

**Schedule 13
Funding Request for the 2014-15 Budget Cycle**

Department: Health Care Policy and Financing
 Request Title: Eligibility Determination Enhanced Match
 Priority Number: R-6

Dept. Approval by: Josh Block *[Signature]* 4/11/13
 Date

OSPB Approval by: *[Signature]* 10/29/13
 Date

- Decision Item FY 2014-15
- Base Reduction Item FY 2014-15
- Supplemental FY 2013-14
- Budget Amendment FY 2014-15

Line Item Information		FY 2013-14		FY 2014-15		FY 2015-16
		1	2	3	4	5
		Appropriation FY 2013-14	Supplemental Request FY 2013-14	Base Request FY 2014-15	Funding Change Request FY 2014-15	Continuation Amount FY 2015-16
	Fund					
Total of All Line Items	Total	42,966,752	-	45,053,873	15,677,849	13,141,781
	FTE	-	-	-	-	-
	GF	10,731,704	-	10,886,729	-	0
	GFE	-	-	-	-	-
	CF	10,717,018	-	11,665,554	-	-
	RF	-	-	-	-	-
	FF	21,518,030	-	22,501,590	15,677,849	13,141,781
(1) Executive Director's Office; (C) Information Technology Contracts and Projects: Centralized Eligibility Vendor Contract Project	Total	6,745,159	-	7,151,142	-	-
	FTE	-	-	-	-	-
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	3,357,390	-	3,560,382	(1,099,009)	(1,406,291)
	RF	-	-	-	-	-
	FF	3,387,769	-	3,590,760	1,099,009	1,406,291
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: County Administration	Total	32,591,259	-	33,108,009	8,610,333	5,669,405
	FTE	-	-	-	-	-
	GF	10,731,704	-	10,886,729	(314,109)	0
	GFE	-	-	-	-	-
	CF	5,604,460	-	5,707,810	-	-
	RF	-	-	-	-	-
	FF	16,255,095	-	16,513,470	8,924,442	5,669,405
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Hospital Provider Fee County Administration	Total	3,630,334	-	4,794,722	4,881,080	5,972,376
	FTE	-	-	-	-	-
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	1,755,168	-	2,397,362	799,009	1,031,291
	RF	-	-	-	-	-
	FF	1,875,166	-	2,397,360	4,082,071	4,941,085
NEW ITEM (1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Medical Assistance Sites	Total	-	-	-	1,200,000	1,500,000
	FTE	-	-	-	-	-
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	300,000	375,000
	RF	-	-	-	-	-
	FF	-	-	-	900,000	1,125,000
NEW ITEM (1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Affordable Care Act Implementation Technical Support and Eligibility Determination Overflow Contingency	Total	-	-	-	986,436	-
	FTE	-	-	-	-	-
	GF	-	-	-	314,109	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	-	-	-	672,327	-

Letternote Text Revision Required? Yes: No: If yes, describe the Letternote Text Revision:
 Cash or Federal Fund Name and COFRS Fund Number: Hospital (24A) EAU2, Local Funds
 Reappropriated Funds Source, by Department and Line Item Name: NA
 Approval by OIT? Yes: No: Not Required:
 Schedule 13s from Affected Departments: NA
 Other Information: NA



COLORADO

Department of Health Care Policy
and Financing

Priority: R-6
Eligibility Determination Enhanced Match
FY 2014-15 Change Request

Cost and FTE

- The Department requests an increase of approximately \$15.7 million total funds in FY 2014-15, an approximate 30% increase over the current appropriation. This amount is comprised of a \$15.7 million increase to federal funds. No additional General Fund is requested.

Link to Operations

- Counties and the Department's Eligibility and Enrollment Services for Medical Assistance Program (EEMAP) contractor, Maximus, are responsible for processing most Medicaid and other major federally funded public assistance programs applications.

Problem or Opportunity

- Counties continue to be reimbursed below cost for the processing of Medicaid and other major federally funded public assistance programs applications. For Medicaid programs, counties are required to contribute 20% of the total cost of processing applications.
- The Department is able to draw a 75% federal match for application processing services under the Affordable Care Act (ACA). This would free up General Fund and Hospital Provider Fee dollars which could be appropriated to offer incentives to counties for processing online Medicaid applications and incent other application sites to move towards online applications and create a pool of funding to assist any site with technology to do so.
- Medical Assistance (MA) sites and other sites are not currently paid for processing applications.

Consequences of Problem

- Counties continue to be paid below their total cost, which has lead to application processing delays and lawsuits against the state.
- The Department is not currently able to incentivize counties to keep up with system and processing changing and caseload associated with the ACA; if counties and other eligibility assistance sites cannot process applications timely, clients are delayed from receiving services, which may lead to additional lawsuits.

