

Department of Health Care Policy and Financing

Funding Request for the FY 2025-26 Budget Cycle

Request Title

R-10 Administrative Alignment

Dept. Approval By: \_\_\_\_\_ Supplemental FY 2024-25  
 OSPB Approval By: \_\_\_\_\_ Budget Amendment FY 2025-26  
 \_\_\_\_\_ X \_\_\_\_\_ Change Request FY 2025-26

Summary Information	Fund	FY 2024-25		FY 2025-26		FY 2026-27
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		<b>\$254,070,604</b>	<b>\$0</b>	<b>\$245,395,505</b>	<b>(\$4,261,930)</b>	<b>(\$5,239,884)</b>
FTE		795.8	0.0	753.3	6.4	7.0
GF		\$77,472,701	\$0	\$74,080,584	(\$2,199,800)	(\$2,199,800)
CF		\$27,387,927	\$0	\$25,300,933	\$68,836	(\$420,141)
RF		\$16,805,594	\$0	\$16,488,073	\$0	\$0
FF		\$132,404,382	\$0	\$129,525,915	(\$2,130,966)	(\$2,619,943)

Line Item Information	Fund	FY 2024-25		FY 2025-26		FY 2026-27
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		<b>\$74,559,074</b>	<b>\$0</b>	<b>\$71,488,619</b>	<b>\$551,669</b>	<b>\$599,641</b>
FTE		795.8	0.0	753.3	6.4	7.0
GF		\$27,137,849	\$0	\$28,080,949	\$0	\$0
CF		\$8,253,521	\$0	\$5,832,260	\$275,835	\$299,821
RF		\$3,153,686	\$0	\$2,988,332	\$0	\$0
FF		\$36,014,018	\$0	\$34,587,078	\$275,834	\$299,820

<b>Total</b>		<b>\$13,109,391</b>	<b>\$0</b>	<b>\$13,288,253</b>	<b>\$90,342</b>	<b>\$105,560</b>
FTE		0.0	0.0	0.0	0.0	0.0
GF		\$5,465,466	\$0	\$5,677,146	(\$351,232)	(\$351,232)
CF		\$953,573	\$0	\$680,909	\$396,403	\$404,012
RF		\$59,708	\$0	\$0	\$0	\$0
FF		\$6,630,644	\$0	\$6,930,198	\$45,171	\$52,780

<b>Total</b>		<b>\$63,638</b>	<b>\$0</b>	<b>\$117,713</b>	<b>\$731</b>	<b>\$850</b>
FTE		0.0	0.0	0.0	0.0	0.0
GF		\$52,016	\$0	\$50,724	\$591	\$591
CF		\$9,094	\$0	\$5,301	(\$225)	(\$166)
RF		\$568	\$0	\$0	\$0	\$0
FF		\$1,960	\$0	\$61,688	\$365	\$425

	<b>Total</b>	<b>\$363,855</b>	<b>\$0</b>	<b>\$375,873</b>	<b>\$2,196</b>	<b>\$2,388</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Paid Family and Medical Leave Insurance	GF	\$156,036	\$0	\$152,172	(\$5,509)	(\$5,509)
	CF	\$21,973	\$0	\$27,258	\$6,607	\$6,703
	RF	\$1,705	\$0	\$0	\$0	\$0
	FF	\$184,141	\$0	\$196,443	\$1,098	\$1,194

	<b>Total</b>	<b>\$8,320,007</b>	<b>\$0</b>	<b>\$7,879,076</b>	<b>\$48,796</b>	<b>\$53,037</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Unfunded Liability AED Payments	GF	\$3,467,483	\$0	\$3,381,599	(\$225,571)	(\$225,571)
	CF	\$605,199	\$0	\$368,909	\$249,969	\$252,090
	RF	\$37,888	\$0	\$0	\$0	\$0
	FF	\$4,209,437	\$0	\$4,128,568	\$24,398	\$26,518

	<b>Total</b>	<b>\$1,448,480</b>	<b>\$0</b>	<b>\$1,638,428</b>	<b>\$0</b>	<b>\$0</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
PERA Direct Distribution	GF	\$622,267	\$0	\$663,316	(\$22,186)	(\$22,186)
	CF	\$86,329	\$0	\$118,817	\$22,186	\$22,186
	RF	\$6,808	\$0	\$0	\$0	\$0
	FF	\$733,076	\$0	\$856,295	\$0	\$0

	<b>Total</b>	<b>\$1,900,577</b>	<b>\$0</b>	<b>\$2,299,634</b>	<b>\$0</b>	<b>\$0</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Salary Survey	GF	\$816,490	\$0	\$931,069	(\$29,112)	(\$29,112)
	CF	\$113,274	\$0	\$166,773	\$29,112	\$29,112
	RF	\$8,932	\$0	\$0	\$0	\$0
	FF	\$961,881	\$0	\$1,201,792	\$0	\$0

	<b>Total</b>	<b>\$834,248</b>	<b>\$0</b>	<b>\$151,359</b>	<b>\$0</b>	<b>\$0</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration - Step Pay	GF	\$358,393	\$0	\$58,370	(\$12,778)	(\$12,778)
	CF	\$49,721	\$0	\$10,885	\$12,778	\$12,778
	RF	\$3,921	\$0	\$0	\$0	\$0
	FF	\$422,213	\$0	\$82,104	\$0	\$0

	<b>Total</b>	<b>\$5,978</b>	<b>\$0</b>	<b>\$5,978</b>	<b>\$0</b>	<b>\$0</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Temporary Employees Related to Authorized Leave	GF	\$2,414	\$0	\$2,414	(\$66)	(\$66)
	CF	\$400	\$0	\$400	\$66	\$66
	RF	\$112	\$0	\$112	\$0	\$0
	FF	\$3,052	\$0	\$3,052	\$0	\$0

	<b>Total</b>	<b>\$254,896</b>	<b>\$0</b>	<b>\$212,366</b>	<b>\$0</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$92,516	\$0	\$82,310	\$7,336	\$7,336
General Administration - Worker's Compensation	CF	\$27,708	\$0	\$16,650	(\$7,336)	(\$7,336)
	RF	\$7,224	\$0	\$7,224	\$0	\$0
	FF	\$127,448	\$0	\$106,182	\$0	\$0

	<b>Total</b>	<b>\$3,244,093</b>	<b>\$0</b>	<b>\$3,029,493</b>	<b>\$53,732</b>	<b>\$5,144</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$1,302,594	\$0	\$1,254,022	\$35,347	\$35,347
General Administration - Operating Expenses	CF	\$307,043	\$0	\$265,664	(\$8,481)	(\$32,775)
	RF	\$61,415	\$0	\$28,778	\$0	\$0
	FF	\$1,573,041	\$0	\$1,481,029	\$26,866	\$2,572

	<b>Total</b>	<b>\$4,082,364</b>	<b>\$0</b>	<b>\$2,939,957</b>	<b>\$0</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$2,270,664	\$0	\$867,156	(\$319,781)	(\$319,781)
General Administration - Legal Services	CF	\$327,629	\$0	\$533,409	\$319,781	\$319,781
	RF	\$71,089	\$0	\$71,089	\$0	\$0
	FF	\$1,412,982	\$0	\$1,468,303	\$0	\$0

	<b>Total</b>	<b>\$822,526</b>	<b>\$0</b>	<b>\$2,293,425</b>	<b>\$0</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$300,504	\$0	\$753,598	(\$45,156)	(\$45,156)
General Administration - Administrative Law Judge Services	CF	\$89,409	\$0	\$371,764	\$45,156	\$45,156
	RF	\$21,350	\$0	\$21,350	\$0	\$0
	FF	\$411,263	\$0	\$1,146,713	\$0	\$0

	<b>Total</b>	<b>\$249,605</b>	<b>\$0</b>	<b>\$143,867</b>	<b>\$0</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$87,781	\$0	\$38,723	(\$13,704)	(\$13,704)
General Administration - Payment to Risk Management and Property Funds	CF	\$27,132	\$0	\$23,321	\$13,704	\$13,704
	RF	\$9,889	\$0	\$9,889	\$0	\$0
	FF	\$124,803	\$0	\$71,934	\$0	\$0

	<b>Total</b>	<b>\$3,773,214</b>	<b>\$0</b>	<b>\$3,659,145</b>	<b>\$32,550</b>	<b>\$32,550</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$1,492,962	\$0	\$1,507,087	(\$339,711)	(\$339,711)
General Administration - Leased Space	CF	\$357,429	\$0	\$286,270	\$355,986	\$355,986
	RF	\$38,849	\$0	\$38,849	\$0	\$0
	FF	\$1,883,974	\$0	\$1,826,939	\$16,275	\$16,275

	<b>Total</b>	<b>\$14,319,431</b>	<b>\$0</b>	<b>\$16,786,547</b>	<b>\$0</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$5,669,887	\$0	\$5,497,821	(\$876,261)	(\$876,261)
General Administration - Payments to OIT	CF	\$1,452,966	\$0	\$2,853,713	\$876,261	\$876,261
	RF	\$41,739	\$0	\$41,739	\$0	\$0
	FF	\$7,154,839	\$0	\$8,393,274	\$0	\$0

