



# Capitol Focus

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Capitol Focus is a weekly activities summary of the Colorado Legislature for CAHSA members, provided by staff of the Colorado Association of Homes and Services for the Aging. Contact Laura Landwirth, executive director, at [cahsa@cahsa.org](mailto:cahsa@cahsa.org).



1888 Sherman St. #610  
Denver, CO 80203  
303-837-8834  
[info@cahsa.org](mailto:info@cahsa.org)

What's new at the Capitol?

What is the Governor up to?

Who are my legislators?

Several members have contacted me during the past week with questions about Medicaid payment delays for the current state fiscal year 2009-2010. In an effort to sort out rumor from facts, earlier this week our lobbyist met with Melodie Beck, Joint Budget Committee (JBC) analyst for the Department of Health Care Policy and Financing (HCPF). Here's what we confirmed.

Last year SB 09-265 was passed as part of the budget balancing through legislative action during the 2009 session for state fiscal year 2009-2010. SB 09-265 required a payment delay for all Medicaid Managed Care Providers. This payment delay is premised on paying Managed Care Organizations (MCOs), including PACE and Behavioral Health Organizations (BHO), on a retrospective basis rather than their current prospective basis. For example, MCOs, PACE and BHOs are paid mid-month for members they serve for that month. SB 09-265 moved the payment date from June 15, 2009 to a new "pay date" in July 2010. Therefore the patients served for the month of June are paid in July 2010 and every month thereafter. This payment delay allows the state to push state expenditures through, implementing a retrospective payment cycle permanently into the next fiscal year thereby realizing "savings" in the FY 09-10 budget cycle. This is an accounting and payment change that will be permanent moving forward.

Fee-for-Service providers (nursing homes, alternative care facilities, adult day programs and other community long term care providers) under SB 09-265 will have the last week in June payment moved to the first week in July. This is also a payment delay for fee-for service but very different from what the PACE and other MCOs will experience. Because fee-for-service providers are already paid retrospectively, the state will realize savings in FY 09-10. However, the state will need to make up the FY 09-10 1 week delay in FY10-11.

There has been some discussion throughout the ever-changing budget submission process of increasing the delay for fee-for-service providers. **However, this is not anything that has been voted on by the JBC to date and would require statutory action if the JBC attempted to increase the delay.** The Department of Health Care Policy and Financing Figure Setting for FY 10-11 will occur on March 11, 2010. At this time we expect the Joint Budget Committee analyst to discuss this issue and some of the inherent problems with additional payment delays for fee-for-service providers.

CAHSA will continue to keep an eye on any additional provider cuts that may be implemented for FY 09-10 and FY 10-11, as well as any other accounting tricks or delays that may impact providers. Please feel free to contact me at [laura@cahsa.org](mailto:laura@cahsa.org) if you have any questions.

On a more positive note, HB 1053 (Medicaid Community Long-Term Care Savings) continues to move through the legislative process. It passed out of the House this week and we expect it will be introduced in the Senate shortly.