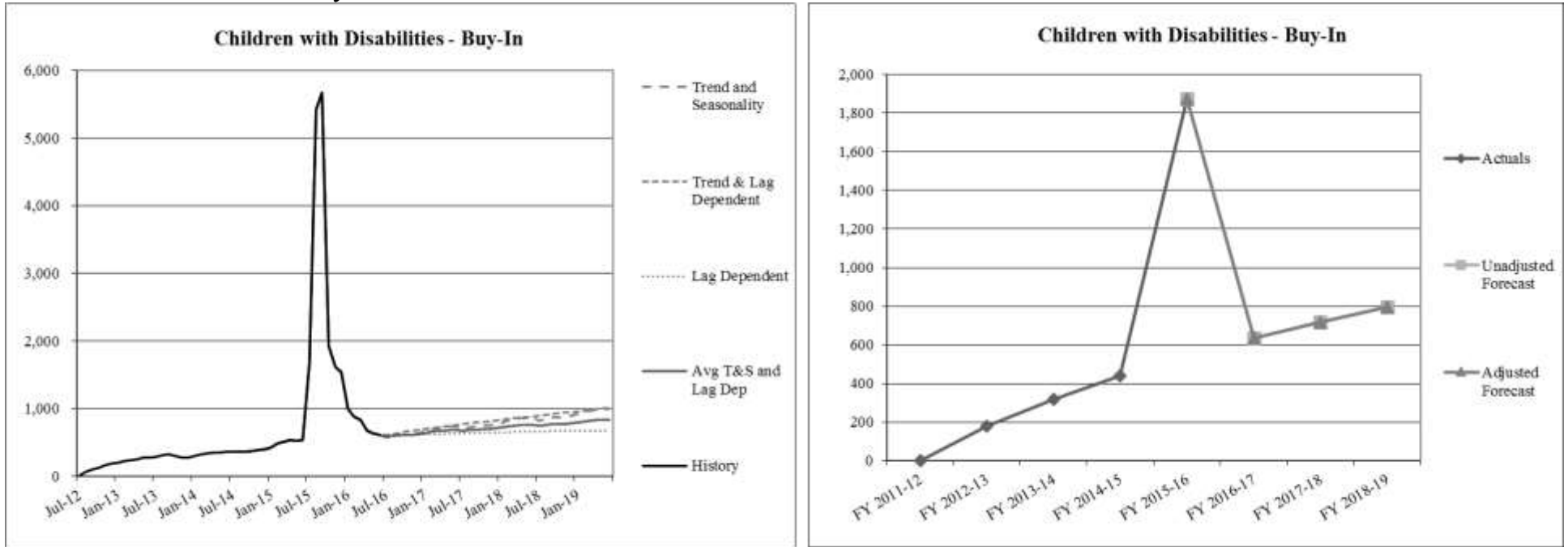
HB 16-1321 Medicaid Buy-In for SLS, SCL, and BI Waivers	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments			
FY 2014-15	3,189	42.18%	946
FY 2015-16	4,341	36.12%	1,152
FY 2016-17	5,211	20.04%	870
FY 2017-18	6,144	17.90%	933

Monthly Average Growth Actuals		
FY 2010-11 1st Half	0	-
FY 2010-11 2nd Half	0	-
FY 2010-11	0	-
FY 2011-12 1st Half	0	-
FY 2011-12 2nd Half	40	-
FY 2011-12	20	-
FY 2012-13 1st Half	71	18.66%
FY 2012-13 2nd Half	71	8.65%
FY 2012-13	71	13.65%
FY 2013-14 1st Half	221	15.09%
FY 2013-14 2nd Half	68	4.45%
FY 2013-14	145	9.77%
FY 2014-15 1st Half	55	2.17%
FY 2014-15 2nd Half	136	3.97%
FY 2014-15	96	3.07%
FY 2015-16 1st Half	34	1.03%
FY 2015-16 2nd Half	79	1.83%
FY 2015-16	57	1.43%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	78	86	1.59%	1.78%
FY 2016-17 2nd Half	78	78	1.45%	1.45%
FY 2016-17	78	82	1.52%	1.61%
FY 2017-18 1st Half	78	84	1.33%	1.44%
FY 2017-18 2nd Half	78	78	1.24%	1.23%
FY 2017-18	78	81	1.29%	1.33%
FY 2018-19 1st Half	-	78	-	1.15%
FY 2018-19 2nd Half	-	78	-	1.07%
FY 2018-19	-	78	-	1.11%

Children with Disabilities – Buy-In: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	DBI-Children	Constant, trend, and monthly seasonal variables	10.93	10.36	0.9104
Trend & Lag Dependent	DBI-Children	Constant, trend, and 2 lags on the dependent variable	8.35	8.17	0.9846
Lag Dependent	DBI-Children	Constant and 1 lag on the dependent variable	8.63	8.54	0.9752
Avg T&S and Lag Dep					

Children with Disabilities - Buy-In: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Trend and Seasonality	438	1,872	-64.80%	659	(1,213)	11
Trend & Lag Dependent	438	1,872	-63.14%	690	(1,182)	12
Lag Dependent	438	1,872	-67.09%	616	(1,256)	2
Avg T&S and Lag Dep	438	1,872	-65.97%	637	(1,235)	6
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Trend and Seasonality	1,872	659	19.42%	787	128	11
Trend & Lag Dependent	1,872	690	20.00%	828	138	11
Lag Dependent	1,872	616	5.36%	649	33	2
Avg T&S and Lag Dep	1,872	637	12.72%	718	81	7
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
Trend and Seasonality	659	787	16.39%	916	129	11
Trend & Lag Dependent	690	828	15.34%	955	127	11
Lag Dependent	616	649	3.54%	672	23	2
Avg T&S and Lag Dep	637	718	10.58%	794	76	6

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Children with Disabilities – Buy-In: Trend Selections

FY 2016-17: -65.97%
FY 2017-18: 12.72%
FY 2018-19: 10.58%

Children with Disabilities – Buy-In: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with sub-categories, to increase forecast accuracy.

The Department identified a data error for July 2015 through December 2015 that incorrectly assigned children to eligibility categories for individuals with disabilities, based on their parents' disability status. This error incorrectly moved clients from Eligible Children and Children's Basic Health Plan (CHP) to Individuals to 59 with Disabilities and Children with Disabilities - Buy-In. Due to the small caseload level for this population, Children with Disabilities – Buy-In was disproportionately affected by this data issue, which falsely inflated the FY 2015-16 actuals, resulting in the spike in clients that can be seen in the graph on page MC-52. The Department has kept the current forecast at a similar level as the February 2016 estimates.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Children with Disabilities - Buy-In: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	363	-	-
Jul-14	357	(6)	-1.65%
Aug-14	364	7	1.96%
Sep-14	359	(5)	-1.37%
Oct-14	369	10	2.79%
Nov-14	383	14	3.79%
Dec-14	401	18	4.70%
Jan-15	430	29	7.23%
Feb-15	489	59	13.72%
Mar-15	508	19	3.89%
Apr-15	531	23	4.53%
May-15	524	(7)	-1.32%
Jun-15	536	12	2.29%
Jul-15	1,675	1,139	212.50%
Aug-15	5,415	3,740	223.28%
Sep-15	5,667	252	4.65%
Oct-15	1,921	(3,746)	-66.10%
Nov-15	1,613	(308)	-16.03%
Dec-15	1,539	(74)	-4.59%
Jan-16	998	(541)	-35.15%
Feb-16	886	(112)	-11.22%
Mar-16	832	(54)	-6.09%
Apr-16	667	(165)	-19.83%
May-16	634	(33)	-4.95%
Jun-16	612	(22)	-3.47%

	Caseload	% Change	Level Change
FY 2012-13	181	-	-
FY 2013-14	317	75.14%	136
FY 2014-15	438	38.17%	121
FY 2015-16	1,872	327.40%	1,434
FY 2016-17	637	-65.97%	(1,235)
FY 2017-18	718	12.72%	81
FY 2018-19	794	10.58%	76

February 2016 Projection			
FY 2014-15	438	38.17%	121
FY 2015-16	1,781	306.62%	1,343
FY 2016-17	647	-63.67%	(1,134)
FY 2017-18	730	12.83%	83

Actuals		
	Monthly Change	% Change
6-month average	(155)	-13.45%
12-month average	6	22.75%
18-month average	12	16.85%
24-month average	10	13.06%

Monthly Average Growth Actuals		
FY 2010-11 1st Half	0	-
FY 2010-11 2nd Half	0	-
FY 2010-11	0	-
FY 2011-12 1st Half	0	-
FY 2011-12 2nd Half	0	-
FY 2011-12	0	-
FY 2012-13 1st Half	32	-
FY 2012-13 2nd Half	15	-
FY 2012-13	23	-
FY 2013-14 1st Half	(1)	-0.08%
FY 2013-14 2nd Half	14	4.67%
FY 2013-14	7	2.29%
FY 2014-15 1st Half	6	1.70%
FY 2014-15 2nd Half	23	5.06%
FY 2014-15	14	3.38%
FY 2015-16 1st Half	167	58.95%
FY 2015-16 2nd Half	(155)	-13.45%
FY 2015-16	6	22.75%

February 2016 Forecast	
Forecasted June 2016 Level	611

Base trend from June 2016 level			
FY 2016-17	612	-67.31%	(1,260)

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	4	2	0.69%	0.39%
FY 2016-17 2nd Half	10	10	1.56%	1.56%
FY 2016-17	7	6	1.12%	0.98%
FY 2017-18 1st Half	4	3	0.51%	0.51%
FY 2017-18 2nd Half	10	10	1.31%	1.32%
FY 2017-18	7	7	0.91%	0.92%
FY 2018-19 1st Half	-	3	-	0.40%
FY 2018-19 2nd Half	-	9	-	1.16%
FY 2018-19	-	6	-	0.78%

MAGI Parents/Caretakers to 68% FPL

One of the primary ways that adults have historically qualified for Medicaid is through Section 1931 of the federal Medicaid statute. Under Section 1931, families who were eligible for cash welfare assistance under the Aid to Families with Dependent Children program are still eligible for Medicaid even after the Aid to Families with Dependent Children program was discontinued. Aid to Families with Dependent Children was replaced by the Temporary Assistance for Needy Families program (referred to as Colorado Works) on July 16, 1996. Clients enrolled in the Temporary Assistance for Needy Families program are no longer automatically eligible for Medicaid. Therefore, the MAGI Parents/Caretakers to 68% FPL category includes adults who receive Medicaid under Section 1931 and those families who receive Temporary Aid to Needy Families financial assistance coupled with Medicaid. Also included in this category are adults receiving Transitional Medicaid. Transitional Medicaid is available to adults in families who have received 1931 Medicaid in three of the past six months and become ineligible due to an increase in earned income. Adults may receive Transitional Medicaid benefits for one year. In FY 2015-16, there were an average of 29,329 adults in this program. Although this program has been set to expire many times, it has been renewed regularly, though most recently it was made permanent.

Before 1999, caseload in this category was falling. Decreases in caseload can be attributed to economic expansion and effects of the Personal Responsibility Work and Opportunity Reconciliation Act, known as welfare reform. When welfare reform was instituted in Colorado in 1997, the link between cash assistance for welfare and Medicaid was broken. When the Department implemented this change into the Client Oriented Information Network eligibility data system, it was estimated that 46,006¹² clients had their cases closed in error. In reaction, the Tatum lawsuit was brought against the State. Starting in May 2001, the Department began to reinstate clients who inadvertently lost their Medicaid eligibility. This may help to explain why from 1997 to 1999 caseload fell, and may have contributed to a spike in caseload in FY 2001-02. For a complete explanation of the Tatum lawsuit, see the November 1, 2001 Budget Request, pages A-37 to A-38.

HB 05-1262 (Tobacco Tax bill) allows for expanding Medicaid eligibility to parents of children enrolled in either Medicaid or the Children's Basic Health Plan up to 60% of the federal poverty level (FPL). The increase in the percentage of allowable federal poverty level was implemented on July 1, 2006.

¹² Source: November 1, 2001 Budget Request, page A-37
Page MC-57

25.5-5-101 (1), C.R.S.

- (a) Individuals who meet the eligibility criteria for the aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (b) Families who meet the eligibility criteria for the aid to families with dependent children program established in rules that were in effect on July 16, 1996, and who subsequently would have become ineligible under such eligibility criteria because of increased earnings or increased hours of employment whose eligibility is specified for a period of time by the federal government;*
- (c) Qualified pregnant women . . . who meet the income resource requirements of the state's aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*

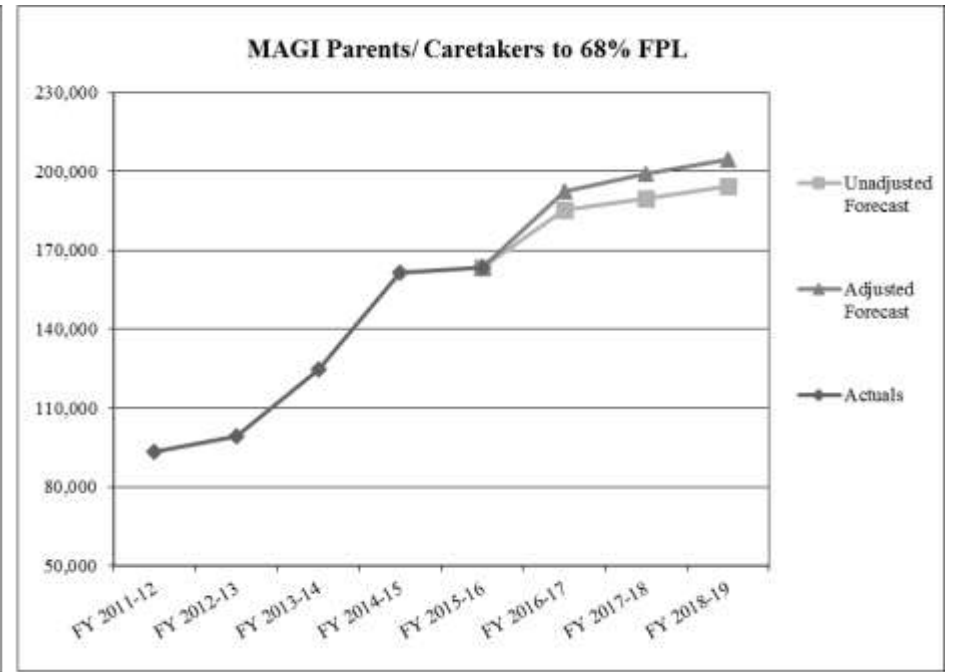
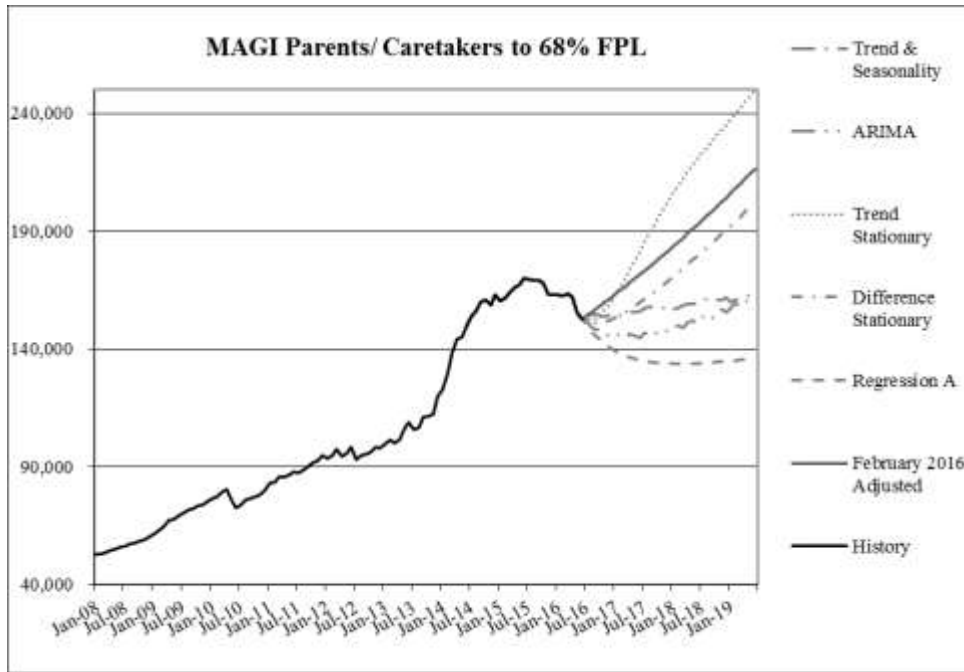
25.5-5-201 (1), C.R.S.

- (a) Individuals who would be eligible for but are not receiving cash assistance;*
- (d) Individuals who would be eligible for aid to families with dependent children if child care were paid from earnings;*
- (h) Persons who are eligible for cash assistance under the works program pursuant to section 26-2-706;*

25.5-5-201 (1), C.R.S.

- (m) (I)(A) Parents of children who are eligible for the medical assistance program or the children's basic health plan, article 8 of this title, whose family income does not exceed a specified percent of the federal poverty level, adjusted for family size, as set by the state board by rule, which percentage shall be not less than one hundred percent;*

MAGI Parents/Caretakers to 68% FPL: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	PC to 68%	Constant, dummy for October 2013, dummy for January 2014, trend, seasonal dummy variables	21.91	21.72	0.9062
ARIMA	d(PC to 68%)	Constant, AR(1), AR(2), AR(3), MA(1), MA(2), MA(3)	18.3	18.12	0.2422
Trend Stationary	log(PC to 68%)	Constant, 4 lags on the dependent variable	-4.96	-5.11	0.9974
Difference Stationary	dlog(PC to 68%)	Constant, 3 lags on the dependent variable	-4.99	-5.09	0.147
Regression A	dlog(PC to 68%)	Constant, October 2013 dummy, dlog(unemployment), October dummy*dlog(unemployment), and 3 lags on the dependent variable	-4.90	-5.08	0.1592
February 2016 Adjusted			NA	NA	NA

MAGI Parents/ Caretakers to 68% FPL: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	161,682	163,342	-5.30%	154,685	(8,657)	276
ARIMA	161,682	163,342	-10.14%	146,779	(16,563)	(663)
Trend Stationary	161,682	163,342	0.11%	163,522	180	2,391
Difference Stationary	161,682	163,342	-5.68%	154,064	(9,278)	587
Regression A	161,682	163,342	-13.79%	140,817	(22,525)	(1,459)
February 2016 Adjusted	161,682	163,342	13.58%	185,524	22,182	5,053
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	163,342	154,685	2.14%	157,995	3,310	276
ARIMA	163,342	146,779	1.31%	148,702	1,923	511
Trend Stationary	163,342	163,522	24.75%	203,994	40,472	3,261
Difference Stationary	163,342	154,064	10.40%	170,087	16,023	1,642
Regression A	163,342	140,817	-4.92%	133,889	(6,928)	(114)
February 2016 Adjusted	163,342	185,524	2.32%	189,828	4,304	(3,612)
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	154,685	157,995	2.10%	161,313	3,318	276
ARIMA	146,779	148,702	5.59%	157,014	8,312	801
Trend Stationary	163,522	203,994	15.92%	236,470	32,476	2,449
Difference Stationary	154,064	170,087	12.60%	191,518	21,431	1,896
Regression A	140,817	133,889	0.75%	134,893	1,004	190
February 2016 Adjusted	185,524	189,828	2.33%	194,251	4,423	3,736

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Parents/Caretakers to 68% FPL: Trend Selections

FY 2016-17: 17.74%

FY 2017-18: 3.57%

FY 2018-19: 2.64%

MAGI Parents/Caretakers to 68% FPL: Justifications

- Average monthly caseload in FY 2015-16 for MAGI Parents/Caretakers to 68% FPL was 163,342, which was 6,376 clients, or 3.76%, under what was forecasted in February 2016. Caseload growth for this category was negative for the year. However, the Department identified a systems issue that may be inadvertently moving clients out of this category and into expansion categories. The Department expects this issue to be resolved no later than March 2017, though the exact timeline is still unclear. Due to uncertainty around the systems issue and its resolution, the Department has maintained its February 2016 forecast for this category.
- Recent data indicate that economic conditions began improving towards the end of 2012 and current forecasts indicate that this trend should continue. This economic recovery, however, is not projected to have a negative impact on caseload. SB 13-200 Medicaid Expansion was implemented January 2014 and the MAGI conversion was implemented in October 2013. These two factors have changed the population considerably. The Department believes it will see moderate growth continue in FY 2016-17, which will dampen but remain relatively high in the out-years.
- The Department believes that economic conditions are largely responsible for the growth from FY 2008-09 to FY 2011-12, as the seasonally adjusted unemployment rate increased from a low of 3.5% in March 2007 to a high of 9.3% in February 2011 (source: Bureau of Labor Statistics). The unemployment rate has largely exceeded 8.0% since April 2009, and has only recently fallen below that level, in October 2012. Unemployment is projected to continue falling for the next three fiscal years, but a declining caseload is not expected to accompany the improving economy as Medicaid is undergoing an expansionary period.
- This forecast has two bottom-line adjustments.
 - The first accounts for a rule change that begins in November 2016. The Department received clarification from CMS that there are no requirements regarding dependent child enrollment in Medicaid in order for MAGI Parents/Caretakers to 68% FPL to have Medicaid eligibility, but there is a requirement that dependent children be enrolled in minimum essential coverage (MEC) in order for MAGI Parents/Caretakers 69-133% FPL or MAGI Adults to have Medicaid eligibility. This bottom-line adjustment accounts for client movement to this eligibility category from MAGI Adults, based on this change.
 - The second adjustment accounts for the impact of annualized income beginning July 1, 2016. Annualized income allows individuals with seasonal fluctuations in income to remain eligible throughout the year so long as their income, annualized for the year, meets Medicaid qualification requirements.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Parents/Caretakers to 68% FPL: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	149,545	-	-
Jul-14	153,837	4,292	2.87%
Aug-14	156,343	2,506	1.63%
Sep-14	159,740	3,397	2.17%
Oct-14	160,707	967	0.61%
Nov-14	158,375	(2,332)	-1.45%
Dec-14	162,727	4,352	2.75%
Jan-15	160,406	(2,321)	-1.43%
Feb-15	161,480	1,074	0.67%
Mar-15	163,641	2,161	1.34%
Apr-15	165,835	2,194	1.34%
May-15	167,183	1,348	0.81%
Jun-15	169,912	2,729	1.63%
Jul-15	169,316	(596)	-0.35%
Aug-15	169,140	(176)	-0.10%
Sep-15	169,127	(13)	-0.01%
Oct-15	167,734	(1,393)	-0.82%
Nov-15	162,975	(4,759)	-2.84%
Dec-15	163,088	113	0.07%
Jan-16	162,764	(324)	-0.20%
Feb-16	162,650	(114)	-0.07%
Mar-16	163,417	767	0.47%
Apr-16	161,967	(1,450)	-0.89%
May-16	155,252	(6,715)	-4.15%
Jun-16	152,679	(2,573)	-1.66%

February 2016 Forecast	
Forecasted June 2016 Level	179,294

Base trend from June 2016 level			
FY 2016-17	152,679	-6.53%	(10,663)

	Caseload	% Change	Level Change
FY 2003-04	47,562	-	-
FY 2004-05	57,140	20.14%	9,578
FY 2005-06	58,885	3.05%	1,745
FY 2006-07	55,850	-5.15%	(3,035)
FY 2007-08	53,473	-4.26%	(2,377)
FY 2008-09	61,874	15.71%	8,401
FY 2009-10	74,839	20.95%	12,965
FY 2010-11	81,114	8.38%	6,275
FY 2011-12	93,224	14.93%	12,110
FY 2012-13	99,392	6.62%	6,168
FY 2013-14	124,680	25.44%	25,288
FY 2014-15	161,682	29.68%	37,002
FY 2015-16	163,342	1.03%	1,660
FY 2016-17	185,524	13.58%	22,182
FY 2017-18	189,828	2.32%	4,304
FY 2018-19	194,251	2.33%	4,423

Parents/Caretakers Rule Change		
FY 2015-16		0
FY 2016-17		4,745
FY 2017-18		7,225
FY 2018-19		7,973

Annualized Income		
FY 2015-16		0
FY 2016-17		2,048
FY 2017-18		2,127
FY 2018-19		2,209

November 2016 Projection After Adjustments			
FY 2015-16	163,342	1.03%	1,660
FY 2016-17	192,317	17.74%	28,975
FY 2017-18	199,180	3.57%	6,863
FY 2018-19	204,433	2.64%	5,253

Actuals		
	Monthly Change	% Change
6-month average	(1,735)	-1.08%
12-month average	(1,436)	-0.88%
18-month average	(558)	-0.34%
24-month average	131	0.10%

February 2016 Projection Before Adjustments			
FY 2014-15	161,682	29.68%	37,002
FY 2015-16	169,718	4.97%	8,036
FY 2016-17	185,519	9.31%	15,801
FY 2017-18	194,146	4.65%	8,627

Parents/Caretakers Rule Change		
FY 2014-15		0
FY 2015-16		0
FY 2016-17		0
FY 2017-18		0

Annualized Income		
FY 2014-15		
FY 2015-16		
FY 2016-17		
FY 2017-18		

February 2016 Projection After Adjustments			
FY 2014-15	161,682	29.68%	37,002
FY 2015-16	169,718	4.97%	8,036
FY 2016-17	185,519	9.31%	15,801
FY 2017-18	194,146	4.65%	8,627

Monthly Average Growth Actuals		
FY 2010-11 1st Half	1,194	1.58%
FY 2010-11 2nd Half	1,342	1.62%
FY 2010-11	1,268	1.60%
FY 2011-12 1st Half	1,159	1.28%
FY 2011-12 2nd Half	557	0.60%
FY 2011-12	858	0.94%
FY 2012-13 1st Half	(56)	-0.03%
FY 2012-13 2nd Half	1,832	1.80%
FY 2012-13	888	0.89%
FY 2013-14 1st Half	1,844	1.67%
FY 2013-14 2nd Half	4,952	3.78%
FY 2013-14	3,398	2.73%
FY 2014-15 1st Half	2,197	1.43%
FY 2014-15 2nd Half	1,198	0.73%
FY 2014-15	1,697	1.08%
FY 2015-16 1st Half	(1,137)	-0.68%
FY 2015-16 2nd Half	(1,735)	-1.08%
FY 2015-16	(1,436)	-0.88%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	1,013	6,420	0.56%	3.83%
FY 2016-17 2nd Half	811	5,139	0.43%	2.52%
FY 2016-17	912	5,779	0.49%	3.18%
FY 2017-18 1st Half	640	(3,516)	0.33%	-1.65%
FY 2017-18 2nd Half	498	(3,524)	0.25%	-1.84%
FY 2017-18	569	(3,520)	0.29%	-1.74%
FY 2018-19 1st Half	-	3,792	-	2.01%
FY 2018-19 2nd Half	-	3,778	-	1.78%
FY 2018-19	-	3,785	-	1.89%

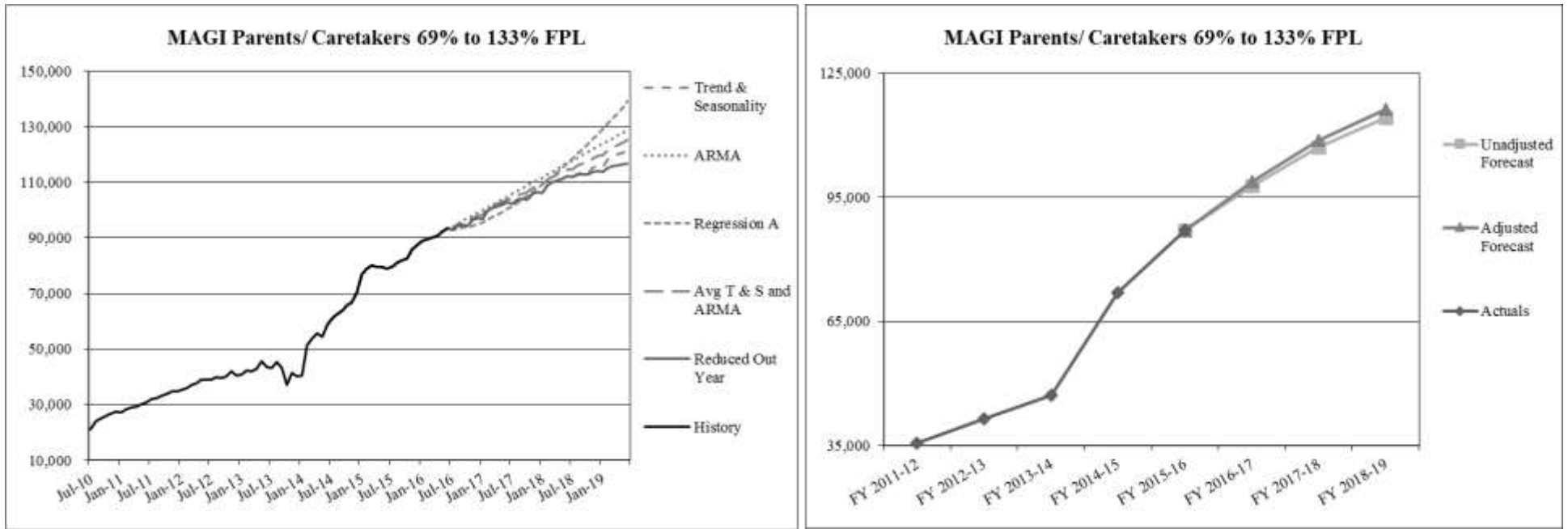
MAGI Parents/Caretakers 69% to 133% FPL

HB 09-1293 (Colorado Health Care Affordability Act) allowed for expanding Medicaid eligibility to parents of children enrolled in either Medicaid or the Children's Basic Health Plan up to 100% of the federal poverty level (FPL). The increase in the percentage of allowable federal poverty level was implemented on May 1, 2010. Medicaid Expansion SB 13-200 further expanded this population to 133% and the Department has changed the category Expansion Adults to 100% FPL to MAGI Parents/Caretakers 69% to 133% FPL to track these clients.