	<b>Total</b>	<b>\$35,330</b>	<b>\$0</b>	<b>\$127,961</b>	<b>\$0</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$8,631	\$0	\$37,977	(\$2,007)	(\$2,007)
GENERAL Administration - CORE Operations	CF	\$3,773	\$0	\$20,742	\$2,007	\$2,007
	RF	\$5,261	\$0	\$5,261	\$0	\$0
	FF	\$17,665	\$0	\$63,981	\$0	\$0

	<b>Total</b>	<b>\$39,323,047</b>	<b>\$0</b>	<b>\$32,318,791</b>	<b>\$750,000</b>	<b>\$650,000</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$14,318,306	\$0	\$11,685,822	\$0	\$0
General Administration - General Professional Services and Special Projects	CF	\$3,462,102	\$0	\$2,393,155	\$375,000	\$325,000
	RF	\$81,000	\$0	\$81,000	\$0	\$0
	FF	\$21,461,639	\$0	\$18,158,814	\$375,000	\$325,000

	<b>Total</b>	<b>\$75,321,295</b>	<b>\$0</b>	<b>\$74,599,465</b>	<b>\$1,058,652</b>	<b>\$161,544</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (B) Information Technology Contracts and Projects, (1)	GF	\$12,716,371	\$0	\$12,224,238	\$0	\$0
Information Technology Contracts and Projects - Colorado Benefits Management Systems, Operating & Contracts	CF	\$6,901,184	\$0	\$6,986,265	\$529,326	\$80,772
	RF	\$13,194,450	\$0	\$13,194,450	\$0	\$0
	FF	\$42,509,290	\$0	\$42,194,512	\$529,326	\$80,772

	<b>Total</b>	<b>\$12,039,555</b>	<b>\$0</b>	<b>\$12,039,555</b>	<b>(\$6,850,598)</b>	<b>(\$6,850,598)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (C) Eligibility Determinations and Client Services, (1) Eligibility Determinations and Client Services - Contracts for Special Eligibility Determinations	GF	\$1,134,071	\$0	\$1,134,071	\$0	\$0
	CF	\$4,338,468	\$0	\$4,338,468	(\$3,425,299)	(\$3,425,299)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$6,567,016	\$0	\$6,567,016	(\$3,425,299)	(\$3,425,299)

Auxiliary Data			
<b>Requires Legislation?</b>	NO		
<b>Type of Request?</b>	Health Care Policy and Financing Prioritized Request	<b>Interagency Approval or Related Schedule 13s:</b>	No Other Agency Impact



## Department Priority: R-10 Administrative Alignment

### Summary of Funding Change for FY 2025-26

Fund Type	FY 2025-26 Base Request	FY 2025-26 Incremental Request	FY 2026-27 Incremental Request
Total Funds	245,395,505	(\$4,261,930)	(\$5,239,884)
General Fund	74,080,584	(2,199,800)	(2,199,800)
Cash Funds	25,300,933	\$68,836	(\$420,141)
Reappropriated Funds	16,488,073	\$0	\$0
Federal Funds	129,525,915	(\$2,130,966)	(\$2,619,943)
FTE	753.3	6.4	7.0

### Summary of Request

**Problem or Opportunity:** The operational spending authority for a Department-administered program is out of alignment with current program needs. The Colorado Healthcare Affordability and Sustainability Enterprise (CHASE), a State-owned business created within the Department and whose budget is annually appropriated via the Department's standard long bill appropriation process, requires a realignment of line item spending authority to support how the program is currently being administered.

**Proposed Solution:** The Department is requesting a spending authority adjustment of existing appropriations to more accurately reflect the administrative costs of the CHASE. Spending authority from a discontinued CHASE program can be repurposed to address a shortfall of operational resources, including CHASE-dedicated FTE and vendor contract funding, and to correctly align the fund splits in certain administrative line items.

**Fiscal Impact of Solution:** The Department requests a reduction of \$4.3 million total funds, including a reduction of \$2.2 million General Fund, in FY 2025-26 and a reduction of \$5.3 million total funds including a reduction of \$2.2 million General Fund in FY 2026-27 and ongoing.

Requires Legislation	Equity Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-402.4 (4) (a) (III), C.R.S.

## Background and Opportunity

### Colorado Healthcare Affordability & Sustainability Enterprise (CHASE)

The Colorado Healthcare Affordability and Sustainability Enterprise Act of 2017, Section 25.5-4-402.4, C.R.S. (2024), created the Colorado Healthcare Affordability and Sustainability Enterprise<sup>1</sup> (“CHASE” or “Enterprise”) as a government-owned business within the Department of Health Care Policy and Financing to provide business services to Colorado hospitals. These business services include:

- Obtain federal matching funds to increase Health First Colorado and Disproportionate Share Hospital (DSH) payments to hospitals, to fund hospital quality incentive payments, to expand health care coverage in the Health First Colorado and Child Health Plan Plus (CHP+) programs, and to reduce cost-shifting to private payers.
- Consult with hospitals to help them improve cost efficiency, patient safety, and clinical effectiveness.
- Advise hospitals regarding potential changes to federal and state laws and regulations governing Medicaid.
- Provide coordinating services to hospitals to help them adapt and transition to any new or modified performance tracking and payment systems for the Medicaid program.
- Provide funding for a health care delivery system reform incentive payments program

The Enterprise is, and operates as, a government-owned business, or “enterprise”, within the Department. An enterprise is generally defined as a self-supporting, or largely self-supporting, government owned business that receives its revenue in return for the provision of goods or services. To comply with both state law and the state’s Medicaid State Plan agreement with the Centers for Medicare and Medicaid Services (CMS), the Enterprise must annually establish rules to assess fees on hospitals, ensure continued health care coverage for applicable Medicaid and CHP+ members, and make required payments to hospitals.

The Enterprise also assesses and manages the Healthcare Affordability and Sustainability Fee (“HAS Fee”). The HAS Fee, which cannot exceed six percent of aggregate hospital net patient revenues, is assessed on hospital providers, matched with federal dollars, and then used for the following purposes:

- To increase hospital reimbursement for care provided under the Medicaid program.
- To fund health coverage for more than 400,000 Coloradans enrolled in Medicaid and the Child Health Plan Plus (CHP+).
- To support the provision of the business services listed above.

<sup>1</sup> <https://hcpf.colorado.gov/colorado-healthcare-affordability-and-sustainability-enterprise-chase-board>

Additionally, all administrative costs to support the Enterprise are funded with HAS Fee and include expenditures related to the CHASE - funded expansion populations. These expenditures do not supplant existing Department administrative funds and are limited in statute to 3% of total CHASE expenditures.<sup>2</sup>

In administering the CHASE, the Department has identified a resource shortfall in critical staff such as analyst, auditor, and accountant roles, and a lack of adequate contractor support for expert consultation and system needs. A prior request, FY 2018-19 R-15 “CHASE Administrative Costs,” addressed the newly created Enterprise via SB 17-267 by requesting additional administrative resources to support the enterprise status of the CHASE and comply with the bill requirement for the provision of specific business services to hospitals. Now, recent developments at both the State and Federal level are driving another increase in workload that cannot be absorbed by existing resources. Specifically, changes in federal regulations and policies, such as a stricter interpretation of language pertaining to critical calculations necessary for assessment of the hospital provider fee and the optimization of the annual payment and distribution model, is resulting in a corresponding increase in audits and reviews. Further, local stakeholder challenges to many of the underlying components of the model, including fee/payment methodologies and hospital categorization, require additional resources to properly address and resolve.

This shortfall in staff and industry expertise increases the likelihood of errors through mistakes from overworked staff, lack of documentation, and inadequate internal controls and oversight. With approximately \$5 billion in total expenditures, including funding the Medicaid coverage for approximately 500,000 Coloradans, the CHASE represents about one-third of the entire Medicaid budget and member population; therefore, errors in administering the program can have severe adverse effects. For example, since the CHASE draws over \$3 billion of Medicaid federal funds annually, an administrative error could result in a significant disallowance of federal funds or a large recoupment of payments from hospital budgets. Further, annual calculations that optimize the CHASE program and determine Medicaid provider fees, upper payment limits, and supplemental payment funding are subject to complex federal regulations, require numerous data inputs, and are developed via complicated formulas and modeling techniques. Given the size and impact of the CHASE on the Medicaid program and covered lives, the Department lacks appropriate resources to properly administrate the Enterprise and to sufficiently mitigate the associated risk.

Additionally, the Department has identified an imbalance in the amount of HAS Fee cash fund appropriated for the CHASE share of Department personal services, common policy and operating expenses within the General Administration section of the Executive Director’s Office (EDO) long bill group. In view of inconsistent HAS Fee cash fund allocations within these line items, the Department believes this request is an opportunity to rebalance the fund splits accordingly.

## **Proposed Solution and Anticipated Outcomes**

### **Colorado Healthcare Affordability & Sustainability Enterprise (CHASE)**

To improve CHASE operations and reduce the risk of incorrect fees, payments, and loss of federal funds, the Department requests a rebalancing of the HAS Fee cash fund within the

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<sup>2</sup> Section 25.5-4-402.4 (4) (a) (III) C.R.S. (2024)

Department's line item appropriations that fund its administration expenditures. This rebalancing includes shifting funds for new FTE, new vendor contract funding, and a proper rebalancing of fund splits in existing appropriations for Department personal services and common policy line items.