Proposed Solution

- The Department requests to repurpose General Fund from the enhanced match to: fund incentives for counties for improvement in application processing; fund Medical Assistance (MA) sites; and establish coordinated payment methodologies for all Medicaid application processing sites.
- With proper financial incentives, trainings, and resources, the Department would help counties reduce costs, increase reimbursement and make application processing more efficient.
- By improving funding methodologies to MA and other eligibility sites, the Department would ensure timeliness and accuracy in application processing while offering clients alternative sites to enroll in Medicaid.



COLORADO

Department of Health Care Policy and Financing

FY 2014-15 Funding Request | November 1, 2013

John W. Hickenlooper
Governor

Susan E. Birch
Executive Director

Department Priority: R-6
Request Detail: Eligibility Determination Enhanced Match

Summary of Incremental Funding Change for FY 2014-15	Total Funds	General Fund
Eligibility Determination Enhanced Match	\$15,677,849	\$0

Problem or Opportunity:

The Department works with 64 counties in Colorado to assist in determining eligibility and enrolling clients into the Medicaid and other federally funded assistance programs. While the Department and the Department of Human services share the cost of administering these services, counties continue to be underfunded each year as the actual cost of providing administrative services exceed the appropriations from both agencies. As caseloads for public assistance programs continue to grow, counties are required to maintain timely application processing standards and ensure eligibility determination accuracy; because there are still uncompensated costs, counties continue to have difficulty maintaining compliance with processing standards. Medicaid expansion under the Affordable Care Act (ACA) put further strain on counties as they are required to enroll newly eligible clients within more stringent application processing performance standards, including federal requirements pushing states to adopt real-time eligibility determinations.

In addition to pressure from Medicaid expansion, counties face challenges in application processing as a result of consistent underfunding which compounds the need for additional funding. Many consumers continue to utilize and submit paper applications. Other counties are not allocated enough funding to hire the number of FTE needed to process Medicaid and other federally funded program applications and are therefore forced to stretch their existing FTE for multiple activities, not necessarily related to eligibility determination. Although the General Assembly appropriated some additional funding to counties in SB 13-200, which authorized Medicaid expansion under the Affordable Care Act, counties are now projected to incur costs well beyond the state's appropriations for County Administration as projected enrollment has changed since the passage of SB 13-200.

To met the expected high demand for eligibility determination services, the Centers for Medicare and Medicaid Services (CMS) has examined its current practices under Medicaid Management Information Systems (MMIS) rules for approval of 75% federal match for maintenance and operations in the context of eligibility determinations and has confirmed that certain eligibility determination-related costs are eligible for 75% federal financial participation (FFP). Further guidance from a CMS issued Frequently Asked

Questions document, released on April 24, 2013, and additional information on August 9, 2013, outlined specific activities that would receive the additional federal funding for an unspecified length of time. Based on this information, the Department believes the majority of its County Administration appropriation would be eligible for the enhanced match; however, the true amount of the enhanced match will not be known until the Department receives approval for a Maintenance and Operations Advance Planning Document (MOAPD); the Department submitted this document to CMS on August 21, 2013 and is awaiting a reply.

Based on CMS' guidance, in an effort to mitigate the funding issues and provide additional resources to counties, the Department submitted an interim supplemental request in August 2013 to remove the (M) head note from the County Administration appropriation. After reviewing the request, the Joint Budget Committee (JBC) determined it best to leave the (M) headnote on the line item but appropriated the Department approximately \$9 million to fund unexpected costs as a result of ACA and Medicaid expansion implementation and provide additional funding to counties to support the expected influx of clients.

Proposed Solution:

The Department requests \$15,677,849, comprised of \$15,677,849 federal funds to improve the eligibility determination process statewide. The Department would use the requested funding to provide grants to counties to improve their eligibility processing infrastructure, provide incentive payments for meeting application processing benchmarks, provide additional funding to counties for ongoing operations, and provide funding to medical assistance sites. This funding would also continue funding the Department's ACA implementation plan. In total, this request would require no new investment of state funds, while allowing the Department to obtain an estimated \$15,677,849 in new federal funds.

The increase in the federal match rate for eligibility determination activities creates a surplus of General Fund and Hospital Provider Fee in the Department's appropriations for County Administration. Essentially, because the Department is able to draw down additional federal funds, it can provide the same level of total funding to counties using fewer state dollars. Because there are significant additional needs related to the timely processing of eligibility, and because the counties continue to be under-reimbursed for their costs to process applications for public assistance, the Department requests to maintain the level of its General Fund and Hospital Provider Fee appropriations in FY 2014-15 and beyond for the purpose of providing as much additional federal funding to counties as possible, along with providing funding for other eligibility processing activities.

