

Colorado Indigent Care Program (CICP)

Background

The Colorado Indigent Care Program (CICP) is a state program that facilitates the use of state funds to partially reimburse healthcare providers for services provided to Colorado's non-Medicaid medically indigent residents. CICP is not an insurance program and does not offer a specific discounted medical benefit package or entitlement to medical benefits or funding to individuals or medical providers. The Colorado Department of Health Care Policy and Financing (HCPF) administers the program by allocating CICP funding to qualified healthcare providers. Qualified healthcare providers who receive CICP funding provide discounted healthcare services to Colorado residents, migrant workers and legal immigrants with limited financial resource who are uninsured or underinsured and not eligible for benefits under Medicaid or the Children's Basic Health Plan.

History

With enabling legislation passed in 1983, CICP was established as a partial solution to the healthcare needs of Colorado's medically indigent population. Known as the Reform Act for the Provision of Health Care for the Medically Indigent (26-15-103 CRS), the Colorado General Assembly concluded:

- The state does not have sufficient resources to pay for all medical expenses for persons who are indigent.
- The state must allocate available resources in order to increase access to primary care among Colorado's indigent population.
- A reduction in uncompensated hospital care will decrease hospitals' financial losses which should decrease the cost-shift to health insurance companies thereby reducing health insurance premiums.

In 2006 the Act was amended (SB06-044) to include the following:

1. Eligibility to receive services through CICP is to be determined by rule of the State Board based on a specified percentage of the Federal Poverty Level (FPL), adjusted for family size and less than 250%
2. Creation of the Colorado Health Care Services Fund. It is through this fund that the state allocates funding to Denver Health and Hospitals, Community Health Centers (Federally Qualified Health Centers or FQHCs) and primary care clinics operated by CICP hospitals.

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This information is provided by the Colorado Rural Health Center on behalf of the Colorado Department of Health Care Policy and Financing. For more information, contact www.chcpf.state.co.us.



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"Enhancing healthcare services in Colorado by providing information, education, linkages, tools & energy toward addressing rural healthcare issues."

Appropriation

Under SB06-044 dollars appropriated through the Colorado Health Services Fund are as follows:

Colorado Health Care Services Fund FY05-06 Appropriation = \$14,962,408		
Entity	Percentage	Total
Denver Health	18%	\$2,693,233
Community Health Centers	82%	\$10,060,723
Primary Care Clinics Operated by CICP Hospitals	18%	\$2,208,452

By law, the total amount of funding from the Colorado Health Services fund for FY06-07 was \$14,962,408. Eighteen percent (18%) of this total amount was allocated to Denver Health and Hospitals. Of the moneys remaining after disbursement to Denver Health, 82% were allocated to Community Health Centers to provide primary care services to low income adults and 18% were allocated to primary care clinics operated by CICP hospitals.

In FY07-08 and each of the two fiscal years following, \$15 million of the moneys in the General Fund Exempt Account are to be appropriated by the General Assembly to the Colorado Health Services Fund. Per SB06-044 the percentage breakdown in fund distribution is to be maintained in FY06-07 and each of the following three fiscal years. However for FY07-08 and each of the following two fiscal years, the allocation of moneys remaining after disbursement to Denver Health is to be based on prior utilization as specified in rule by the Medical Services Board.

Provider Overview:

CICP providers are classified as follows:

- CICP Clinics-clinics outside the City and County of Denver with the exception of the Colorado Coalition for the Homeless.
- CICP Hospitals-hospitals located in Colorado, outside of the City and County of Denver.
- CICP Specialty Hospitals-The Children's Hospital and National Jewish Medical and Research Center. Fifty percent (50%) of the medical care provided through the CICP must be to individuals who reside outside the City and County of Denver.
- Denver Health Medical Center-including 10 neighborhood outpatient clinics.
- University Hospital--including associated specialty clinics.

