



COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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Bill Ritter, Jr., Governor • Joan Henneberry, Executive Director

November 9, 2007

The Honorable Bernie Buescher, Chairman
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Representative Buescher:

This letter is presented to the Joint Budget Committee (JBC) of the Colorado General Assembly in response to footnote 22 of Senate Bill 07-239 which states in part:

“The Department is requested to submit a plan to the Joint Budget Committee... on how to restructure the Executive Director’s Office Division’s line item appropriations into a more programmatic format than the current Long Bill structure.”

In SB 07-239, the Executive Director’s Office (EDO) Long Bill Group consists of a total of 43 line items with an appropriation of \$94,414,338 in Total Funds. 3 line items were added to the EDO Long Bill Group during the 2007 Legislative session as a result of special bills with an additional appropriation of \$1,731,566 in Total Funds. Of the resultant 46 line items, 15 line items are related to Personal Services, Operations, and Common Policy, and cannot be changed per direction from OSPB. In addition, the Department has submitted DI-14 in the November 1, 2007 FY 08-09 Budget Request to shift 1 line item, Non-Emergency Transportation Services, from the EDO Long Bill Group to the Medical Services Premiums Long Bill Group. Thus, 30 line items remain for consolidation. Attachment 1 provides a summary of all 46 line items.

The Accounting Division has stated that the consolidation of appropriation line items is possible and object codes could be used to track specific spending within line items at smaller levels such as contracts or type of expenditure.

This proposal places the 46 line items into groups based on the similarity in their functions. This would result in the elimination of 16 line items and would follow JBC direction to group appropriations according to similar administrative tasks. The result of the proposal is a total of 30 line items.

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If you require further information, please contact John Bartholomew, Budget Division Director,
at (303) 866-2854.

Sincerely,

Joan Henneberry
Executive Director

JH:mi

Cc: Representative Abel Tapia, Vice-Chairman, Joint Budget Committee
Senator Moe Keller, Joint Budget Committee
Senator Steve Johnson, Joint Budget Committee
Representative Jack Pommer, Joint Budget Committee
Representative Al White, Joint Budget Committee
Senator Joan Fitz-Gerald, President of the Senate
Senator Ken Gordon, Senate Majority Leader
Senator Andy McElhany, Senate Minority Leader
Representative Andrew Romanoff, Speaker of the House
Representative Alice Madden, House Majority Leader
Representative Mike May, House Minority Leader
John Ziegler, JBC Staff Director
Melodie Beck, JBC Analyst
Todd Saliman, Director, Office of State Planning and Budgeting
Luke Huwar, Budget Analyst, OSPB
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Sue Williamson, Office of Client and Community Relations, HCPF
Jennifer Evans, Office of Agency Administration and Operations, HCPF
Office of Medical and CHP+ Program Administration, HCPF
John Bartholomew, Budget Director, HCPF
Ginny Brown, Legislative Liaison, HCPF
Joanne Lindsay, Public Information Officer, HCPF
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ATTACHMENT 1

Summary of EDO Long Bill Group Line Items

Original Line Items	New Line Items	Account Title	Function / New Line
Lines that cannot be consolidated:			
1	1	Health, Life and Dental	Common Policy
2	2	Short-term Disability	Common Policy
3	3	SB 04-257 Amortization Equalization Disbursement	Common Policy
4	4	SB 06-235 Supplemental Amortization Equalization Disbursement	Common Policy
5	5	Salary Survey and Senior Executive Service	Common Policy
6	6	Performance-based Pay Awards	Common Policy
7	7	Workers' Compensation	Common Policy
8	8	Legal Services and Third Party Recovery Legal Services	Common Policy
9	9	Administrative Law Judge Services	Common Policy
10	10	Purchase of Services from Computer Center	Common Policy
11	11	Payment to Risk and Management and Property Funds	Common Policy
12	12	Leased Space	Operations
13	13	Capitol Complex Leased Space	Common Policy
14	14	Transfer to DHS for Related Administration	Other Agency
15	15	DPHE Facility Survey and Certification	Other Agency
16	16	Nurse Aide Certification	Other Agency
17	17	DORA In-home Support Review	Other Agency
18	18	County Administration	County Funding
19	19	Administrative Case Management	County Funding
20	20	Estate Recovery	Legal
21	21	Operating Expenses	Operations
One-time or infrequent line items:			
22	22	Primary Care Provider Rate Task Force and Study	Study
23	22	Prepaid Inpatient Health Plan Feasibility Study	Study
Decision Item to Move to MSP:			
24	Removed	Non-Emergency Transportation Services	Direct Services
Consolidate into Personal Services:			
25	24	Personal Services	Salaries
26	24	Medical Identification Cards	Contractor
27	24	Single Entry Point Administration	Training and Monitoring
28	24	Public School Health Services Administration	Eligibility Determination

Original Line Items	New Line Items	Account Title	Function / New Line
Consolidate into Customer Outreach:			
29	25	EPSDT Program	Program Administration
30	25	SB 97-05 Enrollment Broker	Contractor
Consolidate into Information Technology:			
31	26	Medicaid Management Information System Contract	Information Systems
32	26	HIPAA Web Portal Maintenance	Information Systems
Consolidate into Utilization and Quality Review:			
33	27	Acute Care Utilization Review	Utilization/Quality Review
34	27	Long-term Care Utilization Review	Utilization/Quality Review
35	27	External Quality Review	Utilization/Quality Review
36	27	Drug Utilization Review	Utilization/Quality Review
37	27	Mental Health External Quality Review	Utilization/Quality Review
Consolidate into Audits:			
38	28	Nursing Facility Audits	Audits
39	28	Hospital/FQHC Audits	Audits
40	28	Single Entry Point Audits	Audits
41	28	Payment Error Rate Measurement Project Contract	Audits
Consolidate into Eligibility Determination:			
42	29	Disability Determination Services	Eligibility Determination
43	29	Nursing Home Preadmission and Resident Assessments	Eligibility Determination
44	29	School District Eligibility Determinations	Eligibility Determination
Consolidate into Colorado Cares Rx Program:			
45	30	Colorado Cares Rx Program - Third Party Vendor	Pharmacy Services
46	30	Colorado Cares Rx Program - CBMS Contract	Pharmacy Services