

Schedule 13

Funding Request for the FY 2026-27 Budget Cycle

Health Care Policy and Financing

Request Title

S-07 Additional Reductions Package

BA-07 Additional Reductions Package

Dept. Approval By: _____

X

Supplemental FY 2025-26

OSPB Approval By: _____

X

Budget Amendment FY 2026-27

Summary Information	Fund	FY 2025-26		FY 2026-27		FY 2027-28
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	Total	\$16,696,908,649	(\$62,500,929)	\$16,739,844,926	(\$293,885,425)	(\$296,772,817)
	FTE	800.7	0.0	798.1	0.0	2.0
Total of All Line Items Impacted by Change Request	GF	\$5,076,783,231	(\$30,590,024)	\$5,089,727,400	(\$117,981,763)	(\$113,026,522)
	CF	\$1,658,976,658	\$5,168,658	\$1,661,092,503	(\$14,088,719)	(\$17,058,104)
	RF	\$143,287,895	(\$28,263)	\$141,635,889	\$6,564,941	\$6,564,941
	FF	\$9,817,860,865	(\$37,051,300)	\$9,847,389,134	(\$168,379,884)	(\$173,253,132)

Line Item Information	Fund	FY 2025-26	FY 2026-27		FY 2027-28	
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	Total	\$76,602,942	\$0	\$78,913,641	\$0	\$174,700
	FTE	800.7	0.0	798.1	0.0	2.0
01. Executive Director's Office, (A) General	GF	\$29,477,201	\$0	\$30,293,903	\$0	\$87,350
Administration, (1)	CF	\$6,407,940	\$0	\$6,602,894	\$0	\$0
General Administration, Personal Services	RF	\$3,155,881	\$0	\$3,211,037	\$0	\$0
	FF	\$37,561,920	\$0	\$38,805,807	\$0	\$87,350
	Total	\$12,823,330	\$0	\$16,840,982	\$0	\$35,534
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General	GF	\$5,434,254	\$0	\$6,493,890	\$0	\$17,767
Administration, (1)	CF	\$702,241	\$0	\$1,438,304	\$0	\$0
General Administration, Health, Life, and Dental	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$6,686,835	\$0	\$8,908,788	\$0	\$17,767
	Total	\$51,482	\$0	\$64,918	\$0	\$108
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General	GF	\$23,801	\$0	\$25,314	\$0	\$54
Administration, (1)	CF	\$427	\$0	\$5,360	\$0	\$0
General Administration, Short-term Disability	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$27,254	\$0	\$34,244	\$0	\$54
	Total	\$377,655	\$0	\$417,668	\$0	\$695
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General	GF	\$152,639	\$0	\$162,880	\$0	\$347
Administration, (1)	CF	\$27,098	\$0	\$34,480	\$0	\$0
General Administration, Paid Family and Medical	RF	\$0	\$0	\$0	\$0	\$0
Leave Insurance	FF	\$197,918	\$0	\$220,308	\$0	\$348
	Total	\$7,918,630	\$0	\$9,281,509	\$0	\$15,449
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General	GF	\$3,391,947	\$0	\$3,619,548	\$0	\$7,724
Administration, (1)	CF	\$365,358	\$0	\$766,216	\$0	\$0
General Administration, Unfunded Liability AED	RF	\$0	\$0	\$0	\$0	\$0
Payments	FF	\$4,161,325	\$0	\$4,895,745	\$0	\$7,725

Line Item Information	Fund	FY 2025-26	FY 2026-27		FY 2027-28	
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	Total	\$3,400,167	\$0	\$3,097,991	\$0	\$1,470
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$1,344,473	\$0	\$1,287,723	\$0	\$735
General Administration, Operating Expenses	CF	\$296,462	\$0	\$257,147	\$0	\$0
	RF	\$50,071	\$0	\$30,852	\$0	\$0
	FF	\$1,709,161	\$0	\$1,522,269	\$0	\$735
	Total	\$3,700,205	\$0	\$3,700,205	\$0	\$9,300
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$1,482,562	\$0	\$1,482,562	\$0	\$4,650
General Administration, Leased Space	CF	\$322,276	\$0	\$322,276	\$0	\$0
	RF	\$38,849	\$0	\$38,849	\$0	\$0
	FF	\$1,856,518	\$0	\$1,856,518	\$0	\$4,650
	Total	\$45,936,358	\$1,562,500	\$40,397,469	\$7,000,000	\$7,000,000
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration, General Professional Services and Special Projects	GF	\$16,663,486	\$781,250	\$14,707,769	\$3,500,000	\$3,500,000
	CF	\$3,629,148	\$0	\$2,846,853	\$0	\$0
	RF	\$81,000	\$0	\$81,000	\$0	\$0
	FF	\$25,562,724	\$781,250	\$22,761,847	\$3,500,000	\$3,500,000
	Total	\$104,857,279	\$187,501	\$101,381,567	\$750,000	\$2,579,495
01. Executive Director's Office, (B) Information Technology Contracts and Projects, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Information Technology Contracts and Projects, MMIS Maintenance and Projects	GF	\$14,958,219	\$14,213	\$14,562,664	\$56,850	\$1,886,345
	CF	\$10,671,589	\$7,819	\$10,614,200	\$31,275	\$31,275
	RF	\$12,204	\$0	\$12,204	\$0	\$0
	FF	\$79,215,267	\$165,469	\$76,192,499	\$661,875	\$661,875
	Total	\$88,214,394	\$0	\$78,141,713	\$127,950	\$511,800
01. Executive Director's Office, (B) Information Technology Contracts and Projects, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Information Technology Contracts and Projects, Colorado Benefits Management Systems, Operating & Contracts	GF	\$12,900,116	\$0	\$12,661,257	\$127,950	\$511,800
	CF	\$8,079,990	\$0	\$7,379,707	\$0	\$0
	RF	\$15,526,968	\$0	\$13,839,025	\$0	\$0
	FF	\$51,707,320	\$0	\$44,261,724	\$0	\$0

Line Item Information	Fund	FY 2025-26	FY 2026-27		FY 2027-28	
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	Total	\$9,619,029	\$0	\$9,853,147	(\$559,662)	(\$559,662)
01. Executive Director's Office, (B) Information Technology Contracts and Projects, (1) Information Technology Contracts and Projects, All Payer Claims Database	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$3,541,068	\$0	\$3,736,769	(\$405,415)	(\$405,415)
	CF	\$685,936	\$0	\$706,009	(\$15,731)	(\$15,731)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$5,392,025	\$0	\$5,410,369	(\$138,516)	(\$138,516)
	Total	\$38,038,830	(\$264,567)	\$34,246,996	(\$689,861)	(\$522,311)
01. Executive Director's Office, (D) Utilization and Quality Review Contracts, (1) Utilization and Quality Review Contracts, Professional Service Contracts	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$10,008,906	(\$138,534)	\$9,060,948	(\$351,181)	(\$267,406)
	CF	\$2,223,661	\$0	\$2,223,661	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$25,806,263	(\$126,033)	\$22,962,387	(\$338,680)	(\$254,905)
	Total	\$13,367,552,286	(\$63,986,363)	\$13,418,121,603	(\$289,613,541)	(\$287,428,033)
02. Medical Services Premiums, (A) Medical Services Premiums, (1) Medical Services Premiums, Medical Services Premiums	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$3,883,441,698	(\$27,613,832)	\$3,894,065,321	(\$106,997,526)	(\$103,035,322)
	CF	\$1,481,967,035	\$5,160,839	\$1,484,271,680	(\$13,967,976)	(\$16,924,971)
	RF	\$124,197,922	\$0	\$124,197,922	\$6,593,204	\$6,593,204
	FF	\$7,877,945,631	(\$41,533,370)	\$7,915,586,680	(\$175,241,243)	(\$174,060,944)
	Total	\$1,451,675,162	\$0	\$1,457,124,162	\$0	(\$1,367,340)
03. Behavioral Health Community Programs, (A) Behavioral Health Community Programs, (1) Behavioral Health Community Programs, Behavioral Health Capitation Payments	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$349,844,933	\$0	\$352,569,433	\$0	(\$478,569)
	CF	\$121,980,456	\$0	\$121,980,456	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$979,849,773	\$0	\$982,574,273	\$0	(\$888,771)
	Total	\$11,346,614	\$0	\$11,360,376	(\$77,597)	\$56,142
03. Behavioral Health Community Programs, (A) Behavioral Health Community Programs, (1) Behavioral Health Community Programs, Behavioral Health Fee-for-Service Payments	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$2,726,359	\$0	\$2,729,666	(\$18,645)	\$28,938
	CF	\$673,095	\$0	\$673,911	(\$4,603)	(\$5,022)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$7,947,160	\$0	\$7,956,799	(\$54,349)	\$32,226

Line Item Information	Fund	FY 2025-26		FY 2026-27		FY 2027-28
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	Total	\$943,198,318	\$0	\$943,443,684	(\$7,013,602)	(\$7,651,202)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs, Adult Comprehensive Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$469,997,259	\$0	\$470,117,999	(\$3,495,808)	(\$3,813,609)
	CF	\$1,601,900	\$0	\$1,603,843	(\$10,993)	(\$11,992)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$471,599,159	\$0	\$471,721,842	(\$3,506,801)	(\$3,825,601)
	Total	\$125,347,265	\$0	\$127,070,742	(\$700,170)	(\$763,820)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs, Adult Supported Living Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$47,026,926	\$0	\$47,711,922	(\$263,063)	(\$286,977)
	CF	\$14,346,101	\$0	\$14,363,501	(\$87,022)	(\$94,933)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$63,974,238	\$0	\$64,995,319	(\$350,085)	(\$381,910)
	Total	\$147,638,446	\$0	\$147,566,019	(\$1,296,804)	(\$1,414,698)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs, Children's Extensive Support Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$72,523,503	\$0	\$72,480,701	(\$648,402)	(\$707,349)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$75,114,943	\$0	\$75,085,318	(\$648,402)	(\$707,349)
	Total	\$31,570,797	\$0	\$31,446,226	(\$345,662)	(\$377,086)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs, Children's Habilitation Residential Program	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$15,784,057	\$0	\$15,721,723	(\$172,822)	(\$188,533)
	CF	\$1,342	\$0	\$1,344	(\$9)	(\$10)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$15,785,398	\$0	\$15,723,159	(\$172,831)	(\$188,543)
	Total	\$149,895,987	\$0	\$150,204,002	(\$1,314,999)	(\$1,434,544)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs, Case Management for People with Disabilities	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$70,613,942	\$0	\$70,762,693	(\$628,291)	(\$685,408)
	CF	\$4,994,603	\$0	\$5,000,661	(\$33,660)	(\$36,720)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$74,287,442	\$0	\$74,440,648	(\$653,048)	(\$712,416)

Line Item Information	Fund	FY 2025-26	FY 2026-27		FY 2027-28	
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	Total	\$11,436,277	\$0	\$11,450,148	(\$78,305)	(\$40,154)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs, Family Support Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$11,436,277	\$0	\$11,450,148	(\$78,305)	(\$40,154)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$5,375,632	\$0	\$5,382,152	(\$36,808)	(\$39,129)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs, State Supported Living Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$5,375,632	\$0	\$5,382,152	(\$36,808)	(\$39,129)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$5,238,505	\$0	\$5,244,859	(\$35,869)	(\$85,424)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs, State Supported Living Services Case Management	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$5,238,505	\$0	\$5,244,859	(\$35,869)	(\$85,424)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$72,271	\$0	\$72,359	(\$495)	(\$540)
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs, Preventative Dental Hygiene	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$72,271	\$0	\$72,359	(\$495)	(\$540)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$13,455,012	\$0	\$13,455,012	\$0	\$0
05. Indigent Care Program, (A) Indigent Care Program, (1) Indigent Care Program, Pediatric Specialty Hospital	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$6,727,506	(\$2,147,082)	\$6,727,506	(\$4,937,313)	(\$2,107,054)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$6,727,506	\$2,147,082	\$6,727,506	\$4,937,313	\$2,107,054

Line Item Information	Fund	FY 2025-26		FY 2026-27		FY 2027-28
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	Total	\$9,490,170	\$0	\$9,490,170	\$0	\$0
06. Other Medical Services, (A) Other Medical Services, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Other Medical Services, Commission on Family Medicine Residency Training Programs	GF	\$4,520,085	(\$1,486,039)	\$4,520,085	(\$3,596,620)	(\$1,457,776)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$225,000	(\$28,263)	\$225,000	(\$28,263)	(\$28,263)
	FF	\$4,745,085	\$1,514,302	\$4,745,085	\$3,624,883	\$1,486,039

	Total	\$32,075,606	\$0	\$32,075,606	\$0	(\$5,473,567)
06. Other Medical Services, (A) Other Medical Services, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Other Medical Services, HB 22-1289 Health Benefits for CO Children and Pregnant Ppl	GF	\$32,075,606	\$0	\$32,075,606	\$0	(\$5,473,567)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

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



Department Priority: S-07, BA-07 Additional Reductions Package

Summary of Funding Change for FY 2026-27

Fund Type	FY 2026-27 Base Request	FY 2026-27 Incremental Request	FY 2027-28 Incremental Request
Total Funds	\$16,739,844,926	(\$293,885,425)	(\$296,772,817)
General Fund	\$5,089,727,400	(\$117,981,763)	(\$113,026,522)
Cash Funds	\$1,661,092,503	(\$14,088,719)	(\$17,058,104)
Reappropriated Funds	\$141,635,889	\$6,564,941	\$6,564,941
Federal Funds	\$9,847,389,134	(\$168,379,884)	(\$173,253,132)
FTE	798.1	0.0	2.0

Summary of Request

Problem or Opportunity

It is necessary to reduce the rate of growth of Medicaid's General Fund spending to ensure its long term sustainability. The immediate and future budget impacts of H.R. 1 and the increase in Medicaid spending over the last decade require action to align spending growth more closely with the rate of increases in state revenue and the TABOR cap.

Proposed Solution

The Department has identified multiple HCPF program areas where opportunities exist to put Colorado's budget on a more sustainable trajectory by slowing the growth of the State's Medicaid spending starting in FY 2025-26.

Fiscal Impact of Solution

The Department requests a reduction of \$62,500,929 total funds, including \$30,590,024 General Fund, in FY 2025-26, a reduction of \$293,885,425 total funds, including \$117,981,763 in General Fund, in FY 2026-27, and \$296,772,817 total funds, including \$113,026,522 in General Fund, in FY 2027-28 and ongoing to implement the executive order budgetary adjustments and additional savings initiatives in order to achieve the balanced budget.

Background and Opportunity

Colorado's Medicaid program provides more than 20 percent of residents with critical access to health insurance, medical and behavioral health services, and long-term care support for children and adults with disabilities. It is also the single largest expenditure within the state budget, and it has historically outpaced the growth of state revenue and the TABOR cap. Over the past ten years, General Fund spending on medical services has increased by an average of 8.8 percent per year. In contrast, the TABOR cap increased by an average of 4.4 percent per year over that period. This continued spending growth threatens the program's long-term sustainability and the broader state budget, as Medicaid spending increasingly crowds out spending on other important priorities, such as human services and education.

Additionally, recent federal budget and policy actions put immediate and long-term budget pressures on Medicaid. H.R. 1 will immediately reduce state tax revenue by over \$1.2 billion in the current fiscal year, 2025-26. And federal Medicaid cuts will soon be implemented will only worsen these budget pressures, especially as the state must increase administrative spending on bureaucratic work requirements and manage the impacts of upcoming hospital provider fee restrictions.

For these reasons, the Polis administration proposes to work with the General Assembly to pass legislation that will enable the State to achieve and maintain a sustainable rate of growth to Medicaid expenditures. This legislation should seek to establish a year-over-year growth rate in Medicaid General Fund spending. Eventually, the growth rate should continue to ramp down rapidly and within the next few years align with growth in the TABOR cap.

Given the urgency for fiscal sustainability in our Medicaid expenditures—and compounded by the negative revenue impact that H.R. 1 imposed on state revenue—we are taking action in the current fiscal year, 2025-26. It is important to adopt measures to curb spending as soon as feasible, because spending would otherwise continue to grow and make it that much harder to reach a sustainable rate of growth in FY 2026-27 and beyond. The longer we wait to implement meaningful reductions, the larger the future reductions will need to be.

On Aug. 28, 2025, Governor Polis signed [Executive Order D25 014](#) that reduces General Fund expenditures to bring Colorado's budget into balance for FY 2025-26.

In alignment with [HCPF's Medicaid Sustainability Framework](#), the Governor directed HCPF to enact the following budget reduction measures that target Medicaid trend drivers, reduce Medicaid spending, and help balance the state budget.

On November 1st, the Department submitted the FY 2026-27 [R-06 Executive Order and Other Spending Reductions](#) request to request ongoing authority for the reductions outlined in executive order D25 014 alongside additional reduction proposals. As a part of the R-06 request, the Department proposed submitting an additional budget reduction package to achieve an additional General fund savings in FY 2026-27 in order to achieve the state's budget balancing targets.

High Level Proposed Solution and Anticipated Outcomes

The Department proposes several reductions to achieve an additional General fund savings in FY 2026-27 to achieve the state's budget balancing targets. The Department has outlined the below proposals individually starting on page 6 with a background section, a proposed solutions section, and an assumptions and calculations section. Each individual proposal corresponds with its own appendix for ease of reference.

Proposed Reductions include:

Address Drivers of Trend:

- A. Pre-payments Claims Processing Cost Savings Implementation
- B. Ongoing Review and Implementation of Claims XTEN
- C. Expanding Recovery Audit Contracts
- D. Completing MedRide Settlement and Corrective Action Plans for NEMT services
- E. NEMT Reform Bariatric XL Wheelchair Rate
- F. NEMT Mobility Van Rate Adjustment

Maximize Federal Funding:

- G. Enhanced Match on Supplemental Payments
- H. School Health Services Federal Withhold

Make Reasonable Medicaid Cuts or Adjustments:

- I. Hospital Indirect Medical Education Costs Rate Adjustment
- J. Adjustments to 85% of Medicare Benchmark
- K. Adjustments to Cover All Coloradans
- L. Capping Adult Dental Services
- M. Reduce Rates for Sleep Studies
- N. Ambulatory Surgical Centers Benefit Determination
- O. Converting Contractors to FTE for Quality Requirements

Reassess New Policies:

- P. Movement Therapy Rate Adjustment
- Q. Reduce Equine From State Plan and Waiver

Additional Adjustments to Achieve Budget Balancing Target:

R. Reductions to CIVHC

S. Across the Board Rate Adjustment

Supporting Evidence and Evidence Designation

The Department's proposed actions include reductions to rates, delays in implementation, and other budget reduction proposals. The Department assumes that an Evidence Designation is not applicable to this request because the request does not meet the statutory definition for a program or practice. To be considered a program or practice, the request must have specific outcomes, a target population, and defined and replicable elements.

Core Principles for Reducing the Rate of Spending Growth

As the state continues to grapple with Medicaid's significant budget pressures, we are committed to following a core set of principles while considering targeted budget reductions. These core principles include:

1. **Maximizing Coverage:** Colorado's Medicaid program covers 1.2 million of our state's most vulnerable residents. Attempts to address Medicaid cost growth should prioritize protecting coverage for as many Coloradans as possible who cannot afford insurance or care otherwise.
2. **Prioritizing High-Value Services That Keep People Healthy:** Future budgets should focus on preserving and promoting evidence-based, high-value services that avoid more expensive care down the road, such as prevention of chronic disease. Relatedly, budget reductions can target overutilization patterns where the service need is not supported by data.
3. **Committing to Collaboration:** The administration is committed to collaboration with interested parties as the state implements these difficult but necessary reductions. Long-term changes to spending policy should include consultation with members, stakeholders, and communities whenever possible, including those most impacted by Medicaid budget reductions. HPCF should maintain an open-door policy to hear the concerns of Medicaid enrollees and other stakeholders.
4. **Honoring Medicaid's Role for Critical Coverage:** The Department recognizes the importance of core Medicaid services that are not offered in commercial plans, such as residential care for youth; long-term services and supports for people with disabilities and people who are aging; and the role of Medicaid in supporting Colorado's health economy.
5. **Enhancing Program Efficiencies and Integrity:** Providing quality and efficient care while minimizing wasteful spending in Medicaid remains a critical priority for the state. This includes streamlining administrative processes at the state and county

levels to ensure that coverage is simple and easy to access and maintain, as well as cracking down on bad actors who take advantage of the Medicaid system.

6. Promoting Long-Term Savings Over Short-Term Cuts: Future budgets should focus on strategies that result in lowering costs over time, or at the very least, slowing the rate of cost increases, rather than implementing short-term budget fixes.

A. Pre-payments Claims Processing Cost Savings Implementation

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-301, C.R.S.

Background and Opportunity

The Department is responsible for ensuring Medicaid program integrity while maintaining beneficiary access to medically necessary services. Prepayment review is a nationally recognized best practice for preventing improper payments by identifying high-risk claims prior to payment, thereby reducing reliance on costly post-payment recovery activities. The Centers for Medicare & Medicaid Services (CMS) expect states to implement a balanced program integrity strategy that includes data-driven, preventive controls, particularly for services with elevated risk of fraud, waste, and abuse.

In FY 2025-26, the Department received funding to implement prepayment review services for Non-Emergency Medical Transportation (NEMT). This funding established foundational operational capacity and demonstrated the effectiveness of proactive payment controls. Building on this investment, the Department has the opportunity to expand prepayment review activities to additional high-risk Medicaid service areas, including Pediatric Behavioral Therapy (PBT), Home- and Community-Based Services (HCBS), and Durable Medical Equipment (DME).

Proposed Solution and Anticipated Outcomes

The Department requests a reduction of \$4,467,500 total funds, including a reduction of \$2,233,750 General Fund in FY 2025-26; a reduction of \$29,180,000 total funds, including a reduction of \$14,590,000 General Fund in FY 2026-27; and a reduction of \$13,990,000 total funds, including a reduction of \$6,995,000 General Fund in FY 2027-28 and ongoing. These reductions reflect anticipated savings from the expansion of targeted prepayment reviews for high-risk Medicaid services.

The Department proposes expanding vendor-led prepayment review services to all high risk provider types and services but is primarily focused on efforts surrounding PBT, HCBS, and DME. These services involve complex billing requirements, rapidly growing utilization, and a demonstrated vulnerability to improper payments, making them well suited for a preventive, data-driven review approach. Additionally, the Department is currently being audited by the Office of Inspector General (OIG) on PBT services and is awaiting the final findings from OIG's review. The initial findings have identified potentially improper payments largely related to missing documentation, inadequate credentialing and oversight, and billing practices that do not meet requirements. Given

the potential repayment of a significant amount of federal funds, the Department is proposing expansion of pre and post payment efforts of PBT providers. Funding would support a contract with a vendor to conduct more robust and ongoing prepayment reviews, would support using advanced analytics and clinical expertise to identify billing irregularities, and identify noncompliant claims before payment is issued. This approach builds on the infrastructure and operational experience developed through the Department's FY 2025-26 NEMT prepayment review implementation. To support effective implementation and ensure alignment with federal requirements, state policy, and evolving CMS guidance, the Department also requests funding for a policy consultant. The consultant would support program design, ensure compliance with Medicaid requirements, assist with stakeholder engagement, and translate review findings into durable policy and operational improvements. Together, the vendor services and policy support will enable the Department to implement a coordinated, prevention-focused program integrity strategy.

If the requested funding is not approved, the Department would be unable to continue or expand prepayment review activities and would continue to rely primarily on post-payment recovery efforts. Post-payment reviews are resource intensive, often result in lower recovery rates, and may take years to resolve, reducing their effectiveness as a program integrity tool. Additionally, the Department is unable to extrapolate findings across large claim populations, and each individual claim has to be manually reviewed. These compounded issues lead to slower recovery timeframes and less cost savings.

Without prepayment review controls, the Department would remain exposed to a significant risk of ongoing improper payments in service areas with complex billing structures and high utilization growth. This would result in avoidable General Fund expenditures, limit the Department's ability to meet CMS expectations for preventive program integrity strategies, and reduce the overall effectiveness of the Medicaid program. Additionally, failure to expand prepayment review may limit the Department's ability to identify systemic billing issues early and implement corrective policy or operational changes, as well as provider education.

Assumptions and Calculations

Calculations for this portion of the budget request can be found in Appendix A.

Based on a data analysis of one year's PBT claims, the top five PBT providers have billed approximately \$110 million. Of this total, the Department conservatively estimates that 25 percent of billing is likely inappropriate. Other Medicaid programs, like Indiana, have similarly conducted pre and post payment efforts of PBT services and have found improper payment error rates of 95-100 percent. The Department deliberately chose a much lower error rate to calculate savings projections while the work to verify the true error rate is being initiated. For HCBS, three providers billed

approximately \$40.4 million in annual payments. The Department conservatively estimates that 20 percent of billing would be considered inappropriate. A third identified bucket of Durable Medical Equipment (DME) claims, identified \$3 million in annual payments for only one provider. The Department assumes 20 percent of billing would be considered inappropriate. The 20 percent is an estimate based on the following:

- Not all dollars at risk are indicative of overpayments
- Of potential identified overpayments, not all dollars are recoverable due to potential settlement negotiations, providers out of business, etc.
- The representative sample of data only includes some of the most at-risk and larger providers and reviews into smaller, less risky providers could lead to error rates lower or higher than 20 percent.

With the requested funding, the Department assumes it would be able to conduct approximately two months of prepayment reviews in the first year; therefore, estimated costs and savings reflect approximately 17 percent of the annualized amount. In year two and on an ongoing basis, the Department assumes improper payment rates would decline to 15 percent and 10 percent, respectively, for both PBT and HCBS, reflecting the deterrent and corrective effects of prepayment review. These assumptions are intentionally conservative. For example, a study in Indiana identified improper billing rates approaching 100 percent for PBT services, and other research suggests national improper billing rates may be as high as 95 percent.

The Department's estimate for the cost of prepayment claims review is based on existing contracts for similar vendor-led services and informed by the current NEMT prepayment review work. The cost estimate for the policy consultant is based on comparable policy consultation contracts within the Department. The Department is committed to achieving a return on investment of at least five times the amount allocated to initiate the pre and post payment efforts. The Department is equally committed to determining the most cost effective way to deliver cost savings with the allocated funds by developing a comprehensive vendor plan that incorporates the use of both time and material and contingency fee based agreements.

Calculations for this portion of the budget request can be found in Appendix A.

B. Ongoing Review and Implementation of Claims XTEN

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-211, C.R.S.

Background and Opportunity

In alignment with SB18-266, which directed the Department to enhance program integrity through automated clinical and coding validation tools, the Department implemented the Claims Xten platform in 2020 to support real-time claims editing using nationally recognized coding standards such as CPT, HCPCS, ICD-10, NCCI, and CMS payment policies. While a foundational rule set was initially established, the Department has not yet fully leveraged the platform's capabilities. Annual optimization studies conducted by the Department's vendors, Gainwell and Lyric, consistently identify additional rule sets that, if implemented, could reduce inappropriate payments and align with emerging trends in fraud, waste, and abuse. These studies provide targeted recommendations based on historical claims data, projected savings, and policy alignment; however, the current appropriation does not support full deployment of these opportunities. With rising program costs and increasing billing complexity, the Department sees a timely and cost-effective opportunity to expand its use of ClaimsXten to improve payment accuracy, strengthen fiscal oversight, and reduce reliance on manual post-payment review processes.

Proposed Solution and Anticipated Outcomes

The Department proposes to expand the use of ClaimsXten by implementing a new set of high-value rules identified in the annual optimization study conducted by the Department's vendors, Gainwell and Lyric. These rules are designed to improve payment accuracy by identifying improper billing patterns and preventing inappropriate claim payments. The Department will prioritize rule sets with the highest projected return on investment and strong alignment with Medicaid policy, CMS requirements, and state legislation. This work includes both the ongoing implementation of new rules and continued Optimization Studies to ensure that ClaimsXten remains responsive to changes in policy, billing trends and industry standards. The proposed solution builds upon the Department's existing infrastructure and vendor partnerships, requiring no new FTE. The expansion will allow the Department to further automate post-payment functions, reduce administrative burden, and generate meaningful savings by reducing overpayments and inaccurate billing. The Department will continue to monitor the effectiveness of the rules post-implementation and use future optimization studies to guide rule selection and ensure alignment with evolving program integrity goals.