Infrastructure Grants

The Department proposes to provide \$1,000,000 per fiscal year to counties in the form of infrastructure grants. These grants would be offered to counties for one-time funding requirements to improve the eligibility determination process. For example, counties could use funding to create a computer room for applicants to enter their information into PEAK. The Department would require counties to submit written proposals for funding at the beginning of the fiscal year and would offer awards to the proposals that most align with the Department's goal to improve the client eligibility determination process. The structure of the award process and a rating system to rank requests would be established through stakeholder outreach.

The Department assumes a small internal workgroup would be necessary to review and recommend infrastructure grants for the Department to fund. Although the Department currently has only 1 FTE allocated to program management of County Administration, the Department believes that the additional workload of reviewing applications once or twice a year would be absorbable.

Incentive Payment Structure and Increased Funding for Counties

The Department proposes to provide \$2,853,905 General Fund to provide an incentive payment to counties for meeting application processing and other benchmarks established by the Department in conjunction with the counties. Additionally, the Department would increase county allocations by an estimated \$9,685,508 total funds, including \$1,439,107 General Fund, \$982,270 Hospital Provider Fee funds and \$7,264,131 federal funds in FY 2014-15 to allow counties to maintain effective administration of Medicaid eligibility determination and application processing.

In order to improve the eligibility determination methodology, the Department requests to repurpose General Fund in the County Administration and Hospital Provider Fee County Administration line items to create incentive payments, with counties. Application processing requirements, established at 42 CFR § 435.911 and in rule at 10 CCR 2505 section 8.100.3D, necessitate the processing of applications within 90 days for a person applying for Medical Assistance Programs with a disability determination and 45 days for all other applicants. By creating an incentive program, the Department would be able to encourage faster and more accurate application processing and other activities such as the movement away from paper applications, responsiveness to Random Moment Sampling (RMS) surveys, or other activities to create a more efficient and effective eligibility determination process. The Department would utilize an intensive stakeholder outreach process to engage counties in discussions about application processing benchmarks and incentive payment structure.

To create an incentive payment, the Department would create contracts with participating counties. Creating contracts with counties for Medicaid eligibility determination would enable the Department to set specific benchmarks for application processing and timeliness while offering incentives to meet the benchmarks. These contracts would also create repercussions for counties that are unable to meet application processing standards.

Due to federal requirements, the Department cannot reimburse counties above their cost. Therefore, incentive payments would be provided by reducing the funds that counties are required to contribute, currently approximately 20% of the total funding for regular activities, and replace those funds with General Fund dollars. While this is the proposed methodology for incentive payments, the Department would work with counties and DHS to reach an agreed upon standard.

The Department proposes that any remaining appropriation from the County Administration and Hospital Provider Fee County Administration lines would be included in the counties' allocation budgets to support regular county administration activities and assure that counties have necessary resources to provide Medicaid eligibility determination services. Any unspent General Fund in the County Administration appropriation would be transferred at the end of the year to DHS to support other federally funded program administration provided by the counties, consistent with the current program operation.

Medical Assistance (MA) Site Funding

The Department proposes to provide funding for MA sites to assist in Medicaid eligibility determination and to hire a contractor to review statewide eligibility determination reimbursement methodologies. The Department estimates that \$1,200,000 total funds, \$300,000 Hospital Provider Fee and \$900,000 federal funds, would be required in FY 2014-15, increasing to \$1,500,000 in FY 2015-16.

A number of different eligibility determination sites exist around the state with varying degrees of services. The Department funds some of these sites, such as Federally Qualified Health Centers (FQHC), but does not fund others like Medical Assistance sites. The Department proposes to contract with a vendor to support an effort to evaluate all payment methodologies for eligibility determination. The range and scope of activities that are performed to assist clients in Medicaid eligibility has become more complicated over time, for instance with the implementation of the Program Eligibility and Application Kit (PEAK) system. In order to insure consistency across multiple organizations, including counties, the Department would hire a contractor to evaluate the current payment system, make recommendations for improvement, engage in stakeholder outreach to determine the most appropriate program structure moving forward, work with federal partners to ensure program compliance with federal regulation and potentially perform a new workload study on county activities.