25.5-5-201 (1), C.R.S.

(m) Parents and caretaker relatives of children who are eligible for the medical assistance program whose family income does not exceed one hundred thirty-three percent of the federal poverty line, adjusted for family size;

MAGI Parents/Caretakers 69% to 133% FPL: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	PC 69-133%	Constant, trend, and seasonal dummy variables	20.95	20.52	0.917
ARMA	d(PC 69-133%)	Constant, AR(1), AR(2), AR(3), MA(1), MA(2)	18.08	17.98	0.0507
Regression A	dlog(PC 69-133%)	Constant, dlog(unemployment), and 1 lag on the dependent variable	-3.21	-3.44	0.0154
Avg T & S and ARMA			NA	NA	NA
Reduced Out Year			NA	NA	NA

MAGI Parents/ Caretakers 69% to 133% FPL: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Trend & Seasonality	71,989	86,964	12.37%	97,721	10,757	4,999
ARMA	71,989	86,964	14.33%	99,426	12,462	5,184
Regression A	71,989	86,964	10.20%	95,834	8,870	4,800
Avg T & S and ARMA	71,989	86,964	13.35%	98,574	11,610	5,091
Reduced Out Year	71,989	86,964	12.37%	97,721	10,757	4,999

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Trend & Seasonality	86,964	97,721	9.61%	107,112	9,391	783
ARMA	86,964	99,426	12.01%	111,367	11,941	992
Regression A	86,964	95,834	13.56%	108,829	12,995	1,388
Avg T & S and ARMA	86,964	98,574	10.82%	109,240	10,666	888
Reduced Out Year	86,964	97,721	9.61%	107,112	9,391	783

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
Trend & Seasonality	97,721	107,112	8.77%	116,506	9,394	783
ARMA	99,426	111,367	10.71%	123,294	11,927	994
Regression A	95,834	108,829	18.07%	128,494	19,665	1,834
Avg T & S and ARMA	98,574	109,240	9.76%	119,902	10,662	889
Reduced Out Year	97,721	107,112	6.69%	114,278	7,166	385

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Parents/Caretakers 69% to 133% FPL: Trend Selections

FY 2016-17: 13.74%
 FY 2017-18: 10.02%
 FY 2018-19: 6.93%

MAGI Parents/Caretakers 69% to 133% FPL: Justifications and Monthly Projections

- Average monthly caseload in FY 2015-16 for MAGI Parents/Caretakers 69% to 133% FPL was 86,964, which was 1,565 clients, or 1.83% over what was forecasted in February 2016. FY 2015-16 actual average monthly growth was 1,189; the Department has brought up the forecast accordingly.
- Previously, the Department accounted for the expansion from 100% FPL to 133% FPL under SB 13-200 Medicaid Expansion as a bottom-line adjustment. Beginning in November 2016, the Department has determined that there are now sufficient data points to forecast this expansion within statistical models, and has adjusted the forecast accordingly. In FY 2015-16, the average monthly caseload attributable to this expansion was 39,000.
- There is one bottom-line adjustment for this eligibility, to account for the impact of annualized income beginning July 1, 2016. Annualized income allows individuals with seasonal fluctuations in income to remain eligible throughout the year so long as their income, annualized for the year, meets Medicaid qualification requirements.

SB 13-200 Medicaid Expansion Actuals	
Jan-15	32,386
Feb-15	33,639
Mar-15	34,192
Apr-15	33,388
May-15	33,604
Jun-15	33,774
Jul-15	34,351
Aug-15	35,405
Sep-15	36,104
Oct-15	35,942
Nov-15	38,550
Dec-15	39,399
Jan-16	40,169
Feb-16	40,524
Mar-16	41,180
Apr-16	41,474
May-16	42,181
Jun-16	42,721

MAGI Parents/ Caretakers 69% to 133% FPL: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	58,549	-	-
Jul-14	60,981	2,432	4.15%
Aug-14	62,711	1,730	2.84%
Sep-14	63,847	1,136	1.81%
Oct-14	65,552	1,705	2.67%
Nov-14	66,811	1,259	1.92%
Dec-14	70,288	3,477	5.20%
Jan-15	76,807	6,519	9.27%
Feb-15	78,910	2,103	2.74%
Mar-15	80,068	1,158	1.47%
Apr-15	79,437	(631)	-0.79%
May-15	79,417	(20)	-0.03%
Jun-15	79,036	(381)	-0.48%
Jul-15	79,502	466	0.59%
Aug-15	81,001	1,499	1.89%
Sep-15	82,010	1,009	1.25%
Oct-15	82,642	632	0.77%
Nov-15	85,784	3,142	3.80%
Dec-15	87,548	1,764	2.06%
Jan-16	88,891	1,343	1.53%
Feb-16	89,610	719	0.81%
Mar-16	90,244	634	0.71%
Apr-16	90,644	400	0.44%
May-16	92,385	1,741	1.92%
Jun-16	93,307	922	1.00%

February 2016 Forecast	
Forecasted June 2016 Level	87,837

Base trend from June 2016 level			
FY 2016-17	93,307	7.29%	6,343

	Caseload	% Change	Level Change
FY 2009-10	3,238	-	-
FY 2010-11	27,167	739.01%	23,929
FY 2011-12	35,461	30.53%	8,294
FY 2012-13	41,545	17.16%	6,084
FY 2013-14	47,082	13.33%	5,537
FY 2014-15	71,989	52.90%	24,907
FY 2015-16	86,964	20.80%	14,975
FY 2016-17	97,721	12.37%	10,757
FY 2017-18	107,112	9.61%	9,391
FY 2018-19	114,278	6.69%	7,166

SB 13-200 Adjustment		
FY 2015-16		0
FY 2016-17		0
FY 2017-18		0
FY 2018-19		0

Annualized Income		
FY 2015-16		0
FY 2016-17		1,189
FY 2017-18		1,709
FY 2018-19		2,083

November 2016 Projection After Adjustments			
FY 2015-16	86,964	20.80%	14,975
FY 2016-17	98,910	13.74%	11,946
FY 2017-18	108,821	10.02%	9,911
FY 2018-19	116,361	6.93%	7,540

Actuals		
	Monthly Change	% Change
6-month average	960	1.07%
12-month average	1,189	1.40%
18-month average	1,279	1.61%
24-month average	1,448	1.98%

February 2016 Projection Before Adjustments			
FY 2014-15	43,355	32.20%	10,561
FY 2015-16	47,851	10.37%	4,496
FY 2016-17	52,110	8.90%	4,259
FY 2017-18	55,961	7.39%	3,851

SB 13-200 Adjustment	
FY 2014-15	28,634
FY 2015-16	37,548
FY 2016-17	38,539
FY 2017-18	38,540

Annualized Income	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments			
FY 2014-15	71,989	52.90%	24,907
FY 2015-16	85,399	18.63%	13,410
FY 2016-17	90,649	6.15%	5,250
FY 2017-18	94,501	4.25%	3,852

Monthly Average Growth Actuals		
FY 2010-11 1st Half	1,165	5.04%
FY 2010-11 2nd Half	521	1.82%
FY 2010-11	843	3.43%
FY 2011-12 1st Half	694	2.15%
FY 2011-12 2nd Half	673	1.85%
FY 2011-12	683	2.00%
FY 2012-13 1st Half	254	0.67%
FY 2012-13 2nd Half	526	1.31%
FY 2012-13	390	0.99%
FY 2013-14 1st Half	(562)	-1.01%
FY 2013-14 2nd Half	3,054	6.82%
FY 2013-14	1,246	2.90%
FY 2014-15 1st Half	1,957	3.10%
FY 2014-15 2nd Half	1,458	2.03%
FY 2014-15	1,707	2.57%
FY 2015-16 1st Half	1,419	1.72%
FY 2015-16 2nd Half	960	1.07%
FY 2015-16	1,189	1.40%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	433	815	0.49%	0.86%
FY 2016-17 2nd Half	433	949	0.47%	0.95%
FY 2016-17	433	882	0.48%	0.90%
FY 2017-18 1st Half	227	703	0.24%	0.67%
FY 2017-18 2nd Half	227	948	0.24%	0.86%
FY 2017-18	227	826	0.24%	0.77%
FY 2018-19 1st Half	-	370	-	0.32%
FY 2018-19 2nd Half	-	463	-	0.40%
FY 2018-19	-	416	-	0.36%

MAGI Adults

HB 09-1293 (Colorado Health Care Affordability Act) authorizes the Department to expand Medicaid eligibility to Adults without Dependent Children (AwDC), now referred to as MAGI Adults, age 19 to 65 who are not eligible for Medicaid or Medicare with income up to 100% of the federal poverty level (FPL). The Department implemented the first stage of this expansion in May 2012, in which enrollment initially opened to individuals with income up to 10% FPL and enrollment was limited to 10,000.

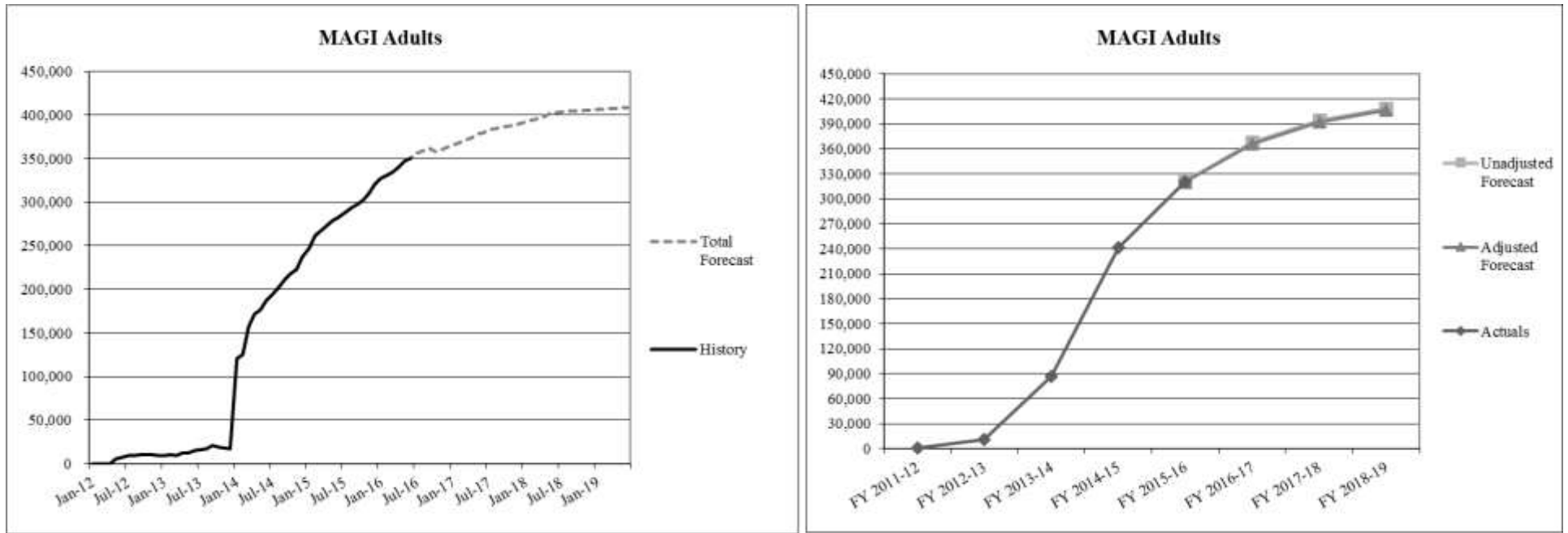
Due to the availability of funding in the FFY 2012-13 Hospital Provider Fee model, the Department planned to gradually increase the number of MAGI Adults served under 10% FPL in FY 2012-13 and FY 2013-14. The Department intended to enroll an additional 3,000 individuals from the wait list in April 2013, followed by 1,250 additional individuals per month from May through September 2013, setting the enrollment cap at 19,250 clients.

Beginning in January 2014, this enrollment cap was lifted under SB 13-200 Medicaid expansion, and the FPL for this category was extended through 133%. Aggressive growth has been seen for this eligibility since the implementation of Medicaid expansion.

25.5-5-201 (1), C.R.S.

(p) Subject to federal approval, adults who are childless or without a dependent child in the home, as described in section 1902 (a) (10) (A) (i) (VIII) of the social security act, 42 U.S.C. sec. 1396a, who have attained nineteen years of age but have not attained sixty-five years of age, and whose family income does not exceed one hundred thirty-three percent of the federal poverty line, adjusted for family size;

MAGI Adults: Model Results



MAGI Adults: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Combined Forecast	241,392	320,374	14.31%	366,209	45,835	31,645
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Combined Forecast	320,374	366,209	7.01%	391,871	25,662	1,915
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
Combined Forecast	366,209	391,871	3.63%	406,112	14,241	487

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Adults: Trend Selections

FY 2016-17: 14.31%

FY 2017-18: 7.01%

FY 2018-19: 3.63%

MAGI Adults: Justifications and Monthly Projections

- Average monthly caseload in FY 2015-16 for MAGI Adults was 320,374, which was 2,523 clients, or 0.79% above what was forecasted in February 2016. The average monthly growth in FY 2015-16 has continued to be higher than anticipated, at 5,624. The Department has increased the caseload estimate in FY 2016-17 to account for this, but does believe these growth trends will begin to slow down in FY 2017-18 and FY 2018-19.
- Beginning with the November 2015 forecast, the Department has selected models separately for the age group 19-44 and the age group 45-64. See below for more details.
- This forecast has two bottom-line adjustments.
 - The first accounts for a rule change that begins in November 2016. The Department received clarification from CMS that there are no requirements regarding dependent child enrollment in Medicaid in order for MAGI Parents/Caretakers to 68% FPL to have Medicaid eligibility, but there is a requirement that dependent children be enrolled in minimum essential coverage (MEC) in order for MAGI Parents/Caretakers 69-133% FPL or MAGI Adults to have Medicaid eligibility. This bottom-line adjustment accounts for client movement from this eligibility category to MAGI Parents/Caretakers to 68% FPL, based on this change.
 - The second adjustment accounts for the impact of annualized income beginning July 1, 2016. Annualized income allows individuals with seasonal fluctuations in income to remain eligible throughout the year so long as their income, annualized for the year, meets Medicaid qualification requirements.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Adults: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	186,802	-	-
Jul-14	194,454	7,652	4.10%
Aug-14	202,825	8,371	4.30%
Sep-14	210,970	8,145	4.02%
Oct-14	218,403	7,433	3.52%
Nov-14	222,465	4,062	1.86%
Dec-14	237,045	14,580	6.55%
Jan-15	247,056	10,011	4.22%
Feb-15	261,108	14,052	5.69%
Mar-15	267,714	6,606	2.53%
Apr-15	273,043	5,329	1.99%
May-15	278,709	5,666	2.08%
Jun-15	282,910	4,201	1.51%
Jul-15	287,183	4,273	1.51%
Aug-15	293,155	5,972	2.08%
Sep-15	297,680	4,525	1.54%
Oct-15	302,362	4,682	1.57%
Nov-15	310,294	7,932	2.62%
Dec-15	320,093	9,799	3.16%
Jan-16	327,653	7,560	2.36%
Feb-16	331,622	3,969	1.21%
Mar-16	335,451	3,829	1.15%
Apr-16	340,862	5,411	1.61%
May-16	347,731	6,869	2.02%
Jun-16	350,396	2,665	0.77%

February 2016 Forecast	
Forecasted June 2016 Level	340,304

Base trend from June 2016 level			
FY 2016-17	350,396	9.37%	30,022

	Caseload	% Change	Level Change
FY 2011-12	1,134	-	-
FY 2012-13	10,634	8	9,500
FY 2013-14	87,243	720.42%	76,609
FY 2014-15	241,392	176.69%	154,149
FY 2015-16	320,374	32.72%	78,982
FY 2016-17	368,262	14.95%	47,888
FY 2017-18	394,629	7.16%	26,367
FY 2018-19	408,636	3.55%	14,007

Parents/Caretakers Rule Change	
FY 2015-16	0
FY 2016-17	(4,745)
FY 2017-18	(7,225)
FY 2018-19	(7,973)

Annualized Income	
FY 2015-16	0
FY 2016-17	2,692
FY 2017-18	4,467
FY 2018-19	5,449

November 2016 Projections After Adjustments			
FY 2015-16	320,374	32.72%	78,982
FY 2016-17	366,209	14.31%	45,835
FY 2017-18	391,871	7.01%	25,662
FY 2018-19	406,112	3.63%	14,241

Actuals		
	Monthly Change	% Change
6-month average	5,051	1.52%
12-month average	5,624	1.80%
18-month average	6,297	2.20%
24-month average	6,816	2.67%

February 2016 Projection			
FY 2014-15	241,392	176.69%	154,149
FY 2015-16	317,851	31.67%	76,459
FY 2016-17	345,496	8.70%	27,645
FY 2017-18	347,685	0.63%	2,189

Parents/Caretakers Rule Change	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

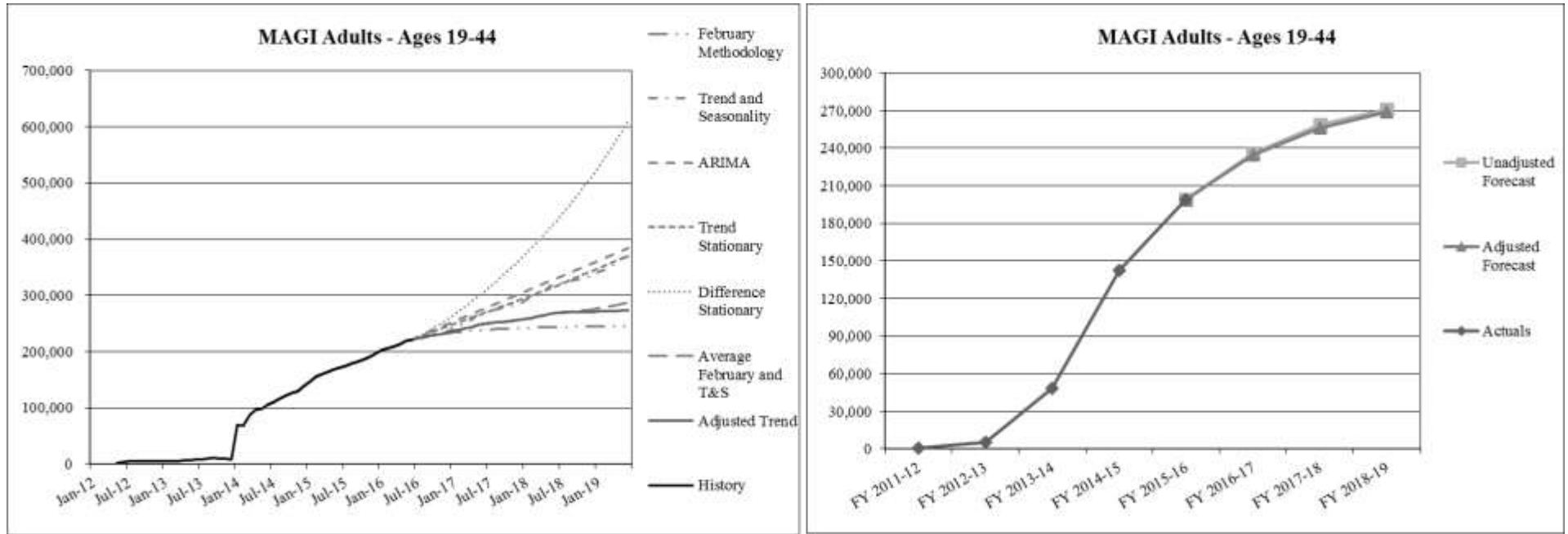
Annualized Income	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments			
FY 2014-15	241,392	176.69%	154,149
FY 2015-16	317,851	31.67%	76,459
FY 2016-17	345,496	8.70%	27,645
FY 2017-18	347,685	0.63%	2,189

Monthly Average Growth Actuals		
FY 2010-11 1st Half	0	-
FY 2010-11 2nd Half	0	-
FY 2010-11	0	-
FY 2011-12 1st Half	0	-
FY 2011-12 2nd Half	1,292	-
FY 2011-12	646	-
FY 2012-13 1st Half	341	4.34%
FY 2012-13 2nd Half	829	7.58%
FY 2012-13	585	5.96%
FY 2013-14 1st Half	387	2.97%
FY 2013-14 2nd Half	28,329	108.64%
FY 2013-14	14,358	55.81%
FY 2014-15 1st Half	8,374	4.06%
FY 2014-15 2nd Half	7,644	3.00%
FY 2014-15	8,009	3.53%
FY 2015-16 1st Half	6,197	2.08%
FY 2015-16 2nd Half	5,051	1.52%
FY 2015-16	5,624	1.80%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	926	2,025	0.27%	0.57%
FY 2016-17 2nd Half	245	2,888	0.07%	0.78%
FY 2016-17	585	2,457	0.17%	0.68%
FY 2017-18 1st Half	64	1,629	0.02%	0.42%
FY 2017-18 2nd Half	17	2,200	0.00%	0.56%
FY 2017-18	41	1,915	0.01%	0.49%
FY 2018-19 1st Half	-	452	-	0.11%
FY 2018-19 2nd Half	-	523	-	0.13%
FY 2018-19	-	487	-	0.12%

MAGI Adults, Age 19 to 44: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
February Methodology			NA	NA	NA
Trend and Seasonality	Adults 19-44	Constant, January 2014 dummy, trend, seasonal dummy variables	23.24	22.71	0.9487
ARIMA	d(Adults 19-44)	Constant, AR(1), MA(1)	21.26	21.14	-0.0297
Trend Stationary	log(Adults 19-44)	Constant, trend, 1 lag on the dependent variable	-5.84	-5.99	0.9971
Difference Stationary	dlog(Adults 19-44)	Constant, 2 lags on the dependent variable	-7.63	-7.71	0.0290
Average February and T&S			NA	NA	NA
Adjusted Trend			NA	NA	NA

MAGI Adults Ages 19-44: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
February Methodology	142,485	198,654	17.01%	232,445	33,791	1,414
Trend and Seasonality	142,485	198,654	22.37%	243,093	44,439	4,114
ARIMA	142,485	198,654	26.40%	251,099	52,445	4,523
Trend Stationary	142,485	198,654	24.37%	247,066	48,412	3,900
Difference Stationary	142,485	198,654	32.78%	263,773	65,119	7,098
Average February and T&S	142,485	198,654	18.80%	236,001	37,347	2,314
Adjusted Trend	142,485	198,654	18.80%	236,001	37,347	2,314
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
February Methodology	198,654	232,445	4.04%	241,836	9,391	419
Trend and Seasonality	198,654	243,093	20.31%	292,465	49,372	4,114
ARIMA	198,654	251,099	21.55%	305,211	54,112	4,510
Trend Stationary	198,654	247,066	19.16%	294,404	47,338	4,045
Difference Stationary	198,654	263,773	40.80%	371,392	107,619	10,482
Average February and T&S	198,654	236,001	9.62%	258,704	22,703	1,651
Adjusted Trend	198,654	236,001	9.62%	258,704	22,703	1,651
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
February Methodology	232,445	241,836	1.13%	244,569	2,733	120
Trend and Seasonality	243,093	292,465	16.88%	341,833	49,368	4,114
ARIMA	251,099	305,211	17.73%	359,325	54,114	4,510
Trend Stationary	247,066	294,404	17.44%	345,748	51,344	4,511
Difference Stationary	263,773	371,392	41.00%	523,663	152,271	14,780
Average February and T&S	236,001	258,704	7.06%	276,969	18,265	1,452
Adjusted Trend	236,001	258,704	4.81%	271,148	12,444	363

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Adults, Age 19 to 44: Trend Selections

FY 2016-17: 17.96%

FY 2017-18: 9.44%

FY 2018-19: 4.93%

MAGI Adults, Age 19 to 44: Justifications and Monthly Projections

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with two age group sub-categories, to increase forecast accuracy. For FY 2015-16, caseload continued to grow quickly with an average monthly growth of 4,173 clients. The Department has adjusted its forecast upward from the February 2016 level accordingly.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Adults Ages 19-44: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	105,210	-	-
Jul-14	110,448	5,238	4.98%
Aug-14	116,330	5,882	5.33%
Sep-14	122,109	5,779	4.97%
Oct-14	127,210	5,101	4.18%
Nov-14	129,717	2,507	1.97%
Dec-14	138,826	9,109	7.02%
Jan-15	145,634	6,808	4.90%
Feb-15	155,316	9,682	6.65%
Mar-15	160,040	4,724	3.04%
Apr-15	164,179	4,139	2.59%
May-15	168,459	4,280	2.61%
Jun-15	171,555	3,096	1.84%
Jul-15	174,715	3,160	1.84%
Aug-15	179,112	4,397	2.52%
Sep-15	182,607	3,495	1.95%
Oct-15	186,043	3,436	1.88%
Nov-15	190,977	4,934	2.65%
Dec-15	197,562	6,585	3.45%
Jan-16	202,980	5,418	2.74%
Feb-16	206,305	3,325	1.64%
Mar-16	209,283	2,978	1.44%
Apr-16	213,512	4,229	2.02%
May-16	219,122	5,610	2.63%
Jun-16	221,633	2,511	1.15%

February 2016 Forecast		
Forecasted June 2016 Level		211,847

Base trend from June 2016 level			
FY 2016-17	221,633	11.57%	22,979

	Caseload	% Change	Level Change
FY 2011-12	539	-	-
FY 2012-13	5,261	876.07%	4,722
FY 2013-14	48,325	818.55%	43,064
FY 2014-15	142,485	194.85%	94,160
FY 2015-16	198,654	39.42%	56,169
FY 2016-17	236,001	18.80%	37,347
FY 2017-18	258,704	9.62%	22,703
FY 2018-19	271,148	4.81%	12,444

Parents/Caretakers Rule Change		
FY 2015-16		0
FY 2016-17		(3,863)
FY 2017-18		(5,883)
FY 2018-19		(6,492)

Annualized Income		
FY 2015-16		0
FY 2016-17		2,192
FY 2017-18		3,637
FY 2018-19		4,437

November 2016 Projection After Adjustments			
FY 2015-16	198,654	39.42%	56,169
FY 2016-17	234,330	17.96%	35,676
FY 2017-18	256,458	9.44%	22,128
FY 2018-19	269,093	4.93%	12,635

Actuals		
	Monthly Change	% Change
6-month average	4,012	1.94%
12-month average	4,173	2.16%
18-month average	4,600	2.64%
24-month average	4,851	3.17%

February 2016 Projection Before Adjustments			
FY 2014-15	142,485	194.85%	94,160
FY 2015-16	196,245	37.73%	53,760
FY 2016-17	215,536	9.83%	19,291
FY 2017-18	217,088	0.72%	1,552

Parents/Caretakers Rule Change		
FY 2014-15		0
FY 2015-16		0
FY 2016-17		0
FY 2017-18		0

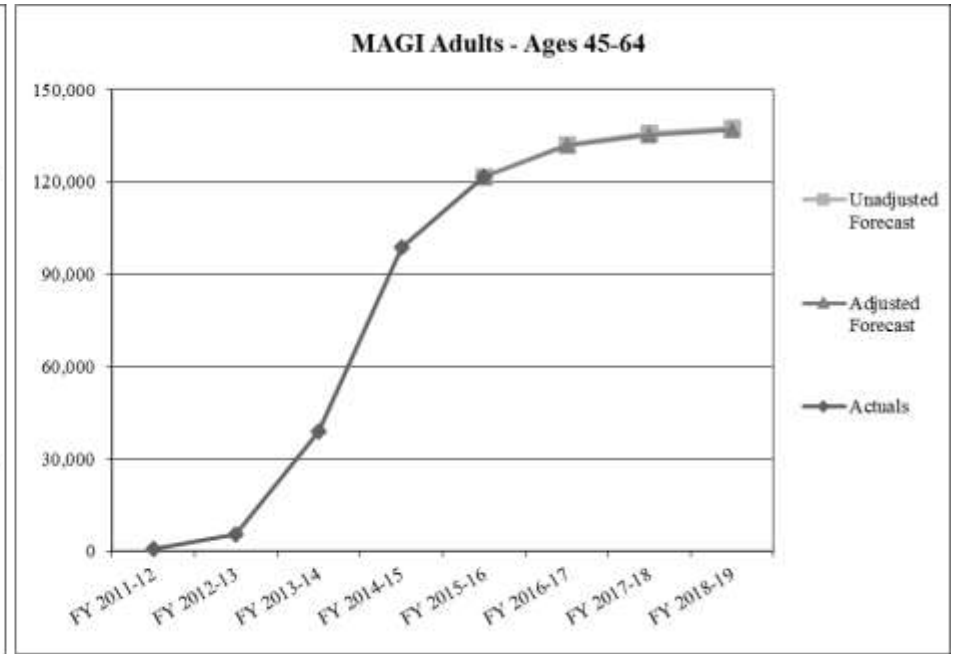
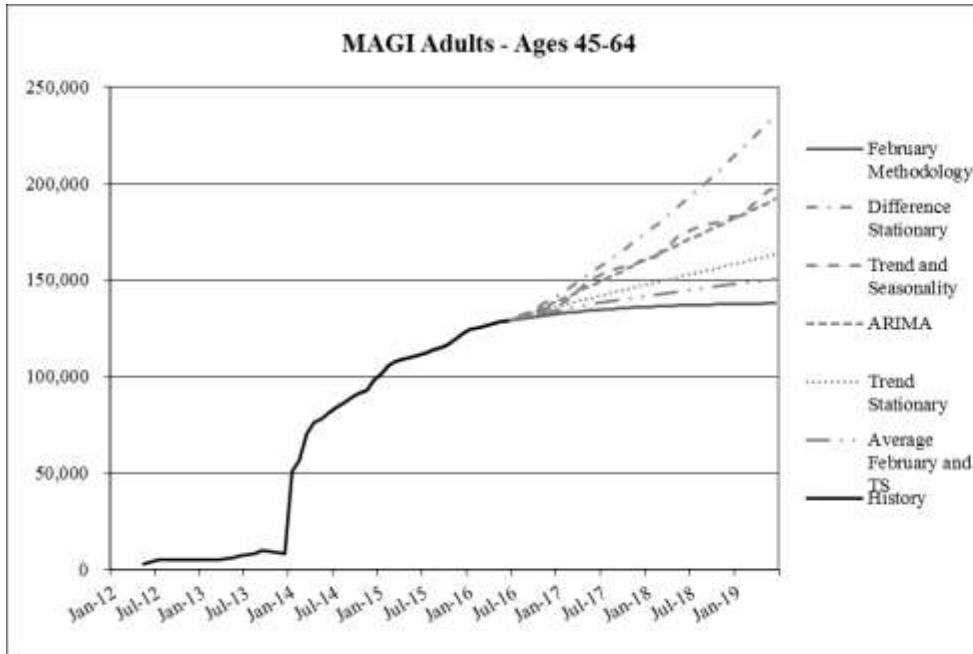
Annualized Income		
FY 2014-15		0
FY 2015-16		0
FY 2016-17		0
FY 2017-18		0