Spending authority within the line item "Contracts for Special Eligibility Determinations" is currently unused and therefore available to accomplish the rebalancing. Part of the available spending authority is derived from a surplus originally appropriated for the Department's disability determinations contract; however, most of the available spending authority is attributed to the end of the Hospital Outstationing (HO) program. The HO program supported hospitals and their creation of medical assistance sites within the hospitals to facilitate eligibility determinations and customer service activities. Faced with a CMS requirement that each hospital fully implement an onerous, resource-intensive time survey for determining proper Medicaid reimbursable costs, the program stakeholders decided to discontinue the program.

To appropriately manage the CHASE and meet the administrative demands driven by an ever-increasing stakeholder engagement towards optimization of the Enterprise and its utilization of the HAS Fee, an increase in FTE and vendor contract funding is necessary. Stakeholders are increasingly scrutinizing and challenging many of the underlying components of the model, including fee/payment methodologies and hospital categorization, which requires additional resources to properly address and resolve. Correspondingly, an increase in CMS scrutiny necessitates a more thorough analysis and defense of fee, upper payment limit, and payment methodologies. Revising methodologies, negotiating with the federal government, and engaging with stakeholders are lengthy, involved processes that cannot be undertaken by existing staff and contractor support who are engaged in ongoing program operations. Specifically:

- CMS has implemented new upper payment limit (UPL) demonstration reporting requirements and an annual review and approval process, increasing scrutiny on key federal requirements that govern the amount of increased hospital reimbursement possible financed by HAS fees.
- The HAS Fee methodology was approved by CMS in 2010 through waivers of the broad-based and uniform fee regulatory requirements. Developing a revised fee methodology and negotiating approval with CMS is a lengthy process requiring statistical analysis and stakeholder collaboration.
- CMS is currently auditing major components of the CHASE payment methodology and UPL demonstrations. Appropriate resources are needed to respond to the audit findings, implement any required revisions, and recover overpayments.
- In 2023 and 2024, CMS has clarified and revised its policies concerning allowable provider fee programs and notified states it intends to increase engagement with states and review of these financing arrangements to ensure they meet existing and revised federal requirements.
- Stakeholders are challenging existing CHASE payment categories and methodologies.

The detailed descriptions of the FTE requested including their expected responsibilities can be found below in Appendix B.

The additional vendor contract funding is needed to expand contracted support and consultation for CHASE staff by health care experts within industry-leading companies that have



a depth and breadth of applicable federal guidelines and best-practice considerations. With an increase in scrutiny from our federal partners and statewide stakeholders alike, the development of the critical, underlying calculations used in the annual CHASE collection and distribution model requires robust and collaborative analysis. For example, in response to the increase stakeholder engagement, the CHASE Board is requesting an independent review of the components of the model and exploration of alternative fee and payment methodologies and overall effectiveness of CHASE in meeting its purpose.

This contracted CHASE consultant would provide the following services:

- Develop supplemental payment and Upper Payment Limit (UPL) demonstration methodology alternatives and recommendations, including review of the current UPLs and payment “adjustment factors” approach
- Develop provider fee methodology alternatives and recommendations, including review of current provider fee and net patient revenue methodologies
- Prepare materials, provide expert consultation, and support for applying for new broad-based and/or uniform waivers with CMS, including responding to CMS questions
- Develop disproportionate share hospital (DSH) payment alternatives and recommendations, including analysis and recommendations for the data sources, calculations, and methodologies for DSH payments and hospital-specific DSH limits
- Provide consultation and develop recommendations for additional hospital reimbursement alternatives, such as State-Directed Payments and use of intergovernmental transfers or alternative revenue sources
- Prepare related State Plan Amendments, UPL demonstrations, rules, and waiver applications, including responses to CMS and state boards, or requests for additional information
- Advise Department staff on slides, whitepapers, and talking points for meetings with stakeholders, the CHASE Board, the Medical Services Board, and CMS
- Provide expert consultation and advice for the Department and CHASE board concerning federal requirements and fee and payment alternatives, including data sources

Additionally, with the Department progressing towards the next iteration of its global health care delivery system, Accountable Care Collaborative Phase III (“ACC IIII”),<sup>3</sup> expert consultation is needed to properly integrate CHASE initiatives such as the hospital transformation program (HTP).<sup>4</sup> This CHASE consultant would be needed for a period of three years and provide the following services:

- Develop alternatives and recommendations for mechanisms of continuous improvement post the first 5 years of HTP, which may include an HTP phase II, integration of hospital care in the ACC III, and/or other approaches
- Prepare any necessary State Plan Amendments, rules, and waiver applications including responding to CMS and state board questions or requests for additional information
- Advise Department staff and prepare slides, whitepapers, and talking points for meetings with stakeholders, the CHASE Board, the Medical Services Board, and CMS

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<sup>3</sup> <https://hcpf.colorado.gov/accphaselll>

<sup>4</sup> <https://hcpf.colorado.gov/colorado-hospital-transformation-program>

Lastly, vendor contract funding is needed for a one-time system update and ongoing maintenance of the Colorado PEAK system<sup>5</sup> to configure system requirements for standardizing hospital discounted care programs throughout Colorado. Specifically, the funding would support the development and deployment of eligibility determination functionality in the PEAK system that corresponds to program's rules and requirements.

## Consequences if Not Approved

If this request is not approved, existing HAS Fee cash fund spending authority would be out of alignment with current needs and the Enterprise would be under-resourced in critical analyst, auditor, and accountant roles while lacking adequate contractor support for expert consultation and system needs. This misalignment of existing and available spending authority creates unnecessary program risks that could result in errors and a loss of significant federal funds. Further, if the request is denied, the existing HAS Fee cash fund allocations in the Department's personal service and common policy line items would remain under funded and rely on an inappropriate use of other State funding sources including General Fund.

If this request is approved, the appropriated HAS Fee cash fund within the administration line items is expected to remain below the statutory limit of 3% of the CHASE total fund expenditures.

Lastly, the risk reduction and adequate administrative oversight in this proposal support HCPF's Operational Excellence goal.

## Supporting Evidence and Evidence Designation

The Department assumes that an Evidence Designation is not applicable to this request because the request is entirely administrative and does not meet the statutory definition for a program or practice. While an evidence designation is not applicable to this request, there is ample evidence supporting the CHASE and the benefits provided to the State of Colorado, hospitals and Coloradans.

For example, with the CHASE providing Medicaid and CHP+ coverage for over 500,000 Coloradans, it is a major contributor towards lowering the health insurance coverage rate to 4.6%, which, according to the Colorado Health Institute's latest Colorado Health Access Survey (CHAS),<sup>6</sup> is the lowest in the survey's history.

## Promoting Equitable Outcomes

The Department has identified this request as equity-neutral given that the request affects only Department staff/operations with no identified equity impacts.

## Assumptions and Calculations

For detailed calculations, please see Appendix A.

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<sup>5</sup> The Colorado PEAK is the publicly accessible, online system that allow Coloradans to apply for and manage benefits

<sup>6</sup> <https://www.coloradohealthinstitute.org/research/colorado-health-access-survey-2023>

The calculations to support the FTE and vendor contract funding necessary to eliminate the resource shortfall are shown in Table series 3, 4 and 5. The Department assumes a 50% federal financial participation (FFP) for these expenditures. The start date for all FTE is assumed to be July 1, 2025. Additional information on the FTE requested including descriptions and expected responsibilities can be found below in Appendix B.

The calculations for the spending authority adjustments for the line items within the Executive Directors Office long bill group are modeled in Table 6 and rely on two main assumptions that are calculated against the Department's current budget. First, the adjustment amounts for each of the personal services line items, Row A through Row G, are calculated using a personal service allocation percentage of 6.63%. This percentage is derived from the historical Personal Services allocation of HAS Fee cash fund within that line item (see Row A, Column K). The Department believes that this allocation percentage is appropriate for all personal services line items and reflects the proper basis for the HAS Fee cash fund appropriation.

Secondly, the adjustment amounts for each of the common policy and operating expense line items, Row H through Row Q, are calculated using a HAS Fee cash fund allocation percentage of 15.00%. This percentage is related to the categorical breakout of Medicaid member population between traditional Medicaid and expansion Medicaid. As of June 30, 2024, the expansion population total represented 30.00% of the overall Medicaid population, therefore the HAS Fee cash fund, and corresponding federal funds, should also represent a 30.00% allocation. Since federal funds represent 50% of these total funds, an allocation percentage of 15.00% is used to determine the proper HAS Fee cash fund allocation. The Department believes that this allocation percentage is appropriate for all the common policy and operating expenses line items and reflects the proper basis for the HAS Fee cash fund appropriation.