In addition to funding a contractor to review overall eligibility site functionality, the Department proposes to fund Medical Assistance (MA) sites. The Department currently contracts with 7 MA sites to conduct Medicaid eligibility determination on location. MA sites offer additional points of contact for Medicaid eligibility determination. Eligibility workers are stationed at places such as schools, clinics, and hospitals in order to assist clients that may otherwise not visit a county location to be enrolled in Medicaid. These sites are required to meet the same application processing performance standards and requirements that counties are required to meet and support the Department's aim to have "no wrong door" in determining client eligibility. Historically the Department has not reimbursed MA sites for application processing because funding has not been available. Rather, MA sites utilize grant funds and internal funding to pay for eligibility services. The enhanced match on eligibility determination activities would, however, enable the Department to utilize freed up Hospital Provider Fee from the Centralized Eligibility Vendor appropriation to pay MA sites for processing Medicaid applications. With Medicaid expansion, counties are likely to face an unprecedented volume of applications; to maintain timely eligibility processing, funding MA sites would ensure enough resources are provided to maintain timeliness in application processing as the number of applications increase. The Department would employ a stakeholder outreach process with MA sites to determine the best payment methodology for services while being mindful of existing programs, such as FQHC outstationing services. Outstationing clinics accept and perform the initial processing of Medicaid applications from the designated eligibility groups at outstationing locations. Initial processing means taking applications, providing information and referrals, obtaining required documentation to complete processing of the application, assuring that the information contained on the application form is complete, and conducting any necessary interviews. Outstationing clinics do not evaluate the information or make a determination of eligibility and are therefore do not meet the eligibility criteria for enhanced funding.

Should this initiative not be approved, the Department would continue to contract for the operation of MA sites without funding and would keep other eligibility assistance programs as they are currently. While the

MA site program has been successful in the past, Medicaid expansion may make it difficult for sites to continue to meet timely filing requirements. Site managers have informed the Department that it is a continuous struggle to obtain and maintain local grant funds to keep the sites operational. Additionally, with more and more clients enrolling in Medicaid, the overhead costs of being a site continues to increase annually placing a financial burden on the organizations. With ACA moving forward and more adults programs being offered, the burden will only continue to increase and could lead MA sites to close resulting in a greater burden on counties.

Funding for ACA Implementation Contracts

In order to continue supporting the call center and back office functions necessary for ACA implementation the Department requests \$986,436 total funds, \$314,104 General Fund and \$672,327 federal funds in FY 2014-15.

The Department issued two Invitation for Bids (IFB) for contractors to operate a back up call center and back office activities. These contracts, in conjunction with internal staff and system changes, are designed to mitigate any issues with ACA implementation and support overflow from counties efforts in order to maintain application processing requirements. For further detail see the Department’s September 1331 Interim Supplemental request.

The Department estimates these contracts would only be required through FY 2014-15. For more detail on the contractors’ activities and associated costs see Table 8 in Appendix A.

Without approval to continue funding the Department’s ACA implementation efforts, the Department would be required to repurpose existing resources that are already allocated to other purposes in order to fund activities related to eligibility processing and ACA implementation. This could cause shortfalls in contracts or create delays in implementation and execution of other programs, including County Administration.

Anticipated Outcomes:

The approval of this request would allow the Department to take advantage of the current opportunity to utilize freed up General Fund to be repurposed towards ACA implementation without requiring any additional General Fund or cash funds appropriations. The Department would be able to ensure new clients have the necessary resources available to determine their eligibility, make certain all information from Connect for Health Colorado is consistent with Medicaid eligibility rules, and ensure accurate and timely eligibility determinations.

Additionally, the Department would be able to improve the eligibility determination process for clients by creating incentives for counties who demonstrate improvements to their services while also offering infrastructure support to counties that would not otherwise be available.

Finally, with approval of this request, the Department would be able to fund a review of eligibility assistance and determination sites as well as fund MA sites for their Medicaid eligibility determination activities. This would allow the Department to ensure all points of entry for clients are streamlined and

meet accuracy and application processing requirements. This opportunity would also provide resources to enable the MA sites to continue to determine eligibility for the Medicaid program.

This request would also help the Department achieve three of the stated goals on the Department's Five-Year Strategy Map. This request would allow the Department to improve health outcomes, client experience and lower per capita costs by making resources available to ensure newly eligible clients are correctly enrolled into Medicaid in a timely manner. The Department would be able to provide service through technological innovation by providing support for unexpected complications as the State and the Department implement ACA requirements. Additionally the Department would be able to ensure sound stewardship of financial resources by identifying the potential for overpayment as a result of new system processes and eliminating the risk.

Overall, this request would ensure the Department has adequate resources to anticipate issues with ACA implementation and make sure clients' experience with Medicaid enrollment is efficient and effective, giving Coloradoans the services they need.

Assumptions and Calculations:

A detailed description of the Department's calculations for this request can be found in Appendix A. Additional information and assumptions for each section can be found below.

County Administration

The Department assumes an additional \$4,607,121 General Fund and \$1,770,270 Hospital Provider Fee will be available in FY 2014-15 as a result of the enhanced match available for eligibility determination. See tables 3 through 5 for detailed calculations. In calculating the amount of General Fund freed up through the enhanced match, the Department reviewed FY 2012-13 expenditure reports submitted by counties through CFMS and eliminated cost pools the Department believed would not be eligible for the enhanced match. The Department then reviewed the RMS activities performed in the same year, made assumptions about which activities would be eligible for the enhanced funding and which would not, and applied that metric to the estimated eligible expenditure. While this methodology creates an estimate to the amount of funding available for the match, the actual activities and cost pools eligible for enhanced funding will be determined by CMS. The Department submitted the list of activities with the MOAPD and will continue to work with CMS to reach an agreement on the activities and costs pools eligible for enhanced funding. For the purposes of this request, and using the methodology described above, the Department estimates 56% of Medicaid County Administration is eligible for additional funding.