Assumptions and Calculations

- Calculations for this portion of the budget request can be found in Appendix B.
- The Department anticipates implementing approximately 6 to 7 new ClaimsXten rules in the upcoming fiscal year based on the vendor's annual optimization study.
- The proposed rules focus on professional and outpatient claims (non-hospital) and may apply broadly across the Medicaid population. Member impact is not limited to any single eligibility group.
- The projected savings estimate is based on vendor modeling using historical claims data from FY 24-25. Final savings will be calculated using actual denial data post implementation. Savings are calculated based on claims that would no longer be paid due to new rule logic.
- ClaimsXten rules are implemented and maintained through existing vendor infrastructure and integrated into the Department's claims processing system.
- Claims impacted by the rule sets are expected to span all Medicaid eligibility groups. Therefore, the Department assumes a blended federal financial participation (FFP) rate will be applied to estimated savings once claims-level data becomes available.
- DDI costs are eligible for a 90 percent federal match. These include system changes required to implement the rule logic in the Medicaid Management Information System (MMIS), including configuration, testing, and deployment.
- The Department will submit an Advance Planning Document (APD) to the Centers for Medicare and Medicaid Services (CMS) to request enhanced federal match for these system changes. The Department assumes these changes will be eligible for 90 percent federal financial participation under design, development, and implementation (DDI) guidelines.
- Total DDI costs for this request are limited to systems-related activities and have been allocated based on caseload impacts across funding sources, including the General Fund, the CHASE Cash Fund, and federal funds. Based on the most recent caseload data, the Department allocates 93 percent of costs to Medicaid and 7 percent to CHP. The CHP Plus Trust Fund is not used for this request, consistent with ongoing efforts to align spending authority.
- The Department assumes a 90 percent federal financial participation rate for all Medicaid-related DDI system costs and a 65 percent rate for CHIP-related DDI system costs. These assumptions result in a blended federal match rate that reflects the distribution of standard and expansion populations across Medicaid and CHP.
- The Department will monitor realized savings against the projections and adjust future implementation strategies accordingly. Future optimization studies will continue to inform rule selection and savings potential on an annual basis.
- No new FTE are associated with this request. All operational work is conducted through the Department's existing contract with Gainwell and Lyric.

Calculations for this portion of the budget request can be found in Appendix B.

C. Expanding Recovery Audit Contracts

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-301, C.R.S. Senate Bill 2025-314

Background and Opportunity

Recovery Audit Contractors (RACs) are federally authorized tools designed to strengthen Medicaid program integrity by identifying and correcting improper payments through systematic post-payment review. Established under Section 6411 of the Affordable Care Act and codified in Section 1902(a)(42)(B) of the Social Security Act, states must operate RAC programs to detect overpayments, identify underpayments, and recommend corrective actions. RACs offer a structured, data-driven mechanism for addressing high-risk service areas, improving compliance, and ensuring Medicaid funds are used appropriately.

NEMT

Non-Emergency Medical Transportation (NEMT) helps members without reliable transportation access necessary medical services, yet the program is particularly vulnerable to improper payments due to operational complexity and varying delivery models across the state. Colorado has identified several high-risk areas, including state-paid trips that should have been billed through the broker, date-range billing that obscures trip-level accuracy, and transportation claims with no associated medical service. These concerns reflect national oversight findings related to billing accuracy and documentation gaps. States such as Texas and New York have successfully used RACs to address similar issues. A targeted NEMT RAC in Colorado would strengthen post-payment integrity, improve trip verification, and reinforce fiscal responsibility while maintaining access to essential services.

PBT

Pediatric Behavioral Therapy (PBT, also known as Applied Behavioral Analysis or ABA) is a critical Medicaid service for children with developmental and behavioral needs, but the program faces growing integrity risks due to rapid expansion, varied provider practices, and complex clinical and billing requirements. Colorado is currently undergoing an audit by the Office of Inspector General (OIG) where potentially improper payments have been identified. Although the findings are not yet public, Colorado expects to receive a recommendation like Indiana where the OIG requested the return of approximately \$56 million in federal share funds. Colorado has identified key vulnerabilities in this program, including services delivered without the required ordering provider, claims billed from disallowed places of service, and

services rendered by incorrect or unqualified provider types. Other states have used RACs to uncover similar issues, improving compliance and reducing improper payments. A RAC focused on these targeted PBT risk areas in Colorado would enhance oversight, ensure provider qualifications and service appropriateness, and promote consistent, high-quality care for children and families.

EMT

Emergency Medical Transportation (EMT) provides rapid access to urgent medical care but carries elevated risk for improper payments due to high claim volumes and stringent medical necessity requirements. Colorado has identified key concerns including professional duplicate claims—where multiple providers bill for the same encounter—and EMT trips submitted without a corresponding medical claim to support the need for emergency transport. These issues can result in substantial overpayments and misuse of emergency services. Other states have deployed RACs to address similar risks by validating medical necessity, confirming claim alignment, and identifying documentation inconsistencies. Implementing an EMT-focused RAC in Colorado would improve post-payment oversight, safeguard Medicaid funds, and ensure emergency transportation services are billed appropriately.

Proposed Solution and Anticipated Outcomes

The Department proposes expanding its Medicaid RAC program to include targeted reviews of NEMT, PBT, and EMT claims. The RAC would apply focused audit methodologies tailored to each program's risk areas—such as improper billing patterns, services without required medical documentation, unqualified or incorrect provider types, disallowed service settings, and duplicate claims—to identify overpayments and strengthen systemic controls.

Anticipated outcomes include:

- Increased recoveries and cost avoidance: Identification and recoupment of overpayments across all three programs while preventing future improper payments.
- Improved compliance and documentation: RAC findings will inform provider education, policy clarification, and operational improvements, resulting in stronger internal controls and more accurate claims submission.
- Greater alignment with medical necessity and service requirements: Verification of associated medical claims, qualified providers, and appropriate service settings ensures Medicaid services are billed correctly and delivered as intended.
- Sustainable, data-driven oversight: Incorporating NEMT, PBT, and EMT into the RAC program establishes an ongoing mechanism for continuous monitoring, program integrity improvement, and strengthened accountability.

Expanding the RAC program in this manner allows the Department to efficiently address high-risk vulnerabilities, enhance fiscal stewardship, and protect the integrity of key Medicaid benefits.

Assumptions and Calculations

To estimate projected recoveries for NEMT, PBT, and EMT RAC audits, the Department used FY 2024-25 actuals to determine baseline fund splits across General Fund, Cash Fund, and Federal Fund. Estimated improper payment amounts for each audit area were provided by the Fraud, Waste, and Audits (FWA) team and the Recovery Audit Contractor as part of their work to oversee the program. The estimated improper payments serve as the baseline for all calculations.

Colorado legislation under Senate Bill 25-314 limited the number of audits per provider to four per calendar year, which on average equates to the ability to audit approximately 10% of the total improper payments identified for each provider. Therefore, only 10% of estimated improper payments can be recovered in any given fiscal year. To remain conservative and consistent across all programs, the Department assumed that every provider in each program area would be included in each audit, regardless of service volume or prior review history. Given these constraints—and the fact that both NEMT and PBT have three separate audits—it is not possible to predict whether individual providers would be audited three or four times within a fiscal year. Therefore, each audit was modeled as occurring once per fiscal year for all providers. The same methodology was applied to EMT, even though EMT has only two audit types, because provider-level audit frequency cannot be reliably forecast.

Under these assumptions, each audit cycle reduces the remaining pool of estimated improper payments, resulting in declining annual savings over time. This iterative reduction reflects the cumulative effect of prior recoveries and the diminishing volume of improper payments available for identification in subsequent years.

Calculations for this portion of the budget request can be found in Appendix C.

D. Completing MedRide Settlement and Corrective Action Plans for NEMT services

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-301, C.R.S.

Background and Opportunity

In February 2025, the Department of Health Care Policy and Financing (the Department) terminated the Medicaid enrollment of MedRide, the state’s largest Non-Emergent Medical Transportation (NEMT) provider, following findings of noncompliance with credentialing, documentation, and claim integrity requirements. The termination created an immediate risk of service disruption for thousands of Health First Colorado members who depend on NEMT to access medically necessary care.

To preserve service continuity while enforcing stronger compliance safeguards, the Department and MedRide entered into a settlement agreement effective June 10, 2025. Under this agreement, HCPF rescinded the termination in exchange for significant corrective measures by MedRide, including:

- Comprehensive re-credentialing of all drivers and vehicles to ensure full regulatory compliance prior to transport.
- Establishment of a formal member eligibility validity verification process.
- Appointment of a third-party auditor to review claims before submission, which MedRide pays for; and
- Implementation of a ride volume cap, 1,400 daily trips, pending sustained demonstration of compliance and operational integrity.

This settlement reflects the administrative and financial burden associated with intensive oversight of large NEMT providers. Increased staff time, audit contracting, and compliance monitoring have become necessary to prevent future service disruptions and to uphold federal and state standards for NEMT operations.

Proposed Solution and Anticipated Outcomes

The Department proposes to recognize the savings generated by the MedRide settlement and its associated compliance requirements by adjusting projected NEMT expenditures beginning in FY 2025-26. Under the settlement, MedRide is required to strengthen credentialing, implement formalized training and quality assurance processes, employ dedicated compliance staff, and

submit claims through a third-party auditor. These measures are expected to improve documentation accuracy, reduce billing errors, and ensure that only eligible, properly supported NEMT trips are reimbursed. The Department therefore wants to incorporate these effects into the projected expenditure trend for MedRide and the NEMT program overall.

By applying these operational and rate adjustments to MedRide's proportional share of NEMT spending, the Department anticipates measurable and sustained reductions in expenditures relative to the forecast baseline. The proposed solution supports program integrity while preserving member access to reliable transportation services. Ultimately, the Department expects the settlement to stabilize the NEMT provider landscape, improve accountability, and generate long-term fiscal savings.

Assumptions and Calculations

To estimate the fiscal impact of the MedRide settlement, the Department began with the forecasted NEMT expenditure for FY 2025-26 and out-years. Using FY 2024-25 actual claims data, the Department calculated the proportion of total NEMT spending attributable to MedRide and applied that percentage to the forecast to establish MedRide's projected expenditure share in FY 2025-26 and forward.

The Department then incorporated the Bottom Line Impact (BLI) that reduces NEMT rates beginning in FY 2025-26. The BLI lowers projected NEMT expenditures by 14 percent. This rate reduction was applied to MedRide's projected expenditure to generate an adjusted expenditure estimate under the post-settlement rate structure.

Next, the Department compared this adjusted estimate to annualized FY 2025-26 actuals, based on July-October 2025 claims, to determine the difference between expected and observed spending levels. For FY 2026-27 and subsequent years, this annualized value was grown by the NEMT forecast expenditure growth rate to align with overall program trend assumptions.

The difference between the adjusted projected expenditure and the annualized actuals represents the ongoing savings attributable to the settlement's operational and compliance requirements. Finally, the Department applied an implementation adjustment to account for the timing of the settlement in June 2025, which affects the portion of FY 2025-26 in which savings could reasonably be realized.

Calculations for this portion of the budget request can be found in Appendix D.

E. NEMT Reform Bariatric XL Wheelchair Rate

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-5-202(2), C.R.S.

Background and Opportunity

The Non-Emergent Medical Transportation (NEMT) benefit provides essential transportation for Medicaid members who have no other means of traveling to and from covered medical appointments. This benefit ensures that members can access medically necessary care regardless of mobility or socioeconomic barriers, supporting preventive care, chronic disease management, and overall health outcomes.

One component of the NEMT program is wheelchair van transportation, which serves members who require vehicles equipped with lifts or ramps to accommodate manual or power wheelchairs. These trips often require one or two attendants to safely load and unload the member. For members who use bariatric or oversized wheelchairs, commonly referred to as XL Wheelchair transports, additional staffing and equipment are sometimes needed to ensure safety and accessibility.

Under the previous reimbursement structure, when XL Wheelchair services were needed there was confusion over the correct procedure code to use for reimbursement. In 2020, the Department had instructed its NEMT Broker to use the procedure code A0434 for such services within the 9 metro-county broker service area. This code includes a significantly higher rate that far exceeds the costs associated with routine non-emergency wheelchair van services. The code is properly used for *specialty ambulance services* which justify the much higher reimbursement amount. However, for the 55 counties outside of the broker service area, no such billing policy existed and billing for these services with the incorrect procedure code was extremely rare. Wheelchair transportation services, including XL, were billed using the standard and correct procedure code A0130. The Department identified this problem and has implemented a coding change to correct it by having NEMT providers and the NEMT broker use HCPCS A0130+U1 for XL Wheelchair services which pays 90% less than A0434.

Proposed Solution and Anticipated Outcomes

To resolve this issue, the Department will realign rates and codes for reimbursement with the appropriate level of service. Beginning November 1, 2025, providers will discontinue use of A0434 for non-emergency wheelchair transportation and instead bill:

- A0130 for non-emergency wheelchair van transport with one attendant; and

- A0130 + U1 modifier for XL (Bariatric) wheelchair van transport requiring two attendants.

This reform establishes a \$65 per-unit rate for XL wheelchair transports, consistent with standard wheelchair transport rates and proportional to the actual costs of service delivery. This change will be implemented through updates to the interChange system, which will deactivate HCPCS code A0434 for NEMT providers. This procedure code will remain covered for emergency specialty ambulance services. Once implemented, any claims submitted by NEMT providers using A0434 will be automatically denied. Concurrently, the Department will issue updated policy guidance instructing providers to bill HCPCS code A0130 with the U1 modifier (A0130+U1) for XL Wheelchair transportation services that require two attendants to safely load and unload the member. This system and policy alignment will ensure appropriate coding, accurate reimbursement, and compliance with federal and state Medicaid transportation standards.

Assumptions and Calculations

To calculate the savings associated with this change in rate, the Department used historical rates and utilization and compared them to the new proposed rate change. Historic utilization was taken from the Department's MMIS system from FY 2025. Then the percentage increase in Acute Care Services, where NEMT sits in the HCPF budget, was applied to each subsequent year to estimate the utilization. The increases are as follows, FY 2025 to FY 2026 utilization is estimated to increase 9.14%, for FY 2026 to FY 2027, 7.18%, and FY 2027 to FY 2028 and ongoing, 7.02%. The future wheelchair rates are estimated to stay equal to the FY 2026 rates as there is no statutory reason for there to be an estimated change. The old rate that was being used was A0434, or \$668.93 per trip, while the new rate A0130+U1 is \$65 for the same trip, meaning each trip will see a savings of \$603.93. As this rate adjustment began on November 1, 2025, and there is a standard one month lag in payment, the savings for FY 2026 are prorated to only include the months that there will be savings. Future years include savings from all 12 months.

To remain conservative the Department is using the A0130+U1 rate, at \$65 per trip, instead of the A0130 rate which is \$34.84 per trip. If the calculations were done with the A0130 rate instead of the A0130+U1 rate, there would be \$1.6 million more in total savings in FY 2026, \$3.0 million more in FY 2027, and \$3.2 million more in FY 2028. As both A1030 and A1030+U1 will both be used moving forward, savings may be greater than calculated. The Department will adjust the estimated cost and savings associated with this change through the forecasting process as additional data becomes available.

Calculations for this portion of the budget request can be found in Appendix E.

F. NEMT Mobility Van Rate Adjustment

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-5-202(2) , C.R.S.

Background and Opportunity

Non-Emergency Medical Transportation (NEMT) is a critical Medicaid benefit that ensures members can access medically necessary services when they lack their own means of transportation. Colorado currently reimburses ambulatory vehicle and wheelchair van NEMT services using rate methodologies that were developed years ago and have not been updated to reflect current operational realities, accessibility standards, or regional market comparisons.

Colorado's existing reimbursement structure results in significant cost disparities when compared to neighboring states. Specifically, Colorado reimburses ambulatory vehicle mileage at nearly 116% higher than some surrounding states, creating higher-than-necessary taxpayer costs. Additionally, ambulatory vehicles and wheelchair vans currently receive the same mileage reimbursement rates, despite substantial differences in accessibility requirements, vehicle configuration, and operational complexity. Wheelchair vans require specialized lifts, enhanced safety systems, and more intensive staffing and training expectations, whereas ambulatory vehicles do not involve comparable equipment investments or accommodations. In fact, the ambulatory vehicle rate is billed by all NEMT providers transporting members in general sedans, SUVs, etc. with no modifications for comfort or safety.

The equal treatment of these transportation modes in the reimbursement methodology does not accurately reflect their different levels of service complexity. This has resulted in misaligned incentives, inconsistent cost structures, and an overpayment for lower-complexity ambulatory vehicles services related to both the regional market and Colorado's internal standards.

This rate structure presents an opportunity for the Department to better define NEMT reimbursement, improve consistency with surrounding states, and ensure taxpayer dollars are aligned with the actual complexity and cost of each mode of transport.

Proposed Solution and Anticipated Outcomes

The Department proposes to update NEMT reimbursement rates. The proposal includes the following targeted rate adjustment:

1. Ambulatory Vehicle (A0120) Base Rate Reduction

- Current Base Rate: \$36.40
- Proposed Base Rate: \$30.00
- Rationale: Ambulatory vehicle trips involve lower accessibility and equipment requirements than wheelchair vans. Adjusting the base rate ensures consistency with the service level and aligns the rate more closely with regional benchmarks.

This change is designed to align reimbursement with service complexity, reduce unnecessary Medicaid spending, and bring Colorado's NEMT rates in line with surrounding states, while preserving member access and ensuring the rate structure accurately reflects the differing operational requirements of mobility and wheelchair transportation.

Assumptions and Calculations

To estimate the fiscal impact of the proposed NEMT rate changes, the Department first calculated the proportion of total NEMT expenditures represented by the affected procedure code. This was derived using annualized actual expenditure data from July-October 2025, which provided a reliable baseline for the distribution of spending across ambulatory vehicle and wheelchair van services. Although the proposed rate changes are assumed to go into effect July 2026 and therefore produce no savings in FY 2025-26, the FY 2025-26 expenditure pattern was used to project forward by applying the Department's forecasted NEMT program growth rates for subsequent fiscal years.

Because the forecasted expenditure values did not yet incorporate the Department's previously approved NEMT rate increase, an adjustment was applied to ensure alignment with the program's current spending authority. After adjusting each procedure code's projected expenditure to reflect this updated baseline, the Department applied the percentage reduction associated with each proposed rate change to the corresponding code-level spending. This approach ensures that the estimated fiscal impact accurately reflects forecasted utilization, anticipated program growth, and the full rate effect once implemented in FY 2026-27.

Calculations for this portion of the budget request can be found in Appendix F.

G. Enhanced Match on Supplemental Payments

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No (only federal funds)	No	25.5-1-601, C.R.S.

Background and Opportunity

The Department provides annual funding to the following two programs, each of which has a dedicated line item in the long bill and currently receives a 50% federal match on their General Fund appropriation.

- **Pediatric Specialty Hospital** - The creation of this line item was recommended during a Joint Budget Committee (JBC) meeting on March 24, 2005, to provide funding to the State's only pediatric specialty hospital, Children's Hospital, to help offset the costs of providing care to large numbers of Medicaid and indigent care clients.
- **Commission on Family Medicine Residency Training Programs** - This funding provides base payments to nine hospitals to help offset their costs of participating in the Colorado Family Medicine Residency Training Program, established via SB 13-010. Effective July 1, 2013, a hospital that receives base payments is eligible to receive additional funds for the development and maintenance of family medicine residency training programs in rural areas.

The Department has an opportunity to draw down the enhanced federal match (eFMAP) for both programs identified above, saving the State General Fund.

Proposed Solution and Anticipated Outcomes

The Department requests a reduction of \$3,633,121 General Fund and an increase in the same amount of federal funds in FY 2025-26, a reduction of \$8,533,933 General Fund and an increase in the same amount of federal funds in FY 2026-27, and a reduction of \$3,564,830 General Fund and an increase in the same amount of federal funds in FY 2027-28 and ongoing.

Funding for both programs is now eligible for an enhanced federal match (eFMAP) based on recent federal approval received by the Department. Specifically, since both payments fall under the *Upper Payment Limit for Inpatient Hospital Payments* category, and federal approval of an eFMAP methodology was recently granted for payments in this category specific to the CHASE Program, the Department believes these payments also qualify for the eFMAP.

Assumptions and Calculations

For calculating the projected, additional federal funds available, the Department used a federal match percentage equal to the average of the most recent eight quarters of the applicable eFMAP. The match rate is typically around 65%. Because each quarterly eFMAP is required to be calculated after the quarter ends by using actual claims data, retroactive adjustments are made to true-up the fund splits. The calculated eFMAP, or *enhanced FMAP*, is greater than 50% due to the inclusion of claims for Affordable Care Act (ACA) expansion populations. Since these ACA populations have a 90% federal match, they drive the aggregate, blended federal match to a figure above the standard Medicaid 50%, which is referred to as eFMAP.

If the actual, blended eFMAP for the fiscal year is lower than the average used in long bill, the Department would utilize its overexpenditure authority in both line items to ensure annual program payments are equal to the total fund figures specified in the long bill.

Calculations for this portion of the budget request can be found in Appendix G.

H. School Health Services Federal Withhold

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
Yes	Neutral	No	No	25.5-5-318 (8) (b), C.R.S.

Background and Opportunity

The Public School Health Services (SHS) program began in 1997 with the passage of SB 97-101. The program facilitates federal Medicaid reimbursement for participating districts. These funds are then targeted for supporting local school health services for all students.

Unlike most programs administered by the Department, the State's contribution of the SHS program is derived from the certification of public expenditures (CPE). The CPE financing method allows participating school districts to certify their expenditure of state or local funds for the full cost of providing Medicaid services to Medicaid eligible students, and then retroactively claim a federal reimbursement corresponding to Colorado's standard 50% federal match for Medicaid services.

The Department's costs incurred for administering the program are deducted from the federal matching funds. Currently, two and a half percent is withheld from the federal funds and used for Department administration. Pursuant to 25.5-5-318 (8) (b), C.R.S., the Department may retain a maximum of ten percent of federal funds received for the program for administrative purposes.

Proposed Solution and Anticipated Outcomes

The Department requests a reduction of \$6,593,204 General Fund and an increase in the same amount of federal funds in FY 2026-27 and ongoing.

In view of the State's budget crisis, the Department is proposing to increase the withhold percentage of the federal reimbursement funds to the maximum allowable ten percent. As two and half percent of the withhold is used for Department administration, the additional seven and a half percent would be transferred to the medical services premiums line as a General Fund offset.

Although the additional seven and half percent withhold is a direct reduction of payments to the school districts, its value as a General Fund offset towards preserving the current Medicaid program and limiting potential cuts in benefits and/or eligibility is significant.

For reference, the withhold percentage implemented by other states for their SHS program varies greatly. At least nine states currently withhold greater than ten percent including New York at 86.95%.¹

This request would require legislation to change language in §25.5-5-318(8)(b) to allow for discretionary uses of the ten percent withhold.

Assumptions and Calculations

The base figures used in the calculation of the withhold amounts are from the Department's FY 2026-27 S-15, BA 15 Public School Health Services Funding Adjustment. These figures are shown in Table series 3A of the Appendix H. The Department assumes a 10% withhold, which is the maximum allowable amount.

Calculations for this portion of the budget request can be found in Appendix H.

¹ <https://healthystudentspromisingfutures.org/wp-content/uploads/2023/06/School-Medicaid-Survey.pdf>
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I. Hospital Indirect Medical Education Costs Rate Adjustment

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-402, C.R.S.

Background and Opportunity

Section 1886(d)(5)(B) of the Social Security Act provides that prospective payment hospitals that have residents in an approved graduate medical education (GME) program receive an additional payment for a Medicare discharge to reflect the higher patient care costs of teaching hospitals relative to non-teaching hospitals. The additional payment is known as the Indirect Medical Education (IME) adjustment. The IME adjustment covers higher hospital costs of patient care associated with concurrently training residents. For example, more diagnostic testing or other additional work that comes along with training physicians that wouldn't otherwise occur. Colorado Medicaid Inpatient Base Rates uses the Medicare Federal Base Rate and some add-ons from Medicare, including IME/GME.

Proposed Solution and Anticipated Outcomes

The Department proposes reducing the IME rate add-on by 80% for system hospitals. The Department views system hospitals as having more ability to lean on their system partners to share financial burdens where independent hospitals do not have others to rely upon in difficult financial times.

Assumptions and Calculations

Section 1886(d)(5)(B) of the Social Security Act gives a straightforward formula for calculating the IME add-on. The Department includes the IME add on for 17 hospitals in Colorado. The savings are calculated by taking the total base rates (including the IME add on) and multiplying this by the expected utilization and case mix to get the total projected expenditure for the inpatient hospitals. To calculate the projected expenditure after the IME add-on reduction, the same calculation is done but with the IME add-on being reduced by 80%. The estimated savings is the difference between the two total expenditure estimates. The Department anticipates implementation of these changes starting July 1, 2026.

There is wide variation in the amount of revenue that individual hospitals stand to lose if this policy is implemented. The biggest reduction is almost \$30 million where several other hospitals stand to lose under around \$1 million because IME makes up a smaller percent of base rate. Average reduction is detailed in table 3.2 in the attached workbook masks the range of the rate reduction that individual hospitals will see.

Calculations for this portion of the budget request can be found in Appendix I.

J. Adjustments to 85% of Medicare Benchmark

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-209 (1)(I)(A)(B); . 25.5-6-202, C.R.S

Background and Opportunity

Colorado's Medicaid program currently provides health care access to about 1.2 million people with a budget of \$18 billion. Most providers are paid on a fee-for-service basis, meaning the Department pays for each incurred service based on a set rate. Pursuant to Section 25.5-4-401.5, C.R.S., the Department is required to periodically perform reviews of provider rates under the Colorado Medical Assistance Act. Section 25.5-4-401.5, C.R.S. also established the Medicaid Provider Rate Review Advisory Committee (MPRRAC) to assist in the review of provider reimbursement rates. As a part of the FY 2026-27 R-6 "Executive Order and Other Spending Reductions" budget request the Department requested adjustments to certain rates that were above the Medicare Benchmark down to 85% of Medicare's Benchmark. Upon additional analysis the department found some services receiving this rate adjustment were excluded from the analysis.

The Department also did additional analysis and found that Primary Care & Evaluation Codes should be brought up as there were some codes that were categorized as Radiology in the past that were not brought up to the Medicare benchmark in previous years. The Department also has identified that Abortion Codes and Certain Neurological and Psychological Testing Services do not have an adequate Medicare Benchmark.

Proposed Solution and Anticipated Outcomes

The Department is proposing to adjust the savings estimate from the FY 2026-27 R-6 "Executive Order and Other Spending Reductions" related to reducing certain rates to 85% of the Medicare Benchmark beginning April 1, 2026. The Department's analysis excluded a few services that are affected by the policy including Family Planning, Lab & Pathology, and Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS). The Department proposes to adjust 14 codes under Primary Care Evaluation and Management Codes up to 85% of the Medicare Benchmark that were previously identified under the radiology codes. The Department proposes adjusting certain Neurological and Psychological codes to keep their current October 1, 2025, rates in alignment with the executive order. The Department proposes to adjust Abortion Codes to keep their current October 1, 2025, rates aligned with the executive order. These adjustments will be applied to the service categories listed on Table 3.1 of the Appendix.

Assumptions and Calculations

The Department calculated the reduction of certain rates to the Medicare Benchmark by taking the current utilization and evaluating the costs based on the current rates versus the proposed rates. The Department assumes this policy will be implemented April 1, 2026.

Calculations for this portion of the budget request can be found in Appendix J.

K. Adjustments to Cover All Coloradans

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
Yes	Mixed	Yes, positive GF impact	No	25.5-2-104, C.R.S.; 25.5-2-105, C.R.S.