## Appendix B

Position Title	Classification	Number of FTE	Job Duties
Provider Fee Analyst	Rate/Financial Analyst IV	2.0	<p>The CHASE needs two additional rate/financial analysts for maintenance of the 14-year-old provider fee and its compliance with renewed federal scrutiny and changing federal regulations. Also, stakeholder engagement necessitates adequate staff to analyze and evaluate fee, UPL, and payment methodologies, respond to stakeholder queries and need for additional transparency of technical components. The Provider Fee unit includes only three analysts for the CHASE, nursing facility, and IMD/IID provider fees combined.</p> <p>One proposed FTE would be responsible for tasks related to the HAS Fee and hospital payment calculations and approval from the CHASE Board, Medical Services Board, and the Centers for Medicare and Medicaid Services (CMS). The FTE would research provider fee and hospital payment approaches of other states; evaluate new and emerging CMS regulations and policy guidance to identify and recommend changes to the existing CHASE fee and payment mechanisms that would benefit hospitals and the Medicaid program; present information and options to stakeholders including the CHASE Board and synthesize their feedback; create process maps and procedures; respond to CMS questions and audit findings; draft the CHASE annual report; and identify data sources. The FTE would coordinate and collaborate with other divisions in the agency to evaluate and develop comprehensive hospital policy and reimbursement for the Medicaid program.</p> <p>One proposed FTE would calculate the HAS fee including researching and analyzing options for revisions to the HAS fee methodologies, calculating the fees based on that research, performing cost/benefit analysis of existing and potential changes to the fee methodologies, and applying for federal waivers of the broad based and/or uniform provider fee requirements if necessary. This FTE would also calculate hospital payments, requisite upper payment limits (UPLs), and hospital-specific Disproportionate Share Hospital (DSH) payment limits within federal regulatory parameters. This includes researching and analyzing options for</p>

Position Title	Classification	Number of FTE	Job Duties
			<p>revisions and identifying new opportunities with changes to federal regulatory requirements. Additional tasks include evaluating existing data sources utilized for HAS fees and hospital payments and develop recommendations for additional or other data sources as warranted, compiling data and create and perform data quality control procedures, and performing ad-hoc data analysis to support hospital benefits policy development and hospital base rate and managed care rate setting.</p>
<p>Colorado Healthcare &amp; Sustainability Enterprise (CHASE) Auditor</p>	<p>Auditor III</p>	<p>2.0</p>	<p>Internal auditing is an independent, objective, quality assurance activity that improves and adds value to an organization’s operations. It uses a systematic, disciplined approach to evaluate and improve the effectiveness of internal processes used to run programs, manage financial and accounting functions, and ensure compliance with state and federal requirements.</p> <p>The proposed FTE would improve current processes and strengthen the Department’s ability to manage internal controls and processes and would support and respond to additional federal scrutiny, regulation changes, and ongoing stakeholder engagement.</p> <p>Additional tasks include:</p> <ul style="list-style-type: none"> <li>• Review internal policies, procedures and practices to ensure adherence to state and federal requirements, adequate controls, and comprehensive procedures.</li> <li>• Review fee and payment collection processes including hospital notification, staff calculations, internal approval processes, and record documentation.</li> <li>• Perform audits of all internal business processes related to the HAS fee collection and issuance of HAS fee-funded hospital payments.</li> <li>• Examine and audit the preparation and development of the HAS fee and hospital payments model and the process trail from input to output to ensure resources are being managed efficiently and effectively and adequate internal controls exist.</li> </ul>

Position Title	Classification	Number of FTE	Job Duties
			<ul style="list-style-type: none"> <li>• Develop recommendations based on their audits and reviews and would follow through with responsible staff to ensure recommendations are implemented and maintained.</li> </ul>
Colorado Healthcare & Sustainability Enterprise (CHASE) Data Analyst	Statistical Analyst III	1.0	<p>One statistical analyst staff is needed for program operations. The Hospital Transformation Program component of CHASE requires 400 standard data reports in addition to the data reports and analysis required for regular CHASE operations. The Financial Reporting and Analyst Unit includes only three analysts for HTP, CHASE, and all 16+ other Special Financing Division projects.</p> <p>Additional tasks include:</p> <ul style="list-style-type: none"> <li>• Develop SQL scripts and processes and procedures for claims extraction and data analysis related to the HAS fee and the Hospital Transformation Program.</li> <li>• Analyze data outputs and calculate Hospital Transformation Program quality metrics by hospital. This includes communicating with program vendor, Department policy and rates staff, and stakeholders to explain data outputs and identify variances.</li> <li>• Research and develop recommendations for data sources and primary and ad hoc data reporting to meet programmatic goals.</li> <li>• Serve as the subject matter expert responsible for working with the decision support systems team to design and test changes to the data warehouse.</li> </ul>
Accountant	Accountant III	1.0	<p>One additional accountant is needed to support and respond to additional federal scrutiny, regulation changes, and ongoing stakeholder engagement.</p> <p>The proposed FTE would provide dedicated accounting and reporting services for the fiscal operations of the Enterprise that correspond to the new business services and initiatives outlined in SB 17-267. Additionally, as a separate government-run business, the Enterprise requires clear distinction in its fiscal operations from the Department. This FTE would support the Enterprise in all standard accounting services including accounts payable, accounts receivable, payroll and monthly and year-</p>

Position Title	Classification	Number of FTE	Job Duties
			<p>end reporting. This FTE would also provide a level of oversight of the fiscal operations of the Enterprise and its compliance with state fiscal rules and state and federal law. Additional tasks include completing monthly, quarterly and annual accounting entries including reclasses of payments using correctly calculated enhanced federal financial participation (FFP) percentages</p>
Procurement & Contracts Specialist	Purchasing Agent III	1.0	<p>One additional procurement staff is needed to support additional contractor-funded work.</p> <p>The proposed FTE would provide the Enterprise with the legal and administrative expertise related to the procurement and contracting of outside business services. These services include the following: approving procurement methodologies; preparing Purchase Orders (POs); drafting, reviewing and approving contracts; and issuing and awarding solicitations, such as Requests for Proposals (RFPs), Documented Quotes (DQs) and Invitation for Bids (IFBs).</p> <p>As a separate government-run business, the Enterprise requires clear distinction in its procurement documents from the Department. The Department requests a dedicated FTE for procurement operations related to Enterprise activities. This FTE would support the Enterprise by drafting the necessary documentation in compliance with State statute, the State Constitution, and state and federal procurement codes, rules, policies, procedures and guidelines</p>
<b>Total Requested FTE</b>		<b>7.0</b>	

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<i>(1) Executive Director's Office; (A) General Administration</i>									
A	Personal Services	\$551,669	6.4	\$0	\$275,835	\$0	\$275,834	50.00%	Table (5) + Table (6)
B	Health, Life, and Dental	\$90,342	0.0	(\$351,232)	\$396,403	\$0	\$45,171	50.00%	
C	Short-term Disability	\$731	0.0	\$591	(\$225)	\$0	\$365	50.00%	
D	Paid Family and Medical Leave Insurance	\$2,196	0.0	(\$5,509)	\$6,607	\$0	\$1,098	50.00%	
E	Unfunded Liability AED Payments	\$48,796	0.0	(\$225,571)	\$249,969	\$0	\$24,398	50.00%	
F	Salary Survey	\$0	0.0	(\$29,112)	\$29,112	\$0	\$0	50.00%	
G	Step Pay	\$0	0.0	(\$12,778)	\$12,778	\$0	\$0	50.00%	
H	PERA Direct Distribution	\$0	0.0	(\$22,186)	\$22,186	\$0	\$0	50.00%	
I	Temporary Employees Related to Authorized Leave	\$0	0.0	(\$66)	\$66	\$0	\$0	50.00%	
J	Worker's Compensation	\$0	0.0	\$7,336	(\$7,336)	\$0	\$0	50.00%	
K	Operating Expenses	\$53,732	0.0	\$35,347	(\$8,481)	\$0	\$26,866	50.00%	
L	Legal Services	\$0	0.0	(\$319,781)	\$319,781	\$0	\$0	50.00%	
M	Administrative Law Judge Services	\$0	0.0	(\$45,156)	\$45,156	\$0	\$0	50.00%	
N	Payment to Risk Management and Property Funds	\$0	0.0	(\$13,704)	\$13,704	\$0	\$0	50.00%	
O	Leased Space	\$32,550	0.0	(\$339,711)	\$355,986	\$0	\$16,275	50.00%	
P	Payments to OIT	\$0	0.0	(\$876,261)	\$876,261	\$0	\$0	50.00%	
Q	CORE Operations	\$0	0.0	(\$2,007)	\$2,007	\$0	\$0	50.00%	
R	General Professional Services	\$750,000	0.0	\$0	\$375,000	\$0	\$375,000	50.00%	
<i>(1) Executive Director's Office; (B) Information Technology Contracts and Projects</i>									
S	Colorado Benefits Management Systems, Operating & Contract Expenses	\$1,058,652	0.0	\$0	\$529,326	\$0	\$529,326	50.00%	Table 4.1, Row B
<i>(1) Executive Director's Office; (C) Eligibility Determinations and Client Services</i>									
T	Contracts for Special Eligibility Determinations	(\$6,850,598)	0.0	\$0	(\$3,425,299)	\$0	(\$3,425,299)	50.00%	Table 2.1, Row J
U	<b>Totals</b>	<b>(\$4,261,930)</b>	<b>6.4</b>	<b>(\$2,199,800)</b>	<b>\$68,836</b>	<b>\$0</b>	<b>(\$2,130,966)</b>	<b>blend</b>	<b>Sum of Row A through Row T</b>