The Department assumes it would engage in extensive outreach to create an incentive program within contracts for counties. Although actual implementation may differ, in order to estimate costs, the Department assumed it would provide this incentive through a reduction to the local funds counties are expected to contribute to county administration. The Department assumed that in the first year of the program there would be a reduction to the local share of 50%, ramping up to 90% reduction in FY 2015-16. In order to receive the reduction in local share, counties would be expected to meet or exceed the benchmarks established in the contracts. While the increase to General Fund to offset the local share should lead to a decrease in the needed appropriation for local funds, the Department would maintain the local

funds appropriation, as it is not guaranteed counties will meet the benchmarks established. Should a county be unable to attain the level of application processing required to decrease the local share amount, this funding would be necessary to draw federal funds to pay for services.

The Department assumes that any remaining General Fund and Hospital Provider Fee dollars will be utilized to increase county allocations for County Administration. In estimating this increase, the Department assumes all additional activities the county would be able to perform with freed up funding would be eligible for the 75% enhanced match. This assumption is made to estimate the highest amount of federal funds that might be necessary to operate the program and under the assumption that counties would need to increase the number of FTE performing Medicaid eligibility determination under Medicaid expansion in order to meet application processing requirements.

The Department assumes county infrastructure grants, incentive payments, and additional funds to counties would remain in the County Administration line item. The Department needs to maintain flexibility between these tasks as counties are not guaranteed to utilize all grant and incentive funds available. Should this happen, the Department could increase allocations to the counties without requesting approval from the JBC. If the program initiatives are separated the Department would be unable to utilize remaining funds in the grant and incentive lines to increase allocations without additional spending authority.

Medical Assistance Site Funding

The Department assumes a contractor would be required to evaluate the current payment structure for eligibility assistance and determination sites and work with stakeholders to establish payment methodologies and funding levels. The Department estimates no greater than \$500,000 would be issued to the contractor and that new methodologies would be implemented by January 1, 2015. The Department would issue an Information For Bid (IFB) to award the contract. Any funding not distributed to the contractor would be utilized for payment to the MA sites.

The Department assumes a new line item, (1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Medical Assistance Sites, would be created to delineate MA site activities from the Centralized Eligibility Vendor line item. In FY 2014-15 the Department assumes \$1,200,000 total funds, including \$300,000 Hospital Provider Fee and \$900,000 federal funds, would be necessary to implement the program. Because the estimated appropriation for MA sites is based on caseload growth, it is likely the Department would need to increase the appropriation as caseload increases.

ACA Implementation

The Department has issued IFBs for two contractors to provide the call center and administrative activities discussed above. The Department made estimates based on current contracts and processing times to reach the estimated \$2.5 million in costs in FY 2013-14 and \$986,000 in FY 2014-15 for the additional ACA implementation requirements; the Department provided estimates for these functions in its September 20, 2013 interim supplemental request. Once the contracts have been evaluated and awarded, the Department intends to provide updated cost estimates in a January 2014 supplemental request and budget amendment. Please see Appendix A: Table 7 for further detail of estimated costs.

The Department assumes a new line item, (1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Affordable Care Act Implementation Technical Support and Eligibility Determination Overflow Contingency would be created to appropriate funding for ACA implementation activities. The Department estimates \$986,436 total funds, including \$314,109 General Fund and \$672,327 federal funds would be necessary to continue the call center and back office activities through FY 2014-15. The Department assumes no funding would be necessary in FY 2015-16 and subsequent years.

R-6 Eligibility Determination Enhanced Match
Appendix A: Calculations and Assumptions

Table 1.1 Summary by Line Item							
FY 2014-15	FTE	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Total Request	0.0	\$15,677,849	\$0	\$0	\$0	\$0	\$15,677,849
(1) Executive Director's Office; (C) Information Technology Contracts and Projects: Centralized Eligibility Vendor Contract Project	0.0	\$0	\$0	\$0	(\$1,099,009)	\$0	\$1,099,009
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: County Administration	0.0	\$8,610,333	(\$314,109)	\$0	\$0	\$0	\$8,924,442
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Hospital Provider Fee County Administration	0.0	\$4,881,080	\$0	\$0	\$799,009	\$0	\$4,082,071
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Medical Assistance Sites	0.0	\$1,200,000	\$0	\$0	\$300,000	\$0	\$900,000
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Affordable Care Act Implementation Technical Support and Eligibility Determination Overflow Contingency	0.0	\$986,436	\$314,109	\$0	\$0	\$0	\$672,327

