

Colorado Healthcare Affordability and Sustainability Enterprise Annual Report Addendum

Feb. 22, 2023



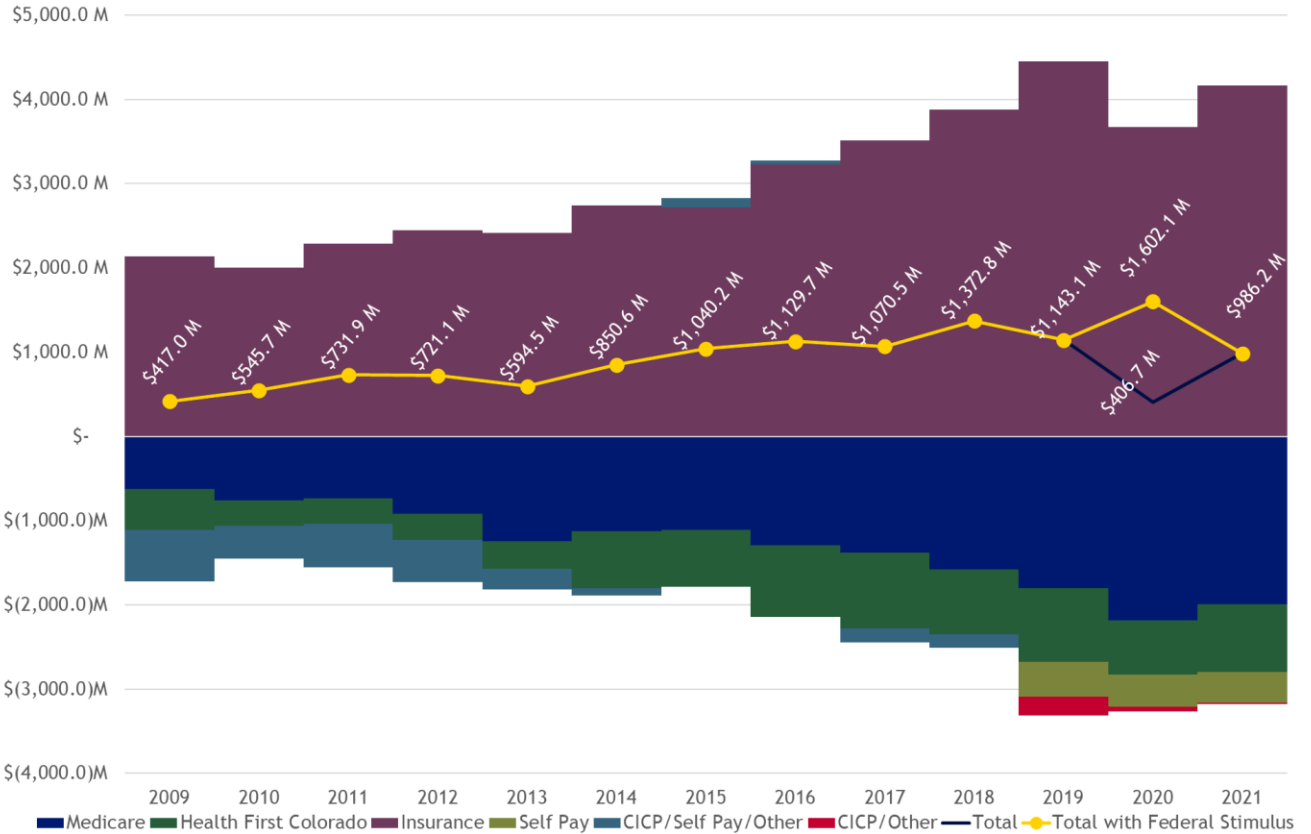
CHASE

Colorado Healthcare Affordability and
Sustainability Enterprise

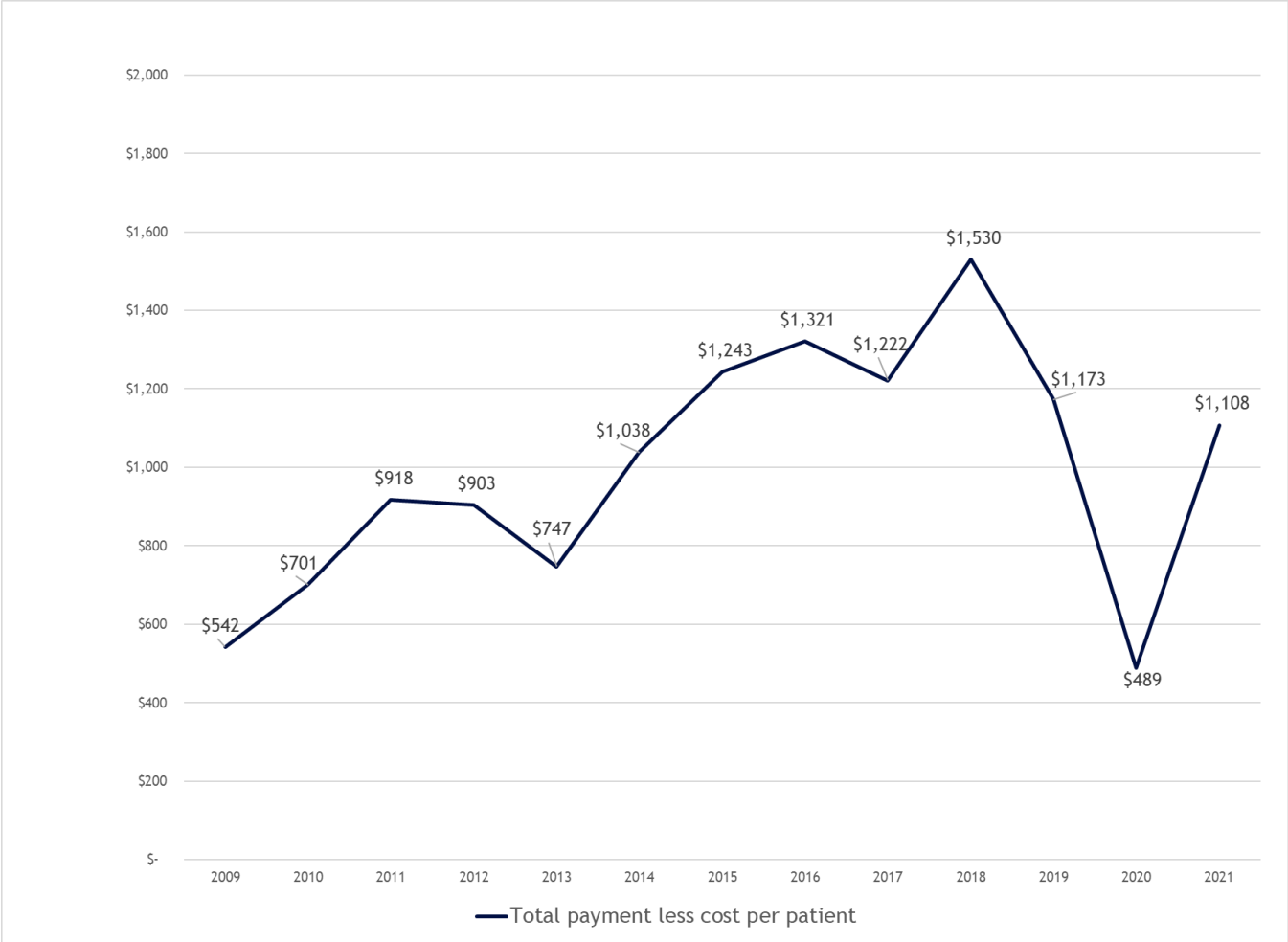
This addendum reflects changes to Section V. Cost Shift and related information included in the report's appendix after the publication of the 2023 Colorado Healthcare Affordability and Sustainability Enterprise (CHASE) Annual Report. This addendum comes forth following National Jewish Health's notification to the Department of Health Care Policy & Financing (the Department) of changes to its operating expenses and revenues. National Jewish Health provided total amounts for net income and operating income within the notes section of the template instead of revenue section of the reporting template. In order to appropriately reach bottom-line values, changes were made to revenues and expenses. These changes included \$115 million increase to operating expenses and \$230 million to other operating revenue. The Department believes it is prudent to provide an addendum to the report to reflect the most accurate information. These changes affect the statewide cost-to-charge ratio which is used to determine hospitals' costs of providing care and is reported in various tables and figures included in the Cost Shift and Appendix B of the published report. More specifically, these changes pertain to the operating expenses and other operating revenue, which make up the cost-to-charge ratio, which the Department uses to calculate costs from total charges, and affect related calculations concerning hospitals' costs of care, i.e., payment to cost, payment less cost, costs, and uncompensated costs calculations. Please note, other operating revenue does not affect payments and is not affected by this change; therefore, graphics and tables related to payments are not updated or included in this addendum. Please see below for the following addendum changes:

Revised Table 7. Payment to Cost Ratio, Post H.B. 19-1001

Year	Medicare	Health First Colorado	Insurance	Self Pay	CICP/ Other	Overall
2019	0.72	0.75	1.85	0.26	0.71	1.07
2020	0.67	0.83	1.66	0.43	0.94	1.02
2020 w/ stimulus	0.74	0.89	1.73	0.49	1.01	1.09
2021	0.73	0.80	1.72	0.35	0.99	1.05



Revised Figure 2. Payment Less Cost



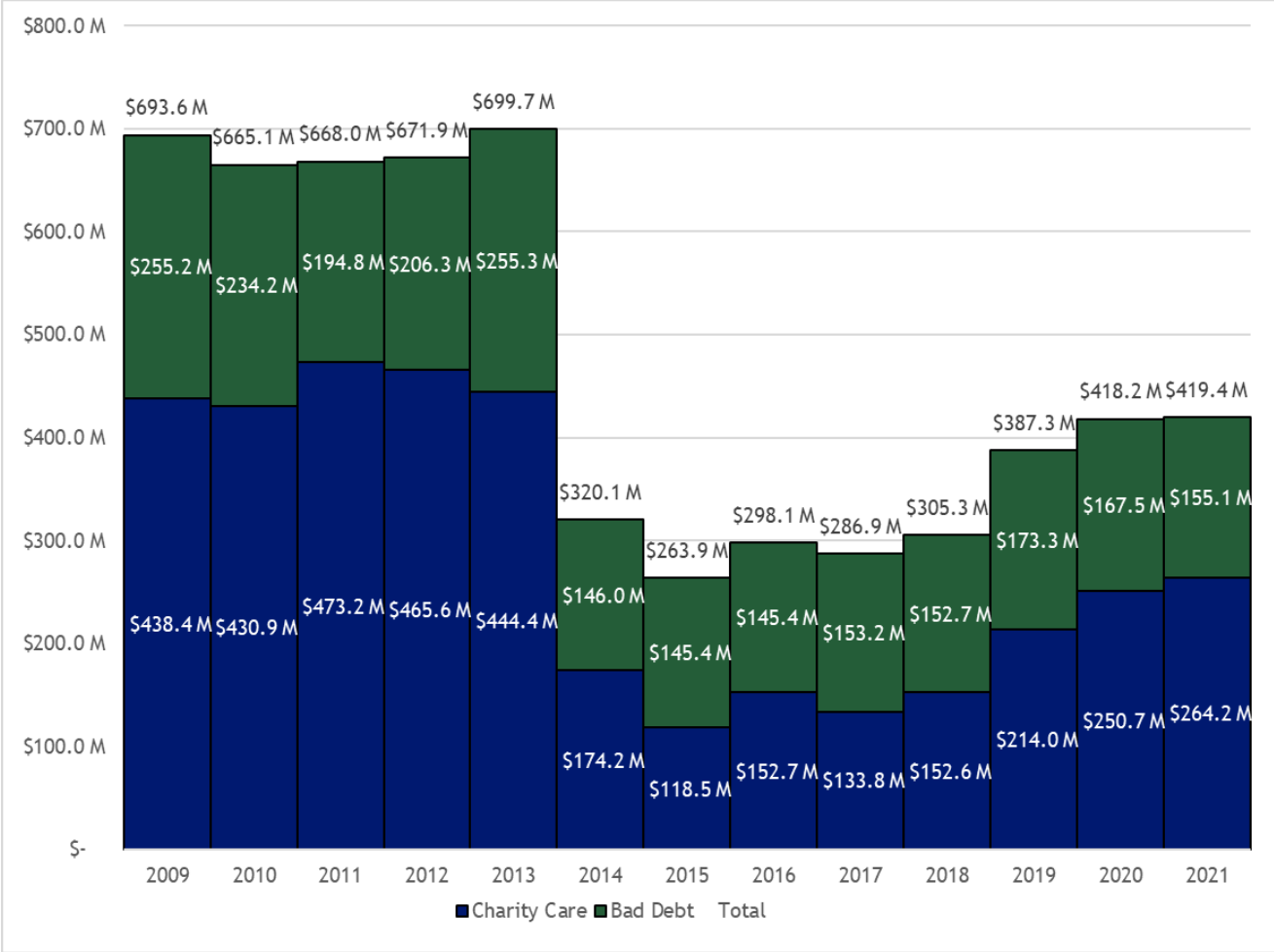
Revised Figure 3. Total Payment Less Cost per Patient