February 2016 Projection After Adjustments			
FY 2014-15	142,485	194.85%	94,160
FY 2015-16	196,245	37.73%	53,760
FY 2016-17	215,536	9.83%	19,291
FY 2017-18	217,088	0.72%	1,552

Monthly Average Growth Actuals			
FY 2010-11 1st Half	0		-
FY 2010-11 2nd Half	0		-
FY 2010-11	0		-
FY 2011-12 1st Half	0		-
FY 2011-12 2nd Half	621		-
FY 2011-12	311		-
FY 2012-13 1st Half	166		4.42%
FY 2012-13 2nd Half	495		9.15%
FY 2012-13	330		6.78%
FY 2013-14 1st Half	155		2.53%
FY 2013-14 2nd Half	16,098		124.83%
FY 2013-14	8,127		63.68%
FY 2014-15 1st Half	5,603		4.74%
FY 2014-15 2nd Half	5,455		3.60%
FY 2014-15	5,529		4.17%
FY 2015-16 1st Half	4,335		2.38%
FY 2015-16 2nd Half	4,012		1.94%
FY 2015-16	4,173		2.16%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	658	1,557	0.31%	0.70%
FY 2016-17 2nd Half	172	2,531	0.08%	1.07%
FY 2016-17	415	2,044	0.19%	0.88%
FY 2017-18 1st Half	46	1,347	0.02%	0.54%
FY 2017-18 2nd Half	12	2,057	0.01%	0.79%
FY 2017-18	29	1,702	0.01%	0.67%
FY 2018-19 1st Half	-	326	-	0.12%
FY 2018-19 2nd Half	-	463	-	0.17%
FY 2018-19	-	395	-	0.15%

MAGI Adults, Age 45 to 64: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
February Methodology			NA	NA	NA
Trend and Seasonality	Adults 45+	Constant, January 2014 dummy, trend, seasonal dummy variables	21.81	21.28	0.9680
ARIMA	d(Adults 45+)	Constant, AR(1), MA(1)	17.19	17.05	0.1225
Trend Stationary	log(Adults 45+)	Constant, trend, 2 lags on the dependent variable	-5.95	-6.14	0.9939
Difference Stationary	dlog(Adults 45+)	Constant, 1 lag on the dependent variable	-5.94	-6.04	0.2408
Average February and TS			NA	NA	NA

MAGI Adults Ages 45-64: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
February Methodology	98,907	121,720	8.66%	132,261	10,541	474
Trend and Seasonality	98,907	121,720	14.35%	139,187	17,467	1,908
ARIMA	98,907	121,720	14.09%	138,870	17,150	1,649
Trend Stationary	98,907	121,720	11.51%	135,730	14,010	1,054
Difference Stationary	98,907	121,720	16.68%	142,023	20,303	2,241
Average February and TS	98,907	121,720	10.09%	134,002	12,282	764
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
February Methodology	121,720	132,261	2.77%	135,925	3,664	201
Trend and Seasonality	121,720	139,187	16.45%	162,083	22,896	1,908
ARIMA	121,720	138,870	15.40%	160,256	21,386	1,800
Trend Stationary	121,720	135,730	8.65%	147,471	11,741	921
Difference Stationary	121,720	142,023	22.79%	174,390	32,367	2,979
Average February and TS	121,720	134,002	5.75%	141,707	7,705	561
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
February Methodology	132,261	135,925	1.15%	137,488	1,563	85
Trend and Seasonality	139,187	162,083	14.12%	184,969	22,886	1,908
ARIMA	138,870	160,256	13.48%	181,859	21,603	1,801
Trend Stationary	135,730	147,471	7.32%	158,266	10,795	893
Difference Stationary	142,023	174,390	22.96%	214,430	40,040	3,663
Average February and TS	134,002	141,707	4.36%	147,885	6,178	489

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Adults, Age 45-64: Trend Selections

FY 2016-17: 8.35%

FY 2017-18: 2.68%

FY 2018-19: 1.19%

MAGI Adults, Age 45-64: Justifications and Monthly Projections

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with two age group sub-categories, to increase forecast accuracy. Average monthly growth in FY 2015-16 was 1,451 clients; the Department has increased the forecast in comparison to the February 2016 estimates accordingly.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Adults Ages 45-64: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	81,603	-	-
Jul-14	84,021	2,418	2.96%
Aug-14	86,514	2,493	2.97%
Sep-14	88,861	2,347	2.71%
Oct-14	91,193	2,332	2.62%
Nov-14	92,748	1,555	1.71%
Dec-14	98,219	5,471	5.90%
Jan-15	101,422	3,203	3.26%
Feb-15	105,792	4,370	4.31%
Mar-15	107,674	1,882	1.78%
Apr-15	108,864	1,190	1.11%
May-15	110,250	1,386	1.27%
Jun-15	111,355	1,105	1.00%
Jul-15	112,468	1,113	1.00%
Aug-15	114,043	1,575	1.40%
Sep-15	115,073	1,030	0.90%
Oct-15	116,319	1,246	1.08%
Nov-15	119,317	2,998	2.58%
Dec-15	122,531	3,214	2.69%
Jan-16	124,673	2,142	1.75%
Feb-16	125,317	644	0.52%
Mar-16	126,168	851	0.68%
Apr-16	127,350	1,182	0.94%
May-16	128,609	1,259	0.99%
Jun-16	128,763	154	0.12%

February 2016 Forecast	
Forecasted June 2016 Level	128,457

Base trend from June 2016 level			
FY 2016-17	128,763	5.79%	7,043

	Caseload	% Change	Level Change
FY 2011-12	595	-	-
FY 2012-13	5,373	8	4,778
FY 2013-14	38,918	624.33%	33,545
FY 2014-15	98,907	154.14%	59,989
FY 2015-16	121,720	23.07%	22,813
FY 2016-17	132,261	8.66%	10,541
FY 2017-18	135,925	2.77%	3,664
FY 2018-19	137,488	1.15%	1,563

Parents/Caretakers Rule Change	
FY 2015-16	0
FY 2016-17	(882)
FY 2017-18	(1,342)
FY 2018-19	(1,481)

November 2016 Projections After Adjustments			
FY 2015-16	121,720	23.07%	22,813
FY 2016-17	131,879	8.35%	10,159
FY 2017-18	135,413	2.68%	3,534
FY 2018-19	137,019	1.19%	1,606

Actuals		
	Monthly Change	% Change
6-month average	1,039	0.83%
12-month average	1,451	1.22%
18-month average	1,697	1.52%
24-month average	1,965	1.93%

February 2016 Projection Before Adjustments			
FY 2014-15	98,907	154.14%	59,989
FY 2015-16	121,606	22.95%	22,699
FY 2016-17	129,960	6.87%	8,354
FY 2017-18	130,597	0.49%	637

Parents/Caretakers Rule Change	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments			
FY 2014-15	98,907	154.14%	59,989
FY 2015-16	121,606	22.95%	22,699
FY 2016-17	129,960	6.87%	8,354
FY 2017-18	130,597	0.49%	637

Monthly Average Growth Actuals		
FY 2010-11 1st Half	0	0.00%
FY 2010-11 2nd Half	0	0.00%
FY 2010-11	0	0.00%
FY 2011-12 1st Half	0	0.00%
FY 2011-12 2nd Half	671	0.00%
FY 2011-12	335	0.00%
FY 2012-13 1st Half	175	4.27%
FY 2012-13 2nd Half	334	6.08%
FY 2012-13	255	5.17%
FY 2013-14 1st Half	232	3.46%
FY 2013-14 2nd Half	12,189	91.80%
FY 2013-14	6,210	47.63%
FY 2014-15 1st Half	2,769	3.15%
FY 2014-15 2nd Half	2,189	2.12%
FY 2014-15	2,479	2.63%
FY 2015-16 1st Half	1,863	1.61%
FY 2015-16 2nd Half	1,039	0.83%
FY 2015-16	1,451	1.22%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	268	468	0.21%	0.36%
FY 2016-17 2nd Half	72	357	0.06%	0.27%
FY 2016-17	170	413	0.13%	0.32%
FY 2017-18 1st Half	19	282	0.01%	0.21%
FY 2017-18 2nd Half	5	143	0.00%	0.11%
FY 2017-18	12	213	0.01%	0.16%
FY 2018-19 1st Half	-	126	-	0.09%
FY 2018-19 2nd Half	-	59	-	0.04%
FY 2018-19	-	93	-	0.07%

Breast and Cervical Cancer Program

The Breast and Cervical Cancer Treatment Program (BCCP) was authorized under SB 01S2-012 and began enrolling eligible women in July 2002. Women under this optional coverage group were screened using the Centers for Disease Control's national breast and cervical cancer early detection and prevention guidelines, and found to have breast or cervical cancer. These women are between the ages of 40 and 64, uninsured, and otherwise not eligible for Medicaid. The Colorado Department of Public Health and Environment (CDPHE) administers the screening program as a grantee of the Centers of Disease Control. Regulations for the nationwide screening program indicate that the program is for low-income women, which CDPHE has interpreted to be less than 250% of the federal poverty level. To date, all 50 states have approved the option of covering these women under Medicaid.

HB 14-1045 most recently extended State authorization of this program. With the approval of CDPHE's FY 2016-17 R-4 in the FY 2016-17 Long Bill (HB 16-1405), the age range for cervical cancer screenings and treatment was extended to include women ages 21 to 39.

25.5-5-308 (1), C.R.S.

The general assembly hereby finds and declares that breast and cervical cancer are significant health problems for women in this state. The general assembly further finds and declares that these cancers can and should be prevented and treated whenever possible. It is therefore the intent of the general assembly to enact this section to provide for the prevention and treatment of breast and cervical cancer to women where it is not otherwise available for reasons of cost.

25.5-5-308 (2), C.R.S.

As used in this section, unless the context otherwise requires:

(a) "Eligible person" means a person who:

(I)(A) Has been screened for breast or cervical cancer under the centers for disease control and prevention's national breast and cervical cancer early detection program established under Title XV of the federal "Public Health Service Act", 42 U.S.C. sec. 300k et seq., in accordance with the requirements of section 1504 of such act, 42 U.S.C. sec. 300n, on or after July 1, 2002, unless the centers for Medicare and Medicaid services approves the state department's amendment to the medical assistance plan and the state department is able to implement the breast and cervical cancer prevention and treatment program before such date, then the person must be screened on or after the implementation date of such program; or

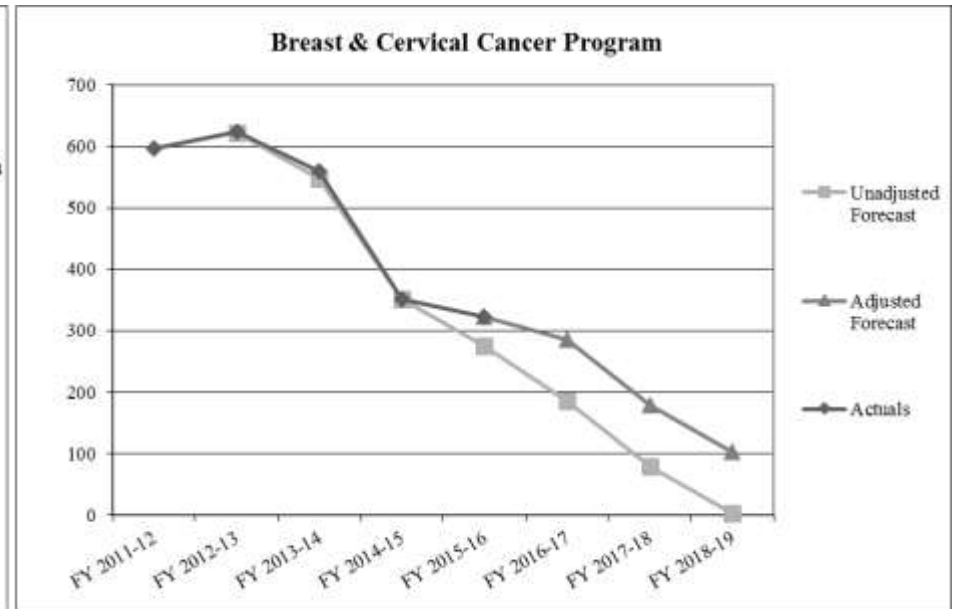
(B) Has been screened for breast or cervical cancer by a provider who does not receive funds through the centers for disease control and prevention's national breast and cervical cancer early detection program but whose screening activities are recognized by the department of public health and environment as part of screening activities under the centers for disease control and prevention's national breast and cervical cancer early detection program. This sub-subparagraph (B) shall apply only if the state department receives authority to receive federal financial participation for such persons. The state department shall request authority for federal financial participation when the state department determines that the amount of moneys accumulated in the eligibility expansion account created in paragraph (c) of subsection (8) of this section, including any amounts pledged or promised through a gift, grant, or donation, is sufficient to sustain the projected number of additional persons who would be eligible for the program under this sub-subparagraph (B).

(II) Has been diagnosed with breast or cervical cancer and is in need of breast or cervical cancer treatment;

(III) Has not yet attained sixty-five years of age; and

(IV) Does not have any creditable coverage as defined under federal law pursuant to 42 U.S.C. sec. 300gg (c).

Breast and Cervical Cancer Program: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Fiscal Note HB 14-1045					
Trend & Seasonality	BCCP	Constant, Trend, Seasonal Dummy Variables	10.58	9.98	0.8641
ARMA	D(BCCP)	Constant, AR(1), MA(1)	7.77	7.63	0.0483

Breast and Cervical Cancer Program: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Fiscal Note HB 14-1045	351	275	-48.36%	142	(133)	(8)
Trend & Seasonality	351	275	-32.73%	185	(90)	1
ARMA	351	275	-28.36%	197	(78)	0

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Fiscal Note HB 14-1045	275	142	-97.89%	3	(139)	(4)
Trend & Seasonality	275	185	-57.84%	78	(107)	(9)
ARMA	275	197	-56.85%	85	(112)	(9)

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
Fiscal Note HB 14-1045	142	3	-100.00%	0	(3)	0
Trend & Seasonality	185	78	-97.44%	2	(76)	(4)
ARMA	197	85	-95.29%	4	(81)	(3)

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Breast and Cervical Cancer Program: Attrition Rate for Population Below 133% FPL

FY 2016-17: -11.18%
FY 2017-18: -37.41%
FY 2018-19: -42.46%

Breast and Cervical Cancer Program: Trend Selections for Population Above 133% FPL

FY 2016-17: 0.00%
FY 2017-18: 0.00%
FY 2018-19: 0.00%

Breast and Cervical Cancer Program: Justifications

- Average monthly caseload in FY 2015-16 for BCCP was 322, which was 29 clients, or 9.90%, over what was forecast in February 2016. For FY 2015-16, caseload in this category fell by 4 clients per month on average. The forecast has been adjusted accordingly.
- The expansion in MAGI Adults has resulted in many new clients that would have formerly been placed in BCCP now being placed in MAGI Adults. The Department expects declines to continue for clients with FPL below 133%.
- There are two adjustments for this population:
 - The first is the estimated population of clients in this category with higher than 133% FPL.
 - The second is the estimated population affected by CDPHE's FY 2016-17 R-4 that expanded the age range for cervical cancer screenings and treatment to include ages 21 to 39. This adjustment is currently based on CDPHE's projections.
- This program receives ongoing Tobacco Tax funding to subcontract with clinics that provide screenings.
- Beginning January 2005, the reported caseload decreased dramatically because of an issue within the Medicaid Management Information System (MMIS) that was used to report the data. Because of this issue within the MMIS, the Department obtained a caseload report directly from raw data in the Colorado Benefits Management System. This report was used from July 2005 through March 2006. All subsequent monthly caseload data are obtained from the MMIS report that is used to report all other categories of Medicaid caseload. The caseload counts for the six months from January through June 2005 were left as originally reported, which explains the decrease seen in FY 2004-05.

Breast and Cervical Cancer Program: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	477	-	-
Jul-14	472	(5)	-1.05%
Aug-14	463	(9)	-1.91%
Sep-14	439	(24)	-5.18%
Oct-14	424	(15)	-3.42%
Nov-14	425	1	0.24%
Dec-14	396	(29)	-6.82%
Jan-15	379	(17)	-4.29%
Feb-15	368	(11)	-2.90%
Mar-15	368	0	0.00%
Apr-15	361	(7)	-1.90%
May-15	358	(3)	-0.83%
Jun-15	352	(6)	-1.68%
Jul-15	344	(8)	-2.27%
Aug-15	342	(2)	-0.58%
Sep-15	342	0	0.00%
Oct-15	336	(6)	-1.75%
Nov-15	324	(12)	-3.57%
Dec-15	318	(6)	-1.85%
Jan-16	314	(4)	-1.26%
Feb-16	310	(4)	-1.27%
Mar-16	311	1	0.32%
Apr-16	308	(3)	-0.96%
May-16	308	0	0.00%
Jun-16	304	(4)	-1.30%

February 2016 Forecast		
Forecasted June 2016 Level		224

Base trend from June 2016 level		
FY 2016-17	304	-5.59% (18)

	Caseload	% Change	Level Change
FY 2003-04	105	-	-
FY 2004-05	87	-17.14%	(18)
FY 2005-06	188	116.09%	101
FY 2006-07	228	21.28%	40
FY 2007-08	270	18.42%	42
FY 2008-09	317	17.41%	47
FY 2009-10	425	34.07%	108
FY 2010-11	531	24.94%	106
FY 2011-12	597	12.43%	66
FY 2012-13	623	4.36%	26
FY 2013-14	559	-10.27%	(64)
FY 2014-15	351	-37.21%	(208)
FY 2015-16	275	-21.65%	(76)
FY 2016-17	185	-32.73%	(90)
FY 2017-18	78	-57.84%	(107)
FY 2018-19	2	-97.44%	(76)

Clients over 133% FPL	
FY 2015-16	47
FY 2016-17	47
FY 2017-18	47
FY 2018-19	47

Cervical Cancer Age Expansion	
FY 2015-16	0
FY 2016-17	54
FY 2017-18	54
FY 2018-19	54

November 2016 Projections After Adjustments			
FY 2015-16	322	-19.58%	(78)
FY 2016-17	286	-11.18%	(36)
FY 2017-18	179	-37.41%	(107)
FY 2018-19	103	-42.46%	(76)

Actuals		
	Monthly Change	% Change
6-month average	(2)	-0.75%
12-month average	(4)	-1.21%
18-month average	(5)	-1.45%
24-month average	(7)	-1.84%

February 2016 Projection Before Adjustments		
FY 2014-15	351	-35.82% (196)
FY 2015-16	247	-29.68% (104)
FY 2016-17	108	-56.28% (139)
FY 2017-18	7	-93.52% (101)

Clients over 133% FPL	
FY 2014-15	49
FY 2015-16	46
FY 2016-17	46
FY 2017-18	46

Cervical Cancer Age Expansion	
FY 2014-15	0
FY 2015-16	0
FY 2016-17	0
FY 2017-18	0

February 2016 Projection After Adjustments		
FY 2014-15	400	-28.40% (159)
FY 2015-16	293	-26.75% (107)
FY 2016-17	154	-47.44% (139)
FY 2017-18	53	-65.58% (101)

Monthly Average Growth Actuals		
FY 2010-11 1st Half	10	2.05%
FY 2010-11 2nd Half	11	1.91%
FY 2010-11	10	1.98%
FY 2011-12 1st Half	3	0.48%
FY 2011-12 2nd Half	(1)	-0.14%
FY 2011-12	1	0.17%
FY 2012-13 1st Half	3	0.41%
FY 2012-13 2nd Half	7	1.15%
FY 2012-13	5	0.78%
FY 2013-14 1st Half	(20)	-3.12%
FY 2013-14 2nd Half	(11)	-2.03%
FY 2013-14	(15)	-2.58%
FY 2014-15 1st Half	(14)	-3.02%
FY 2014-15 2nd Half	(7)	-1.93%
FY 2014-15	(10)	-2.48%
FY 2015-16 1st Half	(6)	-1.67%
FY 2015-16 2nd Half	(2)	-0.75%
FY 2015-16	(4)	-1.21%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	(11)	(5)	-5.55%	-1.52%
FY 2016-17 2nd Half	(11)	(4)	-8.38%	-1.44%
FY 2016-17	(11)	(4)	-6.97%	-1.48%
FY 2017-18 1st Half	(8)	(14)	-11.06%	-6.44%
FY 2017-18 2nd Half	0	(4)	0.00%	-2.34%
FY 2017-18	(4)	(9)	-5.53%	-4.39%
FY 2018-19 1st Half	-	(7)	-	-5.48%
FY 2018-19 2nd Half	-	0	-	0.00%
FY 2018-19	-	(4)	-	-2.74%

MAGI Eligible Children

One of the primary ways that children qualify for Medicaid is through Section 1931 of the federal Medicaid statute. Under Section 1931, families who were eligible for cash welfare assistance under the Aid to Families with Dependent Children program are still eligible for Medicaid even after the Aid to Families with Dependent Children program was discontinued. Aid to Families with Dependent Children was replaced by the Temporary Assistance for Needy Families welfare program (referred to as Colorado Works) on July 16, 1996, and clients under the Temporary Assistance for Needy Families program were no longer automatically eligible for Medicaid. Per HB 09-1293 children enrolled in Medicaid will receive continuous eligibility for twelve months.

This category also includes children on Transitional Medicaid. Transitional Medicaid is available to children in families who have received 1931 Medicaid three of the past six months and become ineligible due to an increase in earned income. Children receive Transitional Medicaid benefits for one year. In FY 2015-16, there were an average of 12,451 children on Transitional Medicaid. Although this program has been set to expire many times, it was most recently made permanent.

Children who are born to women enrolled in the Baby and Kid Care program (MAGI Eligible Pregnant Adults) are also included in this category. Between 1986 and 1991, Congress extended Medicaid to new groups of pregnant women and children. Referred to as Baby and Kid Care in Colorado, this program was authorized through the Medicare Catastrophic Coverage Act of 1988. The program enrolls Baby Care women (see the MAGI Eligible Pregnant Adults section of this document for information on these women) and Kid Care children. Kid Care children are born to women with incomes up to 142% of the federal poverty level. The Baby and Kid Care Program serves a much higher income level than the 1931 Families program, and pregnant mothers are not subject to resource or asset limitations to qualify for the program. Moreover, the Baby and Kid Care Program has never had a cash-assistance component and was unaffected by welfare reform in 1996.

In previous years, this caseload was adjusted to include Ribicoff children. Ribicoff children were children aged six to 19, with incomes up to 100% of the federal poverty level with resources limited to \$1,000 who were born after September 30, 1983. Beginning with age six, a new age cohort was phased-in each year. Caseload was adjusted upwards to include these children. However, the final cohort of children was phased-in during FY 2002-03, so no further caseload adjustments are needed. Therefore, the MAGI Eligible Children category includes: children in families who receive Medicaid under Section 1931, children in families who receive Temporary Aid to Needy Families financial assistance coupled with Medicaid, children who are eligible for Kid Care, Ribicoff children, and children who receive Transitional Medicaid.

SB 11-008 expanded Medicaid eligibility to children of all ages with incomes up to 133% FPL (142% FPL after October 2013 due to income disregards for MAGI) in January 2013. Children ages 6 and up with incomes from 108% FPL to 142% FPL with no other insurance are considered SB 11-008 eligible children and receive the enhanced CHP+ federal match, since these children would have otherwise been eligible for CHP+. There are, however, children that do not receive the enhanced CHP+ federal match that are over age 6 with incomes from 108% FPL to 142% FPL; these are the children with other insurance that would not have otherwise qualified for CHP+.

25.5-5-101 (1), C.R.S.

- (a) Individuals who meet the eligibility criteria for the aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (b) Families who meet the eligibility criteria for the aid to families with dependent children program established in rules that were in effect on July 16, 1996, and who subsequently would have become ineligible under such eligibility criteria because of increased earnings or increased hours of employment whose eligibility is specified for a period of time by the federal government;*
- (c) Qualified pregnant women, and children under the age of seven, who meet the income resource requirements of the state's aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (d) A newborn child born of a woman who is categorically needy. Such child is deemed Medicaid-eligible on the date of birth and remains eligible for one year so long as the woman remains categorically needy and the child is a member of her household;*
- (m) Low-income pregnant women, and children through the age of six, whose income is at or below a certain percentage of the federal poverty level as determined by the federal government;*

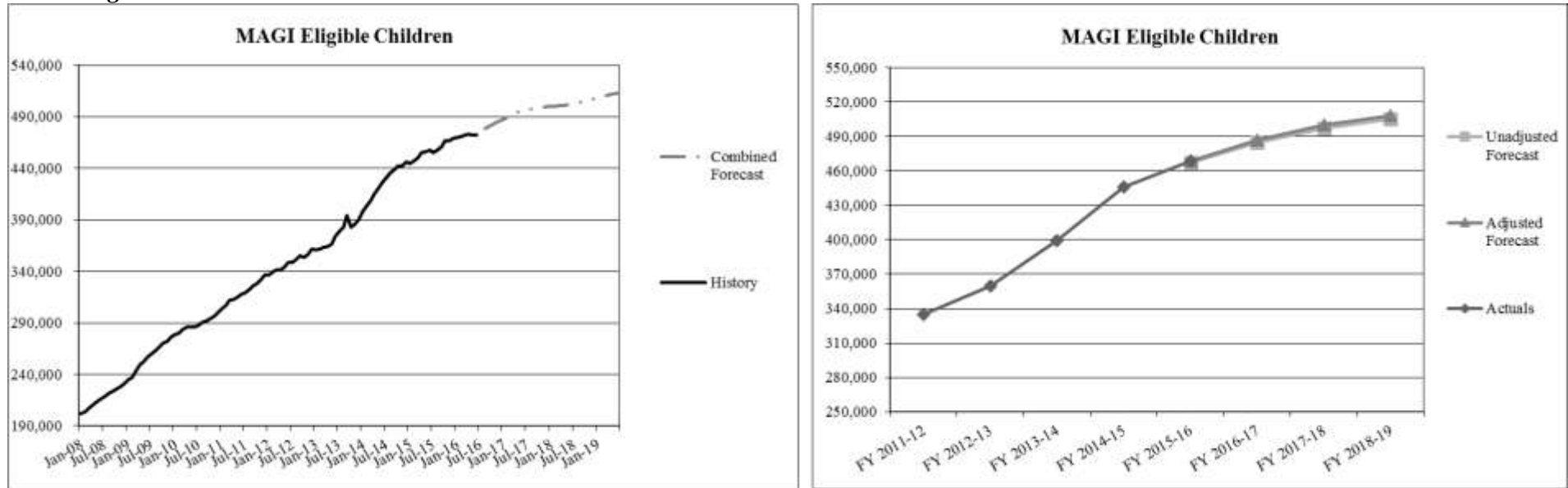
25.5-5-201 (1), C.R.S.

- (a) Individuals who would be eligible for but are not receiving cash assistance;*
- (d) Individuals who would be eligible for aid to families with dependent children if child care were paid from earnings;*
- (e) Individuals under the age of twenty-one who would be eligible for aid to families with dependent children but do not qualify as dependent children;*
- (h) Persons who are eligible for cash assistance under the works program pursuant to section 26-2-706, C.R.S.;*

25.5-5-205 (3), C.R.S.