Background and Opportunity

The Department is requesting modifications to the Cover All Coloradans benefits program. This benefit was created through HB 22-1289 and provides full health insurance coverage for Colorado children, pregnant, and postpartum adults who would be eligible for Medicaid and CHP+ if not for their immigration status. Coverage continues for 12 months postpartum at the CHP+ federal matching rate. This program has seen much higher enrollment in both the children and the adult populations than what the Department had in the original projections. This has caused the Department to consistently revise its forecasts. Current enrollment is nearly 3 times what the Department originally projected. The children's population is fully funded by the state General Fund while the adult populations are funded at a 65% federal match rate. The tables below show the changes the Department has had to make to the Cover All Coloradans children estimates:

Cover all Coloradans Children - FY 2024-25 Budget History	
HB 22-1289 Fiscal Note	\$2,102,665
FY 2024-25 Updated Appropriation	\$16,037,803
Final Spend	\$17,780,840

For FY 2025-26, the Department has requested to increase the appropriation as follows:

Cover all Coloradans Children - FY 2025-26 Budget History	
HB 22-1289 Fiscal Note	\$4,360,863
FY 2025-26 Updated Appropriation	\$32,075,606
November Forecast Request	\$53,360,259
Final Spend	TBD

In FY 2025-26 so far, the Department is spending approximately \$5.3M per month on the children's population. If current trends continue, the Department will have to once again increase the forecast for this population in February. Given current state budgetary constraints, the Department has identified certain service areas that could be reduced to make this benefit more sustainable while maintaining reasonable access to services for this population.

For the Cover All Coloradans adult population, the Department forecasted a total expenditure of \$5,395,503 for FY 2024-25. The Department's actual expenditure came in much higher, \$20,424,318. The Department estimates an expenditure of \$42,665,506 for FY 2025-26 based on current trends, and \$50,506,664 for FY 2026-27.

Long-Term Services and Supports

Cover All Coloradans (CAC) members are eligible for Long-Term Services and Supports (LTSS). These are services that aid individuals with disabilities with their daily activities. Around 0.1% of all CAC members have received LTSS services since January 2025. However, in analogous populations the cost of LTSS services remains high. Since January 1, 2025, 49 members have received LTSS services at a per capita rate of \$10,920.31. The total per capita for all services for the CAC kids population for the same time period is \$2,053.71. Only the children's population has received LTSS services.

Behavioral Health Capitations

Under current policy, CAC members are enrolled in the Accountable Care Collaborative and attributed to a RAE, which receives a per-member per-month (PMPM) capitation payment to manage behavioral health (BH) services. RAEs are responsible for providing access to the full continuum of State Plan BH services, including outpatient and waiver-based supports authorized under Colorado's 1915(b)(3) authority. HB 22-1289 established that CAC members receive full Medicaid-equivalent benefits, and as a result, they have been included in the capitated BH delivery system since implementation.

Dental Cap

The Department has had caps on dental expenditures in the past, including a \$1,500 cap on adult dental expenditures that was removed July 1, 2023.

ACC Payments

CAC children and adults are included in the Accountable Care Collaborative (ACC). Under this system, they are assigned to a RAE for care coordination and community-based services. The Department makes payments to RAEs for both administrative and incentive payments. The administrative per member per month

(PMPM) payments are made monthly, while the incentive payments are paid periodically throughout the fiscal year and are contingent upon each RAE's satisfactory completion of performance measures.

Proposed Solution and Anticipated Outcomes

To address the growing costs for the Cover All Coloradans population, the Department is requesting reductions or per person caps for several targeted services.

Long-Term Services and Supports

The Department is requesting to freeze LTSS services for CAC members that have not yet received LTSS services. Members who have already received LTSS services will remain able to receive services. However, this will eliminate a potential area for growth in expenses in the future since LTSS services are generally more expensive than other services this population receives such as primary care, dental care, and behavioral health care.

Behavioral Health Capitations

The Department proposes to remove all CAC members from the Statewide Capitated Behavioral Health program and instead cover their behavioral health services through the existing Fee-for-Service (FFS) BH benefit. This change would eliminate capitation payments to RAEs for CAC members who are utilizing lower cost BH services at lower rates than Medicaid and CHP+ eligible citizens. CAC members would continue to receive FFS-reimbursable BH services as defined in Colorado Medicaid policy.

Dental Cap

The Department is requesting to place a cap on per person reimbursement for dental services for the Cover All Coloradans children and adult populations of \$750 per fiscal year. Given the current dental expenditure patterns for this population, it is expected that moderate savings can be realized from this initiative. Additionally, this dental cap will act as a safeguard against potential future cost escalations.

ACC Payments

The Department is requesting to remove Cover All Coloradans children and adults from the ACC program. This will remove payments from the Department to RAEs for administrative and incentive payments. This population would then no longer be attributed to a primary care medical provider (PCMP) and no longer receive care coordination from the RAEs. However, it is unlikely this will have a significant impact on most members, as care is still delivered by the providers. Care coordination from the RAEs is highly administrative in nature and is typically utilized most in by members with complex needs. Additionally, CAC members will still be able to access services such as prenatal plus, nurse home visiting, and doula and lactation support.

Legislative changes are needed to implement these requests for reduction. Currently, the Cover All Coloradans population receives all CHP+ and Medicaid services, and statutory changes are needed to limit any benefits or services these populations receive.

Assumptions and Calculation

The Department is requesting a reduction of \$5,055,920 including \$4,094,095 in General Fund in FY 2027-28, and a reduction of \$24,933,274 including \$21,699,250 in General Fund in FY 2028-29 and ongoing. Given that this is a relatively new program for which a full year of data is not yet available and given that utilization and enrollment trends have been particularly fluid on a quarterly basis, if or when the legislature takes action.

Long-Term Supports and Services

The Department used year to date enrollment and expenditure data to estimate the per capita costs for members utilizing LTSS services. The number of members was the projected forward based on the current monthly growth. Since the systems changes associated with updating the CAC benefit package cannot be implemented until March 2028, the Department assumes that all members that are eligible to receive LTSS services will already be receiving these services by then. This leads to no net savings from blocking new CAC members from receiving LTSS services.

Behavioral Health Capitations

To estimate the total savings of moving from capitated behavioral health payments to the FFS behavioral health benefit for the CAC Kids and Prenatal populations, the Department identified the number of paid capitations for these groups and reviewed their associated behavioral health encounter claims. Although the Department does not reimburse encounter claims, the paid amounts offer a useful reference for understanding RAE spending and comparing those costs to capitation payments. Because the FFS benefit does not include all services funded through capitation, the total encounter paid amount reflects the upper bound of what FFS expenditures could reach if all utilizers received only services covered under FFS. Actual FFS costs are expected to be lower, since some services included in RAE encounter payments would not be available through the FFS behavioral health benefit, including the full continuum of SUD services, enhanced outpatient and community-based BH services, care coordination functions, and other services that are reimbursable only through the RAEs under the Statewide Capitated Behavioral Health program. Additional savings are anticipated as the existing utilization shows that members are utilizing services that are lower cost and at a lower rate than citizen members, so the RAEs have reported that the average cost per utilizer is lower than expected.

Dental Cap

Given that the Cover All Coloradans program began in January 2025, the Department does not yet have a full year of dental expenditure data for this population and has limited data regarding each individual's expenditure. As a proxy, the Department has collected the total expenditure on dental services for Cover All Coloradans adults and children for the most recent six months, as well as the number of distinct utilizers of dental services within that time frame. Based on this data, the current six-month per capita for adults and children are \$977 and \$892, respectively. When annualized, this produces a per capita of \$1,953 for adults and \$1,784 for children, which are both over the proposed \$750 cap. When taking the difference between these per capitas and the \$750 cap, multiplied by the number of distinct utilizers, it is estimated that the Department will see savings of approximately \$1.2 million for the adult population and \$6.7 million for the children population. These amounts have been reduced for FY 2027-28 to account for the system changes timeline, as new service limitations cannot be enacted until the proper system updates are in place.

ACC Payments

The ACC administrative and incentive payments for the Cover All Coloradan children population was forecasted as a part of the Department's FY 2026-27 R-04 Request. By eliminating these payments, the savings that would be realized are equivalent to this portion of the R-04 forecast. Additionally, the ACC administrative and incentive payments for the Cover All Coloradan adult population was forecasted as a part of the Department's FY 2026-27 R-01 Request. The amount that was specifically intended for this population was extracted from the total administrative and incentive payment amounts and represents the estimated savings for this request.

However, given that the payments cannot be eliminated until the proper system changes are in place, the savings amounts have been annualized in order to align with the completion of the system changes.

Systems Changes

The Department implemented HB 22-1289 by creating new categories for the Cover All Coloradans populations in the Medicaid Management Information System (MMIS). However, these members were then assigned to the same CHP+ and Medicaid benefit plans as non-CAC members. To limit the benefit to certain services, the Department will have to create new benefit plans from the ground up, leading to significant system costs. The Department estimates that it will take 6,000 hours and \$767,700 to implement the changes to the Colorado Benefits Management System (CBMS). The Department estimates it will take 12,945 hours and \$1,904,469 to implement the changes in the MMIS. This will have a significant impact on the MMIS workload and lead to delays for other system changes. The Department estimates that there will be costs

associated with data warehouse updates and that this will take 2,388 hours and cost \$382,080. In total, all of the system updates needed to create a new benefit package for Cover All Coloradans populations will cost \$3,054,249. Because of the number of hours needed to make these changes, the Department assumes a March 2028 go-live date.

Calculations for this portion of the budget request can be found in Appendix K.

L. Capping Adult Dental Services

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
Yes	Mixed	Yes, positive revenue impact for Cash Funds 2410 and 28C0	No	25.5-5-207, C.R.S.

Background and Opportunity

Prior to FY 23-24, Health First Colorado (Colorado Medicaid) had in place a \$1,500 cap on adult dental expenditures for all members, excluding expenditures related to dentures and emergency services. This cap was removed on July 1, 2023, causing an increase in adult dental expenditures. However, due to budgetary constraints, maintaining this heightened level of dental expenditures is unsustainable.

Proposed Solution and Anticipated Outcomes

This initiative proposes that reinstating a cap on adult dental expenditures will result in savings and reduce expenditure. However, to better serve members of the community, it is proposed that the cap be reinstated at \$3,000, rather than the previous \$1,500. This will result in savings for the Department.

Assumptions and Calculations

The savings due to the reinstatement of the Adult Dental cap were estimated by calculating the annualized adult dental expenditure amount, largely based on the Department's most recent data, which is FY25-26 Q1. Within this annualized dataset, all expenditures per member over \$3,000 were reduced to equal \$3,000, except for expenditures for denture services. After taking the difference between the original annualized amount and the adjusted annual amount, this amount was reduced further to account for expenditure on Emergency Services. Emergency Services are excluded from the cap but are not accurately accounted for in the data. For this reason, the Department assumed a reduction of 7%, consistent with the assumptions made in the Department's Adult Dental Forecast. A final dampener of 15% was applied to the savings estimate to account for a rate reduction for dental providers, effective October 1, 2025.

The Department is assuming an implementation of the cap of July 1, 2026. CMS approval is required prior to implementing the cap and member outreach will also be required.

Calculations for this portion of the budget request can be found in Appendix L.

M. Reduce Rates for Sleep Studies

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-401.5, C.R.S

Background and Opportunity

Colorado's Medicaid program currently provides health care access to about 1.5 million people with a budget of \$14 billion. Most providers are paid on a fee-for-service basis, meaning the Department pays for each incurred service based on a set rate. Pursuant to Section 25.5-4-401.5, C.R.S., the Department is required to periodically perform reviews of provider rates under the Colorado Medical Assistance Act. Section 25.5-4-401.5, C.R.S. also established the Medicaid Provider Rate Review Advisory Committee (MPRRAC) to assist in the review of provider reimbursement rates. For the most part, rate increases for providers are subject to annual appropriation by the General Assembly. Based on a review, the Department has found that the reimbursement rate for sleep studies is not in line with the Medicare benchmarks recommended by MPRACC. The Department has the opportunity to align these rates.

Proposed Solution and Anticipated Outcomes

The Department requests to decrease rates for sleep studies that were identified through the rate review process to be out of alignment with specific Medicare benchmarks. Services that were found to be below 80% of their respective Medicare benchmarks will be rebalanced and raised to 80% of that benchmark and services that were found to be higher than 100% of their corresponding Medicare benchmarks will be rebalanced and brought down to 100% of that benchmark. Overall, this will result in a net decrease in expenditure for sleep studies. Reimbursement rates for unattended (home based) sleep studies are less costly than facility based sleep studies. Over the course of the last 4-5 years, key components of the home-based sleep studies have become significantly less expensive. States could rebalance rates to capture these savings.

Assumptions and Calculations

The Department compared rates for sleep studies to their appropriate and corresponding benchmark rates and estimated the Department's reimbursement rates compared to the benchmarks as a percentage. For these services, rates that were below 80.00% of the benchmark will be brought up to 80.00% of the benchmark. Similarly, rates that are above 100.00% of the benchmark will be brought down to 100.00% of the benchmark. The Department estimated the cost by calculating the difference between the current rates and the proposed rates at either 80% or 100% of the benchmark and multiplied that difference by the annual utilization. The Department anticipates implementation on July 1, 2026.

Calculations for this portion of the budget request can be found in Appendix M.

N. Ambulatory Surgical Centers Benefit Determination

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25-1.5-103, C.R.S. 25.5-5-301, C.R.S.

Background and Opportunity

Ambulatory Surgical Centers (ASC) are distinct entities that provide a surgical setting for members who require surgeries that do not require hospitalization. Covered services are those surgical and other medical procedures that:

- Are ASC procedures that are grouped into categories corresponding to the CMS defined groups
- Are commonly performed on an inpatient basis in hospitals but may be safely performed in an ASC
- Are limited to those requiring a dedicated operating room and generally requiring a post operative recovery room or short term convalescent room.

ASC grouper rates are lower than procedures performed in the outpatient settings, due to lower overhead than that associated with hospitals. Adding more procedures that fit the criteria to an ASC grouped rate can present the Department with the opportunity to reduce costs on certain surgeries.

Proposed Solution and Anticipated Outcomes

The Department proposes adding spinal surgeries and urology procedures to an ASC grouper. These codes are already covered by the Department and meet the qualifications for ASC services. This will allow more options for members to receive these services and allow the Department the opportunity to reduce costs by moving some utilization to an ASC instead of an outpatient hospital.

Assumptions and Calculations

There are two components to an ASC grouper rate, the provider fee and the facility fee for the ASC grouper. The provider fee will remain unchanged and must be paid regardless of where the surgery is performed. But the facility fee is lower at ASC relative to outpatient facilities. Therefore, the savings able to be realized is the difference in the facility fee charge assuming utilization shifts to the ASC grouper rate. The Department assumes that it possesses the existing authority to implement this change. The Department further assumes the new billing guidance and coding in the MMIS will be implemented by the end of the calendar year 2025 and savings can begin accruing January 1, 2026.

The savings estimate was calculated by pulling claims data for the affected codes for FY 2023-24. The utilization is then split between the provider fee and the facility fee. The Department assumes that 30% of the utilization will move to the new ASC grouper rate. The new projected expenditure is then calculated as the sum of the facility cost and the provider cost. The savings are calculated as the difference between the new projection and the total calculated from FY 2023-24 claims. This same calculation applies to both the urology and spinal surgery codes.

Calculations for this portion of the budget request can be found in Appendix N.

O. Converting Contractors to FTE for Quality Requirements

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-1-108 (1), C.R.S.

Background and Opportunity

The National Core Indicators (NCI) is a nationally standardized set of surveys the Department uses to better understand member experience in Home and Community Based Services (HCBS) and improve service quality. HCBS members and their families are surveyed about their level of satisfaction with services they receive, their experiences within the program, and additional services they may need. The standardization of the surveys allows the Department to compare results with other states, track performance over time, and establish benchmarks. The 2024 Ensuring Access to Medicaid Services Final Regulation by the Centers for Medicare and Medicaid Services (CMS) requires states to report on HCBS quality measures beginning in 2027.² The Department will leverage NCI surveys to efficiently and effectively gather the data necessary to meet these federal reporting requirements.

Funding to conduct NCI surveys was appropriated to the Department in multiple budget requests, the most recent being the FY 2022-23 R-9 “Office of Community Living Program Enhancements.” The appropriated funding is used for contractor resources to conduct the annual administration of the surveys, prepare and maintain tracking databases, and perform data uploads and data dashboard revisions for the Department. The Department also utilizes the appropriated funding to cover the cost of membership dues and fees required to participate in the survey and support organizations that develop and manage the survey including the National Association of State Directors of Developmental Disabilities Services (NASDDDS) and ADvancing States.

Proposed Solution and Anticipated Outcomes

The Department requests a reduction of \$264,567 total funds including a reduction of \$138,534 General Fund in FY 2025-26, a reduction of \$689,861 total funds including a reduction of \$351,181 General Fund in FY 2026-27, a reduction of \$285,055 total funds including a reduction of \$148,779 General Fund and an increase of 2.0 FTE in FY 2027-28, and a reduction of \$188,805 total funds including a reduction of \$100,654 General Fund and an increase of 2.0 FTE in FY 2028-29 and ongoing to convert part of the appropriated

² [CMS, "Medicaid Program; Ensuring Access to Medicaid Services," Federal Register 89, no. 93 \(May 10, 2024\): 40542-40874](#)

contractor funding for NCI survey work to Department FTE and to right-size the budget for NCI survey work. If approved, this request would allow the Department to hire 2.0 FTE to perform NCI survey work that is currently performed by a contractor, realize savings, and manage NCI survey and data functions more efficiently and with higher quality. While the current contractor resources have allowed the Department to develop its NCI survey program and fulfill short-term project needs, the Department believes that converting some of the current contractor resources to FTE would help develop long-term internal expertise in quality measurement, more consistent methodological oversight, and more sustainable data infrastructure, which would better support the increasing demand for HCBS quality data and increasing complexity of measuring waiver performance.

The Department requests to convert part of its appropriated contractor funding for NCI survey work to 2.0 Department FTE beginning in FY 2026-27. For the first position, the Department requests 1.0 FTE at the Policy Advisor IV classification who would assist with overseeing the full cycle of survey administration for the Department's quality and NCI surveys, including the Children's Waiver Satisfaction Survey (CWSS), which is an extension of NCI surveys designed to gather feedback on HCBS waivers for children. The FTE would ensure that all survey processes are executed in compliance with Departmental standards, privacy laws, accessibility requirements, and federal expectations. The position would serve as a core part of the Department's internal survey operations team, supporting both strategic planning and day-to-day implementation of quality survey tasks and activities. Specific duties include:

- Develop and manage meeting agendas, notes, and action items for CWSS and NCI survey planning and review meetings.
- Assist with survey planning and methodology development, including background information crosswalks, survey abstracts, and the creation and management of data sample pulls.
- Coordinate survey logistics such as interviewer recruitment, scheduling, and training.
- Oversee background check processes for field interviewers and maintain required compliance documentation.
- Complete training in NCI interviewer training protocols per Human Services Research Institute (HSRI) and ADvancing States standards and maintaining status as an approved interviewer trainer.
- Assist with the development of Department survey interviewer training for CWSS and NCI surveys.
- Coordinate, plan, attend, and lead survey interviewer training sessions for CWSS and NCI surveys.
- Maintain translation service vendors and assist with troubleshooting services while survey interviewers are in the field.

- Produce weekly and monthly data status reports tracking survey progress, response rates, and data quality across waiver populations.
- Assist with the development, coordination, and execution of Mistreatment, Abuse, Neglect, and Exploitation (MANE) reports, Incident Reports, and Unmet Needs reported from survey interviewers to the appropriate Department staff.
- Assist with maintaining and updating the HCBS Quality Survey website and public-facing materials.
- Support the resolution of member/guardian complaints against survey interviewers and/or staffing vendors.
- Support resolution of staff barriers while survey interviewers are in the field.
- Assist with completing case management Background Information surveys as needed.
- Contribute to other Department quality survey initiatives as needed.

For the second position, the Department requests 1.0 FTE at the Statistical Analyst III classification who would provide technical leadership for data management, dashboard development, and systems integration to ensure that survey and quality data are accurate, secure, and accessible for program evaluation and public reporting. The FTE would oversee the upload, validation, and visualization of CWSS, NCI survey, and other quality survey data into the Department's Quality Dashboard, supporting transparency and performance tracking across HCBS programs. Specific duties include:

- Clean, upload, and connect survey data to existing quality survey dashboards.
- Manage dashboard revisions to reflect survey question updates, variable changes, or new reporting needs.
- Lead the development of new dashboards to display emerging quality metrics or additional survey data.
- Assist with survey planning and survey method development, such as Background Information crosswalks, abstracts, and creating data sample pulls.
- Create and maintain survey tracking databases for programming and data validation processes.
- Conduct sample validation, address mapping, territory designation, and assignment mapping to prepare for data collection and ensure representative samples.
- Update member background and contact information to ensure survey interviewer accessibility to member population during survey cycle.
- Assist with completing case management Background Information surveys as needed.
- Perform survey testing and quality assurance to confirm the accuracy of survey logic, question flow, and data capture.
- Program tablets or ipads for survey interviewers to administer surveys in the field.
- Setup and maintain survey interviewer phone, email, and zoom services.
- Maintain tablet and/or ipad, and zoom license inventory during and in between survey cycles.

- Provide technical support to survey interviewers during quality and/or survey cycles.
- Provide technical support and coordination with survey and dashboard software platforms and/or other IT vendors for dashboard functionality and troubleshooting.
- Prepare and submit final data files and documentation for HSRI and ADvancing States, such as uploading NCI data into the Online Data Entry Survey Application (ODESA), which is the platform used by states to submit NCI survey data.
- Assist with other quality data initiatives as needed.

Alongside the FTE conversion, the Department requests to retain part of its appropriated contractor funding for NCI survey work. This funding would be used to continue paying required membership dues and fees and to procure contracted field interviewers who would conduct the survey interviews of members and families via telephone, video, or in person. The Department estimates that the cost of the membership dues and fees and field interviewers would be less than the appropriated contractor funding that remains after making the FTE conversion. Thus, the Department requests a reduction to the contractor funding that remains after the FTE conversion is made starting in FY 2026-27. In addition, the Department requests to reduce the appropriated contractor funding for NCI survey work in FY 2025-26 because, although the FTE conversion wouldn't happen until FY 2026-27, the Department's current contract obligations for FY 2025-26 are less than the current appropriation.

Finally, the Department requests to significantly reduce funding for NCI Survey work for one year only in FY 2026-27 due to an opportunity to fund the work using the Money Follows the Person (MFP) grant. MFP is a federal grant program which Colorado participates in that provides funding to states to develop and improve HCBS programs. Beginning in the fall of 2026, MFP grant recipients are required to collect and report quality data for the HCBS program.³ This data includes an assessment of member experience that the Department will fulfill with the NCI survey. MFP grant funds may be used to meet the new reporting requirement through 2027 and thus the Department intends to fund its NCI survey work using the MFP grant in FY 2026-27. The Department expects that the MFP grant would not cover the cost of membership dues and fees, but would cover the cost of the proposed 2.0 FTE and part of the field interviewer contract costs in FY 2026-27. The Department expects the MFP grant would only cover part of the field interviewer costs because the Department plans to conduct two surveys in FY 2026-27: one would be the NCI Survey for Aging and Disabled which the Department expects would be eligible for the MFP grant, and one would be a CWSS survey which the Department expects would not be eligible for the MFP grant.

³ [Centers for Medicare & Medicaid Services, Center for Medicaid and CHIP Services, "CMCS Informational Bulletin," April 11, 2024](#)

If this request is not approved, the Department would continue to utilize its existing contractor funding to retain contracted services to perform NCI Surveys. The Department would be unable to adjust its appropriation for NCI Surveys to reflect the savings that are included in this request that come from reducing the contractor funding and utilizing MFP grant funding. The Department would be unable to hire state FTE to perform NCI survey work because the funding for NCI survey work would continue to be appropriated to a line item that is intended to be used for contractor costs. If this request is not approved, then the Department anticipates it would be able to maintain the status quo for NCI survey work and meet federal quality reporting requirements. However, the Department would be unable to transition from a primarily compliance-driven data collection model to a robust, insight-driven quality system. The Department would be unable to leverage the cross-team coordination that would be enabled by hiring state FTE to ensure the Department is meeting all legal standards regarding how data is handled, interpreted, and displayed to the public, including requirements to protect individual privacy and ensure digital accessibility. The Department would be unable to move beyond simply collecting data toward using it in more meaningful and actionable ways that strengthen accountability, enhance the member experience, and improve outcomes across Colorado's HCBS programs.

If approved, this request would directly support the Department's Strategic Pillars described in the FY 2025-26 Department Performance Plan.⁴ First, this request would support the Member Care pillar. It would do this by supporting the Department's efforts to directly survey HCBS members and their families regarding the quality of their care and experience in the HCBS waiver program. The NCI Surveys provide invaluable feedback that the Department uses to improve the quality of care and outcomes in the HCBS program. Second, this request would support the Operational Excellence and Customer Service pillar. It would do this by supporting the Department's NCI Survey work which aims to gain feedback from the Department's members so that it may understand what is and isn't working in the HCBS program and improve service delivery. It would also do this by helping to ensure that the Department can continue to meet growing demands for quality data in the Medicaid program and remain compliant with new federal quality reporting requirements.

Assumptions and Calculations

Tables 1.0 through 1.3 provide a summary of the request by line item and tables 2.0 through 2.3 provide a summary of the request by initiative. Table 3.0 provides a summary of the requested contractor funding reductions, with tables 3.1 and 3.2 providing additional detail. Finally, table 4 provides detailed calculations for the requested FTE. For all requested contractor and FTE costs, the Department has

⁴ [Colorado Department of Health Care Policy and Financing, Fiscal Year 2025-26 HCPF Performance Plan](#)

assumed the standard Medicaid administrative match rate of 50%. The Department assumes the state share of funding would be General Fund.

The existing contractor funding for NCI Survey work is appropriated to the Department's Professional Services Contracts line item and the Department assumes the requested contractor funding reductions would be to this line item. The current amount appropriated for NCI survey work is detailed in table 3.1; this funding is an ongoing annual appropriation. As explained above, the Department assumes it would require some contractor funding to remain in the line item for ongoing work, and has detailed the expected need each year in table 3.2. For FY 2025-26, the Department has included its current contracted amounts in table 3.2. For FY 2026-27, the Department has included the expected cost of field interviewers for the CWSS survey (which would not be covered by the MFP grant), membership dues and fees, and a buffer for unexpected contractor needs. For 2027-28, the Department assumes the MFP grant would end and has included the full cost of field interviewers for surveys that year, membership dues and fees, and a buffer. Finally, for FY 2028-29, the Department has included the full cost of field interviewers, membership dues and fees, and a buffer. However, because surveys of some populations are only performed every other year, the Department is assuming additional surveys would be done in FY 2028-29 leading to a higher field interviewer cost. The Department assumes the FY 2028-29 amount would be ongoing to ensure sufficient funding is available in future years with higher survey costs like FY 2028-29.

For the requested 2.0 FTE, the Department assumes both positions would start at the beginning of FY 2026-27. However, the Department assumes the MFP grant would fund the positions in FY 2026-27, so no costs for the FTE are shown in Table 4 for FY 2026-27. The Department assumes that beginning in FY 2027-28, the MFP grant would no longer fund the positions and the Department would require funding to cover their costs. The Department assumes there would be no hiring delay in FY 2027-28 because the FTE would already be working and simply switch funding sources at the beginning of the year. The Department also assumes there would be no one-time operating costs for the FTE in FY 2027-28 because these costs would be covered by the MFP grant when the positions are hired in FY 2026-27. The Department assumes both positions would be full-time, permanent, ongoing positions.

Calculations for this portion of the budget request can be found in Appendix O.