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<i>(1) Executive Director's Office; (A) General Administration</i>									
A	Personal Services	\$599,641	7.0	\$0	\$299,821	\$0	\$299,820	50.00%	Table (5) + Table (6)
B	Health, Life, and Dental	\$105,560	0.0	(\$351,232)	\$404,012	\$0	\$52,780	50.00%	
C	Short-term Disability	\$850	0.0	\$591	(\$166)	\$0	\$425	50.00%	
D	Paid Family and Medical Leave Insurance	\$2,388	0.0	(\$5,509)	\$6,703	\$0	\$1,194	50.00%	
E	Unfunded Liability AED Payments	\$53,037	0.0	(\$225,571)	\$252,090	\$0	\$26,518	50.00%	
F	Salary Survey	\$0	0.0	(\$29,112)	\$29,112	\$0	\$0	50.00%	
G	Step Pay	\$0	0.0	(\$12,778)	\$12,778	\$0	\$0	50.00%	
H	PERA Direct Distribution	\$0	0.0	(\$22,186)	\$22,186	\$0	\$0	50.00%	
I	Temporary Employees Related to Authorized Leave	\$0	0.0	(\$66)	\$66	\$0	\$0	50.00%	
J	Worker's Compensation	\$0	0.0	\$7,336	(\$7,336)	\$0	\$0	50.00%	
K	Operating Expenses	\$5,144	0.0	\$35,347	(\$32,775)	\$0	\$2,572	50.00%	
L	Legal Services	\$0	0.0	(\$319,781)	\$319,781	\$0	\$0	50.00%	
M	Administrative Law Judge Services	\$0	0.0	(\$45,156)	\$45,156	\$0	\$0	50.00%	
N	Payment to Risk Management and Property Funds	\$0	0.0	(\$13,704)	\$13,704	\$0	\$0	50.00%	
O	Leased Space	\$32,550	0.0	(\$339,711)	\$355,986	\$0	\$16,275	50.00%	
P	Payments to OIT	\$0	0.0	(\$876,261)	\$876,261	\$0	\$0	50.00%	
Q	CORE Operations	\$0	0.0	(\$2,007)	\$2,007	\$0	\$0	50.00%	
R	General Professional Services	\$650,000	0.0	\$0	\$325,000	\$0	\$325,000	50.00%	
<i>(1) Executive Director's Office; (B) Information Technology Contracts and Projects</i>									
S	Colorado Benefits Management Systems, Operating & Contract Expenses	\$161,544	0.0	\$0	\$80,772	\$0	\$80,772	50.00%	Table 4.2, Row B
<i>(1) Executive Director's Office; (C) Eligibility Determinations and Client Services</i>									
T	Contracts for Special Eligibility Determinations	(\$6,850,598)	0.0	\$0	(\$3,425,299)	\$0	(\$3,425,299)	50.00%	Table 2.2, Row J
U	<b>Totals</b>	<b>(\$5,239,884)</b>	<b>7.0</b>	<b>(\$2,199,800)</b>	<b>(\$420,141)</b>	<b>\$0</b>	<b>(\$2,619,943)</b>	<b>blend</b>	<b>Sum of Row A through Row T</b>



R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<i>(1) Executive Director's Office; (A) General Administration</i>									
A	Personal Services	\$599,641	7.0	\$0	\$299,821	\$0	\$299,820	50.00%	Table (5) + Table (6)
B	Health, Life, and Dental	\$105,560	0.0	(\$351,232)	\$404,012	\$0	\$52,780	50.00%	
C	Short-term Disability	\$850	0.0	\$591	(\$166)	\$0	\$425	50.00%	
D	Paid Family and Medical Leave Insurance	\$2,388	0.0	(\$5,509)	\$6,703	\$0	\$1,194	50.00%	
E	Unfunded Liability AED Payments	\$53,037	0.0	(\$225,571)	\$252,090	\$0	\$26,518	50.00%	
F	Salary Survey	\$0	0.0	(\$29,112)	\$29,112	\$0	\$0	50.00%	
G	Step Pay	\$0	0.0	(\$12,778)	\$12,778	\$0	\$0	50.00%	
H	PERA Direct Distribution	\$0	0.0	(\$22,186)	\$22,186	\$0	\$0	50.00%	
I	Temporary Employees Related to Authorized Leave	\$0	0.0	(\$66)	\$66	\$0	\$0	50.00%	
J	Worker's Compensation	\$0	0.0	\$7,336	(\$7,336)	\$0	\$0	50.00%	
K	Operating Expenses	\$5,144	0.0	\$35,347	(\$32,775)	\$0	\$2,572	50.00%	
L	Legal Services	\$0	0.0	(\$319,781)	\$319,781	\$0	\$0	50.00%	
M	Administrative Law Judge Services	\$0	0.0	(\$45,156)	\$45,156	\$0	\$0	50.00%	
N	Payment to Risk Management and Property Funds	\$0	0.0	(\$13,704)	\$13,704	\$0	\$0	50.00%	
O	Leased Space	\$32,550	0.0	(\$339,711)	\$355,986	\$0	\$16,275	50.00%	
P	Payments to OIT	\$0	0.0	(\$876,261)	\$876,261	\$0	\$0	50.00%	
Q	CORE Operations	\$0	0.0	(\$2,007)	\$2,007	\$0	\$0	50.00%	
R	General Professional Services	\$650,000	0.0	\$0	\$325,000	\$0	\$325,000	50.00%	
<i>(1) Executive Director's Office; (B) Information Technology Contracts and Projects</i>									
S	Colorado Benefits Management Systems, Operating & Contract Expenses	\$161,544	0.0	\$0	\$80,772	\$0	\$80,772	50.00%	Table 4.3, Row B
<i>(1) Executive Director's Office; (C) Eligibility Determinations and Client Services</i>									
T	Contracts for Special Eligibility Determinations	(\$6,850,598)	0.0	\$0	(\$3,425,299)	\$0	(\$3,425,299)	50.00%	Table 2.3, Row J
U	<b>Totals</b>	<b>(\$5,239,884)</b>	<b>7.0</b>	<b>(\$2,199,800)</b>	<b>(\$420,141)</b>	<b>\$0</b>	<b>(\$2,619,943)</b>	<b>blend</b>	<b>Sum of Row A through Row T</b>

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<i>(1) Executive Director's Office; (A) General Administration</i>									
A	Personal Services	\$599,641	7.0	\$0	\$299,821	\$0	\$299,820	50.00%	Table (5) + Table (6)
B	Health, Life, and Dental	\$105,560	0.0	(\$351,232)	\$404,012	\$0	\$52,780	50.00%	
C	Short-term Disability	\$850	0.0	\$591	(\$166)	\$0	\$425	50.00%	
D	Paid Family and Medical Leave Insurance	\$2,388	0.0	(\$5,509)	\$6,703	\$0	\$1,194	50.00%	
E	Unfunded Liability AED Payments	\$53,037	0.0	(\$225,571)	\$252,090	\$0	\$26,518	50.00%	
F	Salary Survey	\$0	0.0	(\$29,112)	\$29,112	\$0	\$0	50.00%	
G	Step Pay	\$0	0.0	(\$12,778)	\$12,778	\$0	\$0	50.00%	
H	PERA Direct Distribution	\$0	0.0	(\$22,186)	\$22,186	\$0	\$0	50.00%	
I	Temporary Employees Related to Authorized Leave	\$0	0.0	(\$66)	\$66	\$0	\$0	50.00%	
J	Worker's Compensation	\$0	0.0	\$7,336	(\$7,336)	\$0	\$0	50.00%	
K	Operating Expenses	\$5,144	0.0	\$35,347	(\$32,775)	\$0	\$2,572	50.00%	
L	Legal Services	\$0	0.0	(\$319,781)	\$319,781	\$0	\$0	50.00%	
M	Administrative Law Judge Services	\$0	0.0	(\$45,156)	\$45,156	\$0	\$0	50.00%	
N	Payment to Risk Management and Property Funds	\$0	0.0	(\$13,704)	\$13,704	\$0	\$0	50.00%	
O	Leased Space	\$32,550	0.0	(\$339,711)	\$355,986	\$0	\$16,275	50.00%	
P	Payments to OIT	\$0	0.0	(\$876,261)	\$876,261	\$0	\$0	50.00%	
Q	CORE Operations	\$0	0.0	(\$2,007)	\$2,007	\$0	\$0	50.00%	
R	General Professional Services	\$350,000	0.0	\$0	\$175,000	\$0	\$175,000	50.00%	
<i>(1) Executive Director's Office; (B) Information Technology Contracts and Projects</i>									
S	Colorado Benefits Management Systems, Operating & Contract Expenses	\$161,544	0.0	\$0	\$80,772	\$0	\$80,772	50.00%	Table 4.4, Row B
<i>(1) Executive Director's Office; (C) Eligibility Determinations and Client Services</i>									
T	Contracts for Special Eligibility Determinations	(\$6,850,598)	0.0	\$0	(\$3,425,299)	\$0	(\$3,425,299)	50.00%	Table 2.4, Row J
U	<b>Totals</b>	<b>(\$5,539,884)</b>	<b>7.0</b>	<b>(\$2,199,800)</b>	<b>(\$570,141)</b>	<b>\$0</b>	<b>(\$2,769,943)</b>	<b>blend</b>	<b>Sum of Row A through Row T</b>