- (a) On and after April 1, 1990, children under the age of six years and pregnant women shall be eligible for benefits under the baby and kid care program... (b) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred thirty-three percent...;*
- (c) (I) On and after September 1, 2011, children born after September 30, 1983, who have attained six years of age but have not attained nineteen years of age shall be eligible for benefits under the baby and kid care program. For the purpose of eligibility under this paragraph (c) only, such individual's family income shall exceed the eligibility threshold used in determining eligibility for aid to families with dependent children assistance pursuant to rules in effect on July 16, 1996, and the method adopted by the state board pursuant to sections 25.5-5-101 (4) (c) and 25.5-5-201 (5) (c), but shall not exceed the equivalent of the percentage level of the federal poverty line that is specified pursuant to subparagraph (II) of this paragraph (c).*
- (II) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this paragraph (c) shall be equivalent to the family income eligibility threshold applied to children under six years of age pursuant to paragraph (b) of this subsection (3).*

MAGI Eligible Children: Model Results



MAGI Eligible Children: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Combined Forecast	445,723	468,711	3.87%	486,851	18,140	3,327
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Combined Forecast	468,711	486,851	2.64%	499,680	12,829	423
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
Combined Forecast	486,851	499,680	1.64%	507,852	8,172	951

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children: Trend Selections

FY 2016-17: 3.87%
FY 2017-18: 2.64%
FY 2018-19: 1.64%

MAGI Eligible Children: Justifications

- Average monthly caseload in FY 2015-16 for MAGI Eligible Children was 468,711, which was 2,235 clients, or 0.47%, under what was forecasted in February 2016. The forecasts have been altered accordingly.
- Beginning with the November 2015 forecast, the Department has selected models separately for the age group 0-1, the age group 2-5, and the age group 6-18, based on the age groups for CHP+ rates. See below for more details.
- The Department identified a data error for July 2015 through December 2015 that incorrectly assigned children to eligibility categories for individuals with disabilities, based on their parents' disability status. This error incorrectly moved clients from Eligible Children and Children's Basic Health Plan (CHP) to Individuals to 59 with Disabilities and Children with Disabilities - Buy-In. While the error has been corrected, the Department is currently researching the exact impact to this category.
- One adjustment is included in this forecast, the removal of the 5-year bar on legal immigrant children (HB 09-1353). The Department originally predicted implementation in FY 2014-15, but implementation was delayed until FY 2015-16.
- This population is affected by economic conditions in similar ways as the MAGI Parents/Caretakers, as children on Medicaid have eligibility granted as a function of a parent or guardian in most cases. Caseload trends in this category are highly affected by economic conditions, and tend to be positively correlated with the population of children aged 0 to 18. Growth in the 0 to 18 population dropped from around 2.3% per year from FY 1995-96 to FY 2001-02 to about 0.9% per year from FY 2002-03 to FY 2011-12. The economy is expected to continue improving (see page MC-12)¹³, but the Department does not expect this to be accompanied by a declining Medicaid caseload due to expansionary policy changes.
- Caseload declines occurred from 1993 to 1999 due to economic expansion and effects from the Tatum lawsuit (see MAGI Parents/Caretakers to 68% FPL section for more information on the lawsuit). When the Children's Basic Health Plan program was enacted in 1998, it required that children be screened for Medicaid before determining Children's Basic Health Plan eligibility. As more children applied, many were found to be Medicaid eligible and were enrolled in Medicaid. Between FY 2002-03 and FY 2004-05, caseload in this category grew by 31.4%, which the Department believes is largely due to the state of the economy. The rate of growth fell drastically in FY 2005-06, and the caseload actually contracted by 3.74%. There were large and consistent declines between July 2006 and December 2007, which seems to indicate that the improved economy was having the expected effect on caseload. Similarly, large and consistent increases since January 2008 indicate that weak economic conditions affected caseload in this eligibility type.

¹³ Source: Office of State Planning and Budgeting, June 2016 Economic and Fiscal Review, page 65
Page MC-88

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Eligible Children: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	425,951	-	-
Jul-14	431,202	5,251	1.23%
Aug-14	436,076	4,874	1.13%
Sep-14	438,991	2,915	0.67%
Oct-14	442,075	3,084	0.70%
Nov-14	442,141	66	0.01%
Dec-14	446,352	4,211	0.95%
Jan-15	444,667	(1,685)	-0.38%
Feb-15	446,885	2,218	0.50%
Mar-15	450,777	3,892	0.87%
Apr-15	455,222	4,445	0.99%
May-15	456,425	1,203	0.26%
Jun-15	457,854	1,429	0.31%
Jul-15	454,996	(2,858)	-0.62%
Aug-15	457,343	2,347	0.52%
Sep-15	461,317	3,974	0.87%
Oct-15	466,623	5,306	1.15%
Nov-15	466,734	111	0.02%
Dec-15	469,009	2,275	0.49%
Jan-16	470,109	1,100	0.23%
Feb-16	470,758	649	0.14%
Mar-16	472,221	1,463	0.31%
Apr-16	472,964	743	0.16%
May-16	472,199	(765)	-0.16%
Jun-16	472,050	(149)	-0.03%

February 2016 Forecast		
Forecasted June 2016 Level		486,516

Base trend from June 2016 level			
FY 2016-17	472,050	1.04%	4,857

	Caseload	% Change	Level Change
FY 2003-04	195,279	-	-
FY 2004-05	222,472	13.93%	27,193
FY 2005-06	214,158	-3.74%	(8,314)
FY 2006-07	205,390	-4.09%	(8,768)
FY 2007-08	204,022	-0.67%	(1,368)
FY 2008-09	235,129	15.25%	31,107
FY 2009-10	275,672	17.24%	40,543
FY 2010-11	302,410	9.70%	26,738
FY 2011-12	334,633	10.66%	32,223
FY 2012-13	359,843	7.53%	25,210
FY 2013-14	399,032	10.89%	39,189
FY 2014-15	445,723	11.70%	46,691
FY 2015-16	467,193	4.82%	21,470
FY 2016-17	484,543	3.71%	17,350
FY 2017-18	497,221	2.62%	12,678
FY 2018-19	505,313	1.63%	8,092

HB 09-1353 Removing 5 Year Bar on Legal Immigrants			
FY 2015-16			1,518
FY 2016-17			2,320
FY 2017-18			2,471
FY 2018-19			2,551

November 2016 Projections After Adjustments			
FY 2015-16	468,711	5.16%	22,988
FY 2016-17	486,863	3.87%	18,152
FY 2017-18	499,692	2.64%	12,829
FY 2018-19	507,864	1.64%	8,172

Actuals		
	Monthly Change	% Change
6-month average	507	0.11%
12-month average	1,183	0.26%
18-month average	1,428	0.31%
24-month average	1,921	0.43%

February 2016 Projection Before Adjustments			
FY 2014-15	445,723	11.70%	46,691
FY 2015-16	469,428	5.32%	23,705
FY 2016-17	491,828	4.77%	22,400
FY 2017-18	511,491	4.00%	19,663

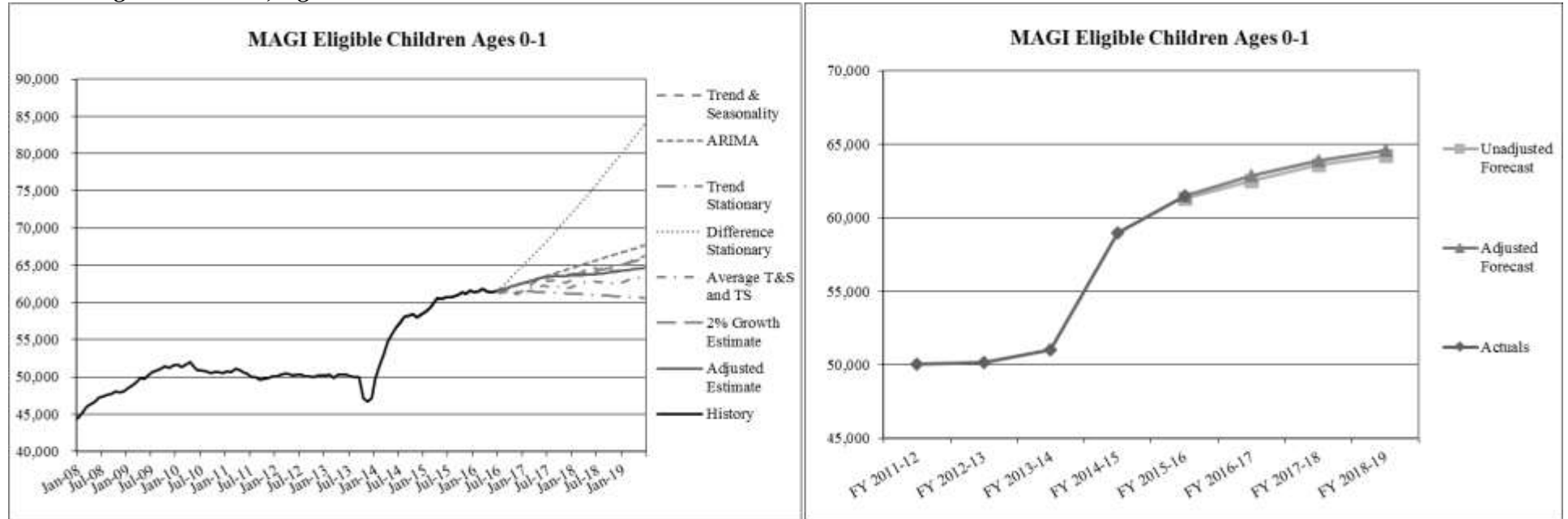
HB 09-1353 Removing 5 Year Bar on Legal Immigrants		
FY 2014-15		0
FY 2015-16		1,518
FY 2016-17		2,320
FY 2017-18		2,471

February 2016 Projection After Adjustments			
FY 2014-15	445,723	11.70%	46,691
FY 2015-16	470,946	5.66%	25,223
FY 2016-17	494,148	4.93%	23,202
FY 2017-18	513,962	4.01%	19,814

Monthly Average Growth Actuals		
FY 2010-11 1st Half	2,287	0.79%
FY 2010-11 2nd Half	3,009	0.98%
FY 2010-11	2,648	0.88%
FY 2011-12 1st Half	3,084	0.95%
FY 2011-12 2nd Half	2,033	0.60%
FY 2011-12	2,559	0.77%
FY 2012-13 1st Half	2,199	0.62%
FY 2012-13 2nd Half	2,026	0.55%
FY 2012-13	2,113	0.59%
FY 2013-14 1st Half	2,716	0.73%
FY 2013-14 2nd Half	6,009	1.49%
FY 2013-14	4,362	1.11%
FY 2014-15 1st Half	3,400	0.80%
FY 2014-15 2nd Half	1,917	0.44%
FY 2014-15	2,659	0.62%
FY 2015-16 1st Half	1,859	0.41%
FY 2015-16 2nd Half	507	0.11%
FY 2015-16	1,183	0.26%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	1,174	2,354	0.24%	0.49%
FY 2016-17 2nd Half	1,174	1,736	0.24%	0.35%
FY 2016-17	1,174	2,045	0.24%	0.42%
FY 2017-18 1st Half	2,055	509	0.41%	0.10%
FY 2017-18 2nd Half	2,055	338	0.40%	0.07%
FY 2017-18	2,055	423	0.40%	0.08%
FY 2018-19 1st Half	-	953	-	0.19%
FY 2018-19 2nd Half	-	949	-	0.19%
FY 2018-19	-	951	-	0.19%

MAGI Eligible Children, Age 0-1: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI Children 0-1	Constant, trend, seasonal dummy variables	19.21	18.88	0.6447
ARIMA	d(MAGI Children 0-1)	Constant, AR(1), MA(1)	15.31	15.24	0.246
Trend Stationary	log(MAGI Children 0-1)	Constant, January 2014 dummy, trend, 2 lags on the dependent variable	-6.66	-6.79	0.9919
Difference Stationary	dlog(MAGI Children 0-1)	Constant, January 2014 dummy, 1 lag on the dependent variable	-6.36	-6.44	0.2641
Average T&S and TS			NA	NA	NA
2% Growth Estimate			NA	NA	NA
Adjusted Estimate			NA	NA	NA

MAGI Eligible Children Age 0-1: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	58,968	61,323	0.93%	61,893	570	130
ARIMA	58,968	61,323	2.01%	62,556	1,233	165
Trend Stationary	58,968	61,323	0.27%	61,489	166	(12)
Difference Stationary	58,968	61,323	5.71%	64,825	3,502	537
Average T&S and TS	58,968	61,323	0.60%	61,691	368	59
2% Growth Estimate	58,968	61,323	2.00%	62,549	1,226	158
Adjusted Estimate	58,968	61,323	2.00%	62,549	1,226	158

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	61,323	61,893	2.52%	63,453	1,560	130
ARIMA	61,323	62,556	3.30%	64,620	2,064	173
Trend Stationary	61,323	61,489	-0.50%	61,182	(307)	(31)
Difference Stationary	61,323	64,825	11.03%	71,975	7,150	627
Average T&S and TS	61,323	61,691	1.01%	62,314	623	50
2% Growth Estimate	61,323	62,549	2.00%	63,800	1,251	58
Adjusted Estimate	61,323	62,549	1.70%	63,612	1,063	29

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	61,893	63,453	2.46%	65,014	1,561	130
ARIMA	62,556	64,620	3.22%	66,701	2,081	173
Trend Stationary	61,489	61,182	-0.63%	60,797	(385)	(33)
Difference Stationary	64,825	71,975	11.07%	79,943	7,968	696
Average T&S and TS	61,691	62,314	0.94%	62,900	586	48
2% Growth Estimate	62,549	63,800	2.00%	65,076	1,276	147
Adjusted Estimate	62,549	63,612	1.00%	64,248	636	73

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children, Age 0-1: Trend Selections

FY 2016-17: 2.16%

FY 2017-18: 1.70%

FY 2018-19: 1.01%

MAGI Eligible Children, Age 0-1: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with three age group sub-categories, to increase forecast accuracy. Average monthly caseload for FY 2015-16 was 69, lower than expected in the November 2015 forecast. This average was driven down by a single, abnormally large decrease in caseload in April 2016. The forecast has been adjusted slightly downward in FY 2016-17 and held relatively constant in the request and out years.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Eligible Children Ages 0-1: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	56,613	-	-
Jul-14	57,329	716	1.26%
Aug-14	58,043	714	1.25%
Sep-14	58,259	216	0.37%
Oct-14	58,405	146	0.25%
Nov-14	57,986	(419)	-0.72%
Dec-14	58,363	377	0.65%
Jan-15	58,692	329	0.56%
Feb-15	59,089	397	0.68%
Mar-15	59,776	687	1.16%
Apr-15	60,540	764	1.28%
May-15	60,437	(103)	-0.17%
Jun-15	60,697	260	0.43%
Jul-15	60,679	(18)	-0.03%
Aug-15	60,834	155	0.26%
Sep-15	61,051	217	0.36%
Oct-15	61,373	322	0.53%
Nov-15	61,184	(189)	-0.31%
Dec-15	61,612	428	0.70%
Jan-16	61,413	(199)	-0.32%
Feb-16	61,510	97	0.16%
Mar-16	61,824	314	0.51%
Apr-16	61,472	(352)	-0.57%
May-16	61,407	(65)	-0.11%
Jun-16	61,519	112	0.18%

February 2016 Forecast	
Forecasted June 2016 Level	63,240

Base trend from June 2016 level		
FY 2016-17	61,519	0.32%
		196

	Caseload	% Change	Level Change
FY 2007-08	45,505	-	-
FY 2008-09	48,599	6.80%	3,094
FY 2009-10	51,325	5.61%	2,726
FY 2010-11	50,713	-1.19%	(612)
FY 2011-12	50,069	-1.27%	(644)
FY 2012-13	50,186	0.23%	117
FY 2013-14	51,005	1.63%	819
FY 2014-15	58,968	15.61%	7,963
FY 2015-16	61,323	3.99%	2,355
FY 2016-17	62,549	2.00%	1,226
FY 2017-18	63,612	1.70%	1,063
FY 2018-19	64,248	1.00%	636

HB 09-1353 Removing 5 Year Bar on Legal Immigrants		
FY 2015-16		197
FY 2016-17		298
FY 2017-18		304
FY 2018-19		314

November 2016 Projections After Adjustments		
FY 2015-16	61,520	4.33%
FY 2016-17	62,847	2.16%
FY 2017-18	63,916	1.70%
FY 2018-19	64,562	1.01%

Actuals		
	Monthly Change	% Change
6-month average	(16)	-0.02%
12-month average	69	0.11%
18-month average	175	0.29%
24-month average	204	0.35%

February 2016 Projection Before Adjustments			
FY 2014-15	58,968	15.61%	7,963
FY 2015-16	61,645	4.54%	2,677
FY 2016-17	62,952	2.12%	1,307
FY 2017-18	63,909	1.52%	957

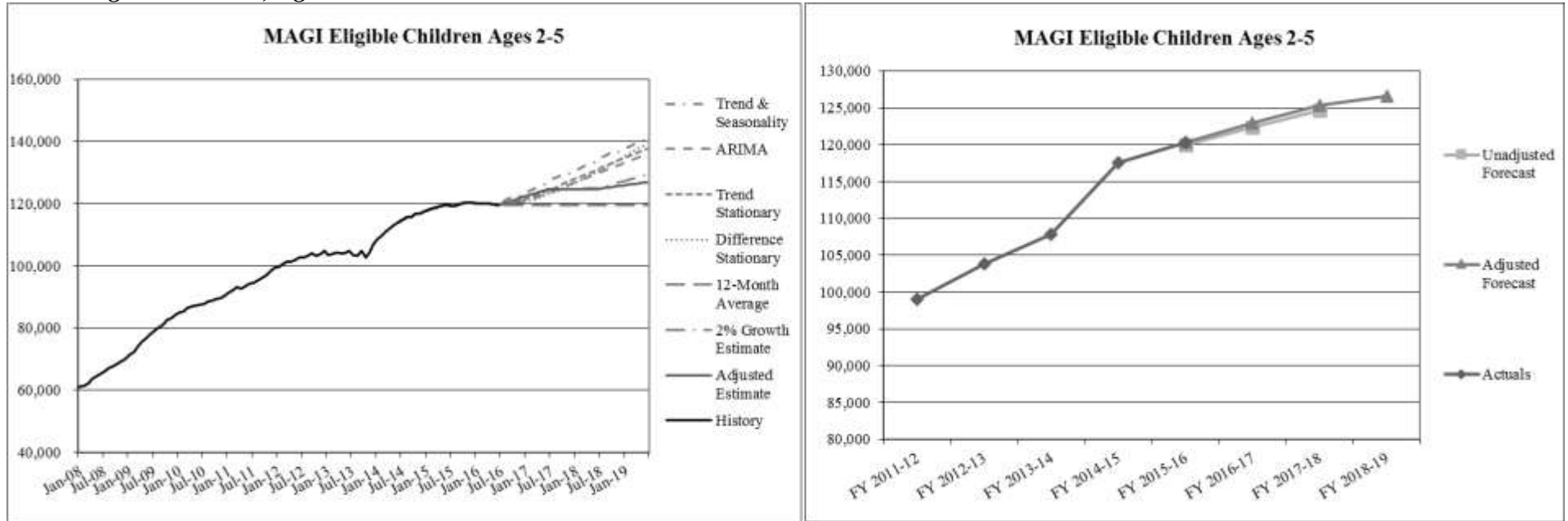
HB 09-1353 Removing 5 Year Bar on Legal Immigrants	
FY 2014-15	0
FY 2015-16	197
FY 2016-17	298
FY 2017-18	304

February 2016 Projection After Adjustments			
FY 2014-15	58,968	15.61%	7,963
FY 2015-16	61,842	4.87%	2,874
FY 2016-17	63,250	2.28%	1,408
FY 2017-18	64,213	1.52%	963

Monthly Average Growth Actuals		
FY 2010-11 1st Half	(69)	-0.14%
FY 2010-11 2nd Half	(18)	-0.03%
FY 2010-11	(43)	-0.08%
FY 2011-12 1st Half	(57)	-0.11%
FY 2011-12 2nd Half	36	0.07%
FY 2011-12	(11)	-0.02%
FY 2012-13 1st Half	(6)	-0.01%
FY 2012-13 2nd Half	18	0.04%
FY 2012-13	6	0.01%
FY 2013-14 1st Half	(544)	-1.09%
FY 2013-14 2nd Half	1,588	3.13%
FY 2013-14	522	1.02%
FY 2014-15 1st Half	292	0.51%
FY 2014-15 2nd Half	389	0.66%
FY 2014-15	340	0.58%
FY 2015-16 1st Half	153	0.25%
FY 2015-16 2nd Half	(16)	-0.02%
FY 2015-16	69	0.11%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	1	208	0.00%	0.34%
FY 2016-17 2nd Half	1	158	0.00%	0.25%
FY 2016-17	1	183	0.00%	0.29%
FY 2017-18 1st Half	147	31	0.23%	0.05%
FY 2017-18 2nd Half	147	29	0.23%	0.05%
FY 2017-18	147	30	0.23%	0.05%
FY 2018-19 1st Half	-	75	-	0.12%
FY 2018-19 2nd Half	-	73	-	0.11%
FY 2018-19	-	74	-	0.12%

MAGI Eligible Children, Age 2-5: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI Children 2-5	Constant, trend, seasonal dummy variables	19.63	19.30	0.9628
ARIMA	d(MAGI Children 2-5)	Constant, AR(1) - AR(5), MA(1) - MA(5)	15.95	15.66	0.3019
Trend Stationary	log(MAGI Children 2-5)	Constant, trend, 4 lags on the dependent variable	-7.29	-7.44	0.9991
Difference Stationary	dlog(MAGI Children 2-5)	Constant, 3 lags on the dependent variable	-7.25	-7.36	0.3681
12-Month Average			NA	NA	NA
2% Growth Estimate			NA	NA	NA
Adjusted Estimate			NA	NA	NA

MAGI Eligible Children Age 2-5: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	117,520	119,917	3.02%	123,538	3,621	593
ARIMA	117,520	119,917	1.11%	121,248	1,331	321
Trend Stationary	117,520	119,917	1.45%	121,656	1,739	387
Difference Stationary	117,520	119,917	0.81%	120,888	971	276
12-Month Average	117,520	119,917	-0.28%	119,581	(336)	0
2% Growth Estimate	117,520	119,917	2.00%	122,315	2,398	421
Adjusted Estimate	117,520	119,917	2.00%	122,315	2,398	421

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	119,917	123,538	5.76%	130,654	7,116	593
ARIMA	119,917	121,248	4.57%	126,789	5,541	520
Trend Stationary	119,917	121,656	5.12%	127,885	6,229	566
Difference Stationary	119,917	120,888	4.80%	126,691	5,803	615
12-Month Average	119,917	119,581	0.00%	119,581	0	0
2% Growth Estimate	119,917	122,315	2.00%	124,761	2,446	20
Adjusted Estimate	119,917	122,315	1.95%	124,700	2,385	10

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	123,538	130,654	5.45%	137,775	7,121	593
ARIMA	121,248	126,789	5.06%	133,205	6,416	541
Trend Stationary	121,656	127,885	5.28%	134,637	6,752	556
Difference Stationary	120,888	126,691	6.66%	135,129	8,438	763
12-Month Average	119,581	119,581	0.00%	119,581	0	0
2% Growth Estimate	122,315	124,761	2.00%	127,256	2,495	367
Adjusted Estimate	122,315	124,700	1.00%	125,947	1,247	183

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children, Age 2-5: Trend Selections

FY 2016-17: 2.18%

FY 2017-18: 1.97%

FY 2018-19: 1.01%

MAGI Eligible Children, Age 2-5: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with three age group sub-categories, to increase forecast accuracy. Average monthly caseload growth for FY 2015-16 was a reduction of 1 client, much lower than previously anticipated in the February 2016 forecast. Due to the impact of an abnormally high reduction in caseload in May 2016, the Department has not adjusted this forecast downward based on this most recent information.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Eligible Children Ages 2-5: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	114,045	-	-
Jul-14	114,811	766	0.67%
Aug-14	115,656	845	0.74%
Sep-14	115,820	164	0.14%
Oct-14	116,692	872	0.75%
Nov-14	116,772	80	0.07%
Dec-14	117,381	609	0.52%
Jan-15	117,753	372	0.32%
Feb-15	118,299	546	0.46%
Mar-15	118,818	519	0.44%
Apr-15	119,235	417	0.35%
May-15	119,418	183	0.15%
Jun-15	119,587	169	0.14%
Jul-15	119,201	(386)	-0.32%
Aug-15	119,513	312	0.26%
Sep-15	119,930	417	0.35%
Oct-15	120,311	381	0.32%
Nov-15	120,276	(35)	-0.03%
Dec-15	120,263	(13)	-0.01%
Jan-16	120,118	(145)	-0.12%
Feb-16	119,991	(127)	-0.11%
Mar-16	120,004	13	0.01%
Apr-16	120,094	90	0.07%
May-16	119,723	(371)	-0.31%
Jun-16	119,581	(142)	-0.12%

February 2016 Forecast	
Forecasted June 2016 Level	122,977

Base trend from June 2016 level			
FY 2016-17	119,581	-0.28%	(336)

	Caseload	% Change	Level Change
FY 2007-08	62,156	-	-
FY 2008-09	71,452	14.96%	9,296
FY 2009-10	84,091	17.69%	12,639
FY 2010-11	91,035	8.26%	6,944
FY 2011-12	99,043	8.80%	8,008
FY 2012-13	103,886	4.89%	4,843
FY 2013-14	107,876	3.84%	3,990
FY 2014-15	117,520	8.94%	9,644
FY 2015-16	119,917	2.04%	2,397
FY 2016-17	122,315	2.00%	2,398
FY 2017-18	124,700	1.95%	2,385
FY 2018-19	125,947	1.00%	1,247

HB 09-1353 Removing 5 Year Bar on Legal Immigrants			
FY 2015-16			398
FY 2016-17			621
FY 2017-18			657
FY 2018-19			678

November 2016 Projections After Adjustments			
FY 2015-16	120,315	2.38%	2,795
FY 2016-17	122,936	2.18%	2,621
FY 2017-18	125,357	1.97%	2,421
FY 2018-19	126,625	1.01%	1,268

Actuals		
	Monthly Change	% Change
6-month average	(114)	-0.09%
12-month average	(1)	0.00%
18-month average	122	0.10%
24-month average	231	0.20%

February 2016 Projection Before Adjustments			
FY 2014-15	117,521	8.94%	9,644
FY 2015-16	120,483	2.52%	2,962
FY 2016-17	123,447	2.46%	2,964
FY 2017-18	128,928	4.44%	5,481

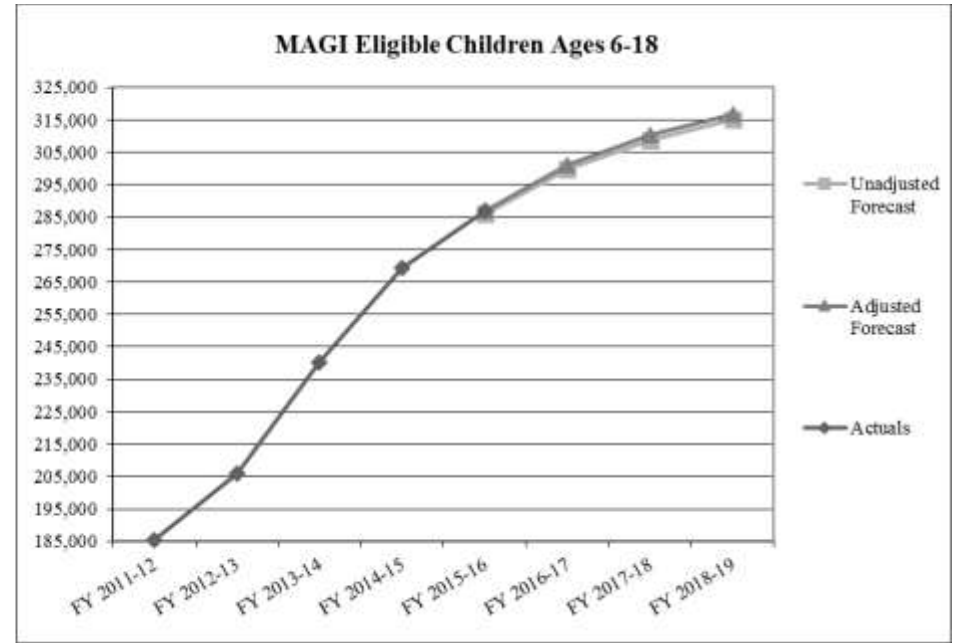
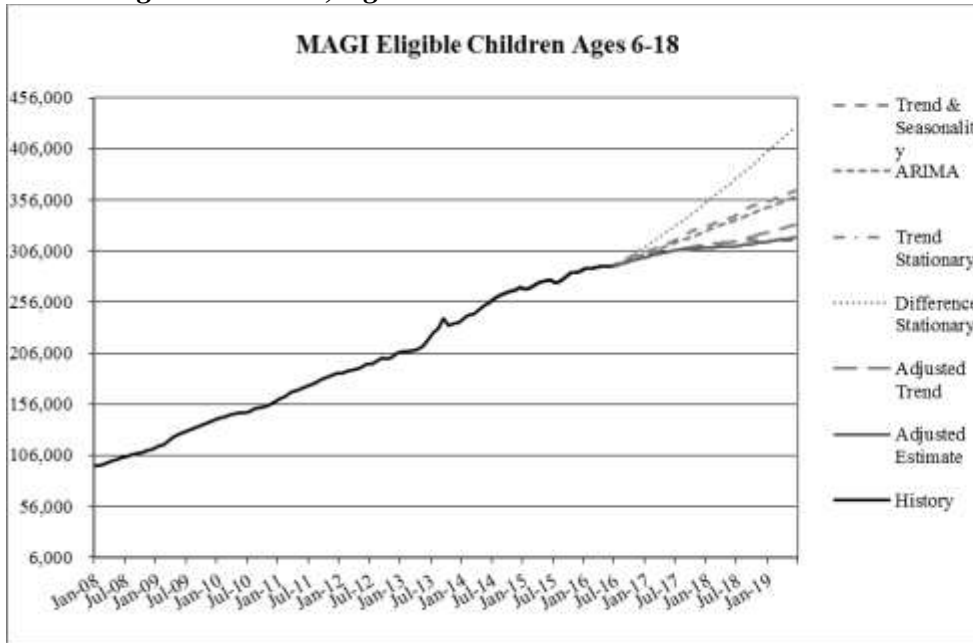
HB 09-1353 Removing 5 Year Bar on Legal Immigrants			
FY 2014-15			0
FY 2015-16			398
FY 2016-17			621
FY 2017-18			657

February 2016 Projection After Adjustments			
FY 2014-15	117,521	8.94%	9,644
FY 2015-16	120,881	2.86%	3,360
FY 2016-17	124,068	2.64%	3,187
FY 2017-18	129,585	4.45%	5,517

Monthly Average Growth Actuals		
FY 2010-11 1st Half	501	0.56%
FY 2010-11 2nd Half	616	0.67%
FY 2010-11	558	0.62%
FY 2011-12 1st Half	890	0.92%
FY 2011-12 2nd Half	521	0.52%
FY 2011-12	705	0.72%
FY 2012-13 1st Half	373	0.36%
FY 2012-13 2nd Half	12	0.01%
FY 2012-13	192	0.19%
FY 2013-14 1st Half	354	0.35%
FY 2013-14 2nd Half	1,158	1.05%
FY 2013-14	756	0.70%
FY 2014-15 1st Half	556	0.48%
FY 2014-15 2nd Half	368	0.31%
FY 2014-15	462	0.40%
FY 2015-16 1st Half	113	0.09%
FY 2015-16 2nd Half	(114)	-0.09%
FY 2015-16	(1)	0.00%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	168	524	0.14%	0.43%
FY 2016-17 2nd Half	168	421	0.13%	0.34%
FY 2016-17	168	472	0.14%	0.39%
FY 2017-18 1st Half	707	18	0.56%	0.01%
FY 2017-18 2nd Half	707	9	0.54%	0.01%
FY 2017-18	707	13	0.55%	0.01%
FY 2018-19 1st Half	-	188	-	0.15%
FY 2018-19 2nd Half	-	182	-	0.14%
FY 2018-19	-	185	-	0.15%

MAGI Eligible Children, Age 6-18: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI Children 6-18	Constant, trend, seasonal dummy variables	20.28	19.95	0.9938
ARIMA	d(MAGI Children 6-18)	Constant, AR(1), AR(2), MA(1)	18.04	17.93	0.0003
Trend Stationary	log(MAGI Children 6-18)	Constant, trend, 1 lag on the dependent variable	-6.47	-6.54	0.9993
Difference Stationary	dlog(MAGI Children 6-18)	Constant, 2 lags on the dependent variable	-6.51	-6.59	0.0569
Adjusted Trend			NA	NA	NA
Adjusted Estimate			NA	NA	NA

MAGI Eligible Children Ages 6-18: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	269,234	285,953	6.74%	305,226	19,273	2,047
ARIMA	269,234	285,953	5.83%	302,624	16,671	1,844
Trend Stationary	269,234	285,953	4.80%	299,679	13,726	1,272
Difference Stationary	269,234	285,953	8.37%	309,887	23,934	3,138
Adjusted Trend	269,234	285,953	4.80%	299,679	13,726	1,272
Adjusted Estimate	269,234	285,953	4.80%	299,679	13,726	1,272

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	285,953	305,226	8.05%	329,797	24,571	2,047
ARIMA	285,953	302,624	7.56%	325,502	22,878	1,910
Trend Stationary	285,953	299,679	3.99%	311,636	11,957	742
Difference Stationary	285,953	309,887	13.96%	353,147	43,260	3,853
Adjusted Trend	285,953	299,679	3.99%	311,636	11,957	742
Adjusted Estimate	285,953	299,679	3.08%	308,909	9,230	371

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	305,226	329,797	7.45%	354,367	24,570	2,047
ARIMA	302,624	325,502	7.04%	348,417	22,915	1,910
Trend Stationary	299,679	311,636	1.55%	316,466	4,830	97
Difference Stationary	309,887	353,147	14.07%	402,835	49,688	4,395
Adjusted Trend	299,679	311,636	3.99%	324,070	12,434	1,375
Adjusted Estimate	299,679	308,909	2.01%	315,118	6,209	688

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children, Age 6-18: Trend Selections

FY 2016-17: 4.95%

FY 2017-18: 3.10%

FY 2018-19: 2.02%

MAGI Eligible Children, Age 6-18: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with three age group sub-categories, to increase forecast accuracy. The Department has brought this forecast down slightly over the February 2016 forecast, to account for caseload reductions at the end of FY 2015-16.

