

**Schedule 13**

**Funding Request for the FY 2022-23 Budget Cycle**

**Health Care Policy and Financing**

Request Title

**S-17 Remove CUSOM Clinical Revenue Funding**  
**BA-17 Remove CUSOM Clinical Revenue Funding**

Dept. Approval By: 

X Supplemental FY FY 2021-22

OSPB Approval By: Meredith Moon

X Budget Amendment FY FY 2022-23

Summary Information	Fund	FY 2021-22		FY 2022-23		FY 2023-24
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	<b>Total</b>	<b>\$10,035,602,168</b>	<b>(\$26,229,678)</b>	<b>\$10,081,489,191</b>	<b>(\$24,649,011)</b>	<b>(\$23,130,262)</b>
	FTE	560.9	0.0	564.4	(2.0)	(2.0)
<b>Total of All Line Items Impacted by Change Request</b>	GF	\$2,422,956,357	\$0	\$2,626,472,655	\$0	\$0
	CF	\$1,201,402,360	(\$11,488,599)	\$1,146,005,570	(\$11,565,131)	(\$11,565,131)
	RF	\$85,224,450	\$0	\$90,283,432	\$0	\$0
	FF	\$6,326,019,001	(\$14,741,079)	\$6,218,727,534	(\$13,083,880)	(\$11,565,131)

Line Item Information	Fund	FY 2021-22		FY 2022-23		FY 2023-24
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
<b>01. Executive Director's Office - Personal Services</b>						
	<b>Total</b>	<b>\$46,430,090</b>	<b>\$0</b>	<b>\$48,168,150</b>	<b>(\$150,364)</b>	<b>(\$150,364)</b>
	FTE	560.9	0.0	564.4	(2.0)	(2.0)
	GF	\$17,965,940	\$0	\$18,939,543	\$0	\$0
	CF	\$4,404,610	\$0	\$4,386,646	(\$75,182)	(\$75,182)
	RF	\$1,892,340	\$0	\$1,835,729	\$0	\$0
	FF	\$22,167,200	\$0	\$23,006,232	(\$75,182)	(\$75,182)
<b>01. Executive Director's Office - Operating Expenses</b>						
	<b>Total</b>	<b>\$2,775,315</b>	<b>\$0</b>	<b>\$2,432,567</b>	<b>(\$2,700)</b>	<b>(\$2,700)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$1,209,995	\$0	\$1,035,087	\$0	\$0
	CF	\$251,588	\$0	\$212,239	(\$1,350)	(\$1,350)
	RF	\$13,297	\$0	\$13,297	\$0	\$0
	FF	\$1,300,435	\$0	\$1,171,944	(\$1,350)	(\$1,350)
<b>02. Medical Services Premiums - Medical Services Premiums</b>						
	<b>Total</b>	<b>\$9,986,396,763</b>	<b>(\$26,229,678)</b>	<b>\$10,030,888,474</b>	<b>(\$24,495,947)</b>	<b>(\$22,977,198)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$2,403,780,422	\$0	\$2,606,498,025	\$0	\$0
	CF	\$1,196,746,162	(\$11,488,599)	\$1,141,406,685	(\$11,488,599)	(\$11,488,599)
	RF	\$83,318,813	\$0	\$88,434,406	\$0	\$0
	FF	\$6,302,551,366	(\$14,741,079)	\$6,194,549,358	(\$13,007,348)	(\$11,488,599)

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Health Care Policy and Financing Prioritized Request	Interagency Approval or Related Schedule 13s:	None



**Department Priority: S-17, BA-17  
Request Detail: Remove CUSOM Clinical Revenue Funding**

**Summary of Funding Change for FY 2021-22 and FY 2022-23**

	FY 2021-22 Appropriation	Incremental Change	
		FY 2021-22 Request	FY 2022-23 Request
Total Funds	\$10,035,602,168	(\$26,229,678)	(\$24,649,011)
FTE	560.9	0.0	(2.0)
General Fund	\$2,422,956,357	\$0	\$0
Cash Funds	\$1,201,402,360	(\$11,488,599)	(\$11,565,131)
Reappropriated Funds	\$85,224,450	\$0	\$0
Federal Funds	\$6,326,019,001	(\$14,741,079)	(\$13,083,880)

***Summary of Request***

The Department of Health Care Policy & Financing (the department) requests a reduction in funding starting in FY 2021-22 to eliminate the supplemental payment to the University of Colorado School of Medicine (CUSOM) supported by an intergovernmental transfer (IGT) of clinical revenues, as well as a reduction of the 2.0 FTE supporting oversight of the program starting in FY 2022-23. The state has reached spending limits imposed by the Taxpayer Bill of Rights (TABOR) and must find cost savings measures to stay under the cap.