Table 1.2 Summary by Line Item							
FY 2015-16	FTE	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Total Request	0.0	\$13,141,781	\$0	\$0	\$0	\$0	\$13,141,781
(1) Executive Director's Office; (C) Information Technology Contracts and Projects: Centralized Eligibility Vendor Contract Project	0.0	\$0	\$0	\$0	(\$1,406,291)	\$0	\$1,406,291
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: County Administration	0.0	\$5,669,405	\$0	\$0	\$0	\$0	\$5,669,405
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Hospital Provider Fee County Administration	0.0	\$5,972,376	\$0	\$0	\$1,031,291	\$0	\$4,941,085
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Medical Assistance Sites	0.0	\$1,500,000	\$0	\$0	\$375,000	\$0	\$1,125,000
(1) Executive Director's Office; (D) Eligibility Determinations and Client Services: Affordable Care Act Implementation Technical Support and Eligibility Determination Overflow Contingency	0.0	\$0	\$0	\$0	\$0	\$0	\$0

Table 2.1 - FY 2014-15 Summary by Initiative								
Item	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds	Source
Reduction Due to Enhanced Match								
County Administration Savings from Enhanced Funding	75%	\$0	(\$4,607,121)	\$0	(\$671,261)	\$0	\$5,278,382	Table 3.3 - FY 2014-15 Total Year County Administration with Enhanced Federal Match
Centralized Eligibility Vendor Savings from Enhanced Funding	75%	\$0	\$0	\$0	(\$1,099,009)	\$0	\$1,099,009	Table 5.1 - FY 2014-15 Eligibility and Enrollment Medical Assistance Program Budget
Repurposed Funding								
County Grant Support	50%	\$1,000,000	\$0	\$0	\$500,000	\$0	\$500,000	Estimate
County Incentive Payment	75%	\$2,853,905	\$2,853,905	\$0	\$0	\$0	\$0	Table 6 - Estimated Cost for County Administration Incentive Payment
Increase in County Allocation	75%	\$9,637,508	\$1,439,107	\$0	\$970,270	\$0	\$7,228,131	Estimated assuming any remaining General Fund or Hospital Provider Fee funds would be utilized to increase allocations to counties.
Medical Assistance Site Funding	75%	\$1,200,000	\$0	\$0	\$300,000	\$0	\$900,000	Estimate
ACA Implementation	75%	\$716,436	\$179,109	\$0	\$0	\$0	\$537,327	Table 7 - Estimated Additional Affordable Care Act Implementation Costs
ACA Implementation	50%	\$270,000	\$135,000	\$0	\$0	\$0	\$135,000	Table 7 - Estimated Additional Affordable Care Act Implementation Costs
Estimated Total Cost		\$15,677,849	\$0	\$0	\$0	\$0	\$15,677,849	

Table 2.2 - FY 2015-16 Summary by Initiative								
Item	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds	Source
Reduction Due to Enhanced Match								
County Administration Savings from Enhanced Funding	75%	\$0	(\$4,713,389)	\$0	(\$711,803)	\$0	\$5,425,192	Table 4.3 - FY 2015-16 Total Year County Administration Appropriation with Enhanced Federal Match
Centralized Eligibility Vendor Savings from Enhanced Funding	75%	\$0	\$0	\$0	(\$1,406,291)	\$0	\$1,406,291	Table 5.2 - FY 2015-16 Eligibility and Enrollment Medical Assistance Program Budget
Repurposed Funding								
County Grant Support	50%	\$1,000,000	\$0	\$0	\$500,000	\$0	\$500,000	Estimate
County Incentive Payment	75%	\$4,394,717	\$4,394,717	\$0	\$0	\$0	\$0	Table 6 - Estimated Cost for County Administration Incentive Payment
Increase in County Allocation	75%	\$6,247,064	\$318,672	\$0	\$1,243,094	\$0	\$4,685,298	Estimated assuming any remaining General Fund or Hospital Provider Fee funds would be utilized to increase allocations to counties.
Medical Assistance Site Funding	75%	\$1,500,000	\$0	\$0	\$375,000	\$0	\$1,125,000	Estimate
ACA Implementation	75%	\$0	\$0	\$0	\$0	\$0	\$0	Table 7 - Estimated Additional Affordable Care Act Implementation Costs
ACA Implementation	50%	\$0	\$0	\$0	\$0	\$0	\$0	Table 7 - Estimated Additional Affordable Care Act Implementation Costs
Estimated Total Cost		\$13,141,781	\$0	\$0	\$0	\$0	\$13,141,781	