Revised Table 9. Payment Less Cost Per Patient by Payer Group, Post H.B. 19-1001

Year	Medicare	Health First Colorado	Insurance	Self Pay	CICP/ Other	Overall
2019	(\$5,429)	(\$3,820)	\$13,632	(\$8,399)	(\$3,935)	\$1,173
2020	(\$7,649)	(\$3,333)	\$13,640	(\$9,309)	(\$1,123)	\$489
2020 w/ stimulus	(\$6,048)	(\$2,024)	\$15,042	(\$8,205)	\$97	\$1,928
2021	(\$6,439)	(\$3,774)	\$14,297	(\$10,350)	(\$287)	\$1,108

Revised Table 10. All-Payer Payment, Cost and Profit

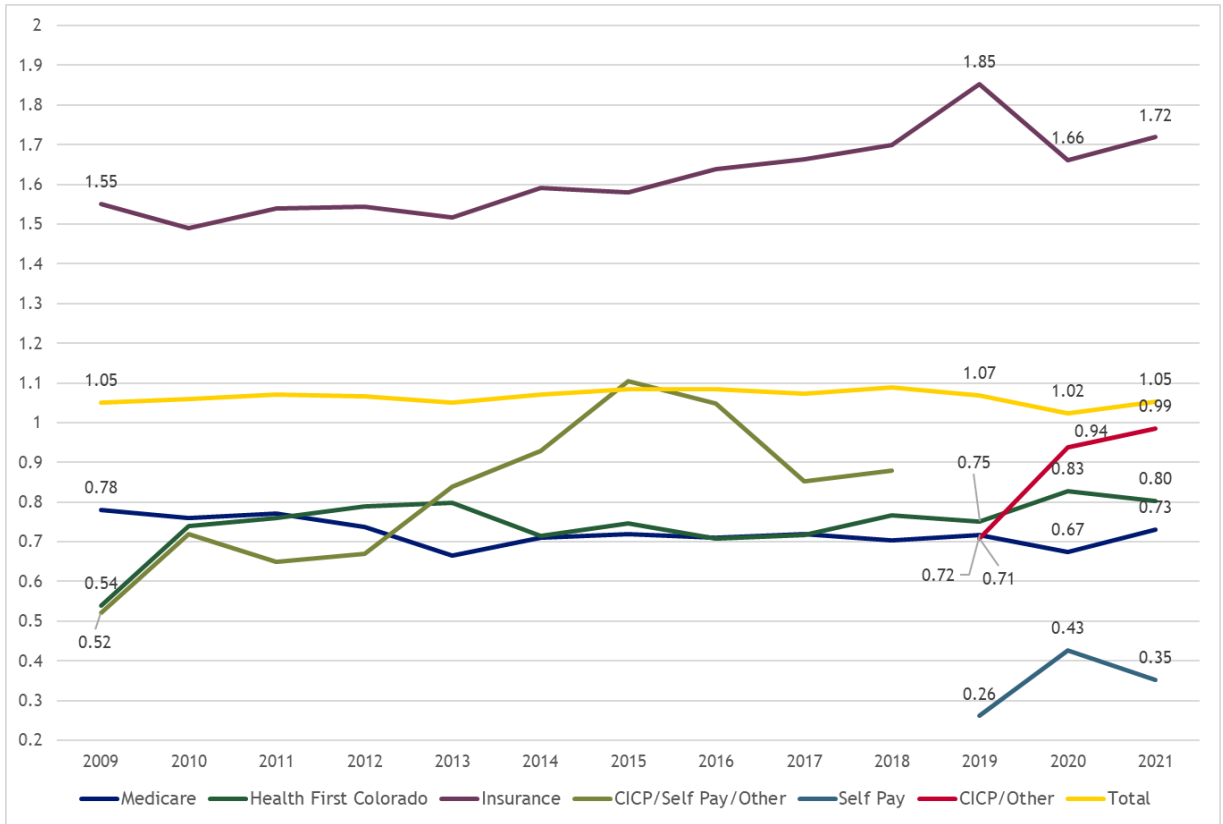
Year	Payment Per Patient	Cost Per Patient	Profit Per Patient