P. Movement Therapy Rate Adjustment

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-4-209 (1)(I)(A)(B); 25.5-6-202, C.R.S

Background and Opportunity

As a part of the Department’s R-6 Budget Request, the Department proposed reducing Movement Therapy Rates in alignment with the Budget Neutrality Factor. The Department has carefully reconsidered its initial proposal to reduce reimbursement rates for Movement Therapy services, including Music Therapy, following the receipt of additional information from stakeholders and professional organizations. This new material provided a much clearer understanding of the extensive education, training, and credentialing required of Movement Therapy practitioners. It also demonstrated the strong alignment of these requirements with those of other allied health professions—such as occupational therapy and physical therapy—that offer similarly specialized, clinically grounded therapeutic interventions.

Considering this more comprehensive perspective, the Department recognizes that the methodology originally used to support a potential rate reduction does not adequately reflect the level of professional preparation or the clinical value inherent in Movement Therapy services. The Department greatly appreciates the time and effort invested by partners in supplying this clarifying information, which has significantly improved our understanding of the profession and its role within the continuum of care.

Accordingly, the Department has decided to withdraw the request to reduce rates specific to Movement Therapy, including Music Therapy. We no longer find sufficient methodological justification to support such a change and believe it would not appropriately reflect the professional standards or service needs associated with these therapies.

Proposed Solution and Anticipated Outcomes

The Department requests to remove this component from the FY 2026-27 R-6 “Executive Order and Other Spending Reductions” keeping the rates at their rates at the current fee schedule rate as of October 1, 2025. These services will still receive the across the board rate decrease from the repeal.

Assumptions and Calculations

The Department used the calculations from the FY 2026-27 R-6 “Executive Order and Other Spending Reductions” budget request.

Calculations for this portion of the budget request can be found in Appendix P.

Q. Reduce Equine From State Plan and Waiver

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
Yes	Mixed	No	No	25.5-5-332, C.R.S.

Background and Opportunity

The Department implemented HB 22-1068 by adding hippotherapy to the state plan on July 1, 2024, and the definition of hippotherapy was clarified and redefined as a therapeutic tool using equine movement when provided by a physical therapist, an occupational therapist, or a speech-language pathologist. Before this, hippotherapy was delivered as a benefit under two Home and Community-Based Services (HCBS) waivers. The Centers for Medicare & Medicaid Services (CMS) generally does not allow the same service to be offered in the state plan and a waiver. Thus, the Department had to reconfigure the benefit for the HCBS waivers to ensure the state plan and waiver benefits were not duplicative and were in compliance with federal law. No providers were fully enrolled on the HCBS waivers benefit due to administrative complexities around the required system changes from the state plan expansion. Because of the need to reconfigure the waiver benefit, the Department temporarily paused the benefit on the waivers until July 1, 2025. The reconfiguration included changing the service's name and the provider's qualifications and removing physical therapy as the main component of the service.

Adaptive Therapeutic Equine Activities (ATEA) is offered exclusively on the HCBS waivers and uses a horse's movement to help develop and enhance skills that help improve motor skills, self-regulation, communication opportunities, and social and emotional well-being. This service offers distinct activities that differ from hippotherapy and are available from a provider certified, registered, and/or accredited by an appropriate national accreditation association and has experience working with individuals with disabilities and equines. Some providers (like CSU's Temple Grandin School) have been offering similar services under the state plan's occupational therapy service, but utilization is very low because reimbursement doesn't cover stable or horse rental fees. Providers are paid standard occupational therapy rates whether the therapy occurs in an office or on a horse. ATEA was included as a specialized therapy option under HCBS waivers when hippotherapy became an allowed modality in the state plan. However, ATEA in HCBS waivers was never fully implemented due to ongoing system implementation issues. Members have been able to access equine therapy through a service titled Hippotherapy on the HCBS waivers through FY 2023-24, though this access ended with the reconfiguration and retitling of the service.

Proposed Solution and Anticipated Outcomes

The Department proposes eliminating equine therapy from the waiver and hippotherapy from the state plan by July 1, 2026. This will reduce administrative complexity, ending Medicaid coverage for services delivered via horse. The service has seen low utilization due to reimbursement limitations and overlapping coverage with other therapy types.

Based on the fiscal note, HCPF estimated that 161 people would use Hippotherapy and ETEA under the state plan and waiver benefits. Approximately 97 people utilized the “hippotherapy” waiver benefit before it was end-dated in FY 2023-24. Individuals are not losing access to therapy, only to the modality using horses – other therapy options remain. Members will continue to have access to occupational, physical, and speech therapies through the state plan, as well as music and movement therapies in HCBS waivers that address similar goals. The Department may see alternative therapies utilized through HCBS waivers, such as movement therapy. However, the Department anticipates the utilization shift will remain low, as they are different services with different intended outcomes. The Department did not account for any increase in other services with the removal of this service.

Removing equine therapy from waivers services will reduce administrative complexity, streamline benefits, maintain access to core therapy services, and result in modest cost savings with minimal member impact. This aligns with cost-saving efforts, though savings are nominal. This change reinforces HCPF’s responsibility to manage public funds responsibly while continuing to offer effective, person-centered therapy options.

Removing hippotherapy as a state plan benefit requires legislative approval. This action requires changes to Statute 25.5-5-332 to remove therapy using equine movements from the state plan.

Assumptions and Calculations

To calculate the savings associated with removing hippotherapy from the state plan, the Department used estimates based on the fiscal note for HB 22-1068, but updated the rate based on the current FY 2025-26 fee schedule. The estimated utilization based on the fiscal note for HB 22-1068 is 12,322 units in FY 2026-27 and ongoing. The current rate is \$32.14 a unit.

For the waiver service component, the Department calculated the savings based on the FY 2023-24 utilization of hippotherapy on the Adult Supported Living Services (SLS) and Children’s Extensive Support Services (CES) waivers. Overall, 97 members utilized hippotherapy services in FY 2023-24, with a total expenditure of \$177,613. The breakout of utilizers is not included in the table due to the low population of members and Personal Health Information (PHI) safety concerns. The Department expects these services to be fully removed by July 1, 2026, so there is a one month lag in savings for FY 2026-27.

Additional information and detailed calculations can be found in Appendix Q.

R. Reductions to CIVHC

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Neutral	No	No	25.5-1-204 (4) (b), C.R.S.

Background and Opportunity

The Colorado All-Payer Claims Database (APCD) is a comprehensive repository of Colorado health care claims used by researchers, government agencies, the public, and others to improve health care quality, value, and public health outcomes for Colorado residents. The database contains over 1.1 billion health care claims from Colorado going back to 2013 and continues to grow. It represents over 5.6M unique lives and collects claims from the majority of payers in the state including commercial payers, Medicare, and Medicaid.⁵ The foundational governance structure and policies for the APCD were created by HB 10-1330, which gave the Department primary oversight and regulatory authority for the database (25.5-1-204 in Colorado Revised Statutes). In accordance with the bill, the Department appointed the non-profit Center for Improving Value in Health Care (CIVHC) to handle the day-to-day operations and administration of the database.

A new data management system for the APCD is currently under development to modernize the APCD's digital infrastructure and improve its performance and security. The new system will be implemented by the end of FY 2025-26 and begin operating in FY 2026-27. Funding for the new system was included in the Department's FY 2025-26 S-14, BA-14 "APCD Cybersecurity" budget request, which was approved by the Joint Budget Committee and General Assembly with modifications. The approved funding included \$800,000 total funds in FY 2025-26 to design, develop, and implement the new system and \$1,034,118 total funds in FY 2026-27 and ongoing for maintenance and operations of the new system.

Proposed Solution and Anticipated Outcomes

The Department requests a reduction of \$559,662 total funds including a reduction of \$405,415 General Fund in FY 2026-27 and ongoing to right-size the budget for ongoing maintenance and operations of the APCD's new data management system. The cost estimate for ongoing maintenance and operations in the Department's FY 2025-26 S-14, BA-14 "APCD Cybersecurity" budget request was based on the best available information at the time of submission. Now that development of the new system is

⁵ Center for Improving Value in Health Care, [2024 Colorado All Payer Claims Database Annual Report](#)

underway and detailed requirements have been defined, the Department and CIVHC have a more precise cost estimate. The Department anticipates that the ongoing maintenance and operations of the new system will be significantly less than the amount approved under the Department’s FY 2025-26 S-14, BA-14 request and therefore requests a reduction in funding. This request includes Hospital Affordability and Sustainability (HAS) Fee cash funds.

If this request is not approved, the Department’s APCD line item would be over-appropriated beginning in FY 2026-27. The new data management system would finish development in FY 2025-26 and begin operations in FY 2026-27. The Department would have more funding than necessary in FY 2026-27 and ongoing for operations and maintenance of the new system and would revert the excess funding at the end of each year.

If this request is approved, it would directly support the Department’s Strategic Pillars described in the FY 2025-26 Department Performance Plan.⁶ In particular, it would support the Department’s Operational Excellence and Customer Service pillar. It would do this by ensuring the Department’s operational budget for the APCD is aligned with updated cost estimates and thus allow policymakers to efficiently and transparently use excess APCD funding for other state priorities.

Assumptions and Calculations

Table 1 provides a summary of the request by line item and table 2 provides a summary of the request by initiative.

Table 3 provides detailed calculations for the requested reduction for ongoing maintenance and operations of the APCD’s new data management system. The table shows the amount approved under the Department’s FY 2025-26 S-14, BA-14 “APCD Cybersecurity” budget request for ongoing maintenance and operations of the new system. The table also shows the revised cost estimate and the calculation of the amount of funding that can be reduced based on the revised estimate. As explained in more detail in the FY 2025-26 S-14, BA-14 request, the Department assumed that 33% percent of costs would be eligible for Medicaid federal matching funds, and the remaining costs would be funded with state-only General Fund. For the 33% Medicaid portion of costs, the Department assumed the federal funds match rate would be 75% and the state share would be 34.07% HAS Fee with the rest being General Fund. For simplicity, the Department has kept these assumptions to calculate the fund splits of the revised cost estimate.

Calculations for this portion of the budget request can be found in Appendix R.

⁶ [Colorado Department of Health Care Policy and Financing, Fiscal Year 2025-26 HCPF Performance Plan](#)

S. Across the Board Rate Adjustment

Requires Legislation	Colorado for All Impacts	Revenue Impacts	Impacts Another Department?	Statutory Authority
No	Mixed	No	No	25.5-4-401, C.R.S.

Background and Opportunity

The State is facing a shortage of General Fund revenue as a result of continued decreases in Medicaid Spending alongside the effects of Federal Legislation including HR 1. Through the Department's R-06, S-06, and other components of this S/BA-07, the Department has worked to make specific, targeted reductions to address cost drivers while protecting coverage for as many Coloradans as possible. In order to achieve the state's budget balancing targets, additional reductions to provider reimbursement are necessary to achieve a balanced budget.

Proposed Solution and Anticipated Outcomes

The Department requests a reduction to implement an across-the-board (ATB) provider rate decrease of 0.75% for all eligible fee for service in order to achieve the State's Balanced Budget Requirements. This across the board rate adjustment is in addition to targeted rate adjustments that are included in the FY 2026-27 R-6 Executive Order Spending Reductions and the FY 2026-27 S-7, BA-7 Additional Reductions Package.

Assumptions and Calculations

Estimates are based on the Department's FY 2026-27 Forecasted Costs for Medical Services. As the Department will be revising Medicaid caseload and per capita cost forecasts through future budget requests, adjustments to estimates may be necessary in the future. The Department calculated the percentage decrease by estimating the cost to provide a 0.75% across-the-board decrease. Although these rate decreases would affect most Medicaid providers, a number of providers would be exempted from rate decreases or receive different rate decreases. These distinctions include:

- A portion of expenditure related to non-medical emergency transportation services is not eligible for a decrease due to services rendered under a fixed price contract.
- Dental administrative payments are ineligible for rate decreases because the contract was competitively procured, with payment rates agreed upon during the procurement.
- Reimbursement to pharmacies is not eligible for the rate decrease. Pharmaceutical reimbursement has transitioned into a methodology that reflects the actual costs of purchasing and dispensing medications. Further, pharmaceutical reimbursement is

unique in that the reimbursement methodology is directly tied to a moving price statistic that decreases reimbursement as provider costs decrease.

- Rates for rural health clinics (RHCs) and Federally Qualified Health Centers (FQHCs) are based on actual cost or the federally required payment floor. RHCs and FQHCs have previously not been subject to across-the-board rate increases or decreases due to the unique manner in which these rates are calculated.
- Physical health managed care programs, including risk-based health maintenance organizations such as the providers for the Program of All-Inclusive Care for the Elderly (PACE), are negotiated within the parameters of their respective rate setting methodology and may or may not be impacted by rate decreases.
- Risk-based physical health managed care programs for Medicaid and the Child Health Plan Plus (CHP+) and regional accountable entities (RAEs) would not receive direct rate decreases as part of this change request. Rates are set in accordance with federal regulation and actuarial standards, which do not generally permit general provider rate decreases. The Department notes, however, that RAE and CHP+ rates generally decrease in response to provider cost, and rates for Medicaid managed care organizations would decrease indirectly based on decreases applied to fee-for-service rates.

Detailed calculations can be found in Appendix S.

S-7, BA-7 Additional Reductions Package
Appendix A

Table 1.0 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) Administration, General Professional Services	\$1,562,500	0.0	\$781,250	\$0	\$0	\$781,250	50%	Table 2.0, Row A + Row B
B	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$6,030,000)	0.0	(\$3,015,000)	\$0	\$0	(\$3,015,000)	50%	Table 2.0, Row C
C	Total Request	(\$4,467,500)	0.0	(\$2,233,750)	\$0	\$0	(\$2,233,750)	50%	Row A + Row B

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) Administration, General Professional Services	\$7,000,000	0.0	\$3,500,000	\$0	\$0	\$3,500,000	50%	Table 2.1, Row A + Row B
B	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$36,180,000)	0.0	(\$18,090,000)	\$0	\$0	(\$18,090,000)	50%	Table 2.1, Row C
C	Total Request	(\$29,180,000)	0.0	(\$14,590,000)	\$0	\$0	(\$14,590,000)	50%	Row A + Row B

Table 1.2 Summary by Line Item FY 2027-28 Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) Administration, General Professional Services	\$7,000,000	0.0	\$3,500,000	\$0	\$0	\$3,500,000	50%	Table 2.2, Row A + Row B
B	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$20,990,000)	0.0	(\$10,495,000)	\$0	\$0	(\$10,495,000)	50%	Table 2.2, Row C
C	Total Request	(\$13,990,000)	0.0	(\$6,995,000)	\$0	\$0	(\$6,995,000)	50%	Row A + Row B

S-7, BA-7 Additional Reductions Package
Appendix A

Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Claims Review Costs	\$1,500,000	0.0	\$750,000	\$0	\$0	\$750,000	50%	Table 3.0, Row A
B	Policy Consultant	\$62,500	0.0	\$31,250	\$0	\$0	\$31,250	50%	Table 4.0, Row A
C	Services Cost Savings	(\$6,030,000)	0.0	(\$3,015,000)	\$0	\$0	(\$3,015,000)	50%	Table 5.0, Row L
D	Total Request	(\$4,467,500)	0.0	(\$2,233,750)	\$0	\$0	(\$2,233,750)	50%	Sum of Rows A through C
Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Claims Review Costs	\$6,750,000	0.0	\$3,375,000	\$0	\$0	\$3,375,000	50%	Table 3.0, Row B
B	Policy Consultant	\$250,000	0.0	\$125,000	\$0	\$0	\$125,000	50%	Table 4.0, Row B
C	Services Cost Savings	(\$36,180,000)	0.0	(\$18,090,000)	\$0	\$0	(\$18,090,000)	50%	Table 5.1, Row L
D	Total Request	(\$29,180,000)	0.0	(\$14,590,000)	\$0	\$0	(\$14,590,000)	50%	Sum of Rows A through C
Table 2.2 Summary by Initiative FY 2027-28 Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Claims Review Costs	\$6,750,000	0.0	\$3,375,000	\$0	\$0	\$3,375,000	50%	Table 3.0, Row B
B	Policy Consultant	\$250,000	0.0	\$125,000	\$0	\$0	\$125,000	50%	Table 4.0, Row B
C	Services Cost Savings	(\$20,990,000)	0.0	(\$10,495,000)	\$0	\$0	(\$10,495,000)	50%	Table 5.2, Row L
D	Total Request	(\$13,990,000)	0.0	(\$6,995,000)	\$0	\$0	(\$6,995,000)	50%	Sum of Rows A through C
####		\$0	0.0	\$0	\$0	\$0	\$0	N/A	

S-7, BA-7 Additional Reductions Package

Appendix A

Table 3.0 Claims Review Vendor Costs								
Row	Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes
A	FY 2025-26	\$1,500,000	\$750,000	\$0	\$0	\$750,000	50%	Vendor Estimate
B	FY 2026-27 & Ongoing	\$6,750,000	\$3,375,000	\$0	\$0	\$3,375,000	50%	Vendor Estimate

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Appendix A

Table 4.0 Policy Consultant Costs								
Row	Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes
A	FY 2025-26	\$62,500	\$31,250	\$0	\$0	\$31,250	50%	projected for 3 months of year
B	FY 2026-27 & Ongoing	\$250,000	\$125,000	\$0	\$0	\$125,000	50%	Based on similar contracts

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Appendix A

Table 5.0 FY 2025-26 Services Identified as At-Risk							
Row	Item	Total Funds	General Fund	Cash Funds	Federal Funds	FFP Rate	Notes
A	Pediatric Behavioral Therapy	\$18,333,333	\$9,166,666	\$0	\$9,166,667	50%	Current billing volume for 2 months
B	Estiamted Appropriate Payment	\$13,750,000	\$6,875,000	\$0	\$6,875,000	50%	Assumes 75%
C	Estimated Savings	\$4,583,333	\$2,291,666	\$0	\$2,291,667	50%	Row A - Row B
D							
E	HCBS Services	\$6,733,333	\$3,366,666	\$0	\$3,366,667	50%	Current billing volume for 2 months
F	Estiamted Appropriate Payment	\$5,386,667	\$2,693,334	\$0	\$2,693,333	50%	Assumes 80%
G	Estimated Savings	\$1,346,667	\$673,334	\$0	\$673,333	50%	Row E - Row F
H							
I	Durable Medical Equipment	\$500,000	\$250,000	\$0	\$250,000	50%	Current billing volume for 2 months
J	Estiamted Appropriate Payment	\$400,000	\$200,000	\$0	\$200,000	50%	Assumes 80%
K	Estimated Savings	\$100,000	\$50,000	\$0	\$50,000	50%	Row I - Row J
L	Total Savings	\$6,030,000	\$3,015,000	\$0	\$3,015,000	50%	Row C + Row G + Row K

Table 5.1 FY 2026-27 Services Identified as At-Risk							
Row	Item	Total Funds	General Fund	Cash Funds	Federal Funds	FFP	Notes
A	Pediatric Behavioral Therapy	\$110,000,000	\$55,000,000	\$0	\$55,000,000	50%	Current billing volume
B	Estiamted Appropriate Payment	\$82,500,000	\$41,250,000	\$0	\$41,250,000	50%	Assumes 75%
C	Estimated Savings	\$27,500,000	\$13,750,000	\$0	\$13,750,000	50%	Row A - Row B
D							
E	HCBS Services	\$40,400,000	\$20,200,000	\$0	\$20,200,000	50%	Current billing volume
F	Estiamted Appropriate Payment	\$32,320,000	\$16,160,000	\$0	\$16,160,000	50%	Assumes 80%
G	Estimated Savings	\$8,080,000	\$4,040,000	\$0	\$4,040,000	50%	Row E - Row F
H							
I	Durable Medical Equipment	\$3,000,000	\$1,500,000	\$0	\$1,500,000	50%	Assumes 75%
J	Estiamted Appropriate Payment	\$2,400,000	\$1,200,000	\$0	\$1,200,000	50%	Current billing volume for 2 months
K	Estimated Savings	\$600,000	\$300,000	\$0	\$300,000	50%	Row I - Row J
L	Total Savings	\$36,180,000	\$18,090,000	\$0	\$18,090,000	50%	Row C + Row G + Row K

Table 5.2 FY 2027-28 & Ongoing Services Identified as At-Risk							
Row	Item	Total Funds	General Fund	Cash Funds	Federal Funds	FFP	Notes
A	Pediatric Behavioral Therapy	\$110,000,000	\$55,000,000	\$0	\$55,000,000	50%	Current billing volume
B	Estiamted Appropriate Payment	\$93,500,000	\$46,750,000	\$0	\$46,750,000	50%	Assumes 85%
C	Estimated Savings	\$16,500,000	\$8,250,000	\$0	\$8,250,000	50%	Row A - Row B
D							
E	HCBS Services	\$40,400,000	\$20,200,000	\$0	\$20,200,000	50%	Current billing volume
F	Estiamted Appropriate Payment	\$36,360,000	\$18,180,000	\$0	\$18,180,000	50%	Assumes 90%
G	Estimated Savings	\$4,040,000	\$2,020,000	\$0	\$2,020,000	50%	Row E - Row F
H							
I	Durable Medical Equipment	\$3,000,000	\$1,500,000	\$0	\$1,500,000	50%	Current billing volume for 2 months
J	Estiamted Appropriate Payment	\$2,550,000	\$1,275,000	\$0	\$1,275,000	50%	Assumes 85%
K	Estimated Savings	\$450,000	\$225,000	\$0	\$225,000	50%	Row E - Row F
L	Total Savings	\$20,990,000	\$10,495,000	\$0	\$10,495,000	50%	Row C + Row G + Row K

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Table 1.1 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (B) Information Technology Contracts and Projects	\$187,501	0.0	\$14,213	\$7,819	\$0	\$165,469	88.25%	Table 2.1 Row A
B	(2) Medical Services Premiums, (A) Medical Services Premiums, (1) Medical Services Premiums - Medical Services Premiums	(\$3,250,000)	0.0	(\$971,814)	(\$167,617)	\$0	(\$2,110,569)	64.94%	Table 2.1 Row B
C	Total Request	(\$3,062,499)	0.0	(\$957,601)	(\$159,798)	\$0	(\$1,945,100)	63.51%	Sum of Rows A through B

Table 1.2 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (B) Information Technology Contracts and Projects	\$750,000	0.0	\$56,850	\$31,275	\$0	\$661,875	88.25%	Table 2.2 Row A
B	(2) Medical Services Premiums, (A) Medical Services Premiums, (1) Medical Services Premiums - Medical Services Premiums	(\$13,000,000)	0.0	(\$3,887,260)	(\$670,475)	\$0	(\$8,442,265)	64.94%	Table 2.2 Row B
C	Total Request	(\$12,250,000)	0.0	(\$3,830,410)	(\$639,200)	\$0	(\$7,780,390)	63.51%	Sum of Rows A through B

Table 1.3 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (B) Information Technology Contracts and Projects	\$750,000	0.0	\$56,850	\$31,275	\$0	\$661,875	88.25%	Table 2.3 Row A
B	(2) Medical Services Premiums, (A) Medical Services Premiums, (1) Medical Services Premiums - Medical Services Premiums	(\$6,500,000)	0.0	(\$1,943,629)	(\$335,237)	\$0	(\$4,221,134)	64.94%	Table 2.3 Row B
C	Total Request	(\$5,750,000)	0.0	(\$1,886,779)	(\$303,962)	\$0	(\$3,559,259)	61.90%	Sum of Rows A through B

Table 1.4 Summary by Line Item FY 2028-29 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (B) Information Technology Contracts and Projects	\$750,000	0.0	\$56,850	\$31,275	\$0	\$661,875	88.25%	Table 2.4 Row A
B	(2) Medical Services Premiums, (A) Medical Services Premiums, (1) Medical Services Premiums - Medical Services Premiums	(\$6,500,000)	0.0	(\$1,943,629)	(\$335,237)	\$0	(\$4,221,134)	64.94%	Table 2.4 Row B
C	Total Request	(\$5,750,000)	0.0	(\$1,886,779)	(\$303,962)	\$0	(\$3,559,259)	61.90%	Sum of Rows A through B

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Appendix B

Table 2.1 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	ClaimsXten DDI Costs	\$187,501	\$0.00	\$14,213	\$7,819	\$0	\$165,469	88.25%	Table 4.1 Row A
B	Savings from ClaimsXten Edits	(\$3,250,000)	\$0.00	(\$971,814)	(\$167,617)	\$0	(\$2,110,569)	64.94%	Table 3.1 Row A
C	Total Request	(\$3,062,499)	\$0.00	(\$957,601)	(\$159,798)	\$0	(\$1,945,100)	63.51%	Sum of Rows A through B
Table 2.2 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	ClaimsXten DDI Costs	\$750,000	0.0	\$56,850	\$31,275	\$0	\$661,875	88.25%	Table 4.1 Row B
B	Savings from ClaimsXten Edits	(\$13,000,000)	0.0	(\$3,887,260)	(\$670,475)	\$0	(\$8,442,265)	64.94%	Table 3.1 Row B
C	Total Request	(\$12,250,000)	0.0	(\$3,830,410)	(\$639,200)	\$0	(\$7,780,390)	63.51%	Sum of Rows A through B
Table 2.3 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	ClaimsXten DDI Costs	\$750,000	0.0	\$56,850	\$31,275	\$0	\$661,875	88.25%	Table 4.1 Row C
B	Savings from ClaimsXten Edits	(\$6,500,000)	0.0	(\$1,943,629)	(\$335,237)	\$0	(\$4,221,134)	64.94%	Table 3.1 Row C
C	Total Request	(\$5,750,000)	0.0	(\$1,886,779)	(\$303,962)	\$0	(\$3,559,259)	61.90%	Sum of Rows A through B
Table 2.4 Summary by Initiative FY 2028-29 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	ClaimsXten DDI Costs	\$750,000	0.0	\$56,850	\$31,275	\$0	\$661,875	88.25%	Table 4.1 Row D
B	Savings from ClaimsXten Edits	(\$6,500,000)	0.0	(\$1,943,629)	(\$335,237)	\$0	(\$4,221,134)	64.94%	Table 3.1 Row D
C	Total Request	(\$5,750,000)	0.0	(\$1,886,779)	(\$303,962)	\$0	(\$3,559,259)	61.90%	Sum of Rows A through B

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Table 4.1 Savings from ClaimsXten Edit						
Row	Item	Amount	General Fund	Cash Funds	Federal Funds	Notes
A	FY 2025-26	\$3,250,000	\$971,814	\$167,617	\$2,110,569	Based off FY 24-25 Caseload Data
B	FY 2026-27	\$13,000,000	\$3,887,260	\$670,475	\$8,442,265	Based off FY 24-25 Caseload Data
C	FY 2027-28	\$6,500,000	\$1,943,629	\$335,237	\$4,221,134	Based off FY 24-25 Caseload Data
D	FY 2028-29 & Ongoing	\$6,500,000	\$1,943,629	\$335,237	\$4,221,134	Based off FY 24-25 Caseload Data
E	Total	\$29,250,000	\$8,746,332	\$1,508,566	\$18,995,102	Sum of Rows A through D

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Table 4.1 DDI Cost of ClaimsXten						
Row	Item	Amount	General Fund	Cash Funds	Federal Funds	Notes
A	FY 2025-26	\$187,500	\$14,213	\$7,819	\$165,468	Projected for 3 months of FY26
B	FY 2026-27	\$750,000	\$56,850	\$31,275	\$661,875	Vendor Estimate
C	FY 2027-28	\$750,000	\$56,850	\$31,275	\$661,875	Vendor Estimate
D	FY 2028-29 & Ongoing	\$750,000	\$56,850	\$31,275	\$661,875	Vendor Estimate
E	Total	\$2,437,500	\$184,763	\$101,644	\$2,151,093	Sum of Rows A through D

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Table 1.0 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	\$0	0.0	(\$7,322,432)	\$15,734,919	\$0	(\$8,412,487)	Blended	Table 2.0 Row J
B	Total Request	\$0	0.0	(\$7,322,432)	\$15,734,919	\$0	(\$8,412,487)		

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	\$0	0.0	(\$6,590,190)	\$14,161,428	\$0	(\$7,571,238)	Blended	Table 2.1 Row J
B	Total Request	\$0	\$0	(\$6,590,190)	\$14,161,428	\$0	(\$7,571,238)		