MAGI Eligible Children Ages 6-18: Historical Caseload and Projections

	Actuals	Monthly Change	% Change	Caseload			Monthly Average Growth Actuals			
					% Change	Level Change				
Jun-14	255,293	-	-	FY 2007-08	98,529	-	-	FY 2010-11 1st Half	1,855	1.22%
Jul-14	259,062	3,769	1.48%	FY 2008-09	115,078	16.80%	16,549	FY 2010-11 2nd Half	2,411	1.47%
Aug-14	262,377	3,315	1.28%	FY 2009-10	140,256	21.88%	25,178	FY 2010-11	2,133	1.35%
Sep-14	264,912	2,535	0.97%	FY 2010-11	160,662	14.55%	20,406	FY 2011-12 1st Half	2,251	1.26%
Oct-14	266,978	2,066	0.78%	FY 2011-12	185,521	15.47%	24,859	FY 2011-12 2nd Half	1,477	0.78%
Nov-14	267,383	405	0.15%	FY 2012-13	205,770	10.91%	20,249	FY 2011-12	1,864	1.02%
Dec-14	270,608	3,225	1.21%	FY 2013-14	240,151	16.71%	34,381	FY 2012-13 1st Half	1,832	0.92%
Jan-15	268,222	(2,386)	-0.88%	FY 2014-15	269,234	12.11%	29,083	FY 2012-13 2nd Half	1,996	0.95%
Feb-15	269,497	1,275	0.48%	FY 2015-16	285,953	6.21%	16,719	FY 2012-13	1,914	0.93%
Mar-15	272,183	2,686	1.00%	FY 2016-17	299,679	4.80%	13,726	FY 2013-14 1st Half	2,907	1.32%
Apr-15	275,447	3,264	1.20%	FY 2017-18	308,909	3.08%	9,230	FY 2013-14 2nd Half	3,263	1.34%
May-15	276,570	1,123	0.41%	FY 2018-19	315,118	2.01%	6,209	FY 2013-14	3,085	1.33%
Jun-15	277,570	1,000	0.36%					FY 2014-15 1st Half	2,553	0.98%
Jul-15	275,116	(2,454)	-0.88%	HB 09-1353 Removing 5 Year Bar on Legal Immigrants				FY 2014-15 2nd Half	1,160	0.43%
Aug-15	276,996	1,880	0.68%	FY 2015-16		923		FY 2014-15	1,856	0.70%
Sep-15	280,336	3,340	1.21%	FY 2016-17		1,401		FY 2015-16 1st Half	1,594	0.57%
Oct-15	284,939	4,603	1.64%	FY 2017-18		1,510		FY 2015-16 2nd Half	636	0.22%
Nov-15	285,274	335	0.12%	FY 2018-19		1,559		FY 2015-16	1,115	0.39%
Dec-15	287,134	1,860	0.65%							
Jan-16	288,578	1,444	0.50%	November 2016 Projections After Adjustments						
Feb-16	289,257	679	0.24%	FY 2015-16	286,876	6.55%	17,642			
Mar-16	290,393	1,136	0.39%	FY 2016-17	301,080	4.95%	14,204			
Apr-16	291,398	1,005	0.35%	FY 2017-18	310,419	3.10%	9,339			
May-16	291,069	(329)	-0.11%	FY 2018-19	316,677	2.02%	6,258			
Jun-16	290,950	(119)	-0.04%							
February 2016 Forecast				Actuals	Monthly Change	% Change				
Forecasted June 2016 Level				6-month average	636	0.22%				
Base trend from June 2016 level				12-month average	1,115	0.39%				
FY 2016-17	290,950	1.75%	4,997	18-month average	1,130	0.41%				
				24-month average	1,486	0.55%				

Fiscal Year	Actuals	Monthly Change	% Change
FY 2014-15	269,234	12,111	29,083
FY 2015-16	287,300	6,711	18,066
FY 2016-17	305,429	6,311	18,129
FY 2017-18	318,654	4,333	13,225

Fiscal Year	Level Change
FY 2014-15	0
FY 2015-16	923
FY 2016-17	1,401
FY 2017-18	1,510

Fiscal Year	Actuals	Monthly Change	% Change
FY 2014-15	269,234	12,111	29,083
FY 2015-16	288,223	7,051	18,989
FY 2016-17	306,830	6,461	18,607
FY 2017-18	320,164	4,351	13,334

Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	1,005	1,621	0.33%	0.55%
FY 2016-17 2nd Half	1,005	1,157	0.33%	0.38%
FY 2016-17	1,005	1,389	0.33%	0.47%
FY 2017-18 1st Half	1,201	460	0.38%	0.15%
FY 2017-18 2nd Half	1,201	300	0.37%	0.10%
FY 2017-18	1,201	380	0.38%	0.12%
FY 2018-19 1st Half	-	689	-	0.22%
FY 2018-19 2nd Half	-	694	-	0.22%
FY 2018-19	-	692	-	0.22%

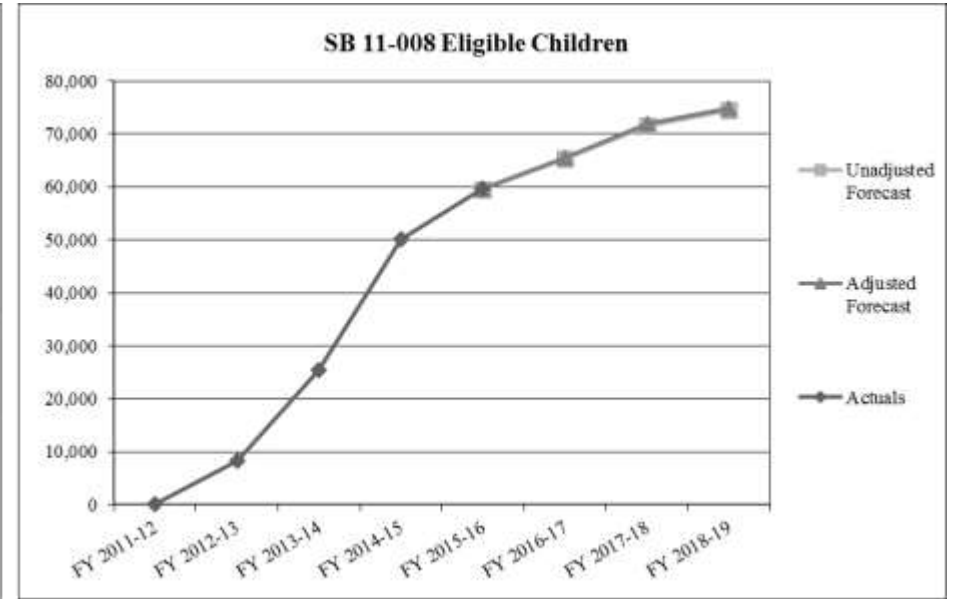
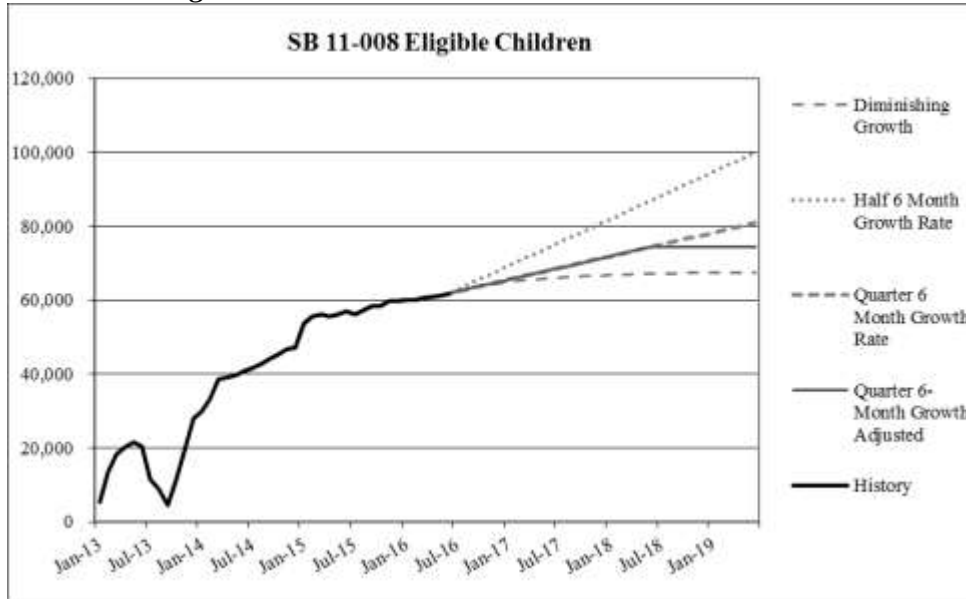
SB 11-008 Eligible Children

Prior to the implementation of SB 11-008 in January 2013, children ages 0 to 5 whose family income was under 133% FPL were eligible for Medicaid, and children ages 6 to 18 whose family income was under 100% FPL were eligible for Medicaid. SB 11-008 increased the FPL threshold for children ages 6 to 18 up to 133% FPL, 142% FPL with income disregards applied after October 2013. Services for clients that would have been eligible for CHP+ before the implementation of SB 11-008 receive the enhanced CHP+ federal match. These clients are identified as Medicaid eligible children that are over the age of 6, with incomes above 108% FPL, and no other insurance.

25.5-5-101 (1), C.R.S.

(m) Children under the age of nineteen who meet the eligibility criteria pursuant to section 1902 (a) (10) (A) of the federal "Social Security Act".

SB 11-008 Eligible Children: Model Results



SB 11-008 Eligible Children: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Diminishing Growth	50,113	59,501	8.35%	64,469	4,968	839
Half 6 Month Growth Rate	50,113	59,501	15.44%	68,688	9,187	1,552
Quarter 6 Month Growth Rate	50,113	59,501	9.66%	65,249	5,748	1,023
Quarter 6-Month Growth Adjusted	50,113	59,501	9.66%	65,249	5,748	1,023

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Diminishing Growth	59,501	64,469	3.45%	66,693	2,224	97
Half 6 Month Growth Rate	59,501	68,688	18.48%	81,382	12,694	1,058
Quarter 6 Month Growth Rate	59,501	65,249	9.73%	71,598	6,349	529
Quarter 6-Month Growth Adjusted	59,501	65,249	9.73%	71,598	6,349	529

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Diminishing Growth	64,469	66,693	0.94%	67,320	627	27
Half 6 Month Growth Rate	68,688	81,382	15.60%	94,078	12,696	1,058
Quarter 6 Month Growth Rate	65,249	71,598	8.87%	77,949	6,351	529
Quarter 6-Month Growth Adjusted	65,249	71,598	4.06%	74,505	2,907	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

SB 11-008 Eligible Children: Trend Selections

FY 2016-17: 9.80%

FY 2017-18: 9.71%

FY 2018-19: 4.05%

SB 11-008 Eligible Children: Justifications

- Average monthly caseload in FY 2015-16 for SB 11-008 Eligible Children was 59,682, which was 43 clients, or 0.07%, under what was forecasted in February 2016. The Department brought this forecast up slightly due to known data issues in FY 2015-16 that incorrectly moved children to categories of individuals with disabilities based on their parents' SSI indicators.
- One adjustment is included in this forecast, for the removal of the 5-year bar on legal immigrant children (HB 09-1353). The Department originally predicted implementation in FY 2014-15, but implementation was delayed until FY 2015-16.
- Data issues from July 2013 through November 2013 prevented the Department from identifying these clients, significant drops in caseload can be seen for these months. These data issues left inaccurate data points for previous forecasts. The Department believes that these issues have been resolved and all appropriate clients can now be identified.
- The Department believes that this eligibility is affected by continuous eligibility and is researching the extent of the effects of continuous eligibility on this category.
- These clients are identified as Medicaid eligible children over age 6, incomes above 108% FPL, with no other insurance.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

SB 11-008 Eligible Children: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	40,754	-	-
Jul-14	41,550	796	1.95%
Aug-14	42,750	1,200	2.89%
Sep-14	44,001	1,251	2.93%
Oct-14	45,249	1,248	2.84%
Nov-14	46,654	1,405	3.11%
Dec-14	47,275	621	1.33%
Jan-15	53,548	6,273	13.27%
Feb-15	55,445	1,897	3.54%
Mar-15	56,155	710	1.28%
Apr-15	55,565	(590)	-1.05%
May-15	56,104	539	0.97%
Jun-15	57,059	955	1.70%
Jul-15	56,220	(839)	-1.47%
Aug-15	57,355	1,135	2.02%
Sep-15	58,330	975	1.70%
Oct-15	58,336	6	0.01%
Nov-15	59,640	1,304	2.24%
Dec-15	59,867	227	0.38%
Jan-16	59,934	67	0.11%
Feb-16	59,950	16	0.03%
Mar-16	60,614	664	1.11%
Apr-16	60,790	176	0.29%
May-16	61,169	379	0.62%
Jun-16	61,809	640	1.05%

February 2016 Forecast	
Forecasted June 2016 Level	62,081

Base trend from June 2016 level			
FY 2016-17	61,809	3.88%	2,308

	Caseload	% Change	Level Change
FY 2012-13	8,236	-	-
FY 2013-14	25,345	2	17,109
FY 2014-15	50,113	97.72%	24,768
FY 2015-16	59,501	18.73%	9,388
FY 2016-17	65,249	9.66%	5,748
FY 2017-18	71,598	9.73%	6,349
FY 2018-19	74,505	4.06%	2,907

HB 09-1353 Removing 5 Year Bar on Legal Immigrants		
FY 2015-16		181
FY 2016-17		280
FY 2017-18		292
FY 2018-19		298

November 2016 Projections After Adjustments			
FY 2015-16	59,682	19.09%	9,569
FY 2016-17	65,529	9.80%	5,847
FY 2017-18	71,890	9.71%	6,361
FY 2018-19	74,803	4.05%	2,913

Actuals		
	Monthly Change	% Change
6-month average	324	0.53%
12-month average	396	0.67%
18-month average	807	1.54%
24-month average	877	1.78%

February 2016 Projection Before Adjustments			
FY 2014-15	50,113	97.72%	24,768
FY 2015-16	59,544	18.82%	9,431
FY 2016-17	64,343	8.06%	4,799
FY 2017-18	69,066	7.34%	4,723

HB 09-1353 Removing 5 Year Bar on Legal Immigrants	
FY 2014-15	0
FY 2015-16	181
FY 2016-17	280
FY 2017-18	292

February 2016 Projection After Adjustments			
FY 2014-15	50,113	97.72%	24,768
FY 2015-16	59,725	19.18%	9,612
FY 2016-17	64,623	8.20%	4,898
FY 2017-18	69,358	7.33%	4,735

Monthly Average Growth Actuals		
FY 2010-11 1st Half	0	-
FY 2010-11 2nd Half	0	-
FY 2010-11	0	-
FY 2011-12 1st Half	0	-
FY 2011-12 2nd Half	0	-
FY 2011-12	0	-
FY 2012-13 1st Half	0	-
FY 2012-13 2nd Half	3,388	-
FY 2012-13	1,694	-
FY 2013-14 1st Half	1,288	26.27%
FY 2013-14 2nd Half	2,116	6.44%
FY 2013-14	1,702	16.35%
FY 2014-15 1st Half	1,087	2.11%
FY 2014-15 2nd Half	1,631	2.68%
FY 2014-15	1,359	2.40%
FY 2015-16 1st Half	468	0.69%
FY 2015-16 2nd Half	324	0.47%
FY 2015-16	396	0.58%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	391	576	0.62%	0.91%
FY 2016-17 2nd Half	391	528	0.60%	0.79%
FY 2016-17	391	552	0.61%	0.85%
FY 2017-18 1st Half	398	532	0.59%	0.76%
FY 2017-18 2nd Half	398	528	0.57%	0.72%
FY 2017-18	398	530	0.58%	0.74%
FY 2018-19 1st Half	-	1	-	0.00%
FY 2018-19 2nd Half	-	0	-	0.00%
FY 2018-19	-	1	-	0.00%

Foster Care

Federal law mandates that states provide Medicaid to individuals under Title IV-E of the Social Security Act (42 U.S.C. 470-479A) for adoption assistance and foster care. Title IV-E is a subpart of Title IV, Child Welfare, of the federal Social Security Act. Title IV-E provides federal reimbursement to states for the room and board costs of children placed in foster homes and other out-of-home placements. This is an entitlement program for children who are eligible and for whom the state can seek reimbursement. Eligibility is determined on family circumstances at the time when the child was removed from the home. Once eligible, the state determines if it can claim reimbursement for maintenance costs for the child. Adoption assistance is available for children with special health care needs who meet the same requirements. States have the option to extend Medicaid to former foster care children aged 18 through 20 years who were eligible for Title IV-E prior to their 18th birthday. During the 2007 legislative session, SB 07-002 was passed extending Medicaid eligibility through age 20 for children for whom adoption assistance or foster care maintenance payments are made under Title IV-E of the Social Security Act, which was implemented in July 2008. Eligibility for children receiving state subsidized adoption or foster care payments (non Title IV-E) was extended through age 20 in the 2008 Legislative Session through SB 08-099, which was implemented in July 2009. Pursuant to the ACA, eligibility for children enrolled in Medicaid that turned 21 while in foster care was increased to age 26 in January 2014. This expansion was mandatory and was not subject to the Supreme Court of the United States ruling which found the Medicaid expansion unconstitutionally coercive of states.

25.5-5-101 (1), C.R.S.

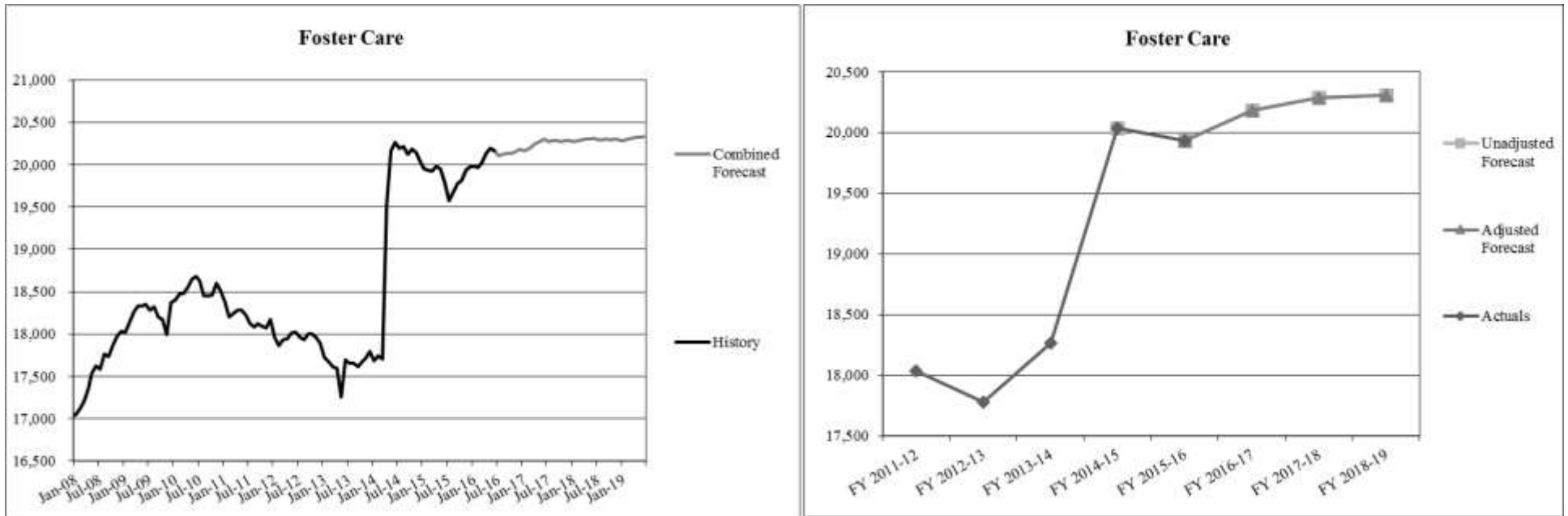
(e) Children for whom adoption assistance or foster care maintenance payments are made under Title IV-E of the “Social Security Act”, as amended;

25.5-5-201 (1), C.R.S.

(l) Children for whom subsidized adoption assistance payments are made by the state pursuant to article 7 of title 26, C.R.S, but who do not meet the requirements of Title IV-E of the “Social Security Act”, as amended;

(n) Individuals under the age of twenty-one years eligible for medical assistance pursuant to paragraph (l) of this subsection (1) or section 25.5-5-101 (1) (e) immediately prior to attaining the age of eighteen years or otherwise becoming emancipated;

Foster Care: Model Results



Foster Care: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Combined Forecast	20,036	19,935	1.25%	20,185	250	1,555
FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Combined Forecast	19,935	20,185	0.52%	20,290	105	1
FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
Combined Forecast	20,185	20,290	0.07%	20,305	15	1

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care: Trend Selections

FY 2016-17: 1.25%
 FY 2017-18: 0.52%
 FY 2018-19: 0.07%

Foster Care: Justifications

- Average monthly caseload in FY 2015-16 for Foster Care was 19,935, which was 139 clients, or 0.70%, over what was forecasted in February 2016. Actual caseload for clients aged 22 to 26 in FY 2015-16 was 1,668, monthly actuals can be seen in the chart below. This population has been in decline over the last twelve months. The Department has changed this bottom line adjustment accordingly.

SB 13-200 Medicaid Expansion Actuals	
Jul-15	1,586
Aug-15	1,636
Sep-15	1,683
Oct-15	1,690
Nov-15	1,695
Dec-15	1,701
Jan-16	1,694
Feb-16	1,681
Mar-16	1,678
Apr-16	1,671
May-16	1,663
Jun-16	1,643

- Beginning with the November 2015 forecast, the Department has selected models separately for the age group 0-1, the age group 2-5, the age group 6-18, and the age group 19-26, in line with MAGI Eligible Children. See below for more details.
- Caseload at the end of FY 2007-08 and FY 2008-09 began to increase, which is partially due to the implementation of SB 07-002 and SB 08-099, which expanded eligibility for Foster Care through age 20. The reasons for the decreases in FY 2011-12 and FY 2012-13 are still unknown and the Department will continue to monitor caseload trends in this category.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Foster Care: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	20,268	-	-
Jul-14	20,190	(78)	-0.38%
Aug-14	20,213	23	0.11%
Sep-14	20,124	(89)	-0.44%
Oct-14	20,187	63	0.31%
Nov-14	20,140	(47)	-0.23%
Dec-14	20,056	(84)	-0.42%
Jan-15	19,951	(105)	-0.52%
Feb-15	19,932	(19)	-0.10%
Mar-15	19,925	(7)	-0.04%
Apr-15	19,982	57	0.29%
May-15	19,945	(37)	-0.19%
Jun-15	19,791	(154)	-0.77%
Jul-15	19,578	(213)	-1.08%
Aug-15	19,676	98	0.50%
Sep-15	19,776	100	0.51%
Oct-15	19,814	38	0.19%
Nov-15	19,936	122	0.62%
Dec-15	19,975	39	0.20%
Jan-16	19,987	12	0.06%
Feb-16	19,963	(24)	-0.12%
Mar-16	20,028	65	0.33%
Apr-16	20,133	105	0.52%
May-16	20,196	63	0.31%
Jun-16	20,162	(34)	-0.17%

February 2016 Forecast	
Forecasted June 2016 Level	19,674

Base trend from June 2016 level		
FY 2016-17	20,162	1.14%
		227

	Caseload	% Change	Level Change
FY 2003-04	14,914	-	-
FY 2004-05	15,795	5.91%	881
FY 2005-06	16,460	4.21%	665
FY 2006-07	16,724	1.60%	264
FY 2007-08	17,141	2.49%	417
FY 2008-09	18,033	5.20%	892
FY 2009-10	18,381	1.93%	348
FY 2010-11	18,393	0.07%	12
FY 2011-12	18,034	-1.95%	(359)
FY 2012-13	17,777	-1.43%	(257)
FY 2013-14	18,267	2.76%	490
FY 2014-15	20,036	9.68%	1,769
FY 2015-16	19,935	-0.50%	(101)
FY 2016-17	20,185	1.25%	250
FY 2017-18	20,290	0.52%	105
FY 2018-19	20,305	0.07%	15

SB 13-200 Adjustment		
FY 2015-16		0
FY 2016-17		0
FY 2017-18		0
FY 2018-19		0

November 2016 Projection After Adjustments			
FY 2015-16	19,935	-0.51%	(101)
FY 2016-17	20,185	1.25%	250
FY 2017-18	20,290	0.52%	105
FY 2018-19	20,305	0.07%	15

Actuals		
	Monthly Change	% Change
6-month average	31	0.16%
12-month average	31	0.16%
18-month average	6	0.03%
24-month average	(4)	-0.02%

February 2016 Projection Before Adjustments			
FY 2014-15	18,237	9.68%	1,769
FY 2015-16	18,123	-0.63%	(114)
FY 2016-17	18,123	0.00%	-
FY 2017-18	18,102	-0.12%	(21)