2009	\$12,313	\$11,771	\$542
2010	\$13,285	\$12,584	\$701
2011	\$13,786	\$12,868	\$918
2012	\$14,663	\$13,760	\$903
2013	\$15,224	\$14,477	\$747
2014	\$15,766	\$14,727	\$1,039
2015	\$16,045	\$14,802	\$1,243
2016	\$17,126	\$15,779	\$1,347
2017	\$17,777	\$16,555	\$1,222
2018	\$18,816	\$17,286	\$1,530
2019	\$18,028	\$16,855	\$1,173
2020	\$21,628	\$21,138	\$489
2020 w/ stimulus	\$23,066	\$21,138	\$1,928
2021	\$22,296	\$21,188	\$1,108
Average Annual Change	5.2%	5.2%	14.1%



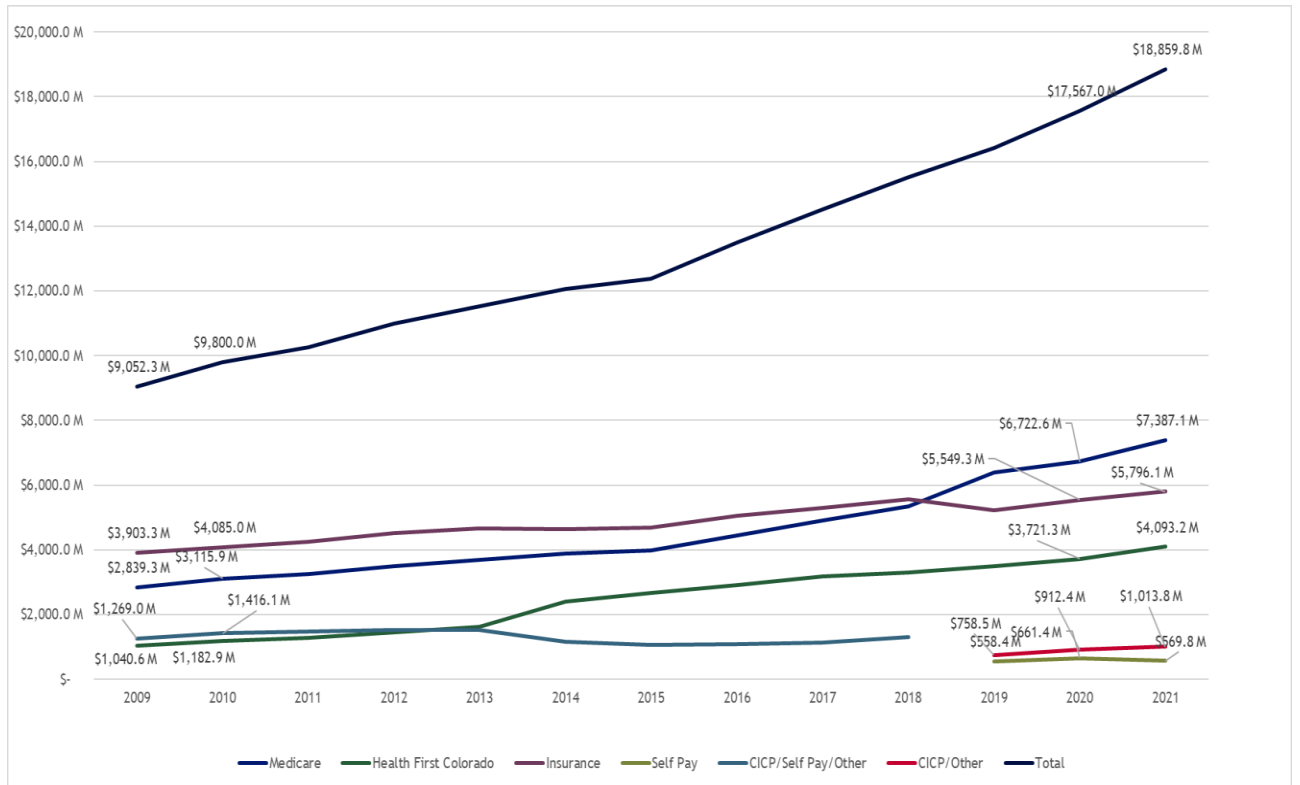
Revised Figure 4. Bad Debt and Charity Care Costs

