

Colorado Health Care Affordability Act Hospital Provider Fee

House Bill 09-1293, the Colorado Health Care Affordability Act, was signed into law on April 21, 2009. The Act authorized the Department of Health Care Policy and Financing to collect a hospital provider fee to increase Medicaid and Colorado Indigent Care Program (CICP) payments to hospitals.

How does the Hospital Provider Fee work?

• A fee, not to exceed six percent of net patient revenues, is assessed on hospital providers. This fee is then matched by federal dollars.

What is the total funding?

- Through September 2012, \$2.9 billion: \$1.45 billion in fees, \$1.45 billion in federal matching dollars, with \$428 million in net new federal funds to hospitals.
- FY 2011-12 hospital funds provided \$50 million in general fund relief.
- FY 2012-13 hospital funds will provide \$25 million in general fund relief.

What are the program milestones?

- Implemented Medicaid eligibility for parents of children on Medicaid up to 100% of the Federal Poverty Level (FPL).
- Implemented Child Health Plan *Plus* (CHP+) eligibility for children and pregnant women up to 250% FPL.
- Implemented Medicaid Buy-In Programs for people with disabilities.
- Implemented Medicaid benefits for adults without Medicaid eligible, dependent children.
- Implemented quality incentive payments for hospitals.

Who provides oversight?

- A 13-member Hospital Provider Fee Oversight and Advisory Board including five hospital members; one statewide hospital organization member; one health insurance organization or carrier member; one health care industry member; two consumers; one health insurance member; and, two Department of Health Care Policy and Financing members.
- Additional information about the Board, including meeting agendas and minutes, can be found <u>at Colorado.gov/hcpf under "Boards & Committees</u>."

Program Contact: Nancy Dolson 303-866-3698 Media Contact: <u>Rachel Reiter</u> 303-866-3921