Table 1.2 Summary by Line Item FY 2027-28 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	\$0	0.0	(\$5,931,171)	\$12,745,285	\$0	(\$6,814,114)	Blended	Table 2.2 Row J
B	Total Request	\$0	\$0	(\$5,931,171)	\$12,745,285	\$0	(\$6,814,114)		

Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
NEMT RAC									
A	NEMT Savings	\$0	0.0	(\$999,650)	\$2,671,650	\$0	(\$1,672,000)	50.00%	Table 3.0 Row G
B	NEMT Costs	\$0	0.0	\$179,937	(\$480,897)	\$0	\$300,960	50.00%	Table 3.3 Row C
C	Total NEMT	\$0	0.0	(\$819,713)	\$2,190,753	\$0	(\$1,371,040)	50.00%	Row A + Row B
PBT RAC									
D	PBT Savings	\$0	0.0	(\$7,761,621)	\$15,876,182	\$0	(\$8,114,561)	51.11%	Table 4.0 Row G
E	PBT Costs	\$0	0.0	\$1,397,092	(\$2,857,713)	\$0	\$1,460,621	51.11%	Table 4.3 Row C
F	Total PBT	\$0	0.0	(\$6,364,529)	\$13,018,469	\$0	(\$6,653,940)	51.11%	Row D + Row E
EMT RAC									
G	EMT Savings	\$0	0.0	(\$168,525)	\$641,094	\$0	(\$472,569)	Blended	Table 5.0 Row F
H	EMT Costs	\$0	0.0	\$30,335	(\$115,397)	\$0	\$85,062	Blended	Table 5.3 Row C
I	Total EMT	\$0	0.0	(\$138,190)	\$525,697	\$0	(\$387,507)	Blended	Row G + Row H
J	Total Request	\$0	0.0	(\$7,322,432)	\$15,734,919	\$0	(\$8,412,487)		Row C + Row F + Row I
Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
NEMT RAC									
A	NEMT Savings	\$0	0.0	(\$899,685)	\$2,404,485	\$0	(\$1,504,800)	50.00%	Table 3.1 Row G
B	NEMT Costs	\$0	0.0	\$161,943	(\$432,807)	\$0	\$270,864	50.00%	Table 3.4 Row C
C	Total NEMT	\$0	0.0	(\$737,742)	\$1,971,678	\$0	(\$1,233,936)	50.00%	Row A + Row B
PBT RAC									
D	PBT Savings	\$0	0.0	(\$6,985,459)	\$14,288,564	\$0	(\$7,303,105)	51.11%	Table 4.1 Row G
E	PBT Costs	\$0	0.0	\$1,257,383	(\$2,571,942)	\$0	\$1,314,559	51.11%	Table 4.4 Row C
F	Total PBT	\$0	0.0	(\$5,728,076)	\$11,716,622	\$0	(\$5,988,546)	51.11%	Row D + Row E
EMT RAC									
G	EMT Savings	\$0	0.0	(\$151,673)	\$576,984	\$0	(\$425,311)	Blended	Table 5.1 Row F
H	EMT Costs	\$0	0.0	\$27,301	(\$103,856)	\$0	\$76,555	Blended	Table 5.4 Row C
I	Total EMT	\$0	0.0	(\$124,372)	\$473,128	\$0	(\$348,756)	Blended	Row G + Row H
J	Total Request	\$0	0.0	(\$6,590,190)	\$14,161,428	\$0	(\$7,571,238)		Row C + Row F + Row I
Table 2.2 Summary by Initiative FY 2027-28 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
NEMT RAC									
A	NEMT Savings	\$0	0.0	(\$809,717)	\$2,164,037	\$0	(\$1,354,320)	50.00%	Table 3.2 Row G
B	NEMT Costs	\$0	0.0	\$145,750	(\$389,527)	\$0	\$243,777	50.00%	Table 3.5 Row C
C	Total NEMT	\$0	0.0	(\$663,967)	\$1,774,510	\$0	(\$1,110,543)	50.00%	Row A + Row B
PBT RAC									
D	PBT Savings	\$0	0.0	(\$6,286,914)	\$12,859,708	\$0	(\$6,572,794)	51.11%	Table 4.2 Row G
E	PBT Costs	\$0	0.0	\$1,131,644	(\$2,314,747)	\$0	\$1,183,103	51.11%	Table 4.5 Row C
F	Total PBT	\$0	0.0	(\$5,155,270)	\$10,544,961	\$0	(\$5,389,691)	51.11%	Row D + Row E
EMT RAC									
G	EMT Savings	\$0	0.0	(\$136,505)	\$519,286	\$0	(\$382,781)	Blended	Table 5.2 Row F
H	EMT Costs	\$0	0.0	\$24,571	(\$93,472)	\$0	\$68,901	Blended	Table 5.5 Row C
I	Total EMT	\$0	0.0	(\$111,934)	\$425,814	\$0	(\$313,880)	Blended	Row G + Row H
J	Total Request	\$0	0.0	(\$5,931,171)	\$12,745,285	\$0	(\$6,814,114)		Row C + Row F + Row I

Table 3.0
NEMT Savings
FY 2025-26

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	State Paid Within Broker Area	\$23,300,000	\$6,965,266	\$4,684,734	\$11,650,000	
B	Date Range Billing	\$4,300,000	\$1,285,435	\$864,565	\$2,150,000	
C	Trips with No Associated Claims	\$5,840,000	\$1,745,801	\$1,174,199	\$2,920,000	
D	Total Estimated Improper Payments	\$33,440,000	\$9,996,502	\$6,723,498	\$16,720,000	Sum of Row A through Row C
E	Applying Annual Provider Limits	10%	10%	10%	10%	
F	Estimated Recovery #1	\$3,344,000	\$999,650	\$672,350	\$1,672,000	Row D * Row E
G	Total Savings	\$3,344,000	\$999,650	\$672,350	\$1,672,000	Row F

Table 3.1
NEMT Savings
FY 2026-27

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Continued Estimated Improper Payments	\$30,096,000	\$8,996,852	\$6,051,148	\$15,048,000	Table 3.0 Row D - Row G
B	Applying Annual Provider Limits	10%	10%	10%	10%	
C	Estimated Recovery #1	\$3,009,600	\$899,685	\$605,115	\$1,504,800	Row A * Row B
D	Total Savings	\$3,009,600	\$899,685	\$605,115	\$1,504,800	Row C

Table 3.2
NEMT Savings
FY 2027-28

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Continued Estimated Improper Payments	\$27,086,400	\$8,097,167	\$5,446,033	\$13,543,200	Table 3.1 Row D - Row G
B	Applying Annual Provider Limits	10%	10%	10%	10%	
C	Estimated Recovery #1	\$2,708,640	\$809,717	\$544,603	\$1,354,320	Row A * Row B
G	Total Savings	\$2,708,640	\$809,717	\$544,603	\$1,354,320	Row C

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Table 3.3
NEMT Costs
FY 2025-26

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total NEMT RAC Savings	\$3,344,000	\$999,650	\$672,350	\$1,672,000	Table 3.0 Row G
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$601,920	\$179,937	\$121,023	\$300,960	Row A * Row B

Table 3.4
NEMT Costs
FY 2026-27

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total NEMT RAC Savings	\$3,009,600	\$899,685	\$605,115	\$1,504,800	Table 3.1 Row D
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$541,728	\$161,943	\$108,921	\$270,864	Row A * Row B

Table 3.5
NEMT Costs
FY 2027-28

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total NEMT RAC Savings	\$2,708,640	\$809,717	\$544,603	\$1,354,320	Table 3.2 Row D
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$487,555	\$145,749	\$98,029	\$243,778	Row A * Row B

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Table 4.0 PBT Savings FY 2025-26						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	PBT No Ordering	\$71,347,787	\$34,880,836		\$36,466,951	
B	PBT Disallowed Place of Service	\$2,165,684	\$1,058,770		\$1,106,914	
C	PBT Incorrect Provider Type	\$85,248,351	\$41,676,608		\$43,571,743	
D	Total Estimated Improper Payments	\$158,761,821	\$77,616,213	\$0	\$81,145,609	Sum of Row A through Row C
E	Applying Annual Provider Limits	10%	10%	10%	10%	
F	Estimated Recovery	\$15,876,182	\$7,761,621	\$0	\$8,114,561	Row D * Row E
G	Total Savings	\$15,876,182	\$7,761,621	\$0	\$8,114,561	Row F

Table 4.1 PBT Savings FY 2026-27						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Continued Estimated Improper Payments	\$142,885,639	\$69,854,592		\$73,031,048	Table 4.0 Row D - Row G
B	Applying Annual Provider Limits	10%	10%	10%	10%	
C	Estimated Recovery	\$14,288,564	\$6,985,459	\$0	\$7,303,105	Row A * Row B
D	Total Savings	\$14,288,564	\$6,985,459	\$0	\$7,303,105	Row C

Table 4.2 PBT Savings FY 2027-28						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Continued Estimated Improper Payments	\$128,597,075	\$62,869,132		\$65,727,943	Table 4.1 Row A - Row D
B	Applying Annual Provider Limits	10%	10%	10%	10%	
C	Estimated Recovery	\$12,859,708	\$6,286,913	\$0	\$6,572,794	Row A * Row B
D	Total Savings	\$12,859,708	\$6,286,913	\$0	\$6,572,794	Row C

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Table 4.3 PBT Costs FY 2025-26						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total PBT RAC Savings	\$15,876,182	\$7,761,621		\$8,114,561	Table 4.0 Row G
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$2,857,713	\$1,397,092	\$0	\$1,460,621	Row A * Row B

Table 4.4 PBT Costs FY 2026-27						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total PBT RAC Savings	\$14,288,564	\$6,985,459		\$7,303,105	Table 4.1 Row D
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$2,571,942	\$1,257,383	\$0	\$1,314,559	Row A * Row B

Table 4.5 PBT Costs FY 2027-28						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total PBT RAC Savings	\$12,859,708	\$6,286,913		\$6,572,794	Table 4.2 Row D
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$2,314,747	\$1,131,644	\$0	\$1,183,103	Row A * Row B

Appendix C

Table 5.0
EMT Savings
FY 2025-26

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Professional Duplicates	\$410,775	\$101,921	\$23,049	\$285,804	
B	EMT Trip without Medical Claim	\$6,381,284	\$1,583,324	\$358,066	\$4,439,895	
C	Total Estimated Improper Payments	\$6,792,059	\$1,685,245	\$381,115	\$4,725,699	Row A + Row B
D	Applying Annual Provider Limits	10%	10%	10%	10%	
E	Estimated Recovery #1	\$679,206	\$168,525	\$38,112	\$472,570	Row C * Row D
F	Total Savings	\$679,206	\$168,525	\$38,112	\$472,570	Row E

Table 5.1
EMT Savings
FY 2026-27

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Continued Estimated Improper Payments	\$6,112,853	\$1,516,721	\$343,004	\$4,253,129	Table 5.0 Row C - Row F
B	Applying Annual Provider Limits	10%	10%	10%	10%	
C	Estimated Recovery #1	\$611,285	\$151,672	\$34,300	\$425,313	Row A * Row B
D	Total Savings	\$611,285	\$151,672	\$34,300	\$425,313	Row C

Table 5.2
EMT Savings
FY 2027-28

Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Continued Estimated Improper Payments	\$5,501,568	\$1,365,049	\$308,703	\$3,827,816	Table 5.1 Row A - Row D
B	Applying Annual Provider Limits	10%	10%	10%	10%	
C	Estimated Recovery #1	\$550,157	\$136,505	\$30,870	\$382,782	Row A * Row B
D	Total Savings	\$550,157	\$136,505	\$30,870	\$382,782	Row C

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Table 5.3 EMT Costs FY 2025-26						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total EMT RAC Savings	\$679,206	\$168,525	\$38,112	\$472,570	Table 5.0 Row F
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$122,257	\$30,334	\$6,860	\$85,063	Row A * Row B

Table 5.4 EMT Costs FY 2026-27						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total EMT RAC Savings	\$611,285	\$151,672	\$34,300	\$425,313	Table 5.1 Row D
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$110,031	\$27,301	\$6,174	\$76,556	Row A * Row B

Table 5.5 EMT Costs FY 2027-28						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Estimated Total EMT RAC Savings	\$550,157	\$136,505	\$30,870	\$382,782	Table 5.2 Row D
B	Cost %	18%	18%	18%	18%	
C	Total Cost	\$99,028	\$24,571	\$5,557	\$68,901	Row A * Row B

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Table 1.1 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$17,647,557)	0.0	(\$5,275,534)	(\$3,548,245)	\$0.00	(\$8,823,778)	50%	Table 2.0 Row A
B	Total Request	(\$17,647,557)	0.0	(\$5,275,534)	(\$3,548,245)	\$0	(\$8,823,778)		

Table 1.2 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$20,751,726)	0.0	(\$6,295,946)	(\$4,079,917)	\$0.00	(\$10,375,863)	50%	Table 2.1 Row A
B	Total Request	(\$20,751,726)	0.0	(\$6,295,946)	(\$4,079,917)	\$0	(\$10,375,863)		

Table 1.3 Summary by Line Item FY 2027-28 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$22,186,725)	0.0	(\$6,864,224)	(\$4,229,138)	\$0.00	(\$11,093,363)	50%	Table 22 Row A
B	Total Request	(\$22,186,725)	0.0	(\$6,864,224)	(\$4,229,138)	\$0	(\$11,093,363)		

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Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	NEMT MedRide Settlement Savings	(\$17,647,557)	0.0	(\$5,275,534)	(\$3,548,245)	\$0.00	(\$8,823,778)	50%	Table 3.0 Row I

Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	NEMT MedRide Settlement Savings	(\$20,751,726)	0.0	(\$6,295,946)	(\$4,079,917)	\$0.00	(\$10,375,863)	50%	Table 3.1 Row I

Table 2.2 Summary by Initiative FY 2027-28 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	NEMT MedRide Settlement Savings	(\$22,186,725)	0.0	(\$6,864,224)	(\$4,229,138)	\$0.00	(\$11,093,363)	50%	Table 3.2 Row I

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Table 3.0 MedRide Settlement Savings FY 2025-26						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Forecasted FY 25-26 NEMT	\$324,072,464	\$96,877,725	\$65,158,507	\$162,036,232	
B	FY 24-25 MedRide Actuals %	18%	18%	18%	18%	
C	Forecasted MedRide Expenditure	\$56,932,794	\$17,019,402	\$11,446,995	\$28,466,397	Row A * Row B
D	BLI Adjustment From Rate Decrease	-14%	-14%	-14%	-14%	
E	Adjusted MedRide Expenditure	\$48,940,592	\$14,630,225	\$9,840,071	\$24,470,296	Row C * (1 + Row D)
F	Annualized MedRide FY 25-26 Actuals	\$29,688,712	\$8,875,098	\$5,969,258	\$14,844,356	
G	Difference	(\$19,251,880.37)	(\$5,755,127.57)	(\$3,870,812.62)	(\$9,625,940.19)	Row F - Row E
H	Implementation Adjustment	92%	92%	92%	92%	
I	Total Savings	(\$17,647,557)	(\$5,275,534)	(\$3,548,245)	(\$8,823,779)	Row G * Row H

Table 3.1 MedRide Settlement Savings FY 2026-27						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Forecasted FY 26-27 NEMT	\$349,319,803	\$105,037,355	\$69,622,547	\$174,659,902	
B	FY 24-25 MedRide Actuals %	18%	18%	18%	18%	
C	Forecasted MedRide Expenditure	\$61,368,226	\$18,452,879	\$12,231,234	\$30,684,113	Row A * Row B
D	BLI Adjustment From Rate Decrease	-14%	-14%	-14%	-14%	
E	Adjusted MedRide Expenditure	\$52,753,381	\$15,862,472	\$10,514,218	\$26,376,690	Row C * (1 + Row D)
F	Annualized MedRide FY 26-27 Forecast	\$32,001,654	\$9,566,525	\$6,434,302	\$16,000,827	
G	Difference	(\$20,751,726.25)	(\$6,295,946.48)	(\$4,079,916.64)	(\$10,375,863.13)	Row F - Row E
H	Implementation Adjustment	100%	100%	100%	100%	
I	Total Savings	(\$20,751,726)	(\$6,295,946)	(\$4,079,917)	(\$10,375,863)	Row G * Row H

Table 3.2 MedRide Settlement Savings FY 2027-28						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Forecasted FY 27-28 NEMT	\$373,475,551	\$113,180,855	\$73,556,921	\$186,737,776	
B	FY 24-25 MedRide Actuals %	18%	18%	18%	18%	
C	Forecasted MedRide Expenditure	\$65,611,889	\$19,883,523	\$12,922,422	\$32,805,945	Row A * Row B
D	BLI Adjustment From Rate Decrease	-14%	-14%	-14%	-14%	
E	Adjusted MedRide Expenditure	\$56,401,320	\$17,092,282	\$11,108,378	\$28,200,660	Row C * (1 + Row D)
F	Annualized MedRide FY 27-28 Forecast	\$34,214,595	\$10,228,058	\$6,879,239	\$17,107,297	
G	Difference	(\$22,186,724.97)	(\$6,864,223.89)	(\$4,229,138.60)	(\$11,093,362.49)	Row F - Row E
H	Implementation Adjustment	100%	100%	100%	100%	
I	Total Savings	(\$22,186,725)	(\$6,864,224)	(\$4,229,139)	(\$11,093,362)	Row G * Row H

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Table 1.0 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$32,916,295)	0.0	(\$9,899,892)	(\$6,558,355)	\$0	(\$16,458,048)	Blended	Table 3.0 Row G
B	Total Request	(\$32,916,295)	0.0	(\$9,899,892)	(\$6,558,355)	\$0	(\$16,458,048)		Row A

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$60,479,462)	0.0	(\$18,189,779)	(\$12,050,135)	\$0	(\$30,239,548)	Blended	Table 3.0 Row G
B	Total Request	(\$60,479,462)	\$0	(\$18,189,779)	(\$12,050,135)	\$0	(\$30,239,548)		Row A

Table 1.2 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$64,725,121)	0.0	(\$19,466,702)	(\$12,896,054)	\$0	(\$32,362,365)	Blended	Table 3.0 Row G
B	Total Request	(\$64,725,121)	0.0	(\$19,466,702)	(\$12,896,054)	\$0	(\$32,362,365)		Row A

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Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	XL/Bariatric Wheelchair Van Base Rate Adjustment	(\$32,916,295)	0.0	(\$9,899,892)	(\$6,558,355)	\$0	(\$16,458,048)	Blended	Table 3.0 Row G

Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	XL/Bariatric Wheelchair Van Base Rate Adjustment	(\$60,479,462)	0.0	(\$18,189,779)	(\$12,050,135)	\$0	(\$30,239,548)	Blended	Table 3.0 Row G

Table 2.2 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/ Calculations
A	XL/Bariatric Wheelchair Van Base Rate Adjustment	(\$64,725,121)	0.0	(\$19,466,702)	(\$12,896,054)	\$0	(\$32,362,365)	Blended	Table 3.0 Row G

Table 3.0 Rate Adjustment from Specialty Care Transport Base Rate to XL/Bariatric Wheelchair Van Base Rate
Estimated Savings

Row	Item	FY 2025-26	FY 2026-27	FY 2027-28	Notes
A	Old Transportation Rate (A0434)	\$668.93	\$668.93	\$668.93	
B	New Transportation Rate (A0130+U1)	\$65.00	\$65.00	\$65.00	
C	Difference	(\$603.93)	(\$603.93)	(\$603.93)	Row B - Row A
D	Utilization (Trips)	93,434	100,143	107,173	
E	Total Estimated Savings	(\$56,427,596)	(\$60,479,097)	(\$64,724,730)	Row C * Row D
F	Implementation Adjustment	58.33%	100.00%	100.00%	
G	Adjusted Estimated Savings	(\$32,916,097)	(\$60,479,097)	(\$64,724,730)	Row E * Row F

Table 3.1 Rate Adjustment from Specialty Care Transport Base Rate to Wheelchair Van Base Rate
Estimated Savings

Row	Item	FY 2025-26	FY 2026-27	FY 2027-28	Notes
A	Old Transportation Rate (A0434)	\$668.93	\$668.93	\$668.93	
B	New Transportation Rate (A0130)	\$34.84	\$34.84	\$34.84	
C	Difference	(\$634.09)	(\$634.09)	(\$634.09)	Row B - Row A
D	Utilization (Trips)	93,434	100,143	107,173	
E	Total Estimated Savings	(\$59,245,565)	(\$63,499,397)	(\$67,957,054)	Row C * Row D
F	Implementation Adjustment	58.33%	100.00%	100.00%	
G	Adjusted Estimated Savings	(\$34,559,913)	(\$63,499,397)	(\$67,957,054)	Row E * Row F

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Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$10,296,981)	0.0	(\$3,096,211)	(\$2,052,280)	\$0	(\$5,148,490)	50.00%	Table 2.1 Row B
B	Total Request	(\$10,296,981)	0.0	(\$3,096,211)	(\$2,052,280)	\$0	(\$5,148,490)		

Table 1.2 Summary by Line Item FY 2027-28 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	(\$12,009,846)	0.0	(\$3,639,555)	(\$2,365,369)	\$0	(\$6,004,922)	50.00%	Table 2.2 Row B
B	Total Request	(\$12,009,846)	0.0	(\$3,639,555)	(\$2,365,369)	\$0	(\$6,004,922)		

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Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Mobility Van Base Rate Savings	(\$10,296,981)	0.0	(\$3,096,211)	(\$2,052,280)	\$0	(\$5,148,490)	50.00%	Table 3.1 Row I
B	Total Request	(\$10,296,981)	0.0	(\$3,096,211)	(\$2,052,280)	\$0	(\$5,148,490)		Row A
Table 2.2 Summary by Initiative FY 2027-28 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Mobility Van Base Rate Savings	(\$12,009,846)	0.0	(\$3,639,555)	(\$2,365,369)	\$0	(\$6,004,922)	50.00%	Table 3.2 Row I
B	Total Request	(\$12,009,846)	0.0	(\$3,639,555)	(\$2,365,369)	\$0	(\$6,004,922)		Row A

Table 3.1 Mobility Van Base Rate Savings FY 2026-27						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Forecasted FY 26-27 NEMT	\$349,319,803	\$105,037,355	\$69,622,547	\$174,659,902	
B	A0120 % of NEMT	21%	21%	21%	21%	
C	Annualized A0120 Expenditure	\$74,321,284	\$22,347,748	\$14,812,894	\$37,160,642	Row A * Row B
D	BLI Adjustment From Rate Decrease	-14%	-14%	-14%	-14%	
E	Adjusted A0120 Expenditure	\$63,888,093	\$19,210,581	\$12,733,466	\$31,944,047	Row C * (1 + Row D)
F	Rate Decrease %	-18%	-18%	-18%	-18%	
G	Difference	(\$11,233,071)	(\$3,377,685)	(\$2,238,851)	(\$5,616,536)	Row E * Row F
H	Implementation Adjustment	92%	92%	92%	92%	
I	Total Savings	(\$10,296,982)	(\$3,096,211)	(\$2,052,280)	(\$5,148,491)	Row G * Row H

Table 3.2 Mobility Van Base Rate Savings FY 2027-28						
Row	Item	Total Funds	General Funds	Cash Funds	Federal Funds	Notes
A	Forecasted FY 27-28 NEMT	\$373,475,551	\$113,180,855	\$73,556,921	\$186,737,776	
B	A0120 % of NEMT	21%	21%	21%	21%	
C	Annualized A0120 Expenditure	\$79,460,661	\$24,080,359	\$15,649,971	\$39,730,331	Row A * Row B
D	BLI Adjustment From Rate Decrease	-14%	-14%	-14%	-14%	
E	Adjusted A0120 Expenditure	\$68,306,007	\$20,699,969	\$13,453,035	\$34,153,003	Row C * (1 + Row D)
F	Rate Decrease %	-18%	-18%	-18%	-18%	
G	Difference	(\$12,009,847)	(\$3,639,555)	(\$2,365,369)	(\$6,004,924)	Row E * Row F
H	Implementation Adjustment	100%	100%	100%	100%	
I	Total Savings	(\$12,009,847)	(\$3,639,555)	(\$2,365,369)	(\$6,004,924)	Row G * Row H

Table 1.0 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(5) Indigent Care Program; Pediatric Specialty Hospital	\$0	0.0	(\$2,147,082)	\$0	\$0	\$2,147,082	N/A	Table 2.0, Row A
B	(6) Other Medical Services; Commission on Family Medicine	\$0	0.0	(\$1,486,039)	\$0	(\$28,263)	\$1,514,302	N/A	Table 2.0, Row B
C	Total Request	\$0	0.0	(\$3,633,121)	\$0	(\$28,263)	\$3,661,384	N/A	Row A + Row B

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(5) Indigent Care Program; Pediatric Specialty Hospital	\$0	0.0	(\$4,937,313)	\$0	\$0	\$4,937,313	N/A	Table 2.1, Row A
B	(6) Other Medical Services; Commission on Family Medicine	\$0	0.0	(\$3,596,620)	\$0	(\$28,263)	\$3,624,883	N/A	Table 2.1, Row B
C	Total Request	\$0	0.0	(\$8,533,933)	\$0	(\$28,263)	\$8,562,196	N/A	Row A + Row B

Table 1.2 Summary by Line Item FY 2027-28 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(5) Indigent Care Program; Pediatric Specialty Hospital	\$0	0.0	(\$2,107,054)	\$0	\$0	\$2,107,054	N/A	Table 2.2, Row A
B	(6) Other Medical Services; Commission on Family Medicine	\$0	0.0	(\$1,457,776)	\$0	(\$28,263)	\$1,486,039	N/A	Table 2.2, Row B
C	Total Request	\$0	0.0	(\$3,564,830)	\$0	(\$28,263)	\$3,593,093	N/A	Row A + Row B

Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Pediatric Specialty Payment - eFMAP	\$0	0.0	(\$2,147,082)	\$0	\$0	\$2,147,082	N/A	Table 3.0, Row C
B	Commission on Family Medicine Payment - eFMAP	\$0	0.0	(\$1,486,039)	\$0	(\$28,263)	\$1,514,302	N/A	Table 3.0, Row F
C	Total Request	\$0	0.0	(\$3,633,121)	\$0	(\$28,263)	\$3,661,384	N/A	Row A + Row B
Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Pediatric Specialty Payment - eFMAP	\$0	0.0	(\$4,937,313)	\$0	\$0	\$4,937,313	N/A	Table 3.1, Row C
B	Commission on Family Medicine Payment - eFMAP	\$0	0.0	(\$3,596,620)	\$0	(\$28,263)	\$3,624,883	N/A	Table 3.1, Row F
C	Total Request	\$0	0.0	(\$8,533,933)	\$0	(\$28,263)	\$8,562,196	N/A	Row A + Row B
Table 2.2 Summary by Initiative FY 2027-28 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Pediatric Specialty Payment - eFMAP	\$0	0.0	(\$2,107,054)	\$0	\$0	\$2,107,054	N/A	Table 3.2, Row C
B	Commission on Family Medicine Payment - eFMAP	\$0	0.0	(\$1,457,776)	\$0	(\$28,263)	\$1,486,039	N/A	Table 3.2, Row F
C	Total Request	\$0	0.0	(\$3,564,830)	\$0	(\$28,263)	\$3,593,093	N/A	Row A + Row B

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Table 3.0 - Spending Authority Incremental FY 2025-26								
Row	Description	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FMAP	Source
<i>Pediatric Specialty Payment</i>								
A	Revised Spending Authority	\$13,455,012	\$4,580,424	\$0	\$0	\$8,874,588	65.96%	Additional federal funds from Table 2c, Row M
B	Base Request	\$13,455,012	\$6,727,506	\$0	\$0	\$6,727,506	50.00%	FY 2025-26 Long Bill (SB 25-206)
C	Incremental	\$0	(\$2,147,082)	\$0	\$0	\$2,147,082	NA	Row A - Row B
<i>Commission on Family Medicine Payment</i>								
D	Revised Spending Authority	\$9,490,170	\$3,034,046	\$0	\$196,737	\$6,259,387	65.96%	Additional federal funds from Table 2c, Row M
E	Base Request	\$9,490,170	\$4,520,085	\$0	\$225,000	\$4,745,085	50.00%	FY 2025-26 Long Bill (SB 25-206)
F	Incremental	\$0	(\$1,486,039)	\$0	(\$28,263)	\$1,514,302	NA	Row D - Row E
G	Total Incremental	\$0	(\$3,633,121)	\$0	(\$28,263)	\$3,661,384	NA	Row C + Row F