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

Table 2.1 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	HAS Fee Cash Fund	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<b>Colorado Health Care Affordability &amp; Sustainability Enterprise (CHASE)</b>									
<i>Operations - Resource Shortfall</i>									
A	CHASE Operations - FTE	\$780,016	6.4	\$0	\$390,008	\$0	\$390,008	50.00%	Table 3.1, Row A
B	CHASE Operations - Vendor Costs	\$1,808,652	0.0	\$0	\$904,326	\$0	\$904,326	50.00%	Table 3.1, Row B
C	<b>Subtotal</b>	<b>\$2,588,668</b>	<b>6.4</b>	<b>\$0</b>	<b>\$1,294,334</b>	<b>\$0</b>	<b>\$1,294,334</b>	<b>50.00%</b>	<b>Row A + Row B</b>
<i>Spending Authority Adjustment - (1) Executive Directors Office; (A) General Administration</i>									
D	Personal Services	\$0	0.0	(\$623,612)	\$623,612	\$0	\$0	N/A	Table (6) - Redistribution Model
E	Common Policy	\$0	0.0	(\$1,611,535)	\$1,611,535	\$0	\$0	N/A	
F	Operating Expenses	\$0	0.0	\$35,347	(\$35,347)	\$0	\$0	N/A	
G	<b>Subtotal</b>	<b>\$0</b>	<b>0.0</b>	<b>(\$2,199,800)</b>	<b>\$2,199,800</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>	<b>Row D + Row E + Row F</b>
<i>Removal of Excess Spending Authority in Base Budget</i>									
H	Hospital Outstationing Program	(\$6,148,800)	0.0	\$0	(\$3,074,400)	\$0	(\$3,074,400)	50.00%	Program discontinued
I	Disability Determination Services Contract	(\$701,798)	0.0	\$0	(\$350,899)	\$0	(\$350,899)	50.00%	Excess appropriation in line item
J	<b>Total</b>	<b>(\$6,850,598)</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>50.00%</b>	<b>Row H + Row I</b>
K	<b>Incremental</b>	<b>(\$4,261,930)</b>	<b>6.4</b>	<b>(\$2,199,800)</b>	<b>\$68,835</b>	<b>\$0</b>	<b>(\$2,130,965)</b>	<b>N/A</b>	<b>Row C + Row G + Row J</b>

Table 2.2 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	HAS Fee Cash Fund	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<b>Colorado Health Care Affordability &amp; Sustainability Enterprise (CHASE)</b>									
<i>Operations - Resource Shortfall</i>									
A	CHASE Operations - FTE	\$799,170	7.0	\$0	\$399,585	\$0	\$399,585	50.00%	Table 3.2, Row A
B	CHASE Operations - Vendor Costs	\$811,544	0.0	\$0	\$405,772	\$0	\$405,772	50.00%	Table 3.2, Row B
C	<b>Subtotal</b>	<b>\$1,610,714</b>	<b>7.0</b>	<b>\$0</b>	<b>\$805,357</b>	<b>\$0</b>	<b>\$805,357</b>	<b>50.00%</b>	<b>Row A + Row B</b>
<i>Spending Authority Adjustment - (1) Executive Directors Office; (A) General Administration</i>									
D	Personal Services	\$0	0.0	(\$623,612)	\$623,612	\$0	\$0	N/A	Table (6) - Redistribution Model
E	Common Policy	\$0	0.0	(\$1,611,535)	\$1,611,535	\$0	\$0	N/A	
F	Operating Expenses	\$0	0.0	\$35,347	(\$35,347)	\$0	\$0	N/A	
G	<b>Subtotal</b>	<b>\$0</b>	<b>0.0</b>	<b>(\$2,199,800)</b>	<b>\$2,199,800</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>	<b>Row D + Row E + Row F</b>
<i>Removal of Excess Spending Authority in Base Budget</i>									
H	Hospital Outstationing Program	(\$6,148,800)	0.0	\$0	(\$3,074,400)	\$0	(\$3,074,400)	50.00%	Program discontinued
I	Disability Determination Services Contract	(\$701,798)	0.0	\$0	(\$350,899)	\$0	(\$350,899)	50.00%	Excess appropriation in line item
J	<b>Total</b>	<b>(\$6,850,598)</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>50.00%</b>	<b>Row H + Row I</b>
K	<b>Incremental</b>	<b>(\$5,239,884)</b>	<b>7.0</b>	<b>(\$2,199,800)</b>	<b>(\$420,142)</b>	<b>\$0</b>	<b>(\$2,619,942)</b>	<b>N/A</b>	<b>Row C + Row G + Row J</b>

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

Table 2.3 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	HAS Fee Cash Fund	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<b>Colorado Health Care Affordability &amp; Sustainability Enterprise (CHASE)</b>									
<i>Operations - Resource Shortfall</i>									
A	CHASE Operations - FTE	\$799,170	7.0	\$0	\$399,585	\$0	\$399,585	50.00%	Table 3.3, Row A
B	CHASE Operations - Vendor Costs	\$811,544	0.0	\$0	\$405,772	\$0	\$405,772	50.00%	Table 3.3, Row B
C	<b>Subtotal</b>	<b>\$1,610,714</b>	<b>7.0</b>	<b>\$0</b>	<b>\$805,357</b>	<b>\$0</b>	<b>\$805,357</b>	<b>50.00%</b>	<b>Row A + Row B</b>
<i>Spending Authority Adjustment - (1) Executive Directors Office; (A) General Administration</i>									
D	Personal Services	\$0	0.0	(\$623,612)	\$623,612	\$0	\$0	N/A	Table (6) - Redistribution Model
E	Common Policy	\$0	0.0	(\$1,611,535)	\$1,611,535	\$0	\$0	N/A	
F	Operating Expenses	\$0	0.0	\$35,347	(\$35,347)	\$0	\$0	N/A	
G	<b>Subtotal</b>	<b>\$0</b>	<b>0.0</b>	<b>(\$2,199,800)</b>	<b>\$2,199,800</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>	<b>Row D + Row E + Row F</b>
<i>Removal of Excess Spending Authority in Base Budget</i>									
H	Hospital Outstationing Program	(\$6,148,800)	0.0	\$0	(\$3,074,400)	\$0	(\$3,074,400)	50.00%	Program discontinued
I	Disability Determination Services Contract	(\$701,798)	0.0	\$0	(\$350,899)	\$0	(\$350,899)	50.00%	Excess appropriation in line item
J	<b>Total</b>	<b>(\$6,850,598)</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>50.00%</b>	<b>Row H + Row I</b>
K	<b>Incremental</b>	<b>(\$5,239,884)</b>	<b>7.0</b>	<b>(\$2,199,800)</b>	<b>(\$420,142)</b>	<b>\$0</b>	<b>(\$2,619,942)</b>	<b>N/A</b>	<b>Row C + Row G + Row J</b>

Table 2.4 Summary by Initiative FY 2028-29									
Row	Item	Total Funds	FTE	General Fund	HAS Fee Cash Fund	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<b>Colorado Health Care Affordability &amp; Sustainability Enterprise (CHASE)</b>									
<i>Operations - Resource Shortfall</i>									
A	CHASE Operations - FTE	\$799,170	7.0	\$0	\$399,585	\$0	\$399,585	50.00%	Table 3.4, Row A
B	CHASE Operations - Vendor Costs	\$511,544	0.0	\$0	\$255,772	\$0	\$255,772	50.00%	Table 3.4, Row B
C	<b>Subtotal</b>	<b>\$1,310,714</b>	<b>7.0</b>	<b>\$0</b>	<b>\$655,357</b>	<b>\$0</b>	<b>\$655,357</b>	<b>50.00%</b>	<b>Row A + Row B</b>
<i>Spending Authority Adjustment - (1) Executive Directors Office; (A) General Administration</i>									
D	Personal Services	\$0	0.0	(\$623,612)	\$623,612	\$0	\$0	N/A	Table (6) - Redistribution Model
E	Common Policy	\$0	0.0	(\$1,611,535)	\$1,611,535	\$0	\$0	N/A	
F	Operating Expenses	\$0	0.0	\$35,347	(\$35,347)	\$0	\$0	N/A	
G	<b>Subtotal</b>	<b>\$0</b>	<b>0.0</b>	<b>(\$2,199,800)</b>	<b>\$2,199,800</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>	<b>Row D + Row E + Row F</b>
<i>Removal of Excess Spending Authority in Base Budget</i>									
H	Hospital Outstationing Program	(\$6,148,800)	0.0	\$0	(\$3,074,400)	\$0	(\$3,074,400)	50.00%	Program discontinued
I	Disability Determination Services Contract	(\$701,798)	0.0	\$0	(\$350,899)	\$0	(\$350,899)	50.00%	Excess appropriation in line item
J	<b>Total</b>	<b>(\$6,850,598)</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>\$0</b>	<b>(\$3,425,299)</b>	<b>50.00%</b>	<b>Row H + Row I</b>
K	<b>Incremental</b>	<b>(\$5,539,884)</b>	<b>7.0</b>	<b>(\$2,199,800)</b>	<b>(\$570,142)</b>	<b>\$0</b>	<b>(\$2,769,942)</b>	<b>N/A</b>	<b>Row C + Row G + Row J</b>

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

<b>Table 3.1 - CHASE Operations - Summary of Resource Shortfall FY 2025-26</b>									
Row	Description	Total Funds	FTE	General Fund	HAS Fee CF	Reappropriated Funds	Federal Funds	FFP	Source
A	FTE	\$780,016	7.0	\$0	\$390,008	\$0	\$390,008	50.00%	Table (5); See narrative for additional information
B	Vendor Costs	\$1,808,652	0.0	\$0	\$904,326	\$0	\$904,326	50.00%	Table 4.1, Row D
<b>C</b>	<b>Total</b>	<b>\$2,588,668</b>	<b>7.0</b>	<b>\$0</b>	<b>\$1,294,334</b>	<b>\$0</b>	<b>\$1,294,334</b>	<b>50.00%</b>	<b>Row A + Row B</b>