R-6 Eligibility Determination Enhanced Match
Appendix A: Calculations and Assumptions

Table 3.1 - FY 2014-15 County Administration Current Appropriation							
Appropriation	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Regular County Administration	50%	\$28,801,635	\$8,733,542	\$5,707,810	\$0	\$0	\$14,360,283
County Administration Requiring No Local Share	50%	\$4,106,374	\$2,053,187	\$0	\$0	\$0	\$2,053,187
PARIS	50%	\$200,000	\$100,000	\$0	\$0	\$0	\$100,000
Hospital Provider Fee County Administration	50%	\$4,794,722	\$0	\$0	\$2,397,361	\$0	\$2,397,361
Total Appropriation		\$37,902,731	\$10,886,729	\$5,707,810	\$2,397,361	\$0	\$18,910,831
Table 3.2 - FY 2014-15 County Administration Assuming 56% of County Activities are Eligible for the Enhanced Match							
Appropriation	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Regular County Administration	50%	\$16,128,916	\$4,838,675	\$3,225,783	\$0	\$0	\$8,064,458
County Administration Requiring No Local Share	50%	\$2,299,569	\$1,149,784	\$0	\$0	\$0	\$1,149,785
PARIS	50%	\$200,000	\$100,000	\$0	\$0	\$0	\$100,000
Hospital Provider Fee County Administration	50%	\$2,685,044	\$0	\$0	\$1,342,522	\$0	\$1,342,522
Total Appropriation		\$21,313,529	\$6,088,459	\$3,225,783	\$1,342,522	\$0	\$10,656,765
Table 3.3 - FY 2014-15 Total Year County Administration with Enhanced Federal Match							
Appropriation	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Regular County Administration	75%	\$16,128,916	\$806,446	\$3,225,783	\$0	\$0	\$12,096,687
County Administration Requiring No Local Share	75%	\$2,299,569	\$574,892	\$0	\$0	\$0	\$1,724,677
PARIS Holdout	50%	\$200,000	\$100,000	\$0	\$0	\$0	\$100,000
Hospital Provider Fee County Administration	75%	\$2,685,044	\$0	\$0	\$671,261	\$0	\$2,013,783
Total ⁽¹⁾		\$21,313,529	\$1,481,338	\$3,225,783	\$671,261	\$0	\$15,935,147
Estimated Impact of Enhanced Match Funding		\$0	(\$4,607,121)	\$0	(\$671,261)	\$0	\$5,278,382

⁽¹⁾ The Department assumes the local share will remain constant and all savings will be attributed to General Fund.

R-6 Eligibility Determination Enhanced Match
Appendix A: Calculations and Assumptions

Table 4.1 - FY 2015-16 County Administration Current Appropriation							
Appropriation	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Regular County Administration	50%	\$29,560,699	\$8,961,261	\$5,859,623	\$0	\$0	\$14,739,815
County Administration Requiring No Local Share	50%	\$4,106,374	\$2,053,187	\$0	\$0	\$0	\$2,053,187
PARIS Holdout	50%	\$200,000	\$100,000	\$0	\$0	\$0	\$100,000
Hospital Provider Fee County Administration	50%	\$5,084,308	\$0	\$0	\$2,542,154	\$0	\$2,542,154
Total		\$38,951,381	\$11,114,448	\$5,859,623	\$2,542,154	\$0	\$19,435,156

Table 4.2 - FY 2015-16 County Administration Assuming 56% of County Activities are Eligible for the Enhanced Match							
Appropriation	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Regular County Administration	50%	\$16,553,991	\$4,966,197	\$3,310,798	\$0	\$0	\$8,276,996
County Administration Requiring No Local Share	50%	\$2,299,569	\$1,149,784	\$0	\$0	\$0	\$1,149,785
PARIS	50%	\$200,000	\$100,000	\$0	\$0	\$0	\$100,000
Hospital Provider Fee County Administration	50%	\$2,847,212	\$0	\$0	\$1,423,606	\$0	\$1,423,606
Total Appropriation		\$21,900,772	\$6,215,981	\$3,310,798	\$1,423,606	\$0	\$10,950,387

Table 4.3 - FY 2015-16 Total Year County Administration Appropriation with Enhanced Federal Match							
Appropriation	FMAP	Total Funds	General Fund	Local Funds	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
Regular County Administration	75%	\$16,553,991	\$827,700	\$3,310,798	\$0	\$0	\$12,415,493
County Administration Requiring No Local Share	75%	\$2,299,569	\$574,892	\$0	\$0	\$0	\$1,724,677
PARIS Holdout	50%	\$200,000	\$100,000	\$0	\$0	\$0	\$100,000
Hospital Provider Fee County Administration	75%	\$2,847,212	\$0	\$0	\$711,803	\$0	\$2,135,409
Total ⁽¹⁾		\$21,900,772	\$1,502,592	\$3,310,798	\$711,803	\$0	\$16,375,579
Estimated Impact of Enhanced Match Funding		\$0	(\$4,713,389)	\$0	(\$711,803)	\$0	\$5,425,192

⁽¹⁾ The Department assumes the local share will remain constant and all savings will be attributed to General Fund.