### ***Current Program***

As part of S.B. 21-205, the FY 2021-22 Long Appropriations Bill, the department was appropriated funding to use an intergovernmental transfer from the University of Colorado School of Medicine (CUSOM) to draw down matching federal funds and make supplemental payments to CUSOM. This intergovernmental transfer consists of clinical revenues generated by the CUSOM. The funding was intended to help develop the recently formed Aurora Community Health Commons, fund scholarships and training, help address social determinants of health, and expand training and support for eConsults and telemedicine. Additionally, two FTE were appropriated to the department to assist with oversight of the program.

### ***Problem or Opportunity***

The state has reached the limit imposed in the Taxpayer's Bill of Rights (TABOR) Amendment and cannot spend certain sources of revenue past this cap. The CUSOM intergovernmental transfer is subject to the TABOR limit; eliminating the transfer will help reduce overall state spending to below the limit.

### ***Proposed Solution***

The department requests a reduction of \$11,488,599 cash funds and \$14,741,079 federal funds in FY 2021-22 and \$11,565,131 cash funds and \$13,083,880 federal funds, including a reduction of 2.0 FTE in FY 2022-23 to eliminate the CUSOM clinical revenue program as a cost savings measure to stay beneath the TABOR limit.

The department requests no funding changes in FY 2021-22 for the 2.0 FTE appropriated through S.B. 21-205 FY 2021-22 Long Appropriations Bill. The requested reduction in the 2.0 FTE will start in FY 2022-23 with the assumption that they will instead be funded by reappropriated General Fund from the Department of Higher Education with approval of the Department of Health Care Policy & Financing's FY 2022-23 R-12 Convert Contractor Resources to FTE.<sup>1</sup> These FTE are required for continuity of operations in the overarching CUSOM Physician Supplemental Payment program. These FTE are responsible for calculating CUSOM performance metrics, validating CUSOM data, measuring provider enrollment and member access, holding CUSOM accountable to department goals, supporting community collaboration efforts and access to care work, and

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<sup>1</sup> [https://hcpf.colorado.gov/sites/hcpf/files/HCPF%2C%20FY23%2C%20R-12%20Convert%20Contractor%20Resources%20to%20FTE\\_Final.pdf](https://hcpf.colorado.gov/sites/hcpf/files/HCPF%2C%20FY23%2C%20R-12%20Convert%20Contractor%20Resources%20to%20FTE_Final.pdf)

providing program-level support such as meeting and site visit coordination, reporting, and deliverable tracking.

As this request is technical in nature and concerns the adjustment of appropriated funding, this request is not ranked on the Office of State Planning and Budgeting's Evidence Continuum.

### ***Anticipated Outcomes***

The department anticipates a limited impact as this program started in FY 2021-22 and is still in the early stages of development. Additional federal funds that are provided to the CUSOM will be reduced by \$14.7 million in FY 2021-22 and \$13.0 million in FY 2022-23 compared to the current budget.

### ***Assumptions and Calculations***

Please refer to Appendix A for details on requested reductions by appropriation. These figures reflect reversing the funding appropriated to this program in S.B. 21-205 FY 2021-22 Long Appropriations Bill.

### ***Supplemental, 1331 Supplemental or Budget Amendment Criteria***

This supplemental funding request is being made due to new information that was not available when FY 2021-22 appropriations were set. The state has reached the TABOR revenue limit.