Revised Table 11. Bad Debt and Charity Care Cost

Year	Bad Debt	Charity Care	Total
2009	\$255,161,427	\$438,432,609	\$693,594,036
2010	\$234,216,738	\$430,871,543	\$665,088,281
2011	\$194,825,791	\$473,157,782	\$667,983,573
2012	\$206,347,067	\$465,558,867	\$671,905,934
2013	\$255,306,707	\$444,436,807	\$699,743,514
2014	\$145,964,802	\$174,150,188	\$320,114,990
2015	\$145,358,187	\$118,526,410	\$263,884,597
2016	\$145,381,741	\$147,180,251	\$292,561,992
2017	\$153,155,478	\$133,783,564	\$286,939,042
2018	\$152,713,948	\$152,595,060	\$305,309,008
2019	\$173,262,902	\$213,901,358	\$387,164,261
2020	\$167,473,212	\$250,719,192	\$418,192,404
2021	\$155,013,736	\$264,246,544	\$419,350,280



Revised Figure 9. Payment to Cost Ratio by Payer Group



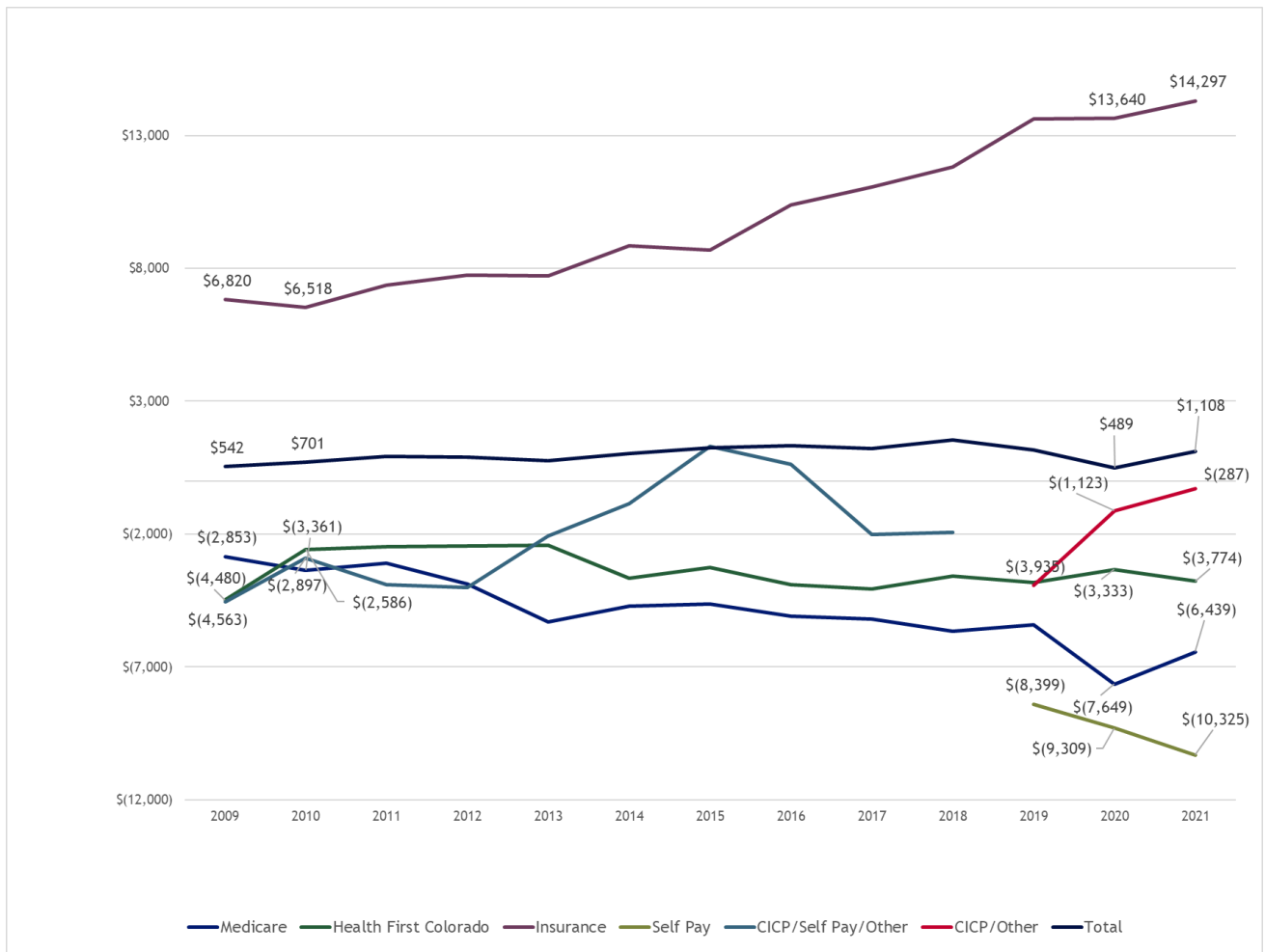
Revised Figure 11. Total Costs by Payer Group

Revised Table 21. Total Costs by Payer Group, Post H.B. 19-1001

Year	Medicare	Health First Colorado	Insurance	Self Pay	CICP/Other	Overall
2019	\$6,379,944,382	\$3,503,491,222	\$5,224,156,904	\$558,378,876	\$758,530,612	\$16,424,501,999
2020	\$6,722,556,873	\$3,721,312,851	\$5,549,276,827	\$661,423,033	\$912,442,762	\$17,567,012,347
2021	\$7,387,056,867	\$4,093,167,274	\$5,796,054,050	\$569,795,624	\$1,013,753,162	\$18,859,826,978

Revised Table 23. Payment Less Cost by Payer Group, Post H.B. 19-1001

Year	Medicare	Health First Colorado	Insurance	Self pay	CICP/Other	Overall
2019	(\$1,805,149,943)	(\$870,115,637)	\$4,452,854,554	(\$412,604,528)	(\$221,886,903)	\$1,143,097,541
2020	(\$2,185,483,264)	(\$644,763,222)	\$3,673,574,068	(\$379,489,073)	(\$57,130,670)	\$406,707,840
2021	(\$1,988,685,770)	(\$807,122,212)	\$4,165,835,680	(\$369,496,132)	(\$14,359,100)	\$986,172,466



Revised Figure 12. Payment less cost per patient by Payer Type