Table 3.1 - Spending Authority Incremental FY 2026-27								
Row	Description	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FMAP	Source
<i>Pediatric Specialty Payment</i>								
A	Revised Spending Authority	\$13,455,012	\$4,620,452	\$0	\$0	\$8,834,560	65.66%	
A1	Adjustment for additional, one-time federal funds from FY 2023-24 & FY 2024-25	\$0	(\$2,830,259)	\$0	\$0	\$2,830,259	NA	Table 4, Row A plus Table 4, Row D
A2	Final Revised Spending Authority	\$13,455,012	\$1,790,193	\$0	\$0	\$11,664,819	86.69%	Row A + Row A1
B	Base Request	\$13,455,012	\$6,727,506	\$0	\$0	\$6,727,506	50.00%	Department's FY 2026-27 Base Budget
C	Incremental	\$0	(\$4,937,313)	\$0	\$0	\$4,937,313	NA	Row A2 - Row B
<i>Commission on Family Medicine Payment</i>								
D	Revised Spending Authority	\$9,490,170	\$3,062,309	\$0	\$196,737	\$6,231,124	65.66%	
D1	Adjustment for additional, one-time federal funds from FY 2023-24 & FY 2024-25	\$0	(\$2,138,844)	\$0	\$0	\$2,138,844	NA	Table 4, Row B plus Table 4, Row E
D2	Final Revised Spending Authority	\$9,490,170	\$923,465	\$0	\$196,737	\$8,369,968	88.20%	Row A + Row A1
E	Base Request	\$9,490,170	\$4,520,085	\$0	\$225,000	\$4,745,085	50.00%	Department's FY 2026-27 Base Budget
F	Incremental	\$0	(\$3,596,620)	\$0	(\$28,263)	\$3,624,883	NA	Row D2 - Row E
G	Total Incremental	\$0	(\$8,533,933)	\$0	(\$28,263)	\$8,562,196	NA	Row C + Row F

Table 3.2 - Spending Authority Incremental FY 2027-28 and ongoing								
Row	Description	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FMAP	Source
<i>Pediatric Specialty Payment</i>								
A	Revised Spending Authority	\$13,455,012	\$4,620,452	\$0	\$0	\$8,834,560	65.66%	Calculation using estimated eFMAP
B	Base Request	\$13,455,012	\$6,727,506	\$0	\$0	\$6,727,506	50.00%	Department's FY 2026-27 Base Budget
C	Incremental	\$0	(\$2,107,054)	\$0	\$0	\$2,107,054	NA	Row A - Row B
<i>Commission on Family Medicine Payment</i>								
D	Revised Spending Authority	\$9,490,170	\$3,062,309	\$0	\$196,737	\$6,231,124	65.66%	Calculation using estimated eFMAP
E	Base Request	\$9,490,170	\$4,520,085	\$0	\$225,000	\$4,745,085	50.00%	Department's FY 2026-27 Base Budget
F	Incremental	\$0	(\$1,457,776)	\$0	(\$28,263)	\$1,486,039	NA	Row D - Row E
G	Total Incremental	\$0	(\$3,564,830)	\$0	(\$28,263)	\$3,593,093	NA	Row C + Row F

Table 4 - Additional Federal Funds Summary By Fiscal Year			
Row	Description	Amount	Source
FY 2023-24			
A	Pediatric Specialty Payment	\$808,645	Table 2a, Row G
B	Commission on Family Medicine Payment	\$712,948	Table 3a, Row G
C	Total	\$1,521,593	Row A + Row B
FY 2024-25			
D	Pediatric Specialty Payment	\$2,021,614	Table 2b - Row
E	Commission on Family Medicine Payment	\$1,425,896	Table 3b - Row
F	Total	\$3,447,510	Row A + Row B
FY 2025-26 projected			
G	Pediatric Specialty Payment	\$2,147,084	Table 2c - Row
H	Commission on Family Medicine Payment	\$1,514,303	Table 3c - Row
I	Total	\$3,661,387	Row A + Row B
FY 2026-27 projected			
J	Pediatric Specialty Payment	\$2,107,056	Table 2d, Row
K	Commission on Family Medicine Payment	\$1,486,040	Table 3d, Row
L	Total	\$3,593,096	Row A + Row B
Program Totals			
J	Pediatric Specialty Payment	\$7,084,399	Row A + Row D + Row G + Row J
K	Commission on Family Medicine Payment	\$5,139,187	Row B + Row E + Row H + Row K
L	Grand Total	\$12,223,586	Row J + Row K

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Table 5a - Pediatric Specialty Payment Analysis FY 2023-24						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
<i>QE 03/31/2024</i>						
A	Revised Payment	\$2,691,002	\$948,041	\$1,742,961	64.77%	Department Spending Plan / CORE Report
B	Original Payment	\$2,691,002	\$1,345,501	\$1,345,501	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$397,460)	\$397,460	NA	Row A - Row B
<i>QE 06/30/2024</i>						
D	Revised Payment	\$2,691,002	\$934,316	\$1,756,686	65.28%	Department Spending Plan / CORE Report
E	Original Payment	\$2,691,002	\$1,345,501	\$1,345,501	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$411,185)	\$411,185	NA	Row D - Row E
M	Total - Revised Payment	\$5,382,004	\$1,882,357	\$3,499,647	65.02%	Row A + Row D
N	Total - Original Payment	\$5,382,004	\$2,691,002	\$2,691,002	50.00%	Row B + Row E
O	Total - Difference	\$0	(\$808,645)	\$808,645	NA	Row M - Row N

Table 5b - Pediatric Specialty Payment Analysis FY 2024-25						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
<i>QE 09/30/2024</i>						
A	Revised Payment	\$3,363,753	\$1,185,051	\$2,178,702	64.77%	Department Spending Plan / CORE Report
B	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$496,826)	\$496,826	NA	Row A - Row B
<i>QE 12/31/2024</i>						
D	Revised Payment	\$3,363,753	\$1,167,896	\$2,195,857	65.28%	Department Spending Plan / CORE Report
E	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$513,981)	\$513,981	NA	Row D - Row E
<i>QE 03/31/2025</i>						
G	Revised Payment	\$3,363,753	\$1,185,051	\$2,178,702	64.77%	Department Spending Plan / CORE Report
H	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
I	Difference	\$0	(\$496,826)	\$496,826	NA	Row G - Row H
<i>QE 06/30/2025</i>						
J	Revised Payment	\$3,363,753	\$1,167,896	\$2,195,857	65.28%	Department Spending Plan / CORE Report
K	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
L	Difference	\$0	(\$513,981)	\$513,981	NA	Row J - Row K
M	Total - Revised Payment	\$13,455,012	\$4,705,894	\$8,749,118	65.02%	Row A + Row D + Row G + Row J
N	Total - Original Payment	\$13,455,012	\$6,727,508	\$6,727,504	50.00%	Row B + Row E + Row H + Row K
O	Total - Difference	\$0	(\$2,021,614)	\$2,021,614	NA	Row M - Row N

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Table 5c - Pediatric Specialty Payment Analysis FY 2025-26 projected						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
QE 09/30/2025						
A	Revised Payment	\$3,363,753	\$1,115,085	\$2,248,668	66.85%	Department Spending Plan
B	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$566,792)	\$566,792	NA	Row A - Row B
QE 12/31/2025						
D	Revised Payment	\$3,363,753	\$1,155,113	\$2,208,640	65.66%	Department Spending Plan
E	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$526,764)	\$526,764	NA	Row D - Row E
QE 03/31/2026						
G	Revised Payment	\$3,363,753	\$1,155,113	\$2,208,640	65.66%	Department Spending Plan
H	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
I	Difference	\$0	(\$526,764)	\$526,764	NA	Row G - Row H
QE 06/30/2026						
J	Revised Payment	\$3,363,753	\$1,155,113	\$2,208,640	65.66%	Department Spending Plan
K	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
L	Difference	\$0	(\$526,764)	\$526,764	NA	Row J - Row K
M	Total - Revised Payment	\$13,455,012	\$4,580,424	\$8,874,588	65.96%	Row A + Row D + Row G + Row J
N	Total - Original Payment	\$13,455,012	\$6,727,508	\$6,727,504	50.00%	Row B + Row E + Row H + Row K
O	Total - Difference	\$0	(\$2,147,084)	\$2,147,084	NA	Row M - Row N

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Table 5d - Pediatric Specialty Payment Analysis FY 2026-27 projected						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
QE 09/30/2026						
A	Revised Payment	\$3,363,753	\$1,155,113	\$2,208,640	65.66%	Department Spending Plan
B	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$526,764)	\$526,764	NA	Row A - Row B
QE 12/31/2026						
D	Revised Payment	\$3,363,753	\$1,155,113	\$2,208,640	65.66%	Department Spending Plan
E	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$526,764)	\$526,764	NA	Row D - Row E
QE 03/31/2027						
G	Revised Payment	\$3,363,753	\$1,155,113	\$2,208,640	65.66%	Department Spending Plan
H	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
I	Difference	\$0	(\$526,764)	\$526,764	NA	Row G - Row H
QE 06/30/2027						
J	Revised Payment	\$3,363,753	\$1,155,113	\$2,208,640	65.66%	Department Spending Plan
K	Original Payment	\$3,363,753	\$1,681,877	\$1,681,876	50.00%	Revised Department Spending Plan
L	Difference	\$0	(\$526,764)	\$526,764	NA	Row J - Row K
M	Total - Revised Payment	\$13,455,012	\$4,620,452	\$8,834,560	65.66%	Row A + Row D + Row G + Row J
N	Total - Original Payment	\$13,455,012	\$6,727,508	\$6,727,504	50.00%	Row B + Row E + Row H + Row K
O	Total - Difference	\$0	(\$2,107,056)	\$2,107,056	NA	Row M - Row N

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Table 6a - COFM Analysis FY 2023-24						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
<i>QE 03/31/2024</i>						
A	Revised Payment	\$2,372,543	\$835,848	\$1,536,695	64.77%	Department Spending Plan / CORE Report
B	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$350,424)	\$350,424	NA	Row A - Row B
<i>QE 06/30/2024</i>						
D	Revised Payment	\$2,372,543	\$823,748	\$1,548,795	65.28%	Department Spending Plan / CORE Report
E	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$362,524)	\$362,524	NA	Row D - Row E
M	Total - Revised Payment	\$4,745,085	\$1,659,595	\$3,085,490	65.02%	Row A + Row D + Row G + Row J
N	Total - Original Payment	\$4,745,085	\$2,372,543	\$2,372,542	50.00%	Row B + Row E + Row H + Row K
O	Total - Difference	\$0	(\$712,948)	\$712,948	NA	Row M - Row N

Table 6b - COFM Analysis FY 2024-25						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
<i>QE 09/30/2024</i>						
A	Revised Payment	\$2,372,543	\$835,848	\$1,536,695	64.77%	Department Spending Plan / CORE Report
B	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$350,424)	\$350,424	NA	Row A - Row B
<i>QE 12/31/2024</i>						
D	Revised Payment	\$2,372,543	\$823,748	\$1,548,795	65.28%	Department Spending Plan / CORE Report
E	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$362,524)	\$362,524	NA	Row D - Row E
<i>QE 03/31/2025</i>						
G	Revised Payment	\$2,372,543	\$835,848	\$1,536,695	64.77%	Department Spending Plan / CORE Report
H	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
I	Difference	\$0	(\$350,424)	\$350,424	NA	Row G - Row H
<i>QE 06/30/2025</i>						
J	Revised Payment	\$2,372,543	\$823,748	\$1,548,795	65.28%	Department Spending Plan / CORE Report
K	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
L	Difference	\$0	(\$362,524)	\$362,524	NA	Row J - Row K
M	Total - Revised Payment	\$9,490,170	\$3,319,190	\$6,170,980	65.02%	Row A + Row D + Row G + Row J
N	Total - Original Payment	\$9,490,170	\$4,745,086	\$4,745,084	50.00%	Row B + Row E + Row H + Row K
O	Total - Difference	\$0	(\$1,425,896)	\$1,425,896	NA	Row M - Row N

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Table 6c - COFM Analysis FY 2025-26 projected						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
QE 09/30/2025						
A	Revised Payment	\$2,372,543	\$786,499	\$1,586,044	66.85%	Department Spending Plan
B	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$399,773)	\$399,773	NA	Row A - Row B
QE 12/31/2025						
D	Revised Payment	\$2,372,543	\$814,762	\$1,557,781	65.66%	Department Spending Plan
E	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$371,510)	\$371,510	NA	Row D - Row E
QE 03/31/2026						
G	Revised Payment	\$2,372,543	\$814,762	\$1,557,781	65.66%	Department Spending Plan
H	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
I	Difference	\$0	(\$371,510)	\$371,510	NA	Row G - Row H
QE 06/30/2026						
J	Revised Payment	\$2,372,543	\$814,762	\$1,557,781	65.66%	Department Spending Plan
K	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
L	Difference	\$0	(\$371,510)	\$371,510	NA	Row J - Row K
M	Total - Revised Payment	\$9,490,170	\$3,230,783	\$6,259,387	65.96%	Row A + Row D + Row G + Row J
N	Total - Original Payment	\$9,490,170	\$4,745,086	\$4,745,084	50.00%	Row B + Row E + Row H + Row K
O	Total - Difference	\$0	(\$1,514,303)	\$1,514,303	NA	Row M - Row N

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Table 6d - COFM Analysis FY 2026-27 projected						
Row	Description	Total Funds	State Share	Federal Share	FMAP	Source
<i>QE 09/30/2026</i>						
A	Revised Payment	\$2,372,543	\$814,762	\$1,557,781	65.66%	Department Spending Plan
B	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
C	Difference	\$0	(\$371,510)	\$371,510	NA	Row A - Row B
<i>QE 12/31/2026</i>						
D	Revised Payment	\$2,372,543	\$814,762	\$1,557,781	65.66%	Department Spending Plan
E	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
F	Difference	\$0	(\$371,510)	\$371,510	NA	Row D - Row E
<i>QE 03/31/2027</i>						
G	Revised Payment	\$2,372,543	\$814,762	\$1,557,781	65.66%	Department Spending Plan
H	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
I	Difference	\$0	(\$371,510)	\$371,510	NA	Row G - Row H
<i>QE 06/30/2027</i>						
J	Revised Payment	\$2,372,543	\$814,762	\$1,557,781	65.66%	Department Spending Plan
K	Original Payment	\$2,372,543	\$1,186,272	\$1,186,271	50.00%	Revised Department Spending Plan
L	Difference	\$0	(\$371,510)	\$371,510	NA	Row J - Row K
M	Total - Revised Payment	\$9,490,170	\$3,259,046	\$6,231,124	65.66%	Row A + Row D + Row G + Row J
N	Total - Original Payment	\$9,490,170	\$4,745,086	\$4,745,084	50.00%	Row B + Row E + Row H + Row K
O	Total - Difference	\$0	(\$1,486,040)	\$1,486,040	NA	Row M - Row N

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Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Table 2.1, Row B
B	Total Request	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Row A

Table 1.2 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Table 2.2, Row B
B	Total Request	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Row A

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Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	School Health Services - Additional Federal Withhold	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Table 3, Row D; Statutory maximum withhold percentage of 10%
B	Total Request	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Row A
Table 2.2 Summary by Initiative FY 2027-28 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	School Health Services - Additional Federal Withhold	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Table 3, Row D; Statutory maximum withhold percentage of 10%
B	Total Request	\$0	0.0	(\$6,593,204)	\$0	\$6,593,204	\$0	N/A	Row A

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Table 3 - FY 2026-27 Administrative Withhold Projections ¹								
Row	Description	Total Funds	FFP	Federal Share	10% Withhold of Federal Share	2.5% Withhold of Federal Share	Difference	Source
A	Projected FY 2026-27 Interim payments	\$133,941,225	50.00%	\$66,970,612	\$6,697,061	\$1,674,265	\$5,022,796	FY26 S-15, BA-15 Public School Health Services Funding Adjustment
B	Projected March 2027 Settlement payment from FY 2025-26 annual cost report	\$6,424,437	50.00%	\$3,212,218	\$321,222	\$80,305	\$240,916	FY26 S-15, BA-15 Public School Health Services Funding Adjustment
C	Projected quarterly Medicaid Administrative Claiming (MAC) payments	\$35,453,118	50.00%	\$17,726,559	\$1,772,656	\$443,164	\$1,329,492	FY26 S-15, BA-15 Public School Health Services Funding Adjustment
D	Total	\$175,818,779	50.00%	\$87,909,390	\$8,790,939	\$2,197,735	\$6,593,204	Row A + Row B + Row C

¹Estimating a 10% reduction in payments to school districts due to new CMS requirements that go into effect FY 2026-27

Table 1.1
Summary by Line Item
FY 2026-27

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$62,780,724)	0.0	(\$18,164,270)	(\$3,033,900)	\$0	(\$41,582,554)	66.23%	
B	Total Request	(\$62,780,724)	0.0	(\$18,164,270)	(\$3,033,900)	\$0	(\$41,582,554)		Sum of Rows A through K

Table 1.2
Summary by Line Item
FY 2027-28

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)	66.23%	
B	Total Request	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)		Sum of Rows A through K

Table 1.3
Summary by Line Item
FY 2028-29 and Ongoing

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)	66.23%	
B	Total Request	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)		Sum of Rows A through K

Table 2.1
Summary by Initiative
FY 2026-27

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Limit IME for Inpatient Rates	(\$62,780,724)	0.0	(\$18,164,270)	(\$3,033,900)	\$0	(\$41,582,554)	N/A	
B	Total Request	(\$62,780,724)	0.0	(\$18,164,270)	(\$3,033,900)	\$0	(\$41,582,554)	N/A	Sum of Rows A through Q

Table 2.2
Summary by Initiative
FY 2027-28

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Limit IME for Inpatient Rates	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)	N/A	
B	Total Request	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)	N/A	Sum of Rows A through Q

Table 2.3
Summary by Initiative
FY 2028-29 and Ongoing

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Limit IME for Inpatient Rates	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)	N/A	
B	Total Request	(\$68,488,062)	0.0	(\$19,815,567)	(\$3,309,709)	\$0	(\$45,362,786)	N/A	Sum of Rows A through Q

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Table 3.1 Limit IME for Inpatient Hospitals					
Row	Item	FY 2026-27	FY 2027-28	FY 2028-29	Notes
A	Inpatient Expenditure With Current Rates	\$769,018,871	\$769,018,871	\$769,018,871	See narrative
B	Inpatient Expenditure with 80% IME Reduction	\$700,530,809	\$700,530,809	\$700,530,809	See narrative
C	Total Savings	(\$68,488,062)	(\$68,488,062)	(\$68,488,062)	Row B - Row A
D	Implementation adjustment	(\$62,780,723)	(\$68,488,062)	(\$68,488,062)	Implementation july 1 2026

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Table 3.2 Average IME Payment Per Hospital			
Row	Item	Amount	Notes
A	Average IME payment per hospital per year	\$3,588,755	18 Hospitals impacted, IME is 8% of payments on average
B	Average IME payment per hospital after Reduction	\$3,269,144	18 Hospitals impacted, IME is 8% of payments on average

Table 1.0 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long Term Services for Medicaid Eligible Individuals	(\$4,013,452)	0.0	(\$1,134,202)	(\$284,955)	\$0	(\$2,594,295)	N/A	Table 2.0 Row A
B	Total Request	(\$4,013,452)	0.0	(\$1,134,202)	(\$284,955)	\$0	(\$2,594,295)		Row A

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long Term Services for Medicaid Eligible Individuals	(\$17,091,440)	\$0.00	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)	N/A	Table 2.1 Row A
B	Total Request	(\$17,091,440)	0.0	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)		Row A

Table 1.2 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long Term Services for Medicaid Eligible Individuals	(\$17,091,440)	\$0.00	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)	N/A	Table 2.2 Row A
B	Total Request	(\$17,091,440)	0.0	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)		Row A

Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Additional Changes to 85% of Medicare	(\$4,013,452)	\$0.00	(\$1,134,202)	(\$284,955)	\$0	(\$2,594,295)	N/A	Table 3.1 Row I
B	Total Request	(\$4,013,452)	\$0.00	(\$1,134,202)	(\$284,955)	\$0	(\$2,594,295)	N/A	Row A
Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Additional Changes to 85% of Medicare	(\$17,091,440)	0.0	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)	N/A	Table 3.1 Row J
B	Total Request	(\$17,091,440)	0.0	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)	N/A	Row A
Table 2.2 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Additional Changes to 85% of Medicare	(\$17,091,440)	0.0	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)	N/A	Table 3.1 Row J
B	Total Request	(\$17,091,440)	0.0	(\$4,830,041)	(\$1,213,492)	\$0	(\$11,047,907)	N/A	Row A

S-7, BA-7 Additional Reductions Package
Appendix J

Table 3.1: Additional Reduce Rates to no More than 85% of Medicare Benchmark					
Row	Item	Estimated Costs Under Current Rates	Estimated Costs Under Proposed Rates (85% of the Medicare Benchmark)	Estimated Change in Costs	Notes
A	Family Planning	\$5,765,783	\$4,253,554	(\$1,512,229)	From FY 2024-25 Fee Schedule
B	Laboratory and Pathology Services	\$146,897,279	\$133,303,218	(\$13,594,061)	From FY 2024-25 Fee Schedule
C	DMEPOS	\$86,608,889	\$81,161,289	(\$5,447,600)	From FY 2024-25 Fee Schedule
D	Primary Care E&M	\$403,178	\$446,791	\$43,613	From FY 2024-25 Fee Schedule
E	Abortion	\$6,800	\$12,119	\$5,319	From FY 2024-25 Fee Schedule
F	Neuro/Psychological Testing Services	\$12,965,607	\$2,968,812	\$4,451,150	From FY 2024-25 Fee Schedule
G	Total	\$252,647,536	\$222,145,784	(\$16,053,808)	Sum of Row A through Row F
H	Total Estimated Impact in FY 2025-26			(\$4,013,452)	Assuming an April 1, 2026 Implementation Date
I	Total Estimated Impact in FY 2026-27 ongoing			(\$17,091,440)	Row G * (1+ Table 3.2 Row C)

Table 3.2 General Fund Growth Trend Based on R-1 Medical Services Premiums Forecast		
Row	Item	Estimate
A	FY 2025-26 Medical Services Premiums Expenditure excluding special financing	\$4,192,003,802
B	FY 2026-27 Medical Services Premiums Expenditure excluding special financing	\$4,462,952,313
C	Percentage Growth Trend Into FY 2026-27	6.46%

<p align="center">Table 1.1 Summary by Line Item FY 2026-27</p>									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (C) IT Contracts & Projects, MMIS Maintenance and Projects	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 7.1
B	(1) Executive Director's Office; (C) IT Contracts & Projects, Colorado Benefits Management Systems, Operating & Contracts	\$127,950	0.0	\$127,950	\$0	\$0	\$0	0.00%	Table 7.1
C	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 5.1 Row A, Table 6.1 Row B
D	(3) Behavioral Health Organizations; Behavioral Health Capitation Payments	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4
E	(3) Behavioral Health Organizations; Behavioral Health Fee-for-Service Payments	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4
F	(6) Other; Health Benefits for Children	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, Table 5.1 Row B, Table 6.1
G	Total Request	\$127,950	0.0	\$127,950	\$0	\$0	\$0	0.00%	Sum of Rows A through F

S-07, BA-07 Additional Reductions Package:
Appendix K: Assumptions and Calculations

<p align="center">Table 1.2 Summary by Line Item FY 2027-28</p>									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (C) IT Contracts & Projects, MMIS Maintenance and Projects	\$1,829,495	0.0	\$1,829,495	\$0	\$0	\$0	0.00%	Table 7.1
B	(1) Executive Director's Office; (C) IT Contracts & Projects, Colorado Benefits Management Systems, Operating & Contracts	\$511,800	0.0	\$511,800	\$0	\$0	\$0	0.00%	Table 7.1
C	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$697,102)	0.0	(\$348,551)	\$0	\$0	(\$348,551)	50.00%	Table 5.1 Row A, Table 6.1 Row B
D	(3) Behavioral Health Organizations; Behavioral Health Capitation Payments	(\$1,367,340)	0.0	(\$683,669)	\$0	\$0	(\$683,671)	50.00%	Table 4
E	(3) Behavioral Health Organizations; Behavioral Health Fee-for-Service Payments	\$140,794	0.0	\$70,397	\$0	\$0	\$70,397	50.00%	Table 4
F	(6) Other; Health Benefits for Children Lacking Access Due to Immigration Status	(\$5,473,567)	0.0	(\$5,473,567)	\$0	\$0	\$0	0.00%	Table 4, Table 5.1 Row B, Table 6.1 Row A
G	Total Request	(\$5,055,920)	0.0	(\$4,094,095)	\$0	\$0	(\$961,825)	Blended	Sum of Rows A through F

S-07, BA-07 Additional Reductions Package:
Appendix K: Assumptions and Calculations

Table 1.3 Summary by Line Item FY 2028-29 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (C) IT Contracts & Projects, MMIS Maintenance and Projects	\$457,054	0.0	\$457,054	\$0	\$0	\$0	0.00%	Table 7.1
B	(1) Executive Director's Office; (C) IT Contracts & Projects, Colorado Benefits Management Systems, Operating & Contracts	\$127,950	0.0	\$127,950	\$0	\$0	\$0	0.00%	Table 7.1
C	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$2,788,410)	0.0	(\$1,394,205)	\$0	\$0	(\$1,394,205)	50.00%	Table 5.1 Row A, Table 6.1 Row B
D	(3) Behavioral Health Organizations; Behavioral Health Capitation Payments	(\$4,102,021)	0.0	(\$2,051,010)	\$0	\$0	(\$2,051,011)	50.00%	Table 4
E	(3) Behavioral Health Organizations; Behavioral Health Fee-for-Service Payments	\$422,383	0.0	\$211,191	\$0	\$0	\$211,192	50.00%	Table 4
F	(6) Other; Health Benefits for Children Lacking Access Due to Immigration Status	(\$19,050,230)	0.0	(\$19,050,230)	\$0	\$0	\$0	0.00%	Table 4, Table 5.1 Row B, Table 6.1 Row A
G	Total Request	(\$24,933,274)	0.0	(\$21,699,250)	\$0	\$0	(\$3,234,024)	Blended	Sum of Rows A through F

Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	LTSS Reductions	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 3.1
B	BH Capitations	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4
C	Dental Cap	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 5.1 Row C; Children receive
D	ACC Payments	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 6.1 Row C; Children receive
E	Systems Changes	\$127,950	0.0	\$127,950	\$0	\$0	\$0	0.00%	Table 7.1 Row D
H	Total Request	\$127,950	0.0	\$127,950	\$0	\$0	\$0	N/A	Sum of Rows A through G

Table 2.2 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	LTSS Reductions	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 3.1
B	BH Capitations	(\$4,070,583)	0.0	(\$3,457,310)	\$0	\$0	(\$613,273)	15.07%	Table 4
C	Dental Cap	(\$1,993,715)	0.0	(\$1,839,414)	\$0	\$0	(\$154,301)	7.74%	Table 5.1 Row C; Children receive FMAP of 0%, adults receive FMAP of 65%
D	ACC Payments	(\$1,332,917)	0.0	(\$1,138,666)	\$0	\$0	(\$194,251)	14.57%	Table 6.1 Row C; Children receive FMAP of 0%, adults receive FMAP of 65%
E	Systems Changes	\$2,341,295	0.0	\$2,341,295	\$0	\$0	\$0	0.00%	Table 7.1 Row D
H	Total Request	(\$5,055,920)	0.0	(\$4,094,095)	\$0	\$0	(\$961,825)	N/A	Sum of Rows A through G