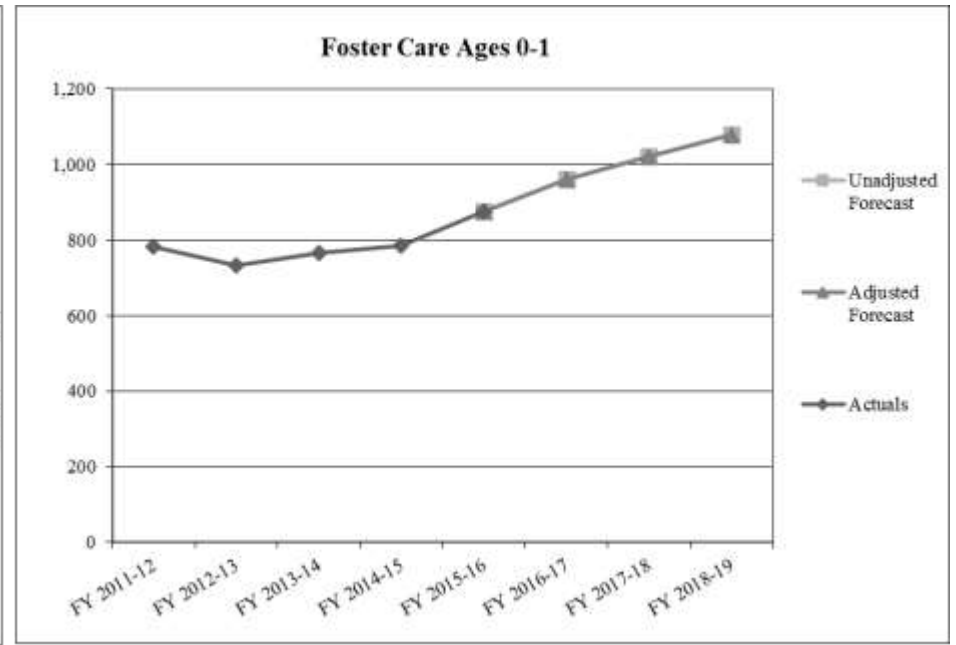
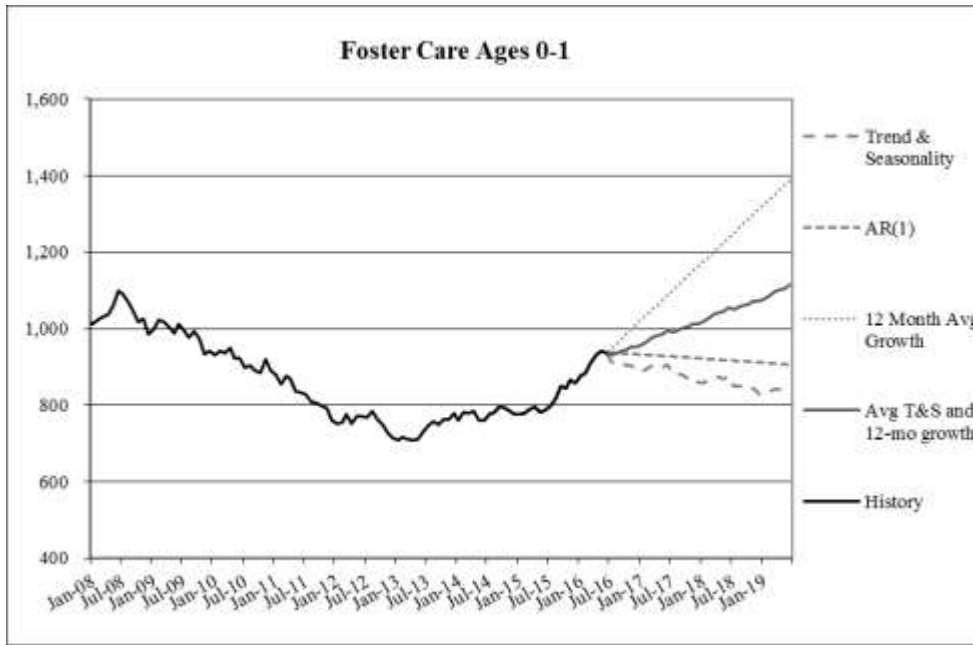
SB 13-200 Adjustment		
FY 2014-15		1,800
FY 2015-16		1,673
FY 2016-17		1,683
FY 2017-18		1,683

February 2016 Projection After Adjustments			
FY 2014-15	20,037	109.69%	1,770
FY 2015-16	19,796	-1.20%	(241)
FY 2016-17	19,806	0.05%	10
FY 2017-18	19,785	-0.11%	(21)

Monthly Average Growth Actuals		
FY 2010-11 1st Half	(28)	-0.15%
FY 2010-11 2nd Half	(48)	-0.26%
FY 2010-11	(38)	-0.21%
FY 2011-12 1st Half	(8)	-0.04%
FY 2011-12 2nd Half	(25)	-0.14%
FY 2011-12	(17)	-0.09%
FY 2012-13 1st Half	(21)	-0.11%
FY 2012-13 2nd Half	(35)	-0.18%
FY 2012-13	(28)	-0.15%
FY 2013-14 1st Half	17	0.10%
FY 2013-14 2nd Half	413	2.26%
FY 2013-14	215	1.18%
FY 2014-15 1st Half	(35)	-0.17%
FY 2014-15 2nd Half	(44)	-0.22%
FY 2014-15	(40)	-0.20%
FY 2015-16 1st Half	31	0.16%
FY 2015-16 2nd Half	31	0.16%
FY 2015-16	31	0.16%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	20	4	0.10%	0.02%
FY 2016-17 2nd Half	20	19	0.10%	0.09%
FY 2016-17	20	12	0.10%	0.06%
FY 2017-18 1st Half	(20)	(3)	-0.10%	-0.02%
FY 2017-18 2nd Half	(20)	5	-0.10%	0.03%
FY 2017-18	(20)	1	-0.10%	0.00%
FY 2018-19 1st Half	-	(3)	-	-0.01%
FY 2018-19 2nd Half	-	6	-	0.03%
FY 2018-19	-	1	-	0.01%

Foster Care, Age 0-1: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 0-1	Constant, trend, seasonal dummy variables	12.06	11.73	0.448
AR(1)	d(FC 0-1)	Constant, AR(1), AR(2)	8.63	8.55	0.002
12 Month Avg Growth			NA	NA	NA
Avg T&S and 12-mo growth			NA	NA	NA

Foster Care Ages 0-1: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	785	876	2.97%	902	26	(3)
AR(1)	785	876	6.51%	933	57	(1)
12 Month Avg Growth	785	876	16.21%	1,018	142	13
Avg T&S and 12-mo growth	785	876	9.59%	960	84	5

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	876	902	-3.33%	872	(30)	(3)
AR(1)	876	933	-1.18%	922	(11)	(1)
12 Month Avg Growth	876	1,018	14.73%	1,168	150	13
Avg T&S and 12-mo growth	876	960	6.25%	1,020	60	5

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	902	872	-3.56%	841	(31)	(3)
AR(1)	933	922	-1.08%	912	(10)	(1)
12 Month Avg Growth	1,018	1,168	12.84%	1,318	150	13
Avg T&S and 12-mo growth	960	1,020	5.88%	1,080	60	5

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 0-1: Trend Selections

FY 2016-17: 9.59%

FY 2017-18: 6.25%

FY 2018-19: 5.88%

Foster Care, Age 0-1: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. Average monthly caseload growth was higher in FY 2015-16 than anticipated in the February 2016 forecast, at 13; the Department has brought up this forecast accordingly.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Foster Care Ages 0-1: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	761	-	-
Jul-14	775	14	1.84%
Aug-14	782	7	0.90%
Sep-14	798	16	2.05%
Oct-14	792	(6)	-0.75%
Nov-14	785	(7)	-0.88%
Dec-14	775	(10)	-1.27%
Jan-15	777	2	0.26%
Feb-15	780	3	0.39%
Mar-15	789	9	1.15%
Apr-15	794	5	0.63%
May-15	781	(13)	-1.64%
Jun-15	787	6	0.77%
Jul-15	797	10	1.27%
Aug-15	818	21	2.63%
Sep-15	850	32	3.91%
Oct-15	843	(7)	-0.82%
Nov-15	865	22	2.61%
Dec-15	857	(8)	-0.92%
Jan-16	877	20	2.33%
Feb-16	885	8	0.91%
Mar-16	913	28	3.16%
Apr-16	931	18	1.97%
May-16	942	11	1.18%
Jun-16	937	(5)	-0.53%

	Caseload	% Change	Level Change
FY 2007-08	1,034	-	-
FY 2008-09	1,023	-1.06%	(11)
FY 2009-10	952	-6.94%	(71)
FY 2010-11	878	-7.77%	(74)
FY 2011-12	782	-10.93%	(96)
FY 2012-13	733	-6.27%	(49)
FY 2013-14	766	4.50%	33
FY 2014-15	785	2.48%	19
FY 2015-16	876	11.59%	91
FY 2016-17	960	9.59%	84
FY 2017-18	1,020	6.25%	60
FY 2018-19	1,080	5.88%	60

Actuals		
	Monthly Change	% Change
6-month average	13	1.51%
12-month average	13	1.48%
18-month average	9	1.07%
24-month average	7	0.88%

February 2016 Projection			
FY 2014-15	785	2.48%	19
FY 2015-16	843	7.39%	58
FY 2016-17	884	4.86%	41
FY 2017-18	921	4.19%	37

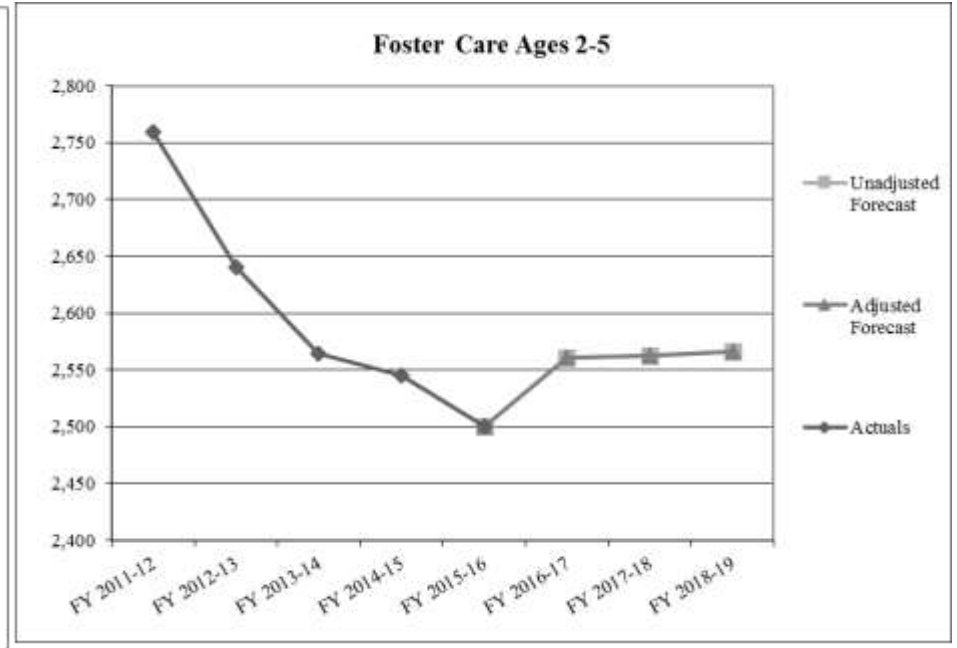
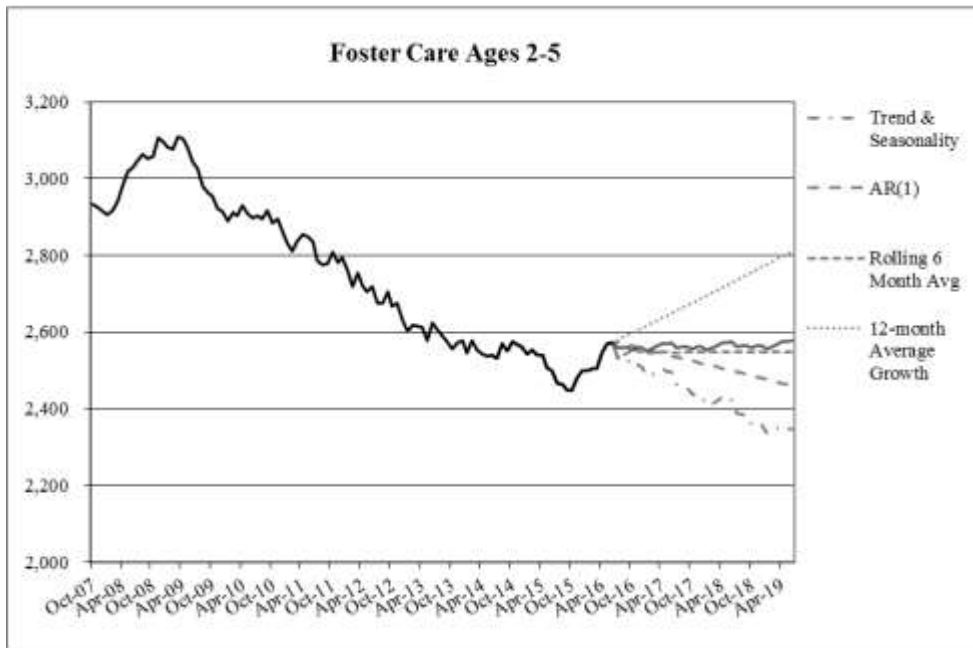
Monthly Average Growth Actuals		
FY 2010-11 1st Half	(6)	-0.58%
FY 2010-11 2nd Half	(10)	-1.08%
FY 2010-11	(8)	-0.83%
FY 2011-12 1st Half	(12)	-1.47%
FY 2011-12 2nd Half	2	0.26%
FY 2011-12	(5)	-0.60%
FY 2012-13 1st Half	(10)	-1.30%
FY 2012-13 2nd Half	3	0.42%
FY 2012-13	(3)	-0.44%
FY 2013-14 1st Half	8	1.10%
FY 2013-14 2nd Half	(3)	-0.39%
FY 2013-14	3	0.35%
FY 2014-15 1st Half	2	0.31%
FY 2014-15 2nd Half	2	0.26%
FY 2014-15	2	0.29%
FY 2015-16 1st Half	12	1.45%
FY 2015-16 2nd Half	13	1.51%
FY 2015-16	13	1.48%

February 2016 Forecast	
Forecasted June 2016 Level	850

Base trend from June 2016 level			
FY 2016-17	937	6.96%	61

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	7	3	0.85%	0.27%
FY 2016-17 2nd Half	(1)	7	-0.13%	0.77%
FY 2016-17	3	5	0.36%	0.52%
FY 2017-18 1st Half	7	3	0.82%	0.25%
FY 2017-18 2nd Half	(1)	7	-0.12%	0.72%
FY 2017-18	3	5	0.35%	0.49%
FY 2018-19 1st Half	-	3	-	0.24%
FY 2018-19 2nd Half	-	7	-	0.68%
FY 2018-19	-	5	-	0.46%

Foster Care, Age 2-5: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 2-5	Constant, trend, seasonal dummy variables	11.6	11.27	0.897
AR(1)	d(FC 2-5)	Constant, AR(1), AR(2)	9.26	9.18	0.0031
Rolling 6 Month Avg			NA	NA	NA
12-month Average Growth			NA	NA	NA
Average T&S and 12-mo growth			NA	NA	NA

Foster Care Ages 2-5: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,545	2,500	0.36%	2,509	9	(6)
AR(1)	2,545	2,500	2.24%	2,556	56	(3)
Rolling 6 Month Avg	2,545	2,500	1.80%	2,545	45	(2)
12-month Average Growth	2,545	2,500	4.56%	2,614	114	6
Average T&S and 12-mo growth	2,545	2,500	2.44%	2,561	61	0

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,500	2,509	-2.99%	2,434	(75)	(6)
AR(1)	2,500	2,556	-1.53%	2,517	(39)	(3)
Rolling 6 Month Avg	2,500	2,545	0.08%	2,547	2	0
12-month Average Growth	2,500	2,614	2.98%	2,692	78	7
Average T&S and 12-mo growth	2,500	2,561	0.08%	2,563	2	0

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,509	2,434	-3.08%	2,359	(75)	(6)
AR(1)	2,556	2,517	-1.55%	2,478	(39)	(3)
Rolling 6 Month Avg	2,545	2,547	0.00%	2,547	0	0
12-month Average Growth	2,614	2,692	3.01%	2,773	81	7
Average T&S and 12-mo growth	2,561	2,563	0.12%	2,566	3	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 2-5: Trend Selections

FY 2016-17: 2.44%

FY 2017-18: 0.08%

FY 2018-19: 0.12%

Foster Care, Age 2-5: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. The Department has adjusted this forecast upward based on FY 2015-16 actuals, which were higher than previously expected.

Foster Care Ages 2-5: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	2,539	-	-
Jul-14	2,531	(8)	-0.32%
Aug-14	2,569	38	1.50%
Sep-14	2,551	(18)	-0.70%
Oct-14	2,576	25	0.98%
Nov-14	2,567	(9)	-0.35%
Dec-14	2,562	(5)	-0.19%
Jan-15	2,542	(20)	-0.78%
Feb-15	2,552	10	0.39%
Mar-15	2,541	(11)	-0.43%
Apr-15	2,541	0	0.00%
May-15	2,507	(34)	-1.34%
Jun-15	2,498	(9)	-0.36%
Jul-15	2,467	(31)	-1.24%
Aug-15	2,465	(2)	-0.08%
Sep-15	2,447	(18)	-0.73%
Oct-15	2,447	0	0.00%
Nov-15	2,480	33	1.35%
Dec-15	2,500	20	0.81%
Jan-16	2,498	(2)	-0.08%
Feb-16	2,505	7	0.28%
Mar-16	2,505	0	0.00%
Apr-16	2,545	40	1.60%
May-16	2,570	25	0.98%
Jun-16	2,572	2	0.08%

	Caseload	% Change	Level Change
FY 2007-08	2,952	-	-
FY 2008-09	3,077	4.23%	125
FY 2009-10	2,933	-4.68%	(144)
FY 2010-11	2,864	-2.35%	(69)
FY 2011-12	2,759	-3.67%	(105)
FY 2012-13	2,640	-4.31%	(119)
FY 2013-14	2,564	-2.88%	(76)
FY 2014-15	2,545	-0.74%	(19)
FY 2015-16	2,500	-1.77%	(45)
FY 2016-17	2,561	2.44%	61
FY 2017-18	2,563	0.08%	2
FY 2018-19	2,566	0.12%	3

Actuals		
	Monthly Change	% Change
6-month average	12	0.48%
12-month average	6	0.25%
18-month average	1	0.02%
24-month average	1	0.06%

February 2016 Projection			
FY 2014-15	2,545	-0.74%	(19)
FY 2015-16	2,469	-2.99%	(76)
FY 2016-17	2,472	0.12%	3
FY 2017-18	2,473	0.04%	1

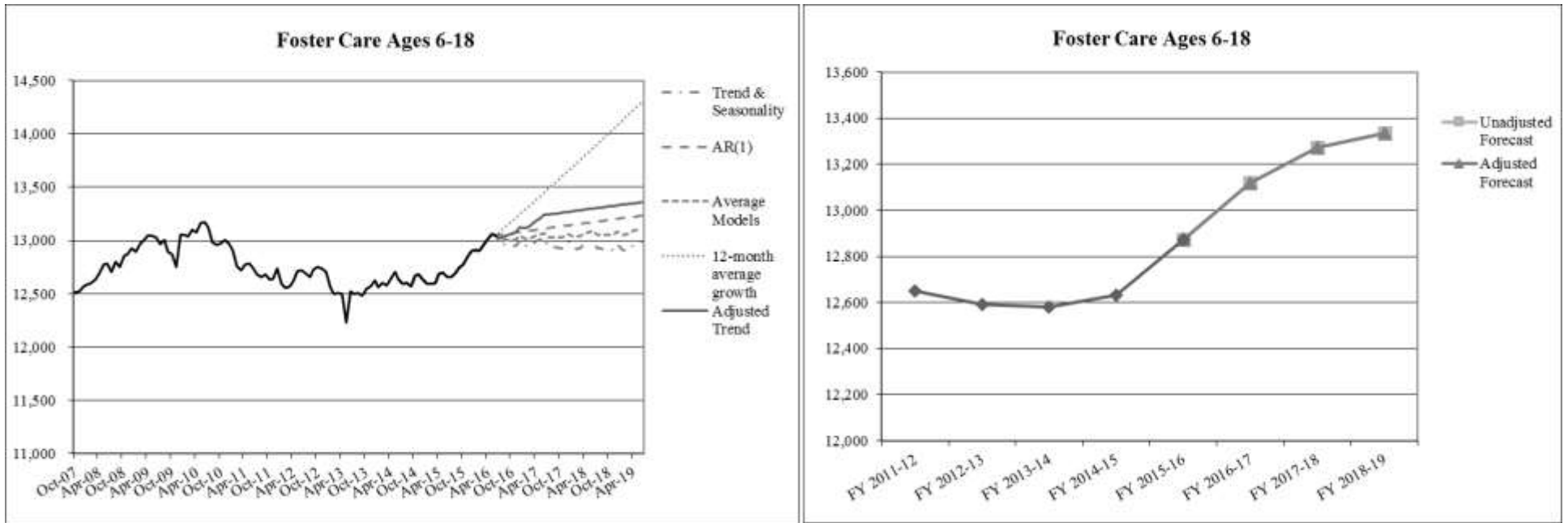
Monthly Average Growth Actuals		
FY 2010-11 1st Half	(7)	-0.22%
FY 2010-11 2nd Half	(4)	-0.13%
FY 2010-11	(5)	-0.18%
FY 2011-12 1st Half	(7)	-0.24%
FY 2011-12 2nd Half	(13)	-0.45%
FY 2011-12	(10)	-0.35%
FY 2012-13 1st Half	(15)	-0.53%
FY 2012-13 2nd Half	(1)	-0.04%
FY 2012-13	(8)	-0.29%
FY 2013-14 1st Half	(8)	-0.29%
FY 2013-14 2nd Half	(7)	-0.26%
FY 2013-14	(7)	-0.27%
FY 2014-15 1st Half	4	0.15%
FY 2014-15 2nd Half	(11)	-0.42%
FY 2014-15	(3)	-0.13%
FY 2015-16 1st Half	0	0.02%
FY 2015-16 2nd Half	12	0.48%
FY 2015-16	6	0.25%

February 2016 Forecast	
Forecasted June 2016 Level	2,475

Base trend from June 2016 level			
FY 2016-17	2,572	2.88%	72

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	(0)	(2)	-0.02%	-0.09%
FY 2016-17 2nd Half	(0)	2	0.00%	0.09%
FY 2016-17	(0)	0	-0.01%	0.00%
FY 2017-18 1st Half	0	(2)	0.00%	-0.08%
FY 2017-18 2nd Half	0	3	0.00%	0.10%
FY 2017-18	0	0	0.00%	0.01%
FY 2018-19 1st Half	-	(2)	-	-0.08%
FY 2018-19 2nd Half	-	3	-	0.10%
FY 2018-19	-	0	-	0.01%

Foster Care, Age 6-18: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 6-18	Constant, trend, seasonal dummy variables	13.8	13.47	-0.0198
AR(1)	d(FC 6-18)	Constant, AR(1)	11.5	11.45	0.0123
Average Models			NA	NA	NA
12-month average growth			NA	NA	NA
Adjusted Trend			NA	NA	NA

Foster Care Ages 6-18: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	12,632	12,875	0.76%	12,973	98	(2)
AR(1)	12,632	12,875	1.61%	13,082	207	5
Average Models	12,632	12,875	1.19%	13,028	153	2
12-month average growth	12,632	12,875	3.03%	13,265	390	34
Adjusted Trend	12,632	12,875	1.90%	13,120	245	16

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	12,875	12,973	-0.15%	12,954	(19)	(2)
AR(1)	12,875	13,082	0.47%	13,143	61	5
Average Models	12,875	13,028	0.15%	13,048	20	2
12-month average growth	12,875	13,265	3.09%	13,675	410	35
Adjusted Trend	12,875	13,120	1.17%	13,274	154	5

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	12,973	12,954	-0.16%	12,933	(21)	(2)
AR(1)	13,082	13,143	0.47%	13,205	62	5
Average Models	13,028	13,048	0.15%	13,068	20	2
12-month average growth	13,265	13,675	3.09%	14,098	423	36
Adjusted Trend	13,120	13,274	0.45%	13,334	60	5

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 6-18: Trend Selections

FY 2016-17: 1.90%

FY 2017-18: 1.17%

FY 2018-19: 0.45%

Foster Care, Age 6-18: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. The Department has adjusted this forecast based on FY 2015-16 actuals, which were higher than expected with average monthly growth of about 33 clients.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Foster Care Ages 6-18: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	12,636	-	-
Jul-14	12,594	(42)	-0.33%
Aug-14	12,605	11	0.09%
Sep-14	12,568	(37)	-0.29%
Oct-14	12,671	103	0.82%
Nov-14	12,683	12	0.09%
Dec-14	12,634	(49)	-0.39%
Jan-15	12,591	(43)	-0.34%
Feb-15	12,593	2	0.02%
Mar-15	12,602	9	0.07%
Apr-15	12,688	86	0.68%
May-15	12,700	12	0.09%
Jun-15	12,656	(44)	-0.35%
Jul-15	12,659	3	0.02%
Aug-15	12,693	34	0.27%
Sep-15	12,742	49	0.39%
Oct-15	12,772	30	0.24%
Nov-15	12,849	77	0.60%
Dec-15	12,906	57	0.44%
Jan-16	12,911	5	0.04%
Feb-16	12,901	(10)	-0.08%
Mar-16	12,954	53	0.41%
Apr-16	13,011	57	0.44%
May-16	13,059	48	0.37%
Jun-16	13,047	(12)	-0.09%

	Caseload	% Change	Level Change
FY 2007-08	12,632	-	-
FY 2008-09	12,908	2.18%	276
FY 2009-10	13,012	0.81%	104
FY 2010-11	12,892	-0.92%	(120)
FY 2011-12	12,651	-1.87%	(241)
FY 2012-13	12,591	-0.47%	(60)
FY 2013-14	12,580	-0.09%	(11)
FY 2014-15	12,632	0.41%	52
FY 2015-16	12,875	1.92%	243
FY 2016-17	13,120	1.90%	245
FY 2017-18	13,274	1.17%	154
FY 2018-19	13,334	0.45%	60

Actuals		
	Monthly Change	% Change
6-month average	24	0.18%
12-month average	33	0.25%
18-month average	23	0.18%
24-month average	17	0.13%

February 2016 Projection			
FY 2014-15	12,632	0.41%	52
FY 2015-16	12,797	1.31%	165
FY 2016-17	12,865	0.53%	68
FY 2017-18	12,913	0.37%	48

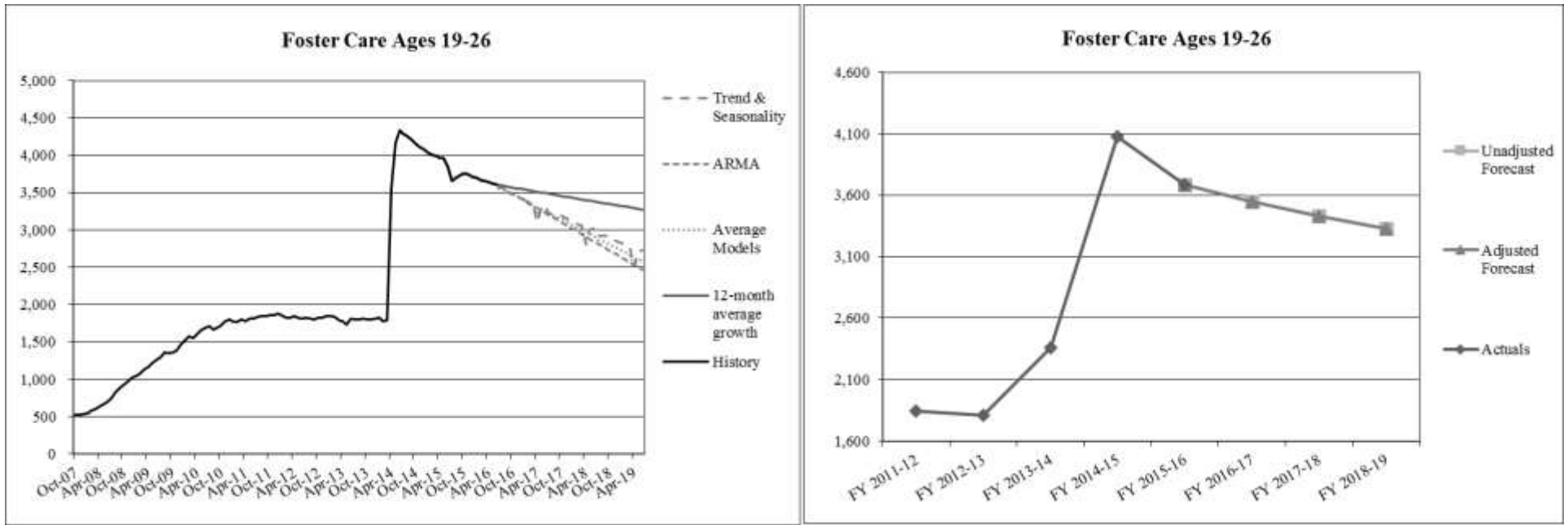
Monthly Average Growth Actuals		
FY 2010-11 1st Half	(35)	-0.27%
FY 2010-11 2nd Half	(37)	-0.28%
FY 2010-11	(36)	-0.28%
FY 2011-12 1st Half	(1)	-0.01%
FY 2011-12 2nd Half	(3)	-0.02%
FY 2011-12	(2)	-0.01%
FY 2012-13 1st Half	(3)	-0.02%
FY 2012-13 2nd Half	(30)	-0.23%
FY 2012-13	(17)	-0.13%
FY 2013-14 1st Half	17	0.14%
FY 2013-14 2nd Half	2	0.02%
FY 2013-14	10	0.08%
FY 2014-15 1st Half	(0)	0.00%
FY 2014-15 2nd Half	4	0.03%
FY 2014-15	2	0.01%
FY 2015-16 1st Half	42	0.33%
FY 2015-16 2nd Half	24	0.18%
FY 2015-16	33	0.25%

February 2016 Forecast	
Forecasted June 2016 Level	12,833

Base trend from June 2016 level			
FY 2016-17	13,047	1.34%	172

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	10	14	0.08%	0.10%
FY 2016-17 2nd Half	(2)	18	-0.02%	0.14%
FY 2016-17	4	16	0.03%	0.12%
FY 2017-18 1st Half	10	6	0.08%	0.04%
FY 2017-18 2nd Half	(2)	5	-0.02%	0.03%
FY 2017-18	4	5	0.03%	0.04%
FY 2018-19 1st Half	-	6	-	0.04%
FY 2018-19 2nd Half	-	5	-	0.03%
FY 2018-19	-	5	-	0.04%

Foster Care, Age 19-26: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 19-26	Constant, April 2014 dummy, trend, seasonal dummy variables	19.21	18.88	0.7898
ARMA	d(FC 19-26)	Constant, April 2014 dummy, AR(1), MA(1)	15.31	15.24	0.246
Average Models			NA	NA	NA
12-month average growth			NA	NA	NA

Foster Care Ages 19-26: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	4,075	3,684	-7.90%	3,393	(291)	2
ARMA	4,075	3,684	-7.63%	3,403	(281)	(164)
Average Models	4,075	3,684	-7.76%	3,398	(286)	(24)
12-month average growth	4,075	3,684	-3.80%	3,544	(140)	(31)

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	3,684	3,393	-8.64%	3,100	(293)	0
ARMA	3,684	3,403	-11.17%	3,023	(380)	0
Average Models	3,684	3,398	-9.92%	3,061	(337)	(24)
12-month average growth	3,684	3,544	-3.13%	3,433	(111)	(32)

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	3,393	3,100	-9.45%	2,807	(293)	0
ARMA	3,403	3,023	-12.57%	2,643	(380)	0
Average Models	3,398	3,061	-10.98%	2,725	(336)	(24)
12-month average growth	3,544	3,433	-3.15%	3,325	(108)	(32)

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 19-26: Trend Selections

FY 2016-17: -3.80%

FY 2017-18: -3.13%

FY 2018-19: -3.15%

Foster Care, Age 19-26: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. FY 2015-16 actual average monthly growth was -20 clients per month, on par with the estimate in the February 2016 forecast. The Department has adjusted the current forecast downward slightly. In the past, the SB 13-200 Medicaid expansion effects were accounted for through a bottom-line adjustment. Beginning with the November 2016 forecast, the Department has determined that there are now enough data points available since expansion for robust statistical modeling and has removed the adjustment in favor of more sophisticated models.