<b>Table 3.2 - CHASE Operations - Resource Shortfall FY 2026-27</b>									
Row	Description	Total Funds	FTE	General Fund	HAS Fee CF	Reappropriated Funds	Federal Funds	FFP	Source
A	FTE	\$799,170	7.0	\$0	\$399,585	\$0	\$399,585	50.00%	Table (5); See narrative for additional information
B	Vendor Costs	\$811,544	0.0	\$0	\$405,772	\$0	\$405,772	50.00%	Table 4.2, Row D
<b>C</b>	<b>Total</b>	<b>\$1,610,714</b>	<b>7.0</b>	<b>\$0</b>	<b>\$805,357</b>	<b>\$0</b>	<b>\$805,357</b>	<b>50.00%</b>	<b>Row A + Row B</b>

<b>Table 3.3 - CHASE Operations - Resource Shortfall FY 2027-28</b>									
Row	Description	Total Funds	FTE	General Fund	HAS Fee CF	Reappropriated Funds	Federal Funds	FFP	Source
A	FTE	\$799,170	7.0	\$0	\$399,585	\$0	\$399,585	50.00%	Table (5); See narrative for additional information
B	Vendor Costs	\$811,544	0.0	\$0	\$405,772	\$0	\$405,772	50.00%	Table 4.3, Row D
<b>C</b>	<b>Total</b>	<b>\$1,610,714</b>	<b>7.0</b>	<b>\$0</b>	<b>\$805,357</b>	<b>\$0</b>	<b>\$805,357</b>	<b>50.00%</b>	<b>Row A + Row B</b>

<b>Table 3.4 - CHASE Operations - Operations Shortfall FY 2028-29</b>									
Row	Description	Total Funds	FTE	General Fund	HAS Fee CF	Reappropriated Funds	Federal Funds	FFP	Source
A	FTE	\$799,170	7.0	\$0	\$399,585	\$0	\$399,585	50.00%	Table (5); See narrative for additional information
B	Vendor Costs	\$511,544	0.0	\$0	\$255,772	\$0	\$255,772	50.00%	Table 4.4, Row D
<b>C</b>	<b>Total</b>	<b>\$1,310,714</b>	<b>7.0</b>	<b>\$0</b>	<b>\$655,357</b>	<b>\$0</b>	<b>\$655,357</b>	<b>50.00%</b>	<b>Row A + Row B</b>

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

<b>Table 4.1 - CHASE Operations - Resource Shortfall FY 2025-26 Vendor Costs</b>			
Row	Description	Amount	Source
A	CHASE consultant (UPL, fee methodology, payment methodology, policy support)	\$450,000	Ongoing contract; estimate based on other program contracts of similar scope
B	Add hospital discounted care to PEAK (Deloitte estimate)	\$1,058,652	Deloitte OOM Document
C	HTP evaluation and future value based payments/integration with ACC 2.0	\$300,000	Three-year contract in preparation of ACC 2.0; estimate based on other program contracts of similar scope
<b>D</b>	<b>Total</b>	<b>\$1,808,652</b>	<b>Row A + Row B + Row C</b>

<b>Table 4.2 - CHASE Operations - Resource Shortfall FY 2026-27 Vendor Costs</b>			
Row	Description	Amount	Source
A	CHASE consultant (UPL, fee methodology, payment methodology, policy support)	\$350,000	Ongoing contract; estimate based on other program contracts of similar scope
B	Add hospital discounted care to PEAK (Deloitte estimate)	\$161,544	Deloitte OOM Document
C	HTP evaluation and future value based payments/integration with ACC III	\$300,000	Three-year contract in preparation of ACC 2.0; estimate based on other program contracts of similar scope
<b>D</b>	<b>Total</b>	<b>\$811,544</b>	<b>Row A + Row B + Row C</b>

<b>Table 4.3 - CHASE Operations - Resource Shortfall FY 2027-28 Vendor Costs</b>			
Row	Description	Amount	Source
A	CHASE consultant (UPL, fee methodology, payment methodology, policy support)	\$350,000	Ongoing contract; estimate based on other program contracts of similar scope
B	Add hospital discounted care to PEAK (Deloitte estimate)	\$161,544	Deloitte OOM Document
C	HTP evaluation and future value based payments/integration with ACC III	\$300,000	Three-year contract in preparation of ACC 2.0; estimate based on other program contracts of similar scope
<b>D</b>	<b>Total</b>	<b>\$811,544</b>	<b>Row A + Row B + Row C</b>

<b>Table 4.4 - CHASE Operations - Resource Shortfall FY 2028-29 Vendor Costs</b>			
Row	Description	Amount	Source
A	CHASE consultant (UPL, fee methodology, payment methodology, policy support)	\$350,000	Ongoing contract; estimate based on other program contracts of similar scope
B	Add hospital discounted care to PEAK (Deloitte estimate)	\$161,544	Deloitte OOM Document
C	HTP evaluation and future value based payments/integration with ACC III	\$0	Project Completed
<b>D</b>	<b>Total</b>	<b>\$511,544</b>	<b>Row A + Row B + Row C</b>

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

Table 5 CHASE Operations - Resource Shortfall FTE Calculations										
Personal Services										
Position Classification	FTE	Start Month	End Month (if Applicable)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Notes
RATE/FINANCIAL ANALYST IV	2.0	Jul 2025	N/A	\$0	\$172,324	\$187,309	\$187,309	\$187,309	\$187,309	
AUDITOR III	2.0	Jul 2025	N/A	\$0	\$148,850	\$161,793	\$161,793	\$161,793	\$161,793	
STATISTICAL ANALYST III	1.0	Jul 2025	N/A	\$0	\$83,106	\$90,333	\$90,333	\$90,333	\$90,333	
ACCOUNTANT III	1.0	Jul 2025	N/A	\$0	\$86,162	\$93,654	\$93,654	\$93,654	\$93,654	
PURCHASING AGENT III	1.0	Jul 2025	N/A	\$0	\$61,227	\$66,552	\$66,552	\$66,552	\$66,552	
<b>Total Personal Services (Salary, PERA, Medicare)</b>	<b>7.0</b>			<b>\$0</b>	<b>\$551,669</b>	<b>\$599,641</b>	<b>\$599,641</b>	<b>\$599,641</b>	<b>\$599,641</b>	

  

Centrally Appropriated Costs										
Cost Center	FTE Year 1	FTE Year 2+	Cost or Percentage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Notes
Health, Life, Dental	6.4	7.0	Varies	\$0	\$90,342	\$105,560	\$105,560	\$105,560	\$105,560	
Short-Term Disability	-	-	Varies	\$0	\$731	\$849	\$849	\$849	\$849	
Unfunded Liability AED Payments	-	-	10.00%	\$0	\$48,796	\$53,037	\$53,037	\$53,037	\$53,037	
Paid Family and Medical Leave Insurance	-	-	0.45%	\$0	\$2,196	\$2,388	\$2,388	\$2,388	\$2,388	
<b>Centrally Appropriated Costs Total</b>				<b>\$0</b>	<b>\$142,065</b>	<b>\$161,834</b>	<b>\$161,834</b>	<b>\$161,834</b>	<b>\$161,834</b>	

  

Operating Expenses										
Ongoing Costs	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Notes
Supplies	6.4	7.0	\$500	\$0	\$3,220	\$3,500	\$3,500	\$3,500	\$3,500	
Telephone	6.4	7.0	\$235	\$0	\$1,512	\$1,645	\$1,645	\$1,645	\$1,645	
Other	6.4	7.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$0</i>	<i>\$4,732</i>	<i>\$5,145</i>	<i>\$5,145</i>	<i>\$5,145</i>	<i>\$5,145</i>	
One-Time Costs (Capital Outlay)	FTE		Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Notes
Furniture	7.0		\$5,000	\$0	\$35,000	\$0	\$0	\$0	\$0	
Computer	7.0		\$2,000	\$0	\$14,000	\$0	\$0	\$0	\$0	
Other	7.0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$0</i>	<i>\$49,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	
<b>Total Operating</b>				<b>\$0</b>	<b>\$53,732</b>	<b>\$5,145</b>	<b>\$5,145</b>	<b>\$5,145</b>	<b>\$5,145</b>	

  

Leased Space										
	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Notes
Leased Space	7.0	7.0	\$4,650	\$0	\$32,550	\$32,550	\$32,550	\$32,550	\$32,550	

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

Table 6 - Redistribution Model

Analysis of General Fund & HAS Fee appropriations in Department's FY 2024-25 Budget (Initial Appropriation)  
(1) Executive Director's Office; (A) General Administration