R-6 Eligibility Determination Enhanced Match

Appendix A: Calculations and Assumptions

Table 5.1 - FY 2014-15 Eligibility and Enrollment Medical Assistance Program Budget						
Appropriation	FMAP	Total Funds	General Fund	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
FY 2014-15 Appropriation	50%	\$7,151,142	\$0	\$3,560,381	\$0	\$3,590,761
FY 2014-15 Appropriation Assuming 62% of the Contract is Eligible for the Enhanced Match	50%	\$4,433,708	\$0	\$2,207,436	\$0	\$2,226,272
FY 2014-15 Appropriation with Enhanced Funding	75%	\$4,433,708	\$0	\$1,108,427	\$0	\$3,325,281
Estimated Impact of Enhanced Match Funding		\$0	\$0	(\$1,099,009)	\$0	\$1,099,009

Table 5.2 - FY 2015-16 Eligibility and Enrollment Medical Assistance Program Budget						
Appropriation	FMAP	Total Funds	General Fund	Hospital Provider Fee Cash Fund	Reappropriated Funds	Federal Funds
FY 2015-16 Appropriation	50%	\$9,133,612	\$0	\$4,551,616	\$0	\$4,581,996
FY 2015-16 Appropriation Assuming 62% of the Contract is Eligible for the Enhanced Match	50%	\$5,662,839	\$0	\$2,822,001	\$0	\$2,840,838
FY 2015-16 Appropriation with Enhanced Funding	75%	\$5,662,839	\$0	\$1,415,710	\$0	\$4,247,129
Estimated Impact of Enhanced Match Funding		\$0	\$0	(\$1,406,291)	\$0	\$1,406,291

R-6 Eligibility Determination Enhanced Match
Appendix A: Calculations and Assumptions

Table 6 - Estimated Cost for County Administration Incentive Payment				
Row	Item	FY 2014-15	FY 2015-16	Comment/Calculation
A	Estimated County Share	\$5,707,810	\$5,859,623	Estimated County Share of Appropriation
B	Estimated Percentage to be Replaced with General Fund Incentive	50%	75%	Assumed gradual increase as counties are better able to meet established benchmarks.
C	Estimated Incentive Payment Cost	\$2,853,905	\$4,394,717	Row A * Row B

Table 7 - Estimated Additional Affordable Care Act Implementation Costs				
Item	FMAP	FY 2013-14	FY 2014-15	Estimated Project End Date
SYSTEM CHANGES				
CBMS				
System change to CBMS to differentiate between verified and unverified records received from the Marketplace	90%	\$168,000	\$0	December 2013
System change to CBMS to report on unverified Medicaid eligible determinations, so that staffing can identify and collect missing verifications.	90%	\$50,400	\$0	December 2013
System change to CBMS to identify assumed relationships received from the Marketplace	90%	\$168,000	\$0	December 2013
System change to CBMS to report on potential households that may not be accurately determined due to this assumption	90%	\$50,400	\$0	December 2013
OIT / MARKETPLACE				
System change to the Marketplace to cross walk and send the Department necessary data for the affected relationships	90%	\$190,400	\$0	December 2013
Subtotal System Changes		\$627,200	\$0	
HCPF IN-HOUSE				
Temporary FTE to perform quality control on the cases that should already be executed to ensure timely filing. Also mitigate issues with various contracts and create communication plans.	75%	\$53,295	\$72,748	June 2014
The Department is requesting increased funding for printing and stocking paper applications.	50%	\$270,000	\$270,000	On-going
Subtotal HCPF In-House		\$323,295	\$342,748	
CONTRACTOR				
Staffing to process phone applications	75%	\$749,649	\$321,844	October 2014
Subtotal Call Center		\$749,649	\$321,844	
Staffing to manage and process the reports to collect verifications and finalize eligibility determinations	75%	\$187,413	\$53,641	August 2014
Staffing to review, process and collect the accurate household compositions and determine final eligibility	75%	\$187,412	\$53,641	August 2014
The Department is requesting additional funding to create an overflow team who can serve as a temporary resource to manage all overflow and backlogged requests for applications with minimal wait time	75%	\$187,412	\$107,281	October 2014
Increase staffing to manage and process data entry of paper applications	75%	\$187,412	\$107,281	October 2014
Subtotal Back of the Office Contract		\$749,649	\$321,844	
Total Cost		\$2,449,793	\$986,436	