S-17, BA-17 Remove CUSOM Clinical Revenue Funding  
Appendix A: Assumptions and Calculations

Table 1.0 Remove CUSOM Clinical Revenue Funding Summary by Line Item FY 2021-22									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) General Administration, Personal Services	\$0	0.0	\$0	\$0	\$0	\$0	50.00%	Table 2.0 Row A
B	(1) Executive Director's Office; (A) General Administration, Operating Expenses	\$0	0.0	\$0	\$0	\$0	\$0	50.00%	Table 2.0 Row A
C	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$26,229,678)	0.0	\$0	(\$11,488,599)	\$0	(\$14,741,079)	56.20%	Table 2.0 Row B
D	<b>Total Request</b>	<b>(\$26,229,678)</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$11,488,599)</b>	<b>\$0</b>	<b>(\$14,741,079)</b>		Sum of Rows A through C

Table 1.1 Remove CUSOM Clinical Revenue Funding Summary by Line Item FY 2022-23									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) General Administration, Personal Services	(\$150,364)	(2.0)	\$0	(\$75,182)	\$0	(\$75,182)	50.00%	Table 2.1 Row A
B	(1) Executive Director's Office; (A) General Administration, Operating Expenses	(\$2,700)	0.0	\$0	(\$1,350)	\$0	(\$1,350)	50.00%	Table 2.1 Row A
C	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$24,495,947)	0.0	\$0	(\$11,488,599)	\$0	(\$13,007,348)	53.10%	Table 2.1 Row B
D	<b>Total Request</b>	<b>(\$24,649,011)</b>	<b>(2.0)</b>	<b>\$0</b>	<b>(\$11,565,131)</b>	<b>\$0</b>	<b>(\$13,083,880)</b>		Sum of Rows A through C

Table 1.2 Remove CUSOM Clinical Revenue Funding Summary by Line Item FY 2023-24 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) General Administration, Personal Services	(\$150,364)	(2.0)	\$0	(\$75,182)	\$0	(\$75,182)	50.00%	Table 2.2 Row A
B	(1) Executive Director's Office; (A) General Administration, Operating Expenses	(\$2,700)	0.0	\$0	(\$1,350)	\$0	(\$1,350)	50.00%	Table 2.2 Row A
C	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$22,977,198)	0.0	\$0	(\$11,488,599)	\$0	(\$11,488,599)	50.00%	Table 2.2 Row B
D	<b>Total Request</b>	<b>(\$23,130,262)</b>	<b>(2.0)</b>	<b>\$0</b>	<b>(\$11,565,131)</b>	<b>\$0</b>	<b>(\$11,565,131)</b>		Sum of Rows A through C

S-17, BA-17 Remove CUSOM Clinical Revenue Funding  
Appendix A: Assumptions and Calculations

Table 2.0 Remove CUSOM Clinical Revenue Funding Summary by Initiative FY 2021-22									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Program Administration	\$0	0.0	\$0	\$0	\$0	\$0	50.00%	No changes in FY 2021-22
B	Supplemental Payment	(\$26,229,678)	0.0	\$0	(\$11,488,599)	\$0	(\$14,741,079)	56.20%	SB 21-205 FY 2021-22 Long Bill Appropriation
<b>C</b>	<b>Total Request</b>	<b>(\$26,229,678)</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$11,488,599)</b>	<b>\$0</b>	<b>(\$14,741,079)</b>		Sum of Rows A through B

Table 2.1 Remove CUSOM Clinical Revenue Funding Summary by Initiative FY 2022-23									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Program Administration	(\$153,064)	(2.0)	\$0	(\$76,532)	\$0	(\$76,532)	50.00%	SB 21-205 FY 2021-22 Long Bill Appropriation
B	Supplemental Payment	(\$24,495,947)	0.0	\$0	(\$11,488,599)	\$0	(\$13,007,348)	53.10%	SB 21-205 FY 2021-22 Long Bill Appropriation
<b>C</b>	<b>Total Request</b>	<b>(\$24,649,011)</b>	<b>(2.0)</b>	<b>\$0</b>	<b>(\$11,565,131)</b>	<b>\$0</b>	<b>(\$13,083,880)</b>		Sum of Rows A through B

Table 2.2 Remove CUSOM Clinical Revenue Funding Summary by Initiative FY 2023-24 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Program Administration	(\$153,064)	(2.0)	\$0	(\$76,532)	\$0	(\$76,532)	50.00%	SB 21-205 FY 2021-22 Long Bill Appropriation
B	Supplemental Payment	(\$22,977,198)	0.0	\$0	(\$11,488,599)	\$0	(\$11,488,599)	50.00%	SB 21-205 FY 2021-22 Long Bill Appropriation
<b>C</b>	<b>Total Request</b>	<b>(\$23,130,262)</b>	<b>(2.0)</b>	<b>\$0</b>	<b>(\$11,565,131)</b>	<b>\$0</b>	<b>(\$11,565,131)</b>		Sum of Rows A through B