HAS Fee Allocation Factor based on Expansion Caseload %  
30.00%

Common Policy %  
CHASE / TF =  
15.00%

Allocation adjustment of HAS Fee Cash Fund

Row	(A) Classification Code	(B) LB Group Name	(C) LB Sub-Group Name	(D) Appr #	(E) LB Line Item Name	(F) Total Funds	(G) General Fund	(H) HAS Fee CF	(I) Federal Funds	(J) GF / TF%	(K) CHASE / TF %	(L) CHASE / TF %	(M) Adjusted HAS Fee CF	(N) Incremental
A	PS	(1) EDO	(A) General Administration	100	Personal Services	\$74,187,471	\$26,934,983	\$4,919,912	\$35,845,281	36.31%	6.63%	6.63%	\$4,919,912	+ 0
B	PS			103	Health, Life, and Dental	\$13,109,391	\$5,465,466	\$518,147	\$6,630,644	41.69%	3.95%	6.63%	\$869,379	+ 351,232
C	PS			106	Short-term Disability	\$63,638	\$52,016	\$4,811	\$1,960	81.74%	7.56%	6.63%	\$4,220	(591)
D	PS			113	Paid Family and Medical Leave Insuran	\$363,855	\$156,036	\$18,621	\$184,141	42.88%	5.12%	6.63%	\$24,130	+ 5,509
E	PS			104	Unfunded Liability Amortization Equa	\$8,320,007	\$3,467,483	\$326,189	\$4,209,437	41.68%	3.92%	6.63%	\$551,760	+ 225,571
F	PS			109	Salary Survey	\$1,900,577	\$816,490	\$96,929	\$961,881	42.96%	5.10%	6.63%	\$126,041	+ 29,112
G	PS			105	Step Pay	\$834,248	\$358,393	\$42,547	\$422,213	42.96%	5.10%	6.63%	\$55,325	+ 12,778
H	CP			111	PERA Direct Distribution	\$1,448,480	\$622,267	\$73,873	\$733,076	42.96%	5.10%	6.63%	\$96,059	+ 22,186
I	CP			114	Temporary Employees Related to Auth	\$5,978	\$2,414	\$330	\$3,052	40.38%	5.52%	6.63%	\$396	+ 66
J	CP			115	Worker's Compensation	\$254,896	\$92,516	\$24,240	\$127,448	36.30%	9.51%	6.63%	\$16,904	(7,336)
K	OPER			118	Operating Expenses	\$3,212,805	\$1,286,950	\$248,412	\$1,557,397	40.06%	7.73%	6.63%	\$213,065	(35,347)
L	CP			121	Legal Services	\$4,082,364	\$2,270,664	\$292,574	\$1,412,982	55.62%	7.17%	15.00%	\$612,355	+ 319,781
M	CP			124	Administrative Law Judge Services	\$822,526	\$300,504	\$78,223	\$411,263	36.53%	9.51%	15.00%	\$123,379	+ 45,156
N	CP			130	Payment to Risk Management and Prop	\$249,605	\$87,781	\$23,737	\$124,803	35.17%	9.51%	15.00%	\$37,441	+ 13,704
O	CP			136	Leased Space	\$3,773,214	\$1,492,962	\$226,271	\$1,883,974	39.57%	6.00%	15.00%	\$565,982	+ 339,711
P	CP			131	Payments to OIT	\$14,319,431	\$5,669,887	\$1,271,654	\$7,154,839	39.60%	8.88%	15.00%	\$2,147,915	+ 876,261
Q	CP			132	CORE Operations	\$35,330	\$8,631	\$3,293	\$17,665	24.43%	9.32%	15.00%	\$5,300	+ 2,007
R	GPS			137	General Professional Services and Spe	\$38,970,547	\$14,142,056	\$3,210,852	\$21,285,389	36.29%	8.24%	NA	NA	NA
S			Total			\$165,954,363	\$63,227,499	\$11,380,615	\$82,967,445	38.10%	6.86%		\$10,369,563	+ 2,199,800

\*filtered out GPS

Classification Code	Grouping	Amounts
PS	Personal Services	\$623,612
OPER	Operating Expense	(\$35,347)
CP	Common Policy	\$1,611,535
Total		\$2,199,800

R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

Table 7.1 - CHASE Program Spending Authority FY 2025-26 Revised Base Budget						
Row	Description	Total Funds	HAS Fee CF	Federal Funds	FFP Rate	Source
A	Total Administration	\$166,547,006	\$49,930,894	\$116,616,112	70.02%	Table 7.2, Row C + Table 7.3, Row A
B	Total Member Services	\$5,277,716,620	\$1,368,342,008	\$3,909,374,612	74.07%	Table 7.2, Row D + Table 7.3, Row B
C	<b>Total Spending Authority</b>	<b>\$5,444,263,626</b>	<b>1,418,272,902</b>	<b>\$4,025,990,724</b>	<b>73.95%</b>	<b>Row A + Row B</b>
D	Percentage of Administration Spending Authority of Total Program Spending Authority	3.00%				Row A / Row C

Table 7.2 - CHASE Program Spending Authority Incremental Update to FY 2025-26 Base Budget						
Row	Description	Total Funds	HAS Fee CF	Federal Funds	FFP Rate	Source
A	R-10 Administrative Alignment	(\$2,062,130)	\$68,836	(\$2,130,966)	103.34%	November 1, 2024 Budget Submission [HAS Fee only]
B	Other Administrative Decision Items w/ HAS Fee	\$10,774,289	\$2,776,323	\$7,997,966	103.34%	November 1, 2024 Budget Submission
C	Total Administration	\$8,712,159	\$2,845,159	\$5,867,000	67.34%	Row A + Row B
D	Total Member Services	\$488,394,771	\$113,249,293	\$375,145,478	76.81%	November 1, 2024 Budget Submission / Revised Forecast
E	<b>Total Spending Authority</b>	<b>\$505,819,089</b>	<b>\$118,939,611</b>	<b>\$386,879,478</b>	<b>76.49%</b>	<b>Row C + Row D</b>

Table 7.3 - CHASE Program Spending Authority FY 2025-26 Base Budget						
Row	Description	Total Funds	HAS Fee CF	Federal Funds	FFP Rate	Source
A	Total Administration	\$157,834,847	\$47,085,735	\$110,749,112	70.17%	FY 2024-25 Long Bill (HB 24-1430)
B	Total Member Services	\$4,789,321,849	\$1,255,092,715	\$3,534,229,134	73.79%	FY 2024-25 Long Bill (HB 24-1430)
C	<b>Total Spending Authority</b>	<b>\$4,947,156,696</b>	<b>1,302,178,450</b>	<b>\$3,644,978,246</b>	<b>73.68%</b>	<b>Row A + Row B</b>
D	Percentage of Administration Spending Authority of Total Program Spending Authority	3.19%				Row A / Row C



R-10 Administrative Alignment  
Appendix A: Assumptions and Calculations

<b>Table 8 - CHASE Program Actual Expenditures - HISTORICALS</b>						
<b>FY 2019-20 through FY 2023-24</b>						
Row	Description	Total Funds	HAS Fee CF	Federal Funds	FFP Rate	Comments
<b>FY 2023-24 Actuals</b>						
A	Total Administration	124,474,433	35,884,476	\$88,589,957	71.17%	CHASE Update - November 2024
B	Total Member Services	4,950,712,511	1,254,635,676	\$3,696,076,835	74.66%	CHASE Update - November 2024
C	<b>Total Program Expenditures</b>	<b>\$5,075,186,944</b>	<b>1,290,520,152</b>	<b>\$3,784,666,792</b>	<b>74.57%</b>	<b>Row A + Row B</b>
D	<i>Percentage Total Administration Spending Authority of Total Program Spending Authority</i>	2.45%				Row A / Row C
<b>FY 2022-23 Actuals</b>						
A	Total Administration	106,004,010	31,014,657	\$74,989,353	70.74%	CHASE Update - November 2024
B	Total Member Services	5,221,501,771	1,210,578,112	\$4,010,923,659	76.82%	CHASE Update - November 2024
C	<b>Total Program Expenditures</b>	<b>\$5,327,505,781</b>	<b>1,241,592,769</b>	<b>\$4,085,913,012</b>	<b>76.69%</b>	<b>Row A + Row B</b>
D	<i>Percentage Total Administration Spending Authority of Total Program Spending Authority</i>	1.99%				Row A / Row C
<b>FY 2021-22 Actuals</b>						
E	Total Administration	89,062,893	27,045,016	\$62,017,877	69.63%	CHASE Update - November 2024
F	Total Member Services	4,513,108,203	996,745,303	\$3,516,362,900	77.91%	CHASE Update - November 2024
G	<b>Total Program Expenditures</b>	<b>\$4,602,171,096</b>	<b>1,023,790,319</b>	<b>3,578,380,777</b>	<b>77.75%</b>	<b>Row A + Row B</b>
H	<i>Percentage Total Administration Spending Authority of Total Program Spending Authority</i>	1.94%				Row A / Row C
<b>FY 2020-21 Actuals</b>						
I	Total Administration	79,361,412	24,467,513	\$54,893,899	69.17%	CHASE Update - February 2024
J	Total Member Services	4,100,656,536	1,112,145,798	\$2,988,510,738	72.88%	CHASE Update - February 2024
K	<b>Total Program Expenditures</b>	<b>\$4,180,017,948</b>	<b>1,136,613,311</b>	<b>\$3,043,404,637</b>	<b>72.81%</b>	<b>Row A + Row B</b>
L	<i>Percentage Total Administration Spending Authority of Total Program Spending Authority</i>	1.90%				Row A / Row C
<b>FY 2019-20 Actuals</b>						
M	Total Administration	89,371,631	26,130,685	\$63,240,946	70.76%	CHASE Update - February 2024
N	Total Member Services	3,362,964,851	859,599,746	\$2,503,365,105	74.44%	CHASE Update - February 2024
O	<b>Total Program Expenditures</b>	<b>\$3,452,336,482</b>	<b>885,730,431</b>	<b>\$2,566,606,051</b>	<b>74.34%</b>	<b>Row A + Row B</b>
P	<i>Percentage Total Administration Spending Authority of Total Program Spending Authority</i>	2.59%				Row A / Row C