Table 2.3 Summary by Initiative FY 2028-29 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	LTSS Reductions	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 3.1
B	BH Capitations	(\$12,211,750)	0.0	(\$10,371,931)	\$0	\$0	(\$1,839,819)	15.07%	Table 4
C	Dental Cap	(\$7,974,860)	0.0	(\$7,357,658)	\$0	\$0	(\$617,202)	7.74%	Table 5.1 Row C; Children receive FMAP of 0%, adults receive FMAP of 65%
D	ACC Payments	(\$5,331,668)	0.0	(\$4,554,665)	\$0	\$0	(\$777,003)	14.57%	Table 6.1 Row C; Children receive FMAP of 0%, adults receive FMAP of 65%
E	Systems Changes	\$585,004	0.0	\$585,004	\$0	\$0	\$0	0.00%	Table 7.1 Row D
H	Total Request	(\$24,933,274)	0.0	(\$21,699,250)	\$0	\$0	(\$3,234,024)	N/A	Sum of Rows A through Q

S-07, BA-07 Additional Reductions Package:
Appendix K: Assumptions and Calculations

Table 3.1 Long-Term Services and Supports Reductions					
Row	Item	FY 2026-27	FY 2027-28	FY 2028-29	Total
A	Freeze to LTSS Caseload	\$0	\$0	\$0	\$0
B	Total	\$0	\$0	\$0	\$0

S-07, BA-07 Additional Reductions Package:
Appendix K: Assumptions and Calculations

Table 3.2 Long-Term Services and Supports Calculations			
Row	Item	Amount	Notes
A	Members Currently Receiving LTSS Services	49	January 1, 2025 to November 30, 2025
B	Estimated Members Receiving LTSS Services - March 2028	59	Estimated based on proportion to caseload projections
C	Per Capita	\$10,920.31	January 1, 2025 to November 30, 2025
D	Estimated Members Above Caseload	0	Number of CAC members that would have been receiving LTSS services if not for freeze
E	Impact	\$0	Row C * Row D

Table 4.1 Estimated Savings from Removing CAC Members from Behavioral Health Capitation Program**CAC Pregnant Adults**

Row	Item	Amount	Source/Calculation
A	Behavioral Health Capitation Expenditures	\$3,760,186	Jan-Nov 2025 actuals
B	Annualized Behavioral Health Capitation Expenditure	\$4,102,021	Row A * (12/11)
C	Estimated Encounter Services Paid	\$387,184	Jan-Nov 2025 actuals
D	Annualized Encounter Services Paid Estimate	\$422,383	Row C * (12/11)
E	Estimated Annual Savings from Transitioning to Fee-for-Service Only	(\$3,679,638)	Row D - Row B

CAC Kids

Row	Item	Amount	Source/Calculation
F	Behavioral Health Capitation Expenditures	\$8,718,880	Jan-Nov 2025 actuals
G	Annualized Behavioral Health Capitation Expenditure	\$9,511,506	Row F * (12/11)
H	Estimated Encounter Services Paid	\$897,778	Jan-Nov 2025 actuals
I	Annualized Encounter Services Paid Estimate	\$979,394	Row G * (12/11)
J	Estimated Annual Savings from Transitioning to Fee-for-Service Only	(\$8,532,112)	Row I - Row G
K	Total Estimated Annual Savings	(\$12,211,750)	Row E + Row J

S-07, BA-07 Additional Reductions Package:
Appendix K: Assumptions and Calculations

Table 5.1: Cover All Coloradans Dental Cap Savings				
Row	Item	FY 2027-28	FY 2028-29 and Ongoing	Notes
A	CAC Adult Dental Cap Savings	(\$308,601)	(\$1,234,404)	Average over most recent six months worth of data
B	CAC Children Dental Cap Savings	(\$1,685,114)	(\$6,740,456)	Average over most recent six months worth of data
C	Total Savings	(\$1,993,715)	(\$7,974,860)	Sum Rows A-B

Table 5.2: Cover All Coloradans Adult Dental Per Capita				
Row	Item	FY 2027-28	FY 2028-29 and Ongoing	Notes
A	Distinct Utilizers	1,026	1,026	Distinct utilizers from most recent 6-month period
B	Amount Spent	\$1,001,952	\$1,001,952	Amount spent over most recent 6-month period
C	6-month Per Capita	\$977	\$977	
D	Annualized Per Capita	\$1,953	\$1,953	
E	Difference Between Amount Spent and New Cap	\$1,203	\$1,203	The new proposed cap for CAC dental expenditures is \$750
F	Systems Timeline Dampener	25%	100%	Systems changes end 3/31/2028, savings adjusted to begin when systems changes are complete
G	Estimated Savings	(\$308,601)	(\$1,234,404)	

Table 5.3: Cover All Coloradans Children Dental Per Capita				
Row	Item	FY 2027-28	FY 2028-29 and Ongoing	Notes
A	Distinct Utilizers	6,520	6,520	Distinct utilizers from most recent 6-month period
B	Amount Spent	\$5,815,228	\$5,815,228	Amount spent over most recent 6-month period
C	6-month Per Capita	\$892	\$892	
D	Annualized Per Capita	\$1,784	\$1,784	
E	Difference Between Amount Spent and New Cap	\$1,034	\$1,034	The new proposed cap for CAC dental expenditures is \$750
F	Systems Timeline Dampener	25%	100%	Systems changes end 3/31/2028, savings adjusted to begin when systems changes are complete
G	Estimated Savings	(\$1,685,114)	(\$6,740,456)	

S-07, BA-07 Additional Reductions Package:
Appendix K: Assumptions and Calculations

Table 5.4: Cover All Coloradans Dental Expenditure Data

Adults				
Row	Months	Number of Members	Amount Spent	Per Capita
A	January	27	\$14,046	\$520.22
B	February	81	\$50,165	\$619.32
C	March	168	\$89,902	\$535.13
D	April	205	\$115,007	\$561.01
E	May	262	\$153,745	\$586.81
F	June	262	\$189,057	\$721.59
G	July	215	\$154,489	\$718.55
H	August	257	\$174,641	\$679.54
I	September	282	\$181,187	\$642.51
J	October	254	\$148,833	\$585.96
Children				
Row	Months	Number of Members	Amount Spent	Per Capita
K	January	202	\$136,069	\$673.61
L	February	664	\$370,415	\$557.85
M	March	1,270	\$703,861	\$554.22
N	April	1,190	\$686,924	\$577.25
O	May	1,509	\$939,100	\$622.33
P	June	1,620	\$1,088,408	\$671.86
Q	July	1,371	\$900,332	\$656.70
R	August	1,737	\$1,002,543	\$577.17
S	September	1,922	\$1,012,767	\$526.93
T	October	1,749	\$872,078	\$498.62

S-07, BA-07 Additional Reductions Package:
Appendix K: Assumptions and Calculations

Table 6.1: ACC Savings from CAC Population				
Row	Item	FY 2027-28	FY 2028-29 and Ongoing	Notes
A	ACC Savings - Children	(\$944,416)	(\$3,777,662)	end 3/31/2028, savings adjusted to begin when systems changes are complete
B	ACC Savings - Adults	(\$388,501)	(\$1,554,006)	end 3/31/2028, savings adjusted to begin when systems changes are complete
C	Total Savings	(\$1,332,917)	(\$5,331,668)	Sum Rows A and B

Table 6.2: ACC Payments For CAC Children				
Row	Item	FY 2027-28	FY 2028-29 and Ongoing	Notes
A	CAC Children ACC Administrative Payments Forecast Savings	(\$751,255)	(\$3,005,020)	end 3/31/2028, savings adjusted to begin when systems changes are complete
B	CAC Children ACC Incentive Payments Forecast Savings	(\$193,161)	(\$772,642)	end 3/31/2028, savings adjusted to begin when systems changes are complete
C	Total Savings	(\$944,416)	(\$3,777,662)	Sum Rows A and B

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Table 6.3: ACC Payments for CAC Adults						
Row	Item	RAE 1	RAE 2	RAE 3	RAE 4	Total
A	Caseload	1,146	1,220	2,175	1,905	6,446
B	Admin PMPM Rate	\$17.06	\$19.26	\$14.50	\$13.60	
C	Admin PMPM Payments Total	\$234,609	\$281,966	\$378,450	\$310,896	\$1,205,922
D	Incentive PMPM Rate - PCMP	\$3.38	\$3.38	\$3.38	\$3.38	
E	Incentive PMPM Rate - RAE	\$1.13	\$1.13	\$1.13	\$1.13	
F	Incentive Payments Total	\$61,884	\$65,880	\$117,450	\$102,870	\$348,084
G	Total ACC Payments	\$296,493	\$347,846	\$495,900	\$413,766	\$1,554,006
I	Total Savings	(\$296,493)	(\$347,846)	(\$495,900)	#####	(\$1,554,006)

S-07, BA-07 Additional Reductions Package:

Appendix K: Assumptions and Calculations

Table 7.1 Systems Changes for Limiting Cover All Coloradans Services					
Row	Item	FY 2025-26	FY 2026-27	FY 2027-28	Total
A	System Changes - CBMS	\$127,950	\$511,800	\$127,950	\$767,700
B	System Changes - MMIS	\$0	\$1,523,575	\$380,894	\$1,904,469
C	System Changes - Data Warehousing	\$0	\$305,920	\$76,160	\$382,080
D	Total	\$127,950	\$2,341,295	\$585,004	\$3,054,249

S-07, BA-07 Additional Reductions Package:

Appendix K: Assumptions and Calculations

Table 7.2 Eligibility Systems Changes					
Row	Fiscal Year	Rate	Hours Needed	Amount	Notes
A	FY 2025-26	\$127.95	1,000	\$127,950	
B	FY 2026-27	\$127.95	4,000	\$511,800	
C	FY 2027-28	\$127.95	1,000	\$127,950	
E	Total		6,000	\$767,700	Sum of Rows A through C

7.3 MMIS Systems Changes					
Row	Fiscal Year	Rate	Hours Needed	Amount	Notes
A	FY 2025-26	\$147.12	0	\$0	
B	FY 2026-27	\$147.12	10,356	\$1,523,575	
C	FY 2027-28	\$147.12	2,589	\$380,894	
E	Total		12,945	\$1,904,469	Sum of Rows A through C

7.4 Data Warehousing Changes					
Row	Fiscal Year	Rate	Hours Needed	Amount	Notes
A	FY 2025-26	\$160.00	0	\$0	
B	FY 2026-27	\$160.00	1,912	\$305,920	
C	FY 2027-28	\$160.00	476	\$76,160	
E	Total		2,388	\$382,080	Sum of Rows A through C

S-07 Additional Reductions Package
Appendix L

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Table 3.1 Row H
B	Total Request	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Row A
Table 1.2 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Table 3.1 Row H
B	Total Request	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Row A
Table 1.3 Summary by Line Item FY 2028-29 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Table 3.1 Row H
B	Total Request	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Row A

S-07 Additional Reductions Package
Appendix L

Table 2.1
Summary by Initiative
FY 2026-27

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Adult Dental 3k Cap Savings	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Table 3.1 Row H
B	Total Request	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Row A

Table 2.2
Summary by Initiative
FY 2027-28

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Adult Dental 3k Cap Savings	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Table 3.1 Row H
B	Total Request	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Row A

Table 2.3
Summary by Initiative
FY 2028-29 and Ongoing

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Adult Dental 3k Cap Savings	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Table 3.1 Row H
B	Total Request	(\$6,480,905)	0.0	(\$41,715)	(\$1,786,827)	\$0	(\$4,652,363)	71.79%	Row A

Table 3.1: Adult Dental 3k Cap Savings								
Row	Item	Total Funds	General Fund	Cash Fund - 2410	Adult Dental Cash Fund	Federal Funds - 2410	Federal Funds - 1000	Notes
A	Annualized Current Dental Expenditure	\$311,993,752	\$2,008,175	\$22,925,844	\$63,092,844	\$158,865,869	\$65,101,020	Department Data
B	Percentage of Expenditure	100%	1%	7%	20%	51%	21%	Row A
C	Annualized Dental Expenditure With 3k Cap	\$303,795,264	\$1,955,405	\$22,323,405	\$61,434,907	\$154,691,234	\$63,390,313	Department Data
D	Savings	(\$8,198,488)	(\$52,770)	(\$602,439)	(\$1,657,937)	(\$4,174,635)	(\$1,710,707)	This excludes expenditures for denture services, as those are not subject to the 3k cap.
E	Emergency Services Dampener	7%	7%	7%	7%	7%	7%	Emergency services are not subject to the 3k cap.
F	Annualized Expenditure With 3k Cap and Emergency Dampener	(\$7,624,594)	(\$49,076)	(\$560,268)	(\$1,541,881)	(\$3,882,410)	(\$1,590,958)	Row C * (1 - Row D)
G	Rate Reduction Dampener	15%	15%	15%	15%	15%	15%	A rate reduction has already been applied to 30 highly utilized dental codes in a previous initiative. Therefore, a dampener has been applied so as not to double count any impact seen from a rate reduction.
H	Annualized Expenditure with 3K Cap and Additional Dampener	(\$6,480,905)	(\$41,715)	(\$476,228)	(\$1,310,599)	(\$3,300,049)	(\$1,352,314)	Row E * (1 - Row F)

Table 1.1
Summary by Line Item
FY 2026-27

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriate d Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$237,797)	0.0	(\$71,339)	(\$9,512)	\$0	(\$156,946)	66.00%	Table 3.1, Row D [FY 2026-27]
B	Total Request	(\$237,797)	0.0	(\$71,339)	(\$9,512)	\$0	(\$156,946)	66.00%	Row A

Table 1.2
Summary by Line Item
FY 2027-28

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriate d Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	66.00%	Table 3.1, Row D [FY 2027-28]
B	Total Request	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	66.00%	Row A

Table 1.3
Summary by Line Item
FY 2028-29 and Ongoing

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriate d Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	66.00%	Table 3.1, Row D [FY 2028-29]
B	Total Request	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	66.00%	Row A

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Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Sleep Study Rebalance	(\$237,797)	0.0	(\$71,339)	(\$9,512)	\$0	(\$156,946)	66.00%	Table 3.1, Row D [FY 2026-27]
B	Total Request	(\$237,797)	\$0	(\$71,339)	(\$9,512)	\$0	(\$156,946)	N/A	Row A
Table 2.2 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Sleep Study Rebalance	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	66.00%	Table 3.1, Row D [FY 2027-28]
B	Total Request	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	N/A	Row A
Table 2.3 Summary by Initiative FY 2028-29 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Sleep Study Rebalance	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	66.00%	Table 3.1, Row D [FY 2028-29]
B	Total Request	(\$259,414)	0.0	(\$77,824)	(\$10,377)	\$0	(\$171,213)	N/A	Row A

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Table 3.1 Rebalance Sleep Study Rates					
Row	Item	FY 2026-27	FY 2027-28	FY 2028-29	Notes
A	Current Expenditure on Sleep Study Codes	\$3,553,614	\$3,553,614	\$3,553,614	See narrative
B	Anticipated Expenditure after rebalance	\$3,294,200	\$3,294,200	\$3,294,200	See narrative
C	Total Savings	(\$259,414)	(\$259,414)	(\$259,414)	Row B - Row A
D	Implementation adjustment	(\$237,796)	(\$259,414)	(\$259,414)	Implementation july 1 2026

Table 1.0
Summary by Line Item
FY 2025-26

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$248,471)	0.0	(\$54,664)	(\$14,908)	\$0	(\$178,899)	72.00%	
B	Total Request	(\$248,471)	0.0	(\$54,664.00)	(\$14,908.00)	\$0.00	(\$178,899.00)		Sum of Rows A through K

Table 1.1
Summary by Line Item
FY 2026-27 and Ongoing

Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums	(\$496,941)	0.0	(\$109,327)	(\$29,816)	\$0	(\$357,798)	72.00%	
B	Total Request	(\$496,941)	0.0	(\$109,327)	(\$29,816)	\$0	(\$357,798)		Sum of Rows A through K

Table 2.0
Summary by Initiative
FY 2025-26

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	ASC Grouper for Urology and Spinal Surgery	(\$248,471)	0.0	(\$54,664)	(\$14,908)	\$0	(\$178,899)	N/A	Table 3.1, Row A [FY 2025-26]
B	Total Request	(\$248,471)	0.0	(\$54,664)	(\$14,908)	\$0	(\$178,899)	N/A	Row A

Table 2.1
Summary by Initiative
FY 2026-27 and Ongoing

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	ASC Grouper for Urology and Spinal Surgery	(\$496,941)	0.0	(\$109,327)	(\$29,816)	\$0	(\$357,798)	N/A	Table 3.1, Row A [FY 2026-27]
B	Total Request	(\$496,941)	0.0	(\$109,327)	(\$29,816)	\$0	(\$357,798)	N/A	Row A

Table 3.1 Ambulatory Surgical Centers for Spinal Surgery					
Row	Item	FY 2025-26	FY 2026-27	FY 2027-28	Notes
A	ASC Group Changes	(\$248,471)	(\$496,941)	(\$496,941)	Table 3.3 Row E + Table 3.2 Row E

Table 3.2 Ambulatory Surgical Centers Grouper Update Spinal Surgery Codes					
Row	Item	Utilization	Blended Rate	Expenditure	Notes
A	FY 2023-24 Spinal Surgery Actuals	325	\$4,111.04	\$1,336,088	Claims from 4 spinal surgery codes 58356, 63020, 63030, 63047, pulled from BIDM
B	FY 2026-27 New ASC Grouper Rate and Utilization	97	\$995.02	\$96,517	See Narrative. The Department assumes 30% of utilization shifts from outpatient to the ASC facility
C	FY 2026-27 Provider Fee	228	\$4,109.65	\$937,001	See Narrative. The Department assumes 70% of utilization will remain in outpatient
D	FY 2026-27 Expenditure for Spinal Surgery	325	\$3,180.06	\$1,033,518	Row B + Row C
E	Estimated Savings			(\$302,570)	Row D - Row A

Table 3.3 Ambulatory Surgical Centers Grouper Update Urology Codes					
Row	Item	Utilization	Blended Rate	Expenditure	Notes
A	FY 2023-24 Urology Actuals	1,106	\$1,022.29	\$1,130,653	There are 17 codes for Urology
B	FY 2026-27 New ASC Grouper Rate and Utilization	334	\$460.84	\$153,921	See Narrative. The Department assumes 30% of utilization shifts from outpatient to the ASC facility
C	FY 2026-27 Provider Fee	772	\$1,013.42	\$782,361	See Narrative. The Department assumes 70% of utilization will remain in outpatient
D	FY 2026-27 Expenditure for Spinal Surgery	1,106	\$846.55	\$936,282	Row B + Row C
E	Estimated Savings			(\$194,371)	Row D - Row A

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Table 1.0 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) Administration, Personal Services	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
B	(1) Executive Director's Office; (A) Administration, Health, Life, Dental	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
C	(1) Executive Director's Office; (A) Administration, Short Term Disability	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
D	(1) Executive Director's Office; (A) Administration, Paid Family and Medical Leave Insurance	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
E	(1) Executive Director's Office; (A) Administration, Unfunded Liability AED Payments	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
F	(1) Executive Director's Office; (A) Administration, Operating Expenses	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
G	(1) Executive Director's Office; (A) Administration, Leased Space	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
H	(1) Executive Director's Office; (D) Utilization and Quality Review Contracts, Professional Services Contracts	(\$264,567)	0.0	(\$138,534)	\$0	\$0	(\$126,033)	N/A	Table 3.0, Row C
I	Total Request	(\$264,567)	0.0	(\$138,534)	\$0	\$0	(\$126,033)		Sum of Rows A through H

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) Administration, Personal Services	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
B	(1) Executive Director's Office; (A) Administration, Health, Life, Dental	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
C	(1) Executive Director's Office; (A) Administration, Short Term Disability	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
D	(1) Executive Director's Office; (A) Administration, Paid Family and Medical Leave Insurance	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
E	(1) Executive Director's Office; (A) Administration, Unfunded Liability AED Payments	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
F	(1) Executive Director's Office; (A) Administration, Operating Expenses	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
G	(1) Executive Director's Office; (A) Administration, Leased Space	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
H	(1) Executive Director's Office; (D) Utilization and Quality Review Contracts, Professional Services Contracts	(\$689,861)	0.0	(\$351,181)	\$0	\$0	(\$338,680)	N/A	Table 3.0, Row F
I	Total Request	(\$689,861)	0.0	(\$351,181)	\$0	\$0	(\$338,680)		Sum of Rows A through H

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Table 1.2 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) Administration, Personal Services	\$174,700	2.0	\$87,350	\$0	\$0	\$87,350	50%	Table 4, FTE
B	(1) Executive Director's Office; (A) Administration, Health, Life, Dental	\$35,534	0.0	\$17,767	\$0	\$0	\$17,767	50%	Table 4, FTE
C	(1) Executive Director's Office; (A) Administration, Short Term Disability	\$108	0.0	\$54	\$0	\$0	\$54	50%	Table 4, FTE
D	(1) Executive Director's Office; (A) Administration, Paid Family and Medical Leave Insurance	\$695	0.0	\$347	\$0	\$0	\$348	50%	Table 4, FTE
E	(1) Executive Director's Office; (A) Administration, Unfunded Liability AED Payments	\$15,449	0.0	\$7,724	\$0	\$0	\$7,725	50%	Table 4, FTE
F	(1) Executive Director's Office; (A) Administration, Operating Expenses	\$1,470	0.0	\$735	\$0	\$0	\$735	50%	Table 4, FTE
G	(1) Executive Director's Office; (A) Administration, Leased Space	\$9,300	0.0	\$4,650	\$0	\$0	\$4,650	50%	Table 4, FTE
H	(1) Executive Director's Office; (D) Utilization and Quality Review Contracts, Professional Services Contracts	(\$522,311)	0.0	(\$267,406)	\$0	\$0	(\$254,905)	N/A	Table 3.0, Row I
I	Total Request	(\$285,055)	2.0	(\$148,779)	\$0	\$0	(\$136,276)		Sum of Rows A through H

Table 1.3 Summary by Line Item FY 2028-29 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) Administration, Personal Services	\$174,700	2.0	\$87,350	\$0	\$0	\$87,350	50%	Table 4, FTE
B	(1) Executive Director's Office; (A) Administration, Health, Life, Dental	\$35,534	0.0	\$17,767	\$0	\$0	\$17,767	50%	Table 4, FTE
C	(1) Executive Director's Office; (A) Administration, Short Term Disability	\$108	0.0	\$54	\$0	\$0	\$54	50%	Table 4, FTE
D	(1) Executive Director's Office; (A) Administration, Paid Family and Medical Leave Insurance	\$695	0.0	\$347	\$0	\$0	\$348	50%	Table 4, FTE
E	(1) Executive Director's Office; (A) Administration, Unfunded Liability AED Payments	\$15,449	0.0	\$7,724	\$0	\$0	\$7,725	50%	Table 4, FTE
F	(1) Executive Director's Office; (A) Administration, Operating Expenses	\$1,470	0.0	\$735	\$0	\$0	\$735	50%	Table 4, FTE
G	(1) Executive Director's Office; (A) Administration, Leased Space	\$9,300	0.0	\$4,650	\$0	\$0	\$4,650	50%	Table 4, FTE
H	(1) Executive Director's Office; (D) Utilization and Quality Review Contracts, Professional Services Contracts	(\$426,061)	0.0	(\$219,281)	\$0	\$0	(\$206,780)	N/A	Table 3.0, Row L
I	Total Request	(\$188,805)	2.0	(\$100,654)	\$0	\$0	(\$88,151)		Sum of Rows A through H

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Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Contractor Funding Reduction	(\$264,567)	0.0	(\$138,534)	\$0	\$0	(\$126,033)	N/A	Table 3.0, Row C
B	FTE Costs	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
C	Total Request	(\$264,567)	0.0	(\$138,534)	\$0	\$0	(\$126,033)	N/A	Sum of Rows A and B

Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Contractor Funding Reduction	(\$689,861)	0.0	(\$351,181)	\$0	\$0	(\$338,680)	N/A	Table 3.0, Row F
B	FTE Costs	\$0	0.0	\$0	\$0	\$0	\$0	N/A	Table 4, FTE
C	Total Request	(\$689,861)	0.0	(\$351,181)	\$0	\$0	(\$338,680)	N/A	Sum of Rows A and B

Table 2.2 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Contractor Funding Reduction	(\$522,311)	0.0	(\$267,406)	\$0	\$0	(\$254,905)	N/A	Table 3.0, Row I
B	FTE Costs	\$237,256	2.0	\$118,627	\$0	\$0	\$118,629	50%	Table 4, FTE
C	Total Request	(\$285,055)	2.0	(\$148,779)	\$0	\$0	(\$136,276)	N/A	Sum of Rows A and B

Table 2.3 Summary by Initiative FY 2028-29 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Contractor Funding Reduction	(\$426,061)	0.0	(\$219,281)	\$0	\$0	(\$206,780)	N/A	Table 3.0, Row L
B	FTE Costs	\$237,256	2.0	\$118,627	\$0	\$0	\$118,629	50%	Table 4, FTE
C	Total Request	(\$188,805)	2.0	(\$100,654)	\$0	\$0	(\$88,151)	N/A	Sum of Rows A and B

Table 3.0 Contractor Funding Reduction for NCI Survey Work						
Row	Item	Total Funds	General Fund	Federal Funds	FFP	Notes
FY 2025-26						
A	Current Contractor Funding	\$954,861	\$483,681	\$471,180	49.35%	Table 3.1, Row D
B	Expected Contractor Costs	\$690,294	\$345,147	\$345,147	50.00%	Table 3.2, Row D
C	Contractor Funding Reduction	(\$264,567)	(\$138,534)	(\$126,033)		Row B - Row A
FY 2026-27						
D	Current Contractor Funding	\$954,861	\$483,681	\$471,180	49.35%	Table 3.1, Row D
E	Expected Contractor Costs	\$265,000	\$132,500	\$132,500	50.00%	Table 3.2, Row D
F	Contractor Funding Reduction	(\$689,861)	(\$351,181)	(\$338,680)		Row B - Row A
FY 2027-28						
G	Current Contractor Funding	\$954,861	\$483,681	\$471,180	49.35%	Table 3.1, Row D
H	Expected Contractor Costs	\$432,550	\$216,275	\$216,275	50.00%	Table 3.2, Row D
I	Contractor Funding Reduction	(\$522,311)	(\$267,406)	(\$254,905)		Row B - Row A
FY 2028-29 and Ongoing						
J	Current Contractor Funding	\$954,861	\$483,681	\$471,180	49.35%	Table 3.1, Row D
K	Expected Contractor Costs	\$528,800	\$264,400	\$264,400	50.00%	Table 3.2, Row D
L	Contractor Funding Reduction	(\$426,061)	(\$219,281)	(\$206,780)		Row B - Row A

Table 3.1 Current Ongoing Contractor Funding for NCI Survey Work						
Row	Item	Total Funds	General Fund	Federal Funds	FFP	Notes
A	FY 2014-15 R-16 "New Operational and Membership Funds for the Division for Developmental Disabilities"	\$69,102	\$34,551	\$34,551	50.00%	Included in FY 2014-15 Long Bill (HB 14-1336)
B	FY 2017-18 R-13 "Quality of Care and Performance Improvement Plan Projects"	\$345,759	\$179,130	\$166,629	48.19%	Included in FY 2017-18 Long Bill (SB 17-254)
C	FY 2022-23 R-9 "Office of Community Living Program Enhancements"	\$540,000	\$270,000	\$270,000	50.00%	Included in FY 2022-23 Long Bill (HB 22-1329)
D	Total	\$954,861	\$483,681	\$471,180		Sum of Rows A through C

Table 3.2 Expected Contractor Costs for NCI Survey Work						
Row	Item	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29 and Ongoing	Notes
A	Membership dues and fees	\$121,435	\$85,000	\$85,000	\$85,000	Department Estimate
B	Survey Work (Field Interviewers only beginning in FY 2026-27)	\$568,859	\$150,000	\$317,550	\$413,800	Department Estimate
C	Buffer	\$0	\$30,000	\$30,000	\$30,000	Department Estimate
D	Total	\$690,294	\$265,000	\$432,550	\$528,800	Sum of Rows A through C