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Foster Care Ages 19-26: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	4,332	-	-
Jul-14	4,290	(42)	-0.97%
Aug-14	4,257	(33)	-0.77%
Sep-14	4,207	(50)	-1.17%
Oct-14	4,148	(59)	-1.40%
Nov-14	4,105	(43)	-1.04%
Dec-14	4,085	(20)	-0.49%
Jan-15	4,041	(44)	-1.08%
Feb-15	4,007	(34)	-0.84%
Mar-15	3,993	(14)	-0.35%
Apr-15	3,959	(34)	-0.85%
May-15	3,957	(2)	-0.05%
Jun-15	3,850	(107)	-2.70%
Jul-15	3,655	(195)	-5.06%
Aug-15	3,700	45	1.23%
Sep-15	3,737	37	1.00%
Oct-15	3,752	15	0.40%
Nov-15	3,742	(10)	-0.27%
Dec-15	3,712	(30)	-0.80%
Jan-16	3,701	(11)	-0.30%
Feb-16	3,672	(29)	-0.78%
Mar-16	3,656	(16)	-0.44%
Apr-16	3,646	(10)	-0.27%
May-16	3,625	(21)	-0.58%
Jun-16	3,606	(19)	-0.52%

	Caseload	% Change	Level Change
FY 2007-08	592	-	-
FY 2008-09	1,025	73.14%	433
FY 2009-10	1,484	44.78%	459
FY 2010-11	1,759	18.53%	275
FY 2011-12	1,844	4.83%	85
FY 2012-13	1,813	-1.68%	(31)
FY 2013-14	2,357	30.01%	544
FY 2014-15	4,075	72.89%	1,718
FY 2015-16	3,684	-9.60%	(391)
FY 2016-17	3,544	-3.80%	(140)
FY 2017-18	3,433	-3.13%	(111)
FY 2018-19	3,325	-3.15%	(108)

SB 13-200 Adjustment			
FY 2015-16			0
FY 2016-17			0
FY 2017-18			0
FY 2018-19			0

November 2016 Projections After Adjustments			
FY 2015-16	3,684	-9.60%	(391)
FY 2016-17	3,544	-3.80%	(140)
FY 2017-18	3,433	-3.13%	(111)
FY 2018-19	3,325	-3.15%	(108)

Actuals		
	Monthly Change	% Change
6-month average	(18)	-0.48%
12-month average	(20)	-0.53%
18-month average	(27)	-0.68%
24-month average	(30)	-0.75%

February 2016 Projection Before Adjustments			
FY 2014-15	2,274	52.33%	781
FY 2015-16	2,014	-11.43%	(260)
FY 2016-17	1,902	-5.56%	(112)
FY 2017-18	1,795	-5.63%	(107)

SB 13-200 Adjustment		
FY 2014-15		1,800
FY 2015-16		1,673
FY 2016-17		1,683
FY 2017-18		1,683

February 2016 Projection After Adjustments			
FY 2014-15	4,074	72.82%	1,717
FY 2015-16	3,687	-9.50%	(387)
FY 2016-17	3,585	-2.77%	(102)
FY 2017-18	3,478	-2.98%	(107)

Monthly Average Growth Actuals		
FY 2010-11 1st Half	19	1.11%
FY 2010-11 2nd Half	2	0.11%
FY 2010-11	10	0.61%
FY 2011-12 1st Half	12	0.63%
FY 2011-12 2nd Half	(11)	-0.61%
FY 2011-12	0	0.01%
FY 2012-13 1st Half	7	0.36%
FY 2012-13 2nd Half	(6)	-0.30%
FY 2012-13	0	0.03%
FY 2013-14 1st Half	(1)	-0.04%
FY 2013-14 2nd Half	420	19.74%
FY 2013-14	210	9.85%
FY 2014-15 1st Half	(41)	-0.97%
FY 2014-15 2nd Half	(39)	-0.98%
FY 2014-15	(40)	-0.98%
FY 2015-16 1st Half	(23)	-0.58%
FY 2015-16 2nd Half	(18)	-0.48%
FY 2015-16	(20)	-0.53%

February 2016 Forecast	
Forecasted June 2016 Level	3,619

Base trend from June 2016 level			
FY 2016-17	3,606	-2.12%	(78)

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	(5)	(10)	-0.14%	-0.27%
FY 2016-17 2nd Half	(5)	(9)	-0.15%	-0.27%
FY 2016-17	(5)	(9)	-0.15%	-0.27%
FY 2017-18 1st Half	(12)	(9)	-0.34%	-0.27%
FY 2017-18 2nd Half	(12)	(9)	-0.35%	-0.27%
FY 2017-18	(12)	(9)	-0.35%	-0.27%
FY 2018-19 1st Half	-	(9)	-	-0.27%
FY 2018-19 2nd Half	-	(9)	-	-0.27%
FY 2018-19	-	(9)	-	-0.27%

MAGI Eligible Pregnant Adults

Between 1986 and 1991, Congress extended Medicaid to new groups of pregnant women and children. Referred to as Baby and Kid Care in Colorado, the program was authorized through the Medicare Catastrophic Coverage Act of 1988. The program enrolls Baby Care women and Kid Care children (see the Eligible Children section of this document for information on children). Baby Care-Adults are women with incomes up to 185% FPL beginning January 1, 2013 (195% FPL after income disregards are applied in October 2013). Coverage includes prenatal care and delivery services, plus 60 days of postpartum care. The Baby and Kid Care Program serves a much higher income level than the 1931 families program, and pregnant mothers were never subject to resource/asset limitations to qualify for the program. Moreover, the Baby and Kid Care Program has never had a cash-assistance component and was unaffected by welfare reform.

25.5-5-101 (1), C.R.S.

(m) Low-income pregnant women, and children through the age of six, whose income is at or below a certain percentage of the federal poverty level as determined by the federal government;

25.5-5-201 (2), C.R.S.

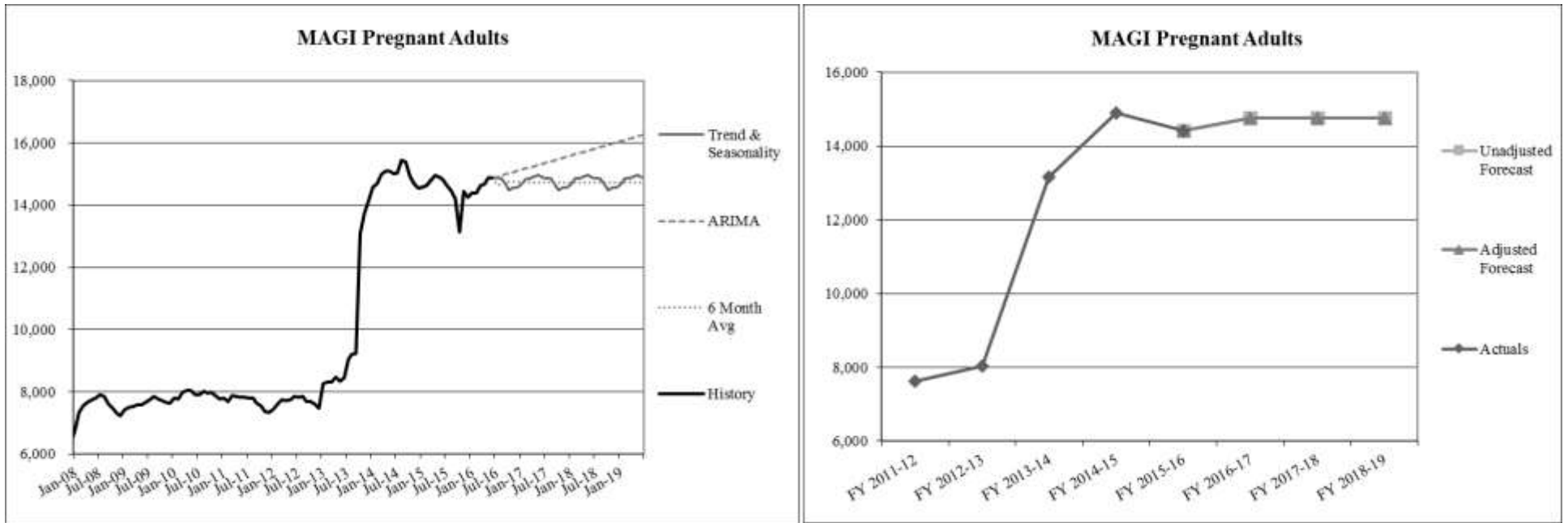
(b) Notwithstanding the five-year waiting period established in paragraph (a) of this subsection (2), but subject to the availability of sufficient appropriations and the receipt of federal financial participation, the state department may provide benefits under this article and articles 4 and 6 of this title to a pregnant woman who is a qualified alien and a child under nineteen years of age who is a qualified alien so long as such woman or child meets eligibility criteria other than citizenship.

25.5-5-205 (3), C.R.S.

(a) On and after April 1, 1990, children under the age of six years and pregnant women shall be eligible for benefits under the baby and kid care program...

(II) For pregnant women, the percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred eighty-five percent. If the federal government establishes a new federal minimum percentage level of the federal poverty line used to determine eligibility under this subsection (3) that is different from the level set in this subparagraph (II), the state department is authorized to meet such federal minimum level without requiring additional legislation; however, such minimum federal level shall be established by rule of the state board.

MAGI Pregnant Adults: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI Pregnant	Constant, SB 250 dummy, October 2013 dummy, trend, seasonal dummy variables	17.31	17.12	0.7898
ARIMA	d(MAGI Pregnant)	Constant, October 2013 dummy, AR(2), MA(1)	14.68	14.56	0.3748
6 Month Avg			NA	NA	NA

MAGI Pregnant Adults: Model Results¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Trend & Seasonality	14,897	14,413	2.44%	14,765	352	0
ARIMA	14,897	14,413	4.88%	15,116	703	37
6 Month Avg	14,897	14,413	2.16%	14,724	311	(12)

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Trend & Seasonality	14,413	14,765	0.01%	14,766	1	0
ARIMA	14,413	15,116	3.05%	15,577	461	38
6 Month Avg	14,413	14,724	0.07%	14,734	10	0

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change²
Trend & Seasonality	14,765	14,766	0.01%	14,767	1	0
ARIMA	15,116	15,577	2.95%	16,037	460	38
6 Month Avg	14,724	14,734	0.00%	14,734	0	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Pregnant Adults: Trend Selections

FY 2016-17: 2.44%
FY 2017-18: 0.01%
FY 2018-19: 0.01%

MAGI Pregnant Adults: Justifications

- Average monthly caseload in FY 2015-16 for MAGI Pregnant Adults was 14,413, which was 43 clients, or 0.30%, above what was forecasted in February 2016. Therefore, the Department has adjusted the forecast accordingly.
- In October 2013, over 3,000 clients were moved from MAGI Parents/Caretakers categories into MAGI Pregnant Adults. This was a one-time change in how pregnant adults were categorized by eligibility.
- Presumptive eligibility allows pregnant women who apply for Medicaid to receive services based on self-declaration until the status of their application has been determined. The State pays for all Medicaid costs during this time regardless of whether or not the woman was eventually found to be Medicaid eligible or not. On September 1, 2004, the Department discontinued this procedure, which explains the drop of nearly 2,500 clients in September and October 2004, as well as the corresponding decline in fiscal year average caseload. Presumptive eligibility was reinstated by HB 05-1262 (Tobacco Tax bill) effective July 1, 2005.
- In FY 2009-10, the Department received approval from the Centers for Medicare and Medicaid Services to grant full Medicaid eligibility to pregnant women who are legal permanent residents and have been in the country for less than 5 years, as authorized by the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). As a result, the Department has restated the FY 2009-10 monthly caseload for this eligibility type to include clients who had previously been in the State-only Prenatal population. These clients are now included in the base caseload.
- The Colorado Department of Public Health & Environment Family Planning Initiative was awarded a grant for approximately \$3.5 million to address the issue of unintended pregnancy in Colorado for Title X clients, the vast majority of which are under 200% of the federal poverty level. Out-year trends are moderate due to this Family Planning initiative (as well as the Family Planning waiver to be submitted by the Department pursuant to SB 08-003).

FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

MAGI Pregnant Adults: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	15,007	-	-
Jul-14	15,038	31	0.21%
Aug-14	15,436	398	2.65%
Sep-14	15,386	(50)	-0.32%
Oct-14	14,938	(448)	-2.91%
Nov-14	14,691	(247)	-1.65%
Dec-14	14,542	(149)	-1.01%
Jan-15	14,590	48	0.33%
Feb-15	14,643	53	0.36%
Mar-15	14,804	161	1.10%
Apr-15	14,954	150	1.01%
May-15	14,914	(40)	-0.27%
Jun-15	14,822	(92)	-0.62%
Jul-15	14,627	(195)	-1.32%
Aug-15	14,466	(161)	-1.10%
Sep-15	14,204	(262)	-1.81%
Oct-15	13,139	(1,065)	-7.50%
Nov-15	14,428	1,289	9.81%
Dec-15	14,252	(176)	-1.22%
Jan-16	14,399	147	1.03%
Feb-16	14,381	(18)	-0.13%
Mar-16	14,619	238	1.65%
Apr-16	14,675	56	0.38%
May-16	14,884	209	1.42%
Jun-16	14,883	(1)	-0.01%

	Caseload	% Change	Level Change
FY 2003-04	8,398	-	-
FY 2004-05	5,984	-28.74%	(2,414)
FY 2005-06	5,119	-14.46%	(865)
FY 2006-07	5,182	1.23%	63
FY 2007-08	6,288	21.34%	1,106
FY 2008-09	6,976	10.94%	688
FY 2009-10	7,830	12.24%	854
FY 2010-11	7,868	0.49%	38
FY 2011-12	7,630	-3.02%	(238)
FY 2012-13	8,024	5.16%	394
FY 2013-14	13,160	64.01%	5,136
FY 2014-15	14,897	13.20%	1,737
FY 2015-16	14,413	-3.25%	(484)
FY 2016-17	14,765	2.44%	352
FY 2017-18	14,766	0.01%	1
FY 2018-19	14,767	0.01%	1

Actuals		
	Monthly Change	% Change
6-month average	105	0.73%
12-month average	5	0.10%
18-month average	19	0.17%
24-month average	(5)	0.00%

February 2016 Projection			
FY 2014-15	14,897	13.20%	1,737
FY 2015-16	14,370	-3.54%	(527)
FY 2016-17	14,459	0.62%	89
FY 2017-18	14,460	0.01%	1

Monthly Average Growth Actuals		
FY 2010-11 1st Half	(23)	-0.29%
FY 2010-11 2nd Half	11	0.15%
FY 2010-11	(6)	-0.07%
FY 2011-12 1st Half	(83)	-1.08%
FY 2011-12 2nd Half	86	1.14%
FY 2011-12	2	0.03%
FY 2012-13 1st Half	(63)	-0.82%
FY 2012-13 2nd Half	165	2.17%
FY 2012-13	51	0.68%
FY 2013-14 1st Half	947	9.77%
FY 2013-14 2nd Half	145	1.00%
FY 2013-14	546	5.39%
FY 2014-15 1st Half	(78)	-0.51%
FY 2014-15 2nd Half	47	0.32%
FY 2014-15	(15)	-0.09%
FY 2015-16 1st Half	(95)	-0.52%
FY 2015-16 2nd Half	105	0.73%
FY 2015-16	5	0.10%

February 2016 Forecast	
Forecasted June 2016 Level	14,569

Base trend from June 2016 level			
FY 2016-17	14,883	3.26%	470

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	(53)	(54)	-0.36%	-0.36%
FY 2016-17 2nd Half	53	54	0.37%	0.37%
FY 2016-17	0	0	0.00%	0.00%
FY 2017-18 1st Half	(53)	(54)	-0.36%	-0.36%
FY 2017-18 2nd Half	53	54	0.37%	0.37%
FY 2017-18	0	0	0.00%	0.00%
FY 2018-19 1st Half	-	(54)	-	-0.36%
FY 2018-19 2nd Half	-	54	-	0.37%
FY 2018-19	-	0	-	0.00%

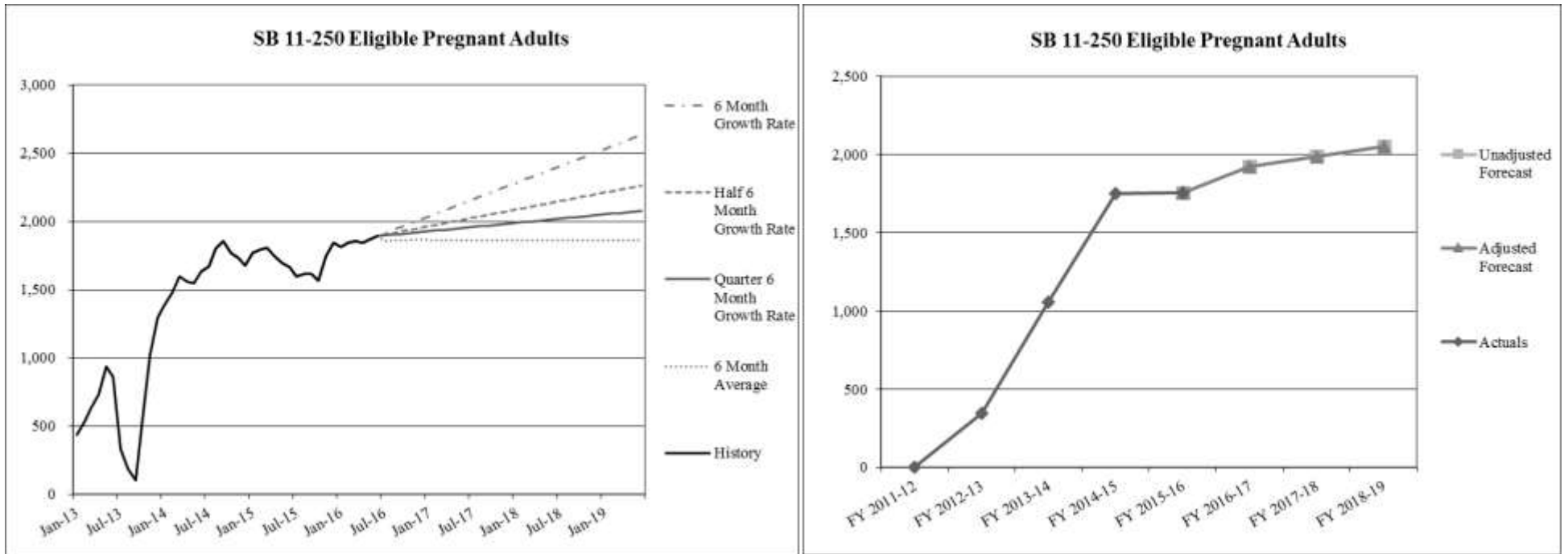
SB 11-250 Eligible Pregnant Adults

Prior to the implementation of SB 11-250 in January 2013, pregnant adults whose family income was under 133% FPL were eligible for Medicaid. SB 11-250 increased the FPL threshold up to 185% FPL, 195% FPL with income disregards applied after October 2013. Services for clients that would have been eligible for CHP+ before the implementation of SB 11-008 receive the enhanced CHP+ federal match. These clients are identified as Medicaid eligible pregnant adults with incomes above 142% FPL and no other insurance.

25.5-5-201 (1)

(m.5) Pregnant women, whose family income does not exceed one hundred eighty-five percent of the federal poverty line, adjusted for family size.

SB 11-250 Eligible Pregnant Adults: Model Results



SB 11-250 Eligible Pregnant Adults: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
6 Month Growth Rate	1,749	1,759	15.24%	2,027	268	21
Half 6 Month Growth Rate	1,749	1,759	11.43%	1,960	201	10
Quarter 6 Month Growth Rate	1,749	1,759	9.49%	1,926	167	5
6 Month Average	1,749	1,759	5.97%	1,864	105	(2)

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
6 Month Growth Rate	1,759	2,027	12.19%	2,274	247	21
Half 6 Month Growth Rate	1,759	1,960	6.33%	2,084	124	10
Quarter 6 Month Growth Rate	1,759	1,926	3.22%	1,988	62	5
6 Month Average	1,759	1,864	0.05%	1,865	1	0

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
6 Month Growth Rate	2,027	2,274	10.86%	2,521	247	21
Half 6 Month Growth Rate	1,960	2,084	5.90%	2,207	123	10
Quarter 6 Month Growth Rate	1,926	1,988	3.12%	2,050	62	5
6 Month Average	1,864	1,865	0.00%	1,865	0	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

SB 11-250 Eligible Pregnant Adults: Trend Selections

FY 2016-17: 9.49%

FY 2017-18: 3.22%

FY 2018-19: 3.12%

SB 11-250 Eligible Pregnant Adults: Justifications

- Average monthly caseload in FY 2015-16 for SB 11-250 Eligible Pregnant Adults was 1,759, which was 81 clients, or 4.83%, over what was forecast in February 2016. The Department has adjusted the forecast upward from the February 2016 forecast, based on higher than anticipated average monthly growth rates for FY 2015-16.
- Data issues from July 2013 through November 2013 prevented the Department from identifying these clients, significant drops in caseload can be seen for these months. The Department believes that these issues have been resolved and all appropriate clients can now be identified.
- These clients are identified as Medicaid eligible pregnant adults with incomes above 142% FPL and no other insurance.

SB 11-250 Eligible Pregnant Adults: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	1,634	-	-
Jul-14	1,672	38	2.33%
Aug-14	1,800	128	7.66%
Sep-14	1,854	54	3.00%
Oct-14	1,769	(85)	-4.58%
Nov-14	1,733	(36)	-2.04%
Dec-14	1,675	(58)	-3.35%
Jan-15	1,772	97	5.79%
Feb-15	1,795	23	1.30%
Mar-15	1,810	15	0.84%
Apr-15	1,743	(67)	-3.70%
May-15	1,694	(49)	-2.81%
Jun-15	1,665	(29)	-1.71%
Jul-15	1,596	(69)	-4.14%
Aug-15	1,615	19	1.19%
Sep-15	1,614	(1)	-0.06%
Oct-15	1,568	(46)	-2.85%
Nov-15	1,743	175	11.16%
Dec-15	1,846	103	5.91%
Jan-16	1,811	(35)	-1.90%
Feb-16	1,846	35	1.93%
Mar-16	1,856	10	0.54%
Apr-16	1,846	(10)	-0.54%
May-16	1,870	24	1.30%
Jun-16	1,893	23	1.23%

	Caseload	% Change	Level Change
FY 2012-13	344	-	-
FY 2013-14	1,057	207.27%	713
FY 2014-15	1,749	65.47%	692
FY 2015-16	1,759	0.57%	10
FY 2016-17	1,926	9.49%	167
FY 2017-18	1,988	3.22%	62
FY 2018-19	2,050	3.12%	62

February 2016 Projection			
FY 2014-15	1,749	65.47%	692
FY 2015-16	1,678	-4.06%	(71)
FY 2016-17	1,700	1.31%	22
FY 2017-18	1,701	0.06%	1

Actuals		
	Monthly Change	% Change
6-month average	8	0.43%
12-month average	19	1.15%
18-month average	12	0.75%
24-month average	11	0.69%

Monthly Average Growth Actuals		
FY 2010-11 1st Half	0	-
FY 2010-11 2nd Half	0	-
FY 2010-11	0	-
FY 2011-12 1st Half	0	-
FY 2011-12 2nd Half	0	-
FY 2011-12	0	-
FY 2012-13 1st Half	0	-
FY 2012-13 2nd Half	144	-
FY 2012-13	72	-
FY 2013-14 1st Half	72	64.40%
FY 2013-14 2nd Half	57	4.06%
FY 2013-14	64	34.23%
FY 2014-15 1st Half	7	0.50%
FY 2014-15 2nd Half	(2)	-0.05%
FY 2014-15	3	0.23%
FY 2015-16 1st Half	30	1.87%
FY 2015-16 2nd Half	8	0.43%
FY 2015-16	19	1.15%

February 2016 Forecast	
Forecasted June 2016 Level	1,714

Base trend from June 2016 level			
FY 2016-17	1,893	7.62%	134

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	(2)	5	-0.12%	0.27%
FY 2016-17 2nd Half	(0)	5	0.00%	0.27%
FY 2016-17	(1)	5	-0.06%	0.27%
FY 2017-18 1st Half	0	5	0.00%	0.26%
FY 2017-18 2nd Half	0	5	0.00%	0.26%
FY 2017-18	0	5	0.00%	0.26%
FY 2018-19 1st Half	-	5	-	0.25%
FY 2018-19 2nd Half	-	5	-	0.25%
FY 2018-19	-	5	-	0.25%

Non-Citizens – Emergency Services Only

Section 403 of the Personal Responsibility Work Opportunity Reconciliation Act provides that certain immigrants arriving in the United States after August 22, 1996 are ineligible for full Medicaid benefits for their first five years of residence. The five-year ban only applies to immigrants who arrived in the United States after August 22, 1996. Full Medicaid coverage of individuals for the first five years is optional. Per federal regulations, states must provide mandatory full coverage for:

- Refugees for the first seven years after entry into the United States;
- Asylees for the first seven years after asylum is granted;
- Individuals whose deportation is being withheld for the first seven years after the initial withhold;
- Victims of trafficking;
- Lawful permanent residents who have 40 qualifying quarters of Social Security coverage;
- Cuban or Haitian entrants; and,
- Immigrants who are honorably discharged veterans of the United States military.

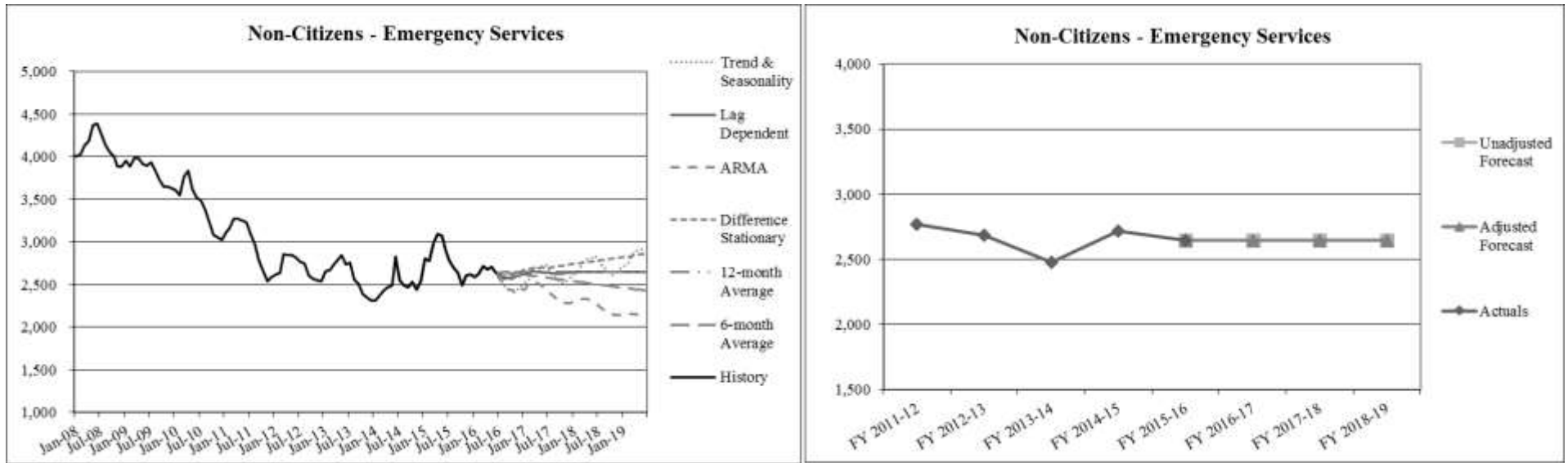
Regardless of whether the individual is an optional or mandatory immigrant, federal law requires all states to provide emergency medical services for individuals who otherwise meet Medicaid eligibility criteria, except for proof of U.S. citizenship.

In April 2001, an eligibility policy change was implemented such that clients are now only counted as eligible in the months they receive emergency medical care. Prior to this policy change, eligibility for this group continued as it would for any other category, although only for emergency medical services. For example, a Non-Citizen with an emergency visit on April 2000 could be eligible in that month, and continue to be eligible for as many months as he/she met other eligibility criteria. The same client would only be eligible for one month, had the emergency service occurred in April 2001. Thus, caseloads presented from April 2001 and forward are much lower than in previous years.

