

Department of Health Care Policy and Financing (HCPF) and Colorado All Payer Claims Database Medicaid Data Comparison



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Medicaid information publicly reported by the Department of Health Care Policy and Financing (HCPF) may not directly reflect information reported by the Colorado All Payer Claims Database (CO APCD), specifically where costs are concerned. This is due to differences in underlying data sources, inclusions and exclusions, methodology and more as explained in detail below. This document serves to help users of publicly available Medicaid data on www.civhc.org understand variation between CO APCD data and data available through HCPF.

I. Data Sources

HCPF reported Medicaid costs reflect all budget categories and line items as reported in [Colorado Financial Reporting System](#) (COFRS), which includes many categories of expenditures such as administrative costs, adjustments made before or after a claim is settled, pharmacy rebates and discounts, and Long Term Services and Support that are not included in the Medicaid claims submitted to the CO APCD. The CO APCD receives claims from Medicaid through the State's [Medicaid Management Information System](#) (MMIS) which only reflects Fee-For-Service claims or claims that can be tied to a specific service provided to a particular Medicaid client.

II. Methodology and Fiscal vs. Calendar Years

Methodology

HCPF's Medicaid Per Person Per Year (PPPY) reported costs and the methodology used by the CO APCD is different as reflected below:

- **HCPF Medicaid PPPY =**
Total COFRS Reported Payments / Average Monthly Medicaid Enrollment
- **CO APCD Medicaid PPPY Methodology =**
CO APCD Medicaid PPPY = (Total Medicaid-Attributed* Payments / Total Medicaid-Attributed* Eligibility Months) × 12 (months)

* Refers to an annualized determination of the payer type, which may include eligibility months and payments that are not Medicaid. For more details, please refer to the Methodology for the Cost of Care report.

Fiscal vs. Calendar Year

HCPF annual cost figures are based on COFRS and reflect the State Fiscal Year (July 1-June 30) whereas CO APCD figures are based on MMIS that reflect a Calendar Year (Jan 1-Dec 31)



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III. Additional Details and Resources

As noted above, specific categories of Medicaid program expenditures are **not** captured in the data reported through MMIS to the CO APCD, including:

- All financial transactions not associated with specific services delivered to specific Medicaid clients (e.g., Supplemental Payments)
- Capitation payments and services provided by managed care entities (e.g., the Accountable Care Collaborative, physical health, and behavioral health managed care programs)
- Supplemental Payments to Physicians as required under Affordable Care Act Section 1202
- Payments for claims related to Substance Abuse Treatment
 - No claims data related to substance abuse treatment is available in the CO APCD due to restrictions under federal law, specifically, CFR 42 Part 2
- Reconciliation payments (e.g., Services provided to Medicaid clients by HMO, BHO, and some audit activity)
- Pharmacy rebates paid to HCPF by drug manufacturers

Additional Sources of Discrepancy

- Paid Date/Cash Based vs. First Date of Service – PPPY expenditures are reported by HCPF on a paid date basis whereas expenditures reported by the CO APCD are on a first date of service basis. Consequently, policy impacts such as rate increases may not be fully realized in one data set while they are in the other.
- Payment Delays:
 - Some payments for services delivered in FY 09/10 were actually paid in FY 10/11
 - This delay resulted in a difference of approximately \$70 million between what the Department reports as FY 2010-11 expenditure and what is reported when the adjustment is accounted for.
- Rate increases are generally reflected in FFS payments with about a six-month lag

HCPF Expenditure Reporting

- HCPF's two primary Medicaid expenditure reporting mechanisms are the Joint Budget Committee (JBC) Monthly Report, and biannual budget submissions.
- The JBC Monthly Report is provided to the Legislature monthly and includes caseload and cash-based expenditure reporting for the CHP+ and Medicaid programs. Monthly updates can be found at: <http://www.colorado.gov/cs/Satellite/HCPF/HCPF/1209635766663>
- HCPF's biannual budget request includes a three-year forecast of expenditures for budgeting purposes and also reports historical actual expenditure totals (found in Exhibit M of the request). Budget requests can be found on HCPF's [website](#).