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Table 4 FTE Calculations								
Personal Services								
Position Classification	FTE	Start Month	End Month (if Applicable)	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
POLICY ADVISOR IV	1.0	Jul 2027	N/A	\$0	\$0	\$82,528	\$82,528	FTE will start in FY 2026-27 under MFP
STATISTICAL ANALYST III	1.0	Jul 2027	N/A	\$0	\$0	\$92,172	\$92,172	Grant
Total Personal Services (Salary, PERA, FICA)	2.0			\$0	\$0	\$174,700	\$174,700	
Centrally Appropriated Costs								
Cost Center	FTE Year 1	FTE Year 2+	Cost or Percentage	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Health, Life, and Dental	2.0	2.0	Varies	\$0	\$0	\$35,534	\$35,534	
Short-term Disability	-	-	0.07%	\$0	\$0	\$108	\$108	
Paid Family and Medical Leave Insurance	-	-	0.45%	\$0	\$0	\$695	\$695	
Unfunded Liability AED Payments	-	-	10.00%	\$0	\$0	\$15,449	\$15,449	
Centrally Appropriated Costs Total				\$0	\$0	\$51,786	\$51,786	
Operating Expenses								
Ongoing Costs	FTE Year 1	FTE Year 2+	Cost	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Standard Allowance	2.0	2.0	\$500	\$0	\$0	\$1,000	\$1,000	
Communications	2.0	2.0	\$235	\$0	\$0	\$470	\$470	
Other	2.0	2.0	\$0	\$0	\$0	\$0	\$0	
Subtotal				\$0	\$0	\$1,470	\$1,470	
One-Time Costs (Capital Outlay)	FTE		Cost	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Cubicle	2.0		\$5,000	\$0	\$0	\$0	\$0	
PC	2.0		\$2,000	\$0	\$0	\$0	\$0	
Other	2.0		\$0	\$0	\$0	\$0	\$0	
Subtotal				\$0	\$0	\$0	\$0	
Total Operating				\$0	\$0	\$1,470	\$1,470	
Leased Space								
	FTE Year 1	FTE Year 2+	Cost	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Leased Space	2.0	2.0	\$4,650	\$0	\$0	\$9,300	\$9,300	

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Table 1.0 Summary by Line Item FY 2025-26									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	\$119,412	0.0	\$59,706	\$0	\$0	\$59,706	N/A	Table 2.0 Row A
B	Total Request	\$119,412	0.0	\$59,706	\$0	\$0	\$59,706		Row A

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals Acute	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233	N/A	Table 2.1 Row A
B	Total Request	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233		Row A

Table 1.2 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233	N/A	Table 2.2 Row A
B	Total Request	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233		Row A

Table 2.0 Summary by Initiative FY 2025-26									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Removing Impact of Movement Therapy from R-6 Request	\$119,412	\$0.00	\$59,706	\$0	\$0	\$59,706	N/A	Table 3.1 Row AB through Row AD
B	Total Request	\$119,412	\$0.00	\$59,706	\$0	\$0	\$59,706	N/A	Row A
Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Removing Impact of Movement Therapy from R-6 Request	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233	N/A	Table 3.1 Row AB through Row AD
B	Total Request	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233	N/A	Row A
Table 2.2 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Removing Impact of Movement Therapy from R-6 Request	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233	N/A	Table 3.1 Row AB through Row AD
B	Total Request	\$716,467	0.0	\$358,234	\$0	\$0	\$358,233	N/A	Row A

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Table 3.1 Movement Therapy Rate to Budget Nuetrality Calculation					
Row	Item	FY 2025-26	FY 2026-27	FY 2027-28	Notes
<i>Movement Therapy - Bachelors; CES, SLS</i>					
A	Current Rate	\$17.50	\$17.50	\$17.50	N/A
B	Rate at 100% BNF	\$16.11	\$16.11	\$16.11	N/A
C	Percent Reduction	-7.94%	-7.94%	-7.94%	N/A
D	Current Annual Expenditure, Trended Forward	\$1,186,243	\$1,186,243	\$1,186,243	N/A
E	Cash Flow Adjustment	16.67%	100%	100%	Implementing April 1, 2026
F	Estimated Impact of Rate Reduction	(\$15,704)	(\$94,222)	(\$94,222)	Row C * Row D * Row E
<i>Movement Therapy - Bachelors; CHRP</i>					
G	Current Rate	\$17.68	\$17.68	\$17.68	N/A
H	Rate at 100% BNF	\$16.11	\$16.11	\$16.11	N/A
I	Percent Reduction	-8.88%	-8.88%	-8.88%	N/A
J	Current Annual Expenditure, Trended Forward	\$85,923	\$85,923	\$85,923	N/A
K	Cash Flow Adjustment	16.67%	100%	100%	Implementing April 1, 2026
L	Estimated Impact of Rate Reduction	(\$1,272)	(\$7,630)	(\$7,630)	Row I * Row J * Row K
<i>Movement Therapy - Masters; CES, SLS</i>					
M	Current Rate	\$25.63	\$25.63	\$25.63	N/A
N	Rate at 100% BNF	\$18.61	\$18.61	\$18.61	N/A
O	Percent Reduction	-27.39%	-27.39%	-27.39%	N/A
P	Current Annual Expenditure, Trended Forward	\$2,155,573	\$2,155,573	\$2,155,573	N/A
Q	Cash Flow Adjustment	16.67%	100%	100%	Implementing April 1, 2026
R	Estimated Impact of Rate Reduction	(\$98,401)	(\$590,407)	(\$590,407)	Row O * Row P * Row Q
<i>Movement Therapy - Masters; CHRP</i>					
S	Current Rate	\$25.91	\$25.91	\$25.91	N/A
T	Rate at 100% BNF	\$18.61	\$18.61	\$18.61	N/A
U	Percent Reduction	-28.17%	-28.17%	-28.17%	N/A
V	Current Annual Expenditure, Trended Forward	\$85,923	\$85,923	\$85,923	N/A
W	Cash Flow Adjustment	16.67%	100%	100%	Implementing April 1, 2026
X	Estimated Impact of Rate Reduction	(\$4,035)	(\$24,208)	(\$24,208)	Row U * Row V * Row W
Y	Total Impact	(\$119,412)	(\$716,467)	(\$716,467)	Row F + Row L + Row R + Row X
Z	General Fund	(\$59,706)	(\$358,233)	(\$358,233)	Row Y - Row AA
AA	Federal Funds	(\$59,706)	(\$358,234)	(\$358,234)	Row Y * 50%
AB	Total Impact	\$119,412	\$716,467	\$716,467	Row Y * (-1)
AC	General Fund	\$59,706	\$358,234	\$358,234	Row Z * (-1)
AD	Federal Funds	\$59,706	\$358,233	\$358,233	Row AA * (-1)

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Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long Term Services for Medicaid Eligible Individuals	(\$363,028)	0.0	(\$181,514)	\$0	\$0	(\$181,514)	N/A	Table 2.1 Row A
B	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Supported Living Services	(\$24,606)	0.0	(\$12,303)	\$0	\$0	(\$12,303)	N/A	Table 3.3 Row D * Table 3.3 Row K
C	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Children's Extensive Support Services	(\$138,206)	0.0	(\$69,103)	\$0	\$0	(\$69,103)	N/A	Table 3.3 Row H * Table 3.3 Row K
D	Total Request	(\$525,840)	0.0	(\$262,920)	\$0.00	\$0.00	(\$262,920)		Sum of Rows A through C
Table 1.2 Summary by Line Item FY 2027-28									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long Term Services for Medicaid Eligible Individuals	(\$396,030)	0.0	(\$198,015)	\$0	\$0	(\$198,015)	N/A	Table 2.2 Row A
B	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Supported Living Services	(\$26,842)	0.0	(\$13,421)	\$0	\$0	(\$13,421)	N/A	Table 3.3 Row D * Table 3.3 Row K
C	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Children's Extensive Support Services	(\$150,772)	0.0	(\$75,386)	\$0	\$0	(\$75,386)	N/A	Table 3.3 Row H * Table 3.3 Row K
D	Total Request	(\$573,644)	0.0	(\$286,822)	\$0	\$0	(\$286,822)		Sum of Rows A through C
Table 1.3 Summary by Line Item FY 2028-29 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums; Medical and Long Term Services for Medicaid Eligible Individuals	(\$396,030)	0.0	(\$198,015)	\$0	\$0	(\$198,015)	N/A	Table 2.3 Row A
B	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Supported Living Services	(\$26,842)	0.0	(\$13,421)	\$0	\$0	(\$13,421)	N/A	Table 3.3 Row D * Table 3.3 Row K
C	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Children's Extensive Support Services	(\$150,772)	0.0	(\$75,386)	\$0	\$0	(\$75,386)	N/A	Table 3.3 Row H * Table 3.3 Row K
D	Total Request	(\$573,644)	0.0	(\$286,822)	\$0	\$0	(\$286,822)		Sum of Rows A through C

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Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	State Plan Hippotherapy Savings	(\$363,028)	0.0	(\$181,514)	\$0	\$0	(\$181,514)	N/A	Table 3.1 Row E
B	HCBS Adaptive Therapeutic Equine Activities	(\$162,812)	0.0	(\$81,406)	\$0	\$0	(\$81,406)	N/A	Table 3.2 Row I
C	Total Request	(\$525,840)	0.0	(\$262,920)	\$0	\$0	(\$262,920)	N/A	Sum of Rows A through B
Table 2.2 Summary by Initiative FY 2027-28									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	State Plan Hippotherapy Savings	(\$396,030)	0.0	(\$198,015)	\$0	\$0	(\$198,015)	N/A	Table 3.1 Row E
B	HCBS Adaptive Therapeutic Equine Activities	(\$177,614)	0.0	(\$88,807)	\$0	\$0	(\$88,807)	N/A	Table 3.2 Row I
C	Total Request	(\$573,644)	0.0	(\$286,822)	\$0	\$0	(\$286,822)	N/A	Sum of Rows A through B
Table 2.3 Summary by Initiative FY 2028-29 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	State Plan Hippotherapy Savings	(\$396,030)	0.0	(\$198,015)	\$0	\$0	(\$198,015)	N/A	Table 3.1 Row E
B	HCBS Adaptive Therapeutic Equine Activities	(\$177,614)	0.0	(\$88,807)	\$0	\$0	(\$88,807)	N/A	Table 3.2 Row I
C	Total Request	(\$573,644)	0.0	(\$286,822)	\$0	\$0	(\$286,822)	N/A	Sum of Rows A through B

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Table 3.1 Total Hippotherapy and HCBS Adaptive Therapeutic Equine Activities Savings

Row	Item	FY 2026-27	FY 2027-28	FY 2028-29	Notes
A	State Plan Savings	(\$396,029)	(\$396,029)	(\$396,029)	Table 3.2 Row C
B	HCBS Savings	(\$177,613)	(\$177,613)	(\$177,613)	Table 3.3 Row G
C	Total Savings	(\$573,642)	(\$573,642)	(\$573,642)	Row A + Row B
D	Implementation Adjustment	91.67%	100.00%	100.00%	Implementation July 1, 2026
E	Adjusted Savings	(\$525,839)	(\$573,642)	(\$573,642)	Row C * Row D

Table 3.2 State Plan Hippotherapy Savings

Row	Item	FY 2026-27	FY 2027-28	FY 2028-29	Notes
A	Estimated Units	12,322	12,322	12,322	HB 22-1068 Fiscal Note
B	Average Current Rate	\$32.14	\$32.14	\$32.14	FY 2025-26 Fee Schedule
C	Total Savings	(\$396,029)	(\$396,029)	(\$396,029)	Row A * Row B
D	Implementation Adjustment	91.67%	100.00%	100.00%	Implementation July 1, 2026
E	Adjusted Savings	(\$363,027)	(\$396,029)	(\$396,029)	Row C * Row D

Table 3.3 HCBS Adaptive Therapeutic Equine Activities (ATEA) Savings

Row	Item	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Adult Supported Living Services (SLS)					
A	Total Number of Units	1,184	1,184	1,184	FY 2023-24 Hippotherapy Utilization
B	Expenditure	\$26,842	\$26,842	\$26,842	FY 2023-24 Hippotherapy Utilization
C	Percentage of Total Expendit	-15.11%	-15.11%	-15.11%	Row C / Row I
Children's Extensive Supports (CES)					
D	Units	6,664	6,664	6,664	FY 2023-24 Hippotherapy Utilization
E	Expenditure	\$150,771	\$150,771	\$150,771	FY 2023-24 Hippotherapy Utilization
F	Percentage of Total Expendit	-84.89%	-84.89%	-84.89%	Row G / Row I
G	Total Savings	(\$177,613)	(\$177,613)	(\$177,613)	Row C + Row F
H	Implementation Adjustment	91.67%	100.00%	100.00%	Implementation July 1, 2026
I	Adjusted Savings	(\$162,812)	(\$177,613)	(\$177,613)	Row G * Row H

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Table 1 Summary by Line Item FY 2026-27 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (B) Information Technology Contracts and Projects, All-Payer Claims Database	(\$559,662)	\$0	(\$405,415)	(\$15,731)	\$0	(\$138,516)	N/A	Table 3, Row G
B	Total Request	(\$559,662)	\$0	(\$405,415)	(\$15,731)	\$0	(\$138,516)	N/A	Row A

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Table 2 Summary by Initiative FY 2026-27 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	APCD Savings	(\$559,662)	0.0	(\$405,415)	(\$15,731)	\$0	(\$138,516)	N/A	Table 3, Row G
B	Total Request	(\$559,662)	0.0	(\$405,415)	(\$15,731)	\$0	(\$138,516)	N/A	Row A

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Table 3 Calculation of APCD Savings FY 2026-27 and Ongoing							
Row	Item	Total Funds	General Fund	Cash Funds	Federal Funds	FFP	Notes
Previously Approved Funding for Data Management System Maintenance and Operations							
A	Medicaid Funding	\$341,259	\$56,248	\$29,067	\$255,944	75.00%	FY 2025-26 BA-14 "APCD Cybersecurity"
B	State Only Funding	\$692,859	\$692,859	\$0	\$0	0.00%	FY 2025-26 BA-14 "APCD Cybersecurity"
C	Total	\$1,034,118	\$749,107	\$29,067	\$255,944	N/A	Sum of Rows A and B
Revised Cost Estimate for Data Management System Maintenance and Operations							
D	Medicaid Funding	\$156,570	\$25,806	\$13,336	\$117,428	75.00%	Vendor Estimate
E	State Only Funding	\$317,886	\$317,886	\$0	\$0	0.00%	Vendor Estimate
F	Total	\$474,456	\$343,692	\$13,336	\$117,428	N/A	Sum of Rows D and E
G	Requested Funding Reduction	(\$559,662)	(\$405,415)	(\$15,731)	(\$138,516)	N/A	Row F - Row C

Table 1.1 Summary by Line Item FY 2026-27									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$62,171,004)	0.0	(\$21,214,964)	(\$3,203,050)	\$0	(\$37,752,990)	60.72%	Table 3.1 Row F
B	(3) Behavioral Health Community Programs, Behavioral Health Fee-for-Service Payments	(\$77,597)	0.0	(\$18,645)	(\$4,603)	\$0	(\$54,349)	70.04%	Table 3.1 Row H
C	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Comprehensive Services	(\$7,013,602)	0.0	(\$3,495,808)	(\$10,993)	\$0	(\$3,506,801)	50.00%	Table 3.1 Row J
D	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Supported Living Services	(\$675,564)	0.0	(\$250,760)	(\$87,022)	\$0	(\$337,782)	50.00%	Table 3.1 Row L
E	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Children's Extensive Support Services	(\$1,158,598)	0.0	(\$579,299)	\$0	\$0	(\$579,299)	50.00%	Table 3.1 Row N
F	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Children's Habilitation Residential Program	(\$345,662)	0.0	(\$172,822)	(\$9)	\$0	(\$172,831)	50.00%	Table 3.1 Row P
G	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Case Management	(\$1,314,999)	0.0	(\$628,291)	(\$33,660)	\$0	(\$653,048)	49.66%	Table 3.1 Row R
H	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - Family Support Services	(\$78,305)	0.0	(\$78,305)	\$0	\$0	\$0	0.00%	Table 3.1 Row T
I	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - State Supported Living Services	(\$36,808)	0.0	(\$36,808)	\$0	\$0	\$0	0.00%	Table 3.1 Row V
J	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - State Supported Living Services Case Management	(\$35,869)	0.0	(\$35,869)	\$0	\$0	\$0	0.00%	Table 3.1 Row X
K	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - Preventive Dental Hygiene	(\$495)	0.0	(\$495)	\$0	\$0	\$0	0.00%	Table 3.1 Row Z
L	Total Request	(\$72,908,503)	0.0	(\$26,512,066)	(\$3,339,337)	\$0	(\$43,057,100)	59.06%	Sum of Row A through Row K

Table 1.2 Summary by Line Item FY 2027-28 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(2) Medical Services Premiums, Medical and Long-Term Care Services for Medicaid Eligible Individuals	(\$67,822,914)	0.0	(\$23,143,597)	(\$3,494,237)	\$0	(\$41,185,080)	60.72%	Table 3.2 Row F
B	(3) Behavioral Health Community Programs, Behavioral Health Fee-for-Service Payments	(\$84,652)	0.0	(\$20,340)	(\$5,022)	\$0	(\$59,290)	70.04%	Table 3.2 Row H
C	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Comprehensive Services	(\$7,651,202)	0.0	(\$3,813,609)	(\$11,992)	\$0	(\$3,825,601)	50.00%	Table 3.2 Row J
D	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Adult Supported Living Services	(\$736,978)	0.0	(\$273,556)	(\$94,933)	\$0	(\$368,489)	50.00%	Table 3.2 Row L
E	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Children's Extensive Support Services	(\$1,263,926)	0.0	(\$631,963)	\$0	\$0	(\$631,963)	50.00%	Table 3.2 Row N
F	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Children's Habilitation Residential Program	(\$377,086)	0.0	(\$188,533)	(\$10)	\$0	(\$188,543)	50.00%	Table 3.2 Row P
G	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (2) Medicaid Programs - Case Management	(\$1,434,544)	0.0	(\$685,408)	(\$36,720)	\$0	(\$712,416)	49.66%	Table 3.2 Row R
H	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - Family Support Services	(\$40,154)	0.0	(\$40,154)	\$0	\$0	\$0	0.00%	Table 3.2 Row T
I	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - State Supported Living Services	(\$39,129)	0.0	(\$39,129)	\$0	\$0	\$0	0.00%	Table 3.2 Row V
J	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - State Supported Living Services Case Management	(\$85,424)	0.0	(\$85,424)	\$0	\$0	\$0	0.00%	Table 3.2 Row X
K	(4) Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (3) State Only Programs - Preventive Dental Hygiene	(\$540)	0.0	(\$540)	\$0	\$0	\$0	0.00%	Table 3.2 Row Z
L	Total Request	(\$79,536,549)	0.0	(\$28,922,253)	(\$3,642,914)	\$0	(\$46,971,382)	59.06%	Sum of Row A through Row K

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Table 2.1 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Across the Board Rate Decrease of 1.0%	(\$72,908,504)	0.0	(\$26,512,066)	(\$3,339,337)	\$0	(\$43,057,100)	N/A	Table 3.2 Row AA

Table 2.2 Summary by Initiative FY 2026-27									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Across the Board Rate Decrease of 1.0%	(\$79,536,549)	0.0	(\$28,922,253)	(\$3,642,914)	\$0	(\$46,971,382)	N/A	Table 3.2 Row AA

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Table 3.1: FY 2026-27 - Amounts Eligible for -0.75% Rate Change by Funding Source (November Forecasted Budget)						
Row	Long Bill Group	Total Funds	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds
	(2) Medical Services Premiums					
A	Acute Care	\$5,831,192,568	\$1,671,486,603	\$396,386,898	\$0	\$3,763,319,067
B	Community Based Long Term Care	\$3,010,046,316	\$1,351,118,536	\$50,894,333	\$0	\$1,608,033,447
C	Long Term Care and Insurance	\$0	\$0	\$0	\$0	\$0
D	Service Management	\$249,666,043	\$79,535,863	\$21,082,200	\$0	\$149,047,980
E	Total Medical Services Premiums	\$9,090,904,927	\$3,102,141,002	\$468,363,431	\$0	\$5,520,400,494
F	Impact of -0.75% Rate Change	(\$62,171,005)	(\$21,214,964)	(\$3,203,050)	\$0	(\$37,752,990)
(1) Amount of cash by cash fund:						
Healthcare Affordability & Sustainability Fee: -\$3,198,653; Breast and Cervical Cancer Prevention and Treatment Fund: -\$4,397						
Row	Long Bill Group	Total Funds	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds
	(3) Behavioral Health Community Programs					
G	Behavioral Health Fee-for-Service	\$11,346,614	\$2,726,359	\$673,095	\$0	\$7,947,160
H	Impact of -0.75% Rate Change	(\$77,597)	(\$18,645)	(\$4,603)	\$0	(\$54,349)
(1) Amount of cash by cash fund:						
Healthcare Affordability & Sustainability Fee: -\$4,603; Breast and Cervical Cancer Prevention and Treatment Fund: -\$4						
Row	Long Bill Group	Total Funds	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds
	(4) Office of Community Living					
I	Adult Comprehensive Services	\$1,025,558,286	\$511,171,684	\$1,607,459	\$0	\$512,779,143
J	Impact of -0.75% Rate Change	(\$7,013,603)	(\$3,495,808)	(\$10,993)	\$0	(\$3,506,801)
K	Adult Supported Living Services	\$98,783,762	\$36,667,114	\$12,724,768	\$0	\$49,391,880
L	Impact of -0.75% Rate Change	(\$675,564)	(\$250,760)	(\$87,022)	\$0	(\$337,782)
M	Children's Extensive Support Services	\$169,415,075	\$84,707,538	\$0	\$0	\$84,707,537
N	Impact of -0.75% Rate Change	(\$1,158,598)	(\$579,299)	\$0	\$0	(\$579,299)
O	Children's Habitation/Rehabilitation Program	\$50,544,139	\$25,270,725	\$1,344	\$0	\$25,272,070
P	Impact of -0.75% Rate Change	(\$345,662)	(\$172,822)	(\$9)	\$0	(\$172,831)
Q	Case Management	\$192,284,592	\$91,871,323	\$4,921,910	\$0	\$95,491,359
R	Impact of -0.75% Rate Change	(\$1,314,998)	(\$628,291)	(\$33,660)	\$0	(\$653,048)
S	State Supported Living Services	\$5,382,152	\$5,382,152	\$0	\$0	\$0
T	Impact of -0.75% Rate Change	(\$36,808)	(\$36,808)	\$0	\$0	\$0
U	State Supported Living Services Case Management	\$5,244,859	\$5,244,859	\$0	\$0	\$0
V	Impact of -0.75% Rate Change	(\$35,869)	(\$35,869)	\$0	\$0	\$0
W	Family Support Services	\$11,450,148	\$11,450,148	\$0	\$0	\$0
X	Impact of -0.75% Rate Change	(\$78,305)	(\$78,305)	\$0	\$0	\$0
Y	Preventive Dental Hygiene	\$72,359	\$72,359	\$0	\$0	\$0
Z	Impact of -0.75% Rate Change	(\$495)	(\$495)	\$0	\$0	\$0
Y	Total Office of Community Living	\$1,558,735,372	\$771,837,902	\$19,255,481	\$0	\$767,641,989
Z	Impact of 1.00% Rate Change	(\$10,659,901)	(\$5,278,456)	(\$131,685)	\$0	(\$5,249,761)
AA	Total Impact	(\$72,908,504)	(\$26,512,066)	(\$3,339,337)	\$0	(\$43,057,100)
(1) Amount of cash by cash fund:						
Healthcare Affordability & Sustainability Fee: -\$131,675						

Healthcare Affordability & Sustainability Fee: \$0,000; Local Funds: \$0,000						
Row	Long Bill Group	Total Funds	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds
	(2) Medical Services Premiums					
A	Acute Care	\$5,831,192,568	\$1,671,486,603	\$396,386,898	\$0	\$3,763,319,067
B	Community Based Long Term Care	\$3,010,046,316	\$1,351,118,536	\$50,894,333	\$0	\$1,608,033,447
C	Long Term Care and Insurance	\$0	\$0	\$0	\$0	\$0
D	Service Management	\$249,666,043	\$79,535,863	\$21,082,200	\$0	\$149,047,980
E	Total Medical Services Premiums	\$9,090,904,927	\$3,102,141,002	\$468,363,431	\$0	\$5,520,400,494
F	Impact of -0.75% Rate Change	(\$67,822,914)	(\$23,143,597)	(\$3,494,237)	\$0	(\$41,185,080)
(1) Amount of cash by cash fund:						
Healthcare Affordability & Sustainability Fee: -\$3,489,440; Breast and Cervical Cancer Prevention and Treatment Fund: -\$4,797						
Row	Long Bill Group	Total Funds	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds
	(3) Behavioral Health Community Programs					
G	Behavioral Health Fee-for-Service	\$11,346,614	\$2,726,359	\$673,095	\$0	\$7,947,160
H	Impact of -0.75% Rate Change	(\$84,652)	(\$20,340)	(\$5,022)	\$0	(\$59,290)
(1) Amount of cash by cash fund:						
Healthcare Affordability & Sustainability Fee: -\$5,022; Breast and Cervical Cancer Prevention and Treatment Fund: -\$5						
Row	Long Bill Group	Total Funds	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds
	(4) Office of Community Living					
I	Adult Comprehensive Services	\$1,025,558,286	\$511,171,684	\$1,607,459	\$0	\$512,779,143
J	Impact of -0.75% Rate Change	(\$7,651,202)	(\$3,813,609)	(\$11,992)	\$0	(\$3,825,601)
K	Adult Supported Living Services	\$98,783,762	\$36,667,114	\$12,724,768	\$0	\$49,391,880
L	Impact of -0.75% Rate Change	(\$736,979)	(\$273,556)	(\$94,933)	\$0	(\$368,489)
M	Children's Extensive Support Services	\$169,415,075	\$84,707,538	\$0	\$0	\$84,707,537
N	Impact of -0.75% Rate Change	(\$1,263,926)	(\$631,963)	\$0	\$0	(\$631,963)
O	Children's Habitation/Rehabilitation Program	\$50,544,139	\$25,270,725	\$1,344	\$0	\$25,272,070
P	Impact of -0.75% Rate Change	(\$377,085)	(\$188,533)	(\$10)	\$0	(\$188,543)
Q	Case Management	\$192,284,592	\$91,871,323	\$4,921,910	\$0	\$95,491,359
R	Impact of -0.75% Rate Change	(\$1,434,544)	(\$685,408)	(\$36,720)	\$0	(\$712,416)
S	State Supported Living Services	\$5,382,152	\$5,382,152	\$0	\$0	\$0
T	Impact of -0.75% Rate Change	(\$40,154)	(\$40,154)	\$0	\$0	\$0
U	State Supported Living Services Case Management	\$5,244,859	\$5,244,859	\$0	\$0	\$0
V	Impact of -0.75% Rate Change	(\$39,129)	(\$39,129)	\$0	\$0	\$0
W	Family Support Services	\$11,450,148	\$11,450,148	\$0	\$0	\$0
X	Impact of -0.75% Rate Change	(\$85,424)	(\$85,424)	\$0	\$0	\$0
Y	Preventive Dental Hygiene	\$72,359	\$72,359	\$0	\$0	\$0
Z	Impact of -0.75% Rate Change	(\$540)	(\$540)	\$0	\$0	\$0
Y	Total Office of Community Living	\$1,558,735,372	\$771,837,902	\$19,255,481	\$0	\$767,641,989
Z	Impact of 1.00% Rate Change	(\$11,628,983)	(\$5,758,315)	(\$143,656)	\$0	(\$5,727,011)
AA	Total Impact	(\$79,536,549)	(\$28,922,253)	(\$3,642,914)	\$0	(\$46,971,382)
(1) Amount of cash by cash fund:						
Healthcare Affordability & Sustainability Fee: -\$143,645						