25.5-5-103 (3), C.R.S.

(a) Emergency medical assistance shall be provided to any person who is not a citizen of the United States, including undocumented aliens, aliens who are not qualified aliens, and qualified aliens who entered the United States on or after August 22, 1996, who has an emergency medical condition and meets one of the categorical requirements set forth in section 25.5-5-101; except that such persons shall not be required to meet any residency requirement other than that required by federal law.

Non-Citizens- Emergency Services Only: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	NC	Constant, trend, and seasonal dummy variables	14.38	13.77	-0.0924
Lag Dependent	NC	Constant and 6 lags on the dependent variable	12.17	11.95	0.8885
ARMA	NC	Constant, AR(1), AR(2), AR(3), MA(1), MA(2), MA(3), MA(4)	12.30	11.92	0.3280
Difference Stationary	dlog(NC)	Constant and 2 lags on the dependent variable	-2.91	-3.19	0.0590
12-month Average			NA	NA	NA
6-month Average			NA	NA	NA

Non-Citizens- Emergency Services: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,722	2,649	-3.36%	2,560	(89)	178
Lag Dependent	2,722	2,649	-1.25%	2,616	(33)	171
ARMA	2,722	2,649	-6.57%	2,475	(174)	155
Difference Stationary	2,722	2,649	0.26%	2,656	7	175
12-month Average	2,722	2,649	-0.11%	2,646	(3)	171
6-month Average	2,722	2,649	-1.21%	2,617	(32)	166

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,649	2,560	3.83%	2,658	98	8
Lag Dependent	2,649	2,616	0.92%	2,640	24	0
ARMA	2,649	2,475	-6.38%	2,317	(158)	(15)
Difference Stationary	2,649	2,656	3.13%	2,739	83	7
12-month Average	2,649	2,646	0.08%	2,648	2	0
6-month Average	2,649	2,617	-2.90%	2,541	(76)	(6)

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,560	2,658	3.69%	2,756	98	8
Lag Dependent	2,616	2,640	0.23%	2,646	6	0
ARMA	2,475	2,317	-6.82%	2,159	(158)	(14)
Difference Stationary	2,656	2,739	2.96%	2,820	81	7
12-month Average	2,646	2,648	0.04%	2,649	1	0
6-month Average	2,617	2,541	-2.99%	2,465	(76)	(6)

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Non-Citizens: Trend Selections

FY 2016-17: -0.11%
 FY 2017-18: 0.08%
 FY 2018-19: 0.04%

Non-Citizens: Justifications

- Average monthly caseload in FY 2015-16 for Non-Citizens was 2,649, which was 40 clients, or 1.49%, under what was forecast in February 2016. The average monthly growth in FY 2015-16 was -21, compared to slight positive average monthly growth in the previous two fiscal years. The Department has dampened the current forecast. Eligibility that is attributable to the expansion to 133% FPL is outlined in the chart below for FY 2015-16.

SB 13-200 Medicaid Expansion Actuals	
Jul-15	528
Aug-15	529
Sep-15	539
Oct-15	531
Nov-15	571
Dec-15	583
Jan-16	576
Feb-16	601
Mar-16	631
Apr-16	613
May-16	618
Jun-16	593

The caseload declines in FY 2006-07 and FY 2007-08 may indicate that eligibility spans for the Non-Citizens clients are now being ended sooner, caused by eligibility technicians actively working more cases because they are required to collect citizenship information. In addition, it is possible that some undocumented citizens are not applying for Medicaid emergency services out of fear due to the Deficit Reduction Act and HB 06S-1023 identification requirements, even though the Medicaid application clearly states that emergency services are exempt. Although the effects of these state and federal legislations, as well as the 60-day post-partum policy change, are unquantifiable, the Department believes that these large declines are unlikely to continue. The Department believes that the caseload volatility in this eligibility type beginning in FY 2008-09 are somewhat related to those experienced in the Baby Care-Adults caseload, as a large portion of the Non-Citizens caseload are pregnant women. Though the cause of this volatility is unknown at this time, the Department does not anticipate that large decreases will continue.

- In the past, this forecast included an adjustment for the effects of SB 13-200 Medicaid expansion; however, beginning with the November 2016 forecast, the Department has determined that there are now sufficient data points to forecast with expansion using statistical modeling, and has removed this adjustment accordingly.

Non-Citizens- Emergency Services: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	2,821	-	-
Jul-14	2,551	(270)	-9.57%
Aug-14	2,494	(57)	-2.23%
Sep-14	2,474	(20)	-0.80%
Oct-14	2,533	59	2.38%
Nov-14	2,444	(89)	-3.51%
Dec-14	2,541	97	3.97%
Jan-15	2,811	270	10.63%
Feb-15	2,775	(36)	-1.28%
Mar-15	2,984	209	7.53%
Apr-15	3,096	112	3.75%
May-15	3,070	(26)	-0.84%
Jun-15	2,885	(185)	-6.03%
Jul-15	2,774	(111)	-3.85%
Aug-15	2,699	(75)	-2.70%
Sep-15	2,635	(64)	-2.37%
Oct-15	2,491	(144)	-5.46%
Nov-15	2,605	114	4.58%
Dec-15	2,616	11	0.42%
Jan-16	2,593	(23)	-0.88%
Feb-16	2,631	38	1.47%
Mar-16	2,722	91	3.46%
Apr-16	2,675	(47)	-1.73%
May-16	2,707	32	1.20%
Jun-16	2,635	(72)	-2.66%

February 2016 Forecast	
Forecasted June 2016 Level	2,831

Base trend from June 2016 level			
FY 2016-17	2,635	-0.53%	(14)

	Caseload	% Change	Level Change
FY 2003-04	4,793	-	-
FY 2004-05	5,150	7.45%	357
FY 2005-06	6,212	20.62%	1,062
FY 2006-07	5,201	-16.27%	(1,011)
FY 2007-08	4,191	-19.42%	(1,010)
FY 2008-09	3,987	-4.87%	(204)
FY 2009-10	3,693	-7.37%	(294)
FY 2010-11	3,213	-13.00%	(480)
FY 2011-12	2,770	-13.79%	(443)
FY 2012-13	2,684	-3.10%	(86)
FY 2013-14	2,481	-7.56%	(203)
FY 2014-15	2,722	9.71%	241
FY 2015-16	2,649	-2.68%	(73)
FY 2016-17	2,646	-0.11%	(3)
FY 2017-18	2,648	0.08%	2
FY 2018-19	2,649	0.04%	1

SB 13-200 Adjustment		
FY 2015-16		0
FY 2016-17		0
FY 2017-18		0
FY 2018-19		0

Changes to Verifying Lawful Presence		
FY 2015-16		0
FY 2016-17		0
FY 2017-18		0
FY 2018-19		0

November 2016 Projections After Adjustments			
FY 2015-16	2,649	-2.68%	(73)
FY 2016-17	2,646	-0.11%	(3)
FY 2017-18	2,648	0.08%	2
FY 2018-19	2,649	0.04%	1

Actuals		
	Monthly Change	% Change
6-month average	3	0.14%
12-month average	(21)	-0.71%
18-month average	5	0.29%
24-month average	(8)	-0.19%

February 2016 Projection Before Adjustments			
FY 2014-15	2,196	-4.38%	(101)
FY 2015-16	2,071	-5.69%	(125)
FY 2016-17	2,049	-1.06%	(22)
FY 2017-18	2,048	-0.05%	(1)

SB 13-200 Adjustment	
FY 2014-15	526
FY 2015-16	592
FY 2016-17	655
FY 2017-18	657

Changes to Verifying Lawful Presence	
FY 2014-15	0
FY 2015-16	26
FY 2016-17	42
FY 2017-18	43

February 2016 Projection After Adjustments			
FY 2014-15	2,722	9.74%	242
FY 2015-16	2,689	-1.21%	(33)
FY 2016-17	2,746	2.12%	57
FY 2017-18	2,748	0.07%	2

Monthly Average Growth Actuals		
FY 2010-11 1st Half	(83)	-2.50%
FY 2010-11 2nd Half	34	1.12%
FY 2010-11	(24)	-0.69%
FY 2011-12 1st Half	(106)	-3.57%
FY 2011-12 2nd Half	38	1.45%
FY 2011-12	(34)	-1.06%
FY 2012-13 1st Half	(46)	-1.70%
FY 2012-13 2nd Half	33	1.29%
FY 2012-13	(7)	-0.20%
FY 2013-14 1st Half	(71)	-2.76%
FY 2013-14 2nd Half	85	3.47%
FY 2013-14	7	0.36%
FY 2014-15 1st Half	(47)	-1.63%
FY 2014-15 2nd Half	57	2.29%
FY 2014-15	5	0.33%
FY 2015-16 1st Half	(45)	-1.56%
FY 2015-16 2nd Half	3	0.14%
FY 2015-16	(21)	-0.71%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	(13)	2	-0.47%	0.08%
FY 2016-17 2nd Half	(13)	(0)	-0.48%	-0.02%
FY 2016-17	(13)	1	-0.47%	0.03%
FY 2017-18 1st Half	11	1	0.42%	0.03%
FY 2017-18 2nd Half	11	(0)	0.41%	-0.01%
FY 2017-18	11	0	0.41%	0.01%
FY 2018-19 1st Half	-	0	-	0.00%
FY 2018-19 2nd Half	-	(0)	-	0.00%
FY 2018-19	-	0	-	0.00%

Partial Dual Eligibles

Medicare-eligible beneficiaries who have incomes at a certain federal poverty level and limited resources may qualify to have Medicaid cover some of their out-of-pocket expenses, such as their Medicare Part B premiums and other coinsurance and deductibles. The two groups of clients that qualify for this cost-sharing program are Qualified Medicare Beneficiaries and Special Low Income Medicare Beneficiaries. This group, formerly known as Qualified Medicare Beneficiaries/Special Low Income Medicare Beneficiaries, is now collectively known as Partial Dual Eligibles. Qualified Medicare Beneficiaries have incomes at or below 100% of the federal poverty level, and resources twice the standard allowed under the federal Supplemental Security Income program. These clients receive hospital insurance and supplementary medical insurance premium coverage along with Medicare coinsurance and deductibles. Special Low Income Medicare Beneficiaries have incomes greater than 100% of the federal poverty level, but less than 120%. For Special Low Income Medicare Beneficiaries, Medicaid only pays the supplementary medical insurance premiums.

25.5-5-101 (1), C.R.S.

(1) Individuals with income and resources at a level which qualifies them as Medicare-eligible under section 301 of Title III of the federal "Medicare Catastrophic Coverage Act".

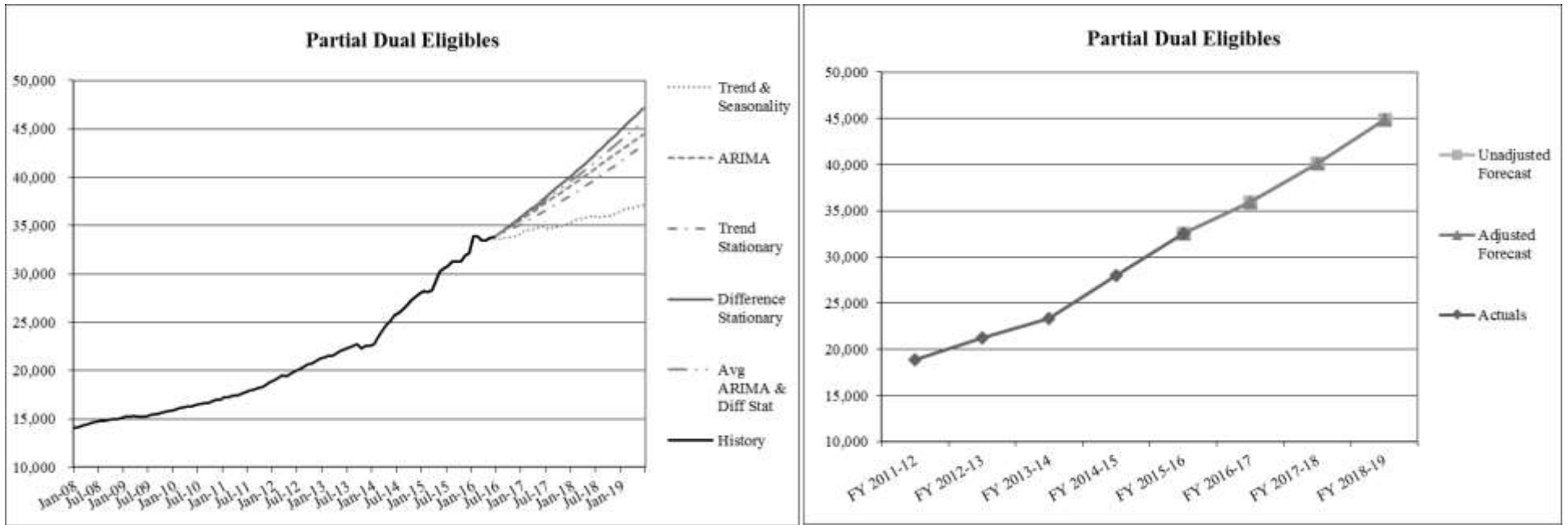
25.5-5-104, C.R.S.

Qualified Medicare beneficiaries are Medicare-eligible individuals with income and resources at a level which qualifies them as eligible under section 301 of Title III of the federal "Medicare Catastrophic Coverage Act of 1988", as amended, or subsequent amending federal legislation.

25.5-5-105, C.R.S.

Qualified disabled and working individuals are persons with income and resources and disability status, as determined by the social security administration, which qualify them as "qualified disabled and working individuals" under sections 6012 and 6408 of the federal "Omnibus Budget Reconciliation Act of 1989", or subsequent amending federal legislation. The state department is hereby designated as the single state agency to administer benefits available to qualified disabled and working individuals. Such benefits are limited to Medicare cost-sharing expenses as determined by the federal government.

Partial Dual Eligibles: Model Results



Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	PDE	Constant, trend, seasonal dummy variables	18.73	18.56	0.8986
ARIMA	d(PDE)	Constant, AR(1), AR(2), MA(1)	13.66	13.61	0.1242
Trend Stationary	log(PDE)	Constant, trend, 2 lags on the dependent variable	-4.50	-4.55	0.9987
Difference Stationary	dlog(PDE)	Constant and 1 lag on the dependent variable	-4.51	-4.54	0.0073
Avg ARIMA & Diff Stat			NA	NA	NA

Partial Dual Eligibles: Model Results ¹						
FY 2016-17	FY 2014-15	FY 2015-16	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	28,045	32,585	5.03%	34,224	1,639	93
ARIMA	28,045	32,585	9.33%	35,625	3,040	283
Trend Stationary	28,045	32,585	8.01%	35,195	2,610	221
Difference Stationary	28,045	32,585	10.20%	35,909	3,324	330
Avg ARIMA & Diff Stat	28,045	32,585	9.77%	35,769	3,184	306

FY 2017-18	FY 2015-16	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	32,585	34,224	3.26%	35,340	1,116	93
ARIMA	32,585	35,625	9.82%	39,123	3,498	296
Trend Stationary	32,585	35,195	8.42%	38,158	2,963	268
Difference Stationary	32,585	35,909	11.77%	40,135	4,226	370
Avg ARIMA & Diff Stat	32,585	35,769	10.80%	39,632	3,863	333

FY 2018-19	Projected FY 2016-17 Caseload	Projected FY 2017-18 Caseload	Projected Growth Rate	Projected FY 2018-19 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	34,224	35,340	3.15%	36,453	1,113	93
ARIMA	35,625	39,123	9.27%	42,750	3,627	307
Trend Stationary	35,195	38,158	9.15%	41,649	3,491	310
Difference Stationary	35,909	40,135	11.77%	44,859	4,724	414
Avg ARIMA & Diff Stat	35,769	39,632	10.54%	43,809	4,177	361

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Partial Dual Eligibles: Trend Selections

FY 2016-17: 10.20%
FY 2017-18: 11.77%
FY 2018-19: 11.77%

Partial Dual Eligibles: Justification

- Average monthly caseload in FY 2015-16 for Partial Dual Eligibles was 32,585, which was 255 clients, or 0.79%, over what was forecast in February 2016. The Department has kept the current forecast on par with the February 2016 forecast, accordingly.
- These clients have higher income than Adults 65 and Older or Disabled Adults 60 to 64, and are relatively healthy. Given the increased life expectancy, more people are living healthier longer, which would support strong growth rates in this population. In addition, this population may be affected by the “baby boomers”, defined by the U.S. Census Bureau as the generation born between 1946 and 1964, beginning in calendar year 2006.
- Caseload trends are somewhat correlated with age and economic indicators. The assets and annuities provisions in the Deficit Reduction Act of 2005 may also contribute to growth in this category, as some clients who might have qualified for the Adults 65 and Older category now have too much income or assets.
- Caseload growth in this category was positive and steady between FY 1999-00 and FY 2003-04. Caseload experienced an unprecedented contraction on FY 2004-05, due to large monthly declines that occurred as a result of the court order regarding the Colorado Benefits Management System. The relatively strong growth since the beginning of FY 2005-06 may be due to a wood work effect from the Medicare Modernization Act, under which Medicare Part D clients are screened for Medicaid as they apply for the low-income subsidy.

Partial Dual Eligibles: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	25,676	-	-
Jul-14	25,963	287	1.12%
Aug-14	26,347	384	1.48%
Sep-14	26,787	440	1.67%
Oct-14	27,229	442	1.65%
Nov-14	27,601	372	1.37%
Dec-14	27,944	343	1.24%
Jan-15	28,226	282	1.01%
Feb-15	28,158	(68)	-0.24%
Mar-15	28,332	174	0.62%
Apr-15	29,170	838	2.96%
May-15	30,224	1,054	3.61%
Jun-15	30,560	336	1.11%
Jul-15	30,877	317	1.04%
Aug-15	31,244	367	1.19%
Sep-15	31,278	34	0.11%
Oct-15	31,293	15	0.05%
Nov-15	31,903	610	1.95%
Dec-15	32,143	240	0.75%
Jan-16	33,921	1,778	5.53%
Feb-16	33,939	18	0.05%
Mar-16	33,442	(497)	-1.46%
Apr-16	33,478	36	0.11%
May-16	33,693	215	0.64%
Jun-16	33,813	120	0.36%

	Caseload	% Change	Level Change
FY 2003-04	9,842	-	-
FY 2004-05	9,605	-2.41%	(237)
FY 2005-06	11,092	15.48%	1,487
FY 2006-07	12,908	16.37%	1,816
FY 2007-08	14,214	10.12%	1,306
FY 2008-09	15,075	6.06%	861
FY 2009-10	15,919	5.60%	844
FY 2010-11	17,090	7.36%	1,171
FY 2011-12	18,871	10.42%	1,781
FY 2012-13	21,206	12.37%	2,335
FY 2013-14	23,378	10.24%	2,172
FY 2014-15	28,045	19.96%	4,667
FY 2015-16	32,585	16.19%	4,540
FY 2016-17	35,909	10.20%	3,324
FY 2017-18	40,135	11.77%	4,226
FY 2018-19	44,859	11.77%	4,724

Actuals		
	Monthly Change	% Change
6-month average	278	0.87%
12-month average	271	0.86%
18-month average	326	1.08%
24-month average	339	1.16%

February 2016 Projection			
FY 2014-15	28,045	19.96%	4,667
FY 2015-16	32,330	15.28%	4,285
FY 2016-17	36,113	11.70%	3,783
FY 2017-18	40,374	11.80%	4,261

Monthly Average Growth Actuals		
FY 2010-11 1st Half	85	0.51%
FY 2010-11 2nd Half	121	0.70%
FY 2010-11	103	0.60%
FY 2011-12 1st Half	179	0.98%
FY 2011-12 2nd Half	189	0.98%
FY 2011-12	184	0.98%
FY 2012-13 1st Half	215	1.05%
FY 2012-13 2nd Half	158	0.73%
FY 2012-13	187	0.89%
FY 2013-14 1st Half	61	0.28%
FY 2013-14 2nd Half	524	2.20%
FY 2013-14	292	1.24%
FY 2014-15 1st Half	378	1.42%
FY 2014-15 2nd Half	436	1.51%
FY 2014-15	407	1.47%
FY 2015-16 1st Half	264	0.85%
FY 2015-16 2nd Half	278	0.87%
FY 2015-16	271	0.86%

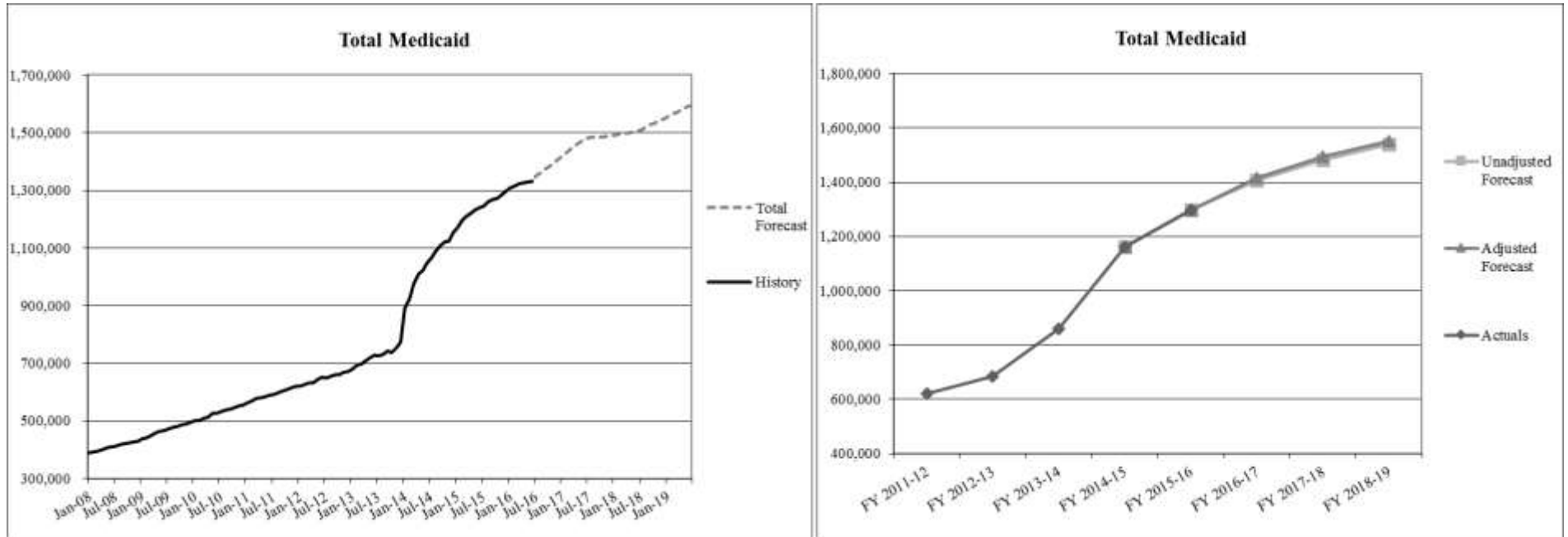
Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	325	319	0.93%	0.92%
FY 2016-17 2nd Half	343	341	0.93%	0.93%
FY 2016-17	334	330	0.93%	0.93%
FY 2017-18 1st Half	363	360	0.93%	0.93%
FY 2017-18 2nd Half	384	381	0.93%	0.93%
FY 2017-18	373	370	0.93%	0.93%
FY 2018-19 1st Half	-	403	-	0.93%
FY 2018-19 2nd Half	-	426	-	0.93%
FY 2018-19	-	414	-	0.93%

February 2016 Forecast	
Forecasted June 2016 Level	33,979

Base trend from June 2016 level			
FY 2016-17	33,813	3.77%	1,228

TOTAL MEDICAID SUMMARY

Average monthly caseload for total Medicaid in FY 2015-16 was 1,296,986, which was 6,094 clients, or 0.47% under what was forecast in February 2016. All adjustments for expansion populations under SB 13-200 have been removed and the data has been incorporated into the statistical modeling behind the forecasts. The Department predicts increased caseload growth in FY 2016-17, with growth leveling out in future years as the Department believes that the aggressive caseload growth associated with the expansionary period will stabilize by FY 2017-18. Average monthly caseload for total Medicaid in FY 2016-17 is projected to grow by 9.10% from FY 2015-16, and then 5.49% from FY 2016-17 to FY 2017-18 and 4.02% from FY 2017-18 to FY 2018-19.



FY 2017-18 BUDGET REQUEST: CASELOAD NARRATIVE

Total Medicaid: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Jun-14	1,047,466	-	-
Jul-14	1,068,332	20,866	1.99%
Aug-14	1,089,078	20,746	1.94%
Sep-14	1,106,597	17,519	1.61%
Oct-14	1,120,120	13,523	1.22%
Nov-14	1,125,105	4,985	0.45%
Dec-14	1,153,171	28,066	2.49%
Jan-15	1,172,532	19,361	1.68%
Feb-15	1,194,129	21,597	1.84%
Mar-15	1,209,912	15,783	1.32%
Apr-15	1,221,991	12,079	1.00%
May-15	1,232,067	10,076	0.82%
Jun-15	1,241,434	9,367	0.76%
Jul-15	1,247,541	6,107	0.49%
Aug-15	1,261,268	13,727	1.10%
Sep-15	1,269,735	8,467	0.67%
Oct-15	1,272,951	3,216	0.25%
Nov-15	1,283,903	10,952	0.86%
Dec-15	1,298,364	14,461	1.13%
Jan-16	1,308,021	9,657	0.74%
Feb-16	1,313,386	5,365	0.41%
Mar-16	1,321,725	8,339	0.63%
Apr-16	1,326,889	5,164	0.39%
May-16	1,329,076	2,187	0.16%
Jun-16	1,330,977	1,901	0.14%

February 2016 Forecast		
Forecasted June 2016 Level		1,359,225

Base trend from June 2016 level		
FY 2016-17	1,330,977	2.62%
		34,038

	Caseload	% Change	Level Change
FY 2003-04	367,559	-	-
FY 2004-05	406,024	10.46%	38,465
FY 2005-06	402,218	-0.94%	(3,806)
FY 2006-07	392,229	-2.48%	(9,989)
FY 2007-08	391,962	-0.07%	(267)
FY 2008-09	436,812	11.44%	44,850
FY 2009-10	498,797	14.19%	61,985
FY 2010-11	560,759	12.42%	61,962
FY 2011-12	619,963	10.56%	59,204
FY 2012-13	682,994	10.17%	63,031
FY 2013-14	860,957	26.06%	177,963
FY 2014-15	1,161,157	34.87%	300,200
FY 2015-16	1,296,939	11.69%	135,782
FY 2016-17	1,406,286	8.43%	109,347
FY 2017-18	1,473,464	4.78%	67,178
FY 2018-19	1,518,135	3.03%	44,671

Total Adjustments		
FY 2015-16		47
FY 2016-17		8,630
FY 2017-18		11,172
FY 2018-19		12,697

November 2016 Projection After Adjustments			
FY 2015-16	1,296,986	11.70%	135,829
FY 2016-17	1,414,916	9.10%	117,930
FY 2017-18	1,484,636	4.93%	69,720
FY 2018-19	1,530,832	3.11%	46,196

Actuals		
	Monthly Change	% Change
6-month average	5,436	0.41%
12-month average	7,462	0.58%
18-month average	9,878	0.80%
24-month average	11,813	1.01%

February 2016 Projection Before Adjustments			
FY 2014-15	1,130,197	32.47%	277,000
FY 2015-16	1,261,496	11.62%	131,299
FY 2016-17	1,342,326	6.41%	80,830
FY 2017-18	1,390,144	3.56%	47,818

Total Adjustments		
FY 2014-15		31,009
FY 2015-16		41,584
FY 2016-17		43,565
FY 2017-18		43,732

February 2016 Projection After Adjustments			
FY 2014-15	1,161,206	36.10%	308,009
FY 2015-16	1,303,080	12.22%	141,874
FY 2016-17	1,385,891	6.36%	82,811
FY 2017-18	1,433,876	3.46%	47,985

Monthly Average Growth Actuals		
FY 2010-11 1st Half	4,891	0.91%
FY 2010-11 2nd Half	5,468	0.96%
FY 2010-11	5,179	0.93%
FY 2011-12 1st Half	5,312	0.88%
FY 2011-12 2nd Half	5,054	0.80%
FY 2011-12	5,183	0.84%
FY 2012-13 1st Half	3,460	0.53%
FY 2012-13 2nd Half	9,533	1.37%
FY 2012-13	6,496	0.95%
FY 2013-14 1st Half	7,313	0.99%
FY 2013-14 2nd Half	45,752	5.29%
FY 2013-14	26,533	3.14%
FY 2014-15 1st Half	17,618	1.62%
FY 2014-15 2nd Half	14,711	1.24%
FY 2014-15	16,164	1.43%
FY 2015-16 1st Half	9,488	0.75%
FY 2015-16 2nd Half	5,436	0.41%
FY 2015-16	7,462	0.58%

Monthly Average Growth Comparisons				
Request	Monthly Change		Percent Change	
	S-1	R-1	S-1	R-1
FY 2016-17 1st Half	4,102	12,810	0.30%	0.94%
FY 2016-17 2nd Half	4,102	12,034	0.29%	0.84%
FY 2016-17	4,102	12,422	0.30%	0.89%
FY 2017-18 1st Half	3,911	422	0.28%	0.03%
FY 2017-18 2nd Half	3,911	1,210	0.27%	0.08%
FY 2017-18	3,911	816	0.27%	0.05%
FY 2018-19 1st Half	-	6,189	-	0.41%
FY 2018-19 2nd Half	-	6,489	-	0.42%
FY 2018-19	-	6,339	-	0.42%