During FY05-06 a total of 59 contract providers participated in CICP accounting for 45 hospitals and 14 clinics. In addition, there were 87 satellite CICP facilities including one hospital facility classified as a satellite facility. Contract providers are subdivided into two groups:

1. **High Medicaid Utilization Hospital Providers**-providers whose Medicaid eligible days exceed one standard deviation of the mean for all Colorado Medicaid hospital providers. During FY05-06 a total of 11 sites were designated as high Medicaid utilization hospital providers.
2. **High CICP Utilization Hospital Providers**--these providers receive additional compensation under the Low-Income and High-Volume payments. During FY05-06, a total of 14 sites were designated as high CICP utilization hospital providers.

The following Rural Health Clinics or their affiliates are contracted to provide discounted healthcare services through CICP.

Contracted Provider	Affiliated RHC
East Morgan County Hospital	Brush Family Medicine
St. Vincent General Hospital District	Buena Vista Family Practice
Colorado Plains Clinic-Wiggins	Colorado Plains Medical Center
Conejos County Hospital Corp.	Conejos Medical Clinic
Rio Grande Hospital	Creede Family Practice of Rio Grande Hospital
Rio Grande Hospital	Rio Grande Hospital Clinic
East Phillips County Hosp. Dist.	Family Practice of Holyoke
Mt. San Rafael Hospital	Mt. San Rafael Health Center
Montrose Memorial Hospital	Olathe Medical Clinic
Longmont United Hospital	United Medical Center of Berthoud
Sedgwick County Health Center Valley	Medical Clinic
Yuma District Hospital	Yuma Rural Health Clinic
Washington County Commissioners	Washington County Clinic
Sterling Regional Medical Center	Family Care Clinic

Reimbursement per Inpatient Day FY05-06

Reimbursement per inpatient day varies by CICIP provider type (hospital, Denver Health, University Hospital) and number of inpatient days. For FY05-06, CICIP payment per inpatient days for CICIP hospitals was \$563.13. For FY05-06, CICIP payment per inpatient days for Denver Health was \$1,848.49 and \$1,220.48 for University Hospital.

Reimbursement per Outpatient Visit FY05-06

Reimbursement per outpatient visit varies by CICIP provider type (clinic, hospital, Denver Health, University Hospital) and number of outpatient visits. For FY05-06, CICIP payment per outpatient visits for CICIP clinics was \$26.02. For FY05-06 CICIP, payment for per outpatient visits for CICIP hospitals was \$129.74. For FY05-06 CICIP, payment for Denver Health was \$247.19 and \$310.10 for University Hospital.

CICIP Facts & Figures

During FY05-06, a total of 180,411 individuals were served through the CICIP with provider payments totaling \$162,284,443. Children accounted for 7.2% of the populations served during the reporting period. Overall, CICIP clinics served the greatest number of CICIP eligible patients during FY05-06 accounting for 43.2% of all individuals served.

- Providers reported 12,374 CICIP inpatient care contacts during FY05-06, a 14.9% decrease from the previous reporting period.
- Providers reported 173,953 CICIP outpatient care contacts during FY05-06, a 1.9% increase from the previous reporting period.

Eligibility

Provider

Only facilities with contracts to provide CICIP services can receive reimbursement for care provided to CICIP eligible clients. Providers eligible to participate in the CICIP must meet the following **minimum** criteria:

1. Licensed or certified as a general hospital, Community Health Center, or maternity hospital (birth center) by the Department of Public Health and Environment.
2. Assures that emergency care is available to all CICIP clients through the contract year.
3. If the provider is a hospital:
 - The hospital must have at least two obstetricians with hospital staff privileges who agree to provide obstetric care to Medicaid clients.
 - If the hospital is located in a rural area the obstetrician includes any physician with hospital staff privileges to perform non-emergency obstetric procedures.

Patient

There are no age limitations for CICIP eligibility. A client may have third party insurance; however, the primary insurance funds must be used prior to the providers receiving any reimbursement from CICIP. To be **eligible** for services discounted through CICIP, an individual must be:

1. A Colorado resident and a U.S. citizen or legal immigrant, or:
2. A migrant farm worker and a U.S. citizen or legal immigrant.
3. At or below 250% of the Federal Poverty Level (FPL) in combined income and assists.

Individuals **not eligible** for discounted services through CICIP include:

- Undocumented immigrants
- Individuals being held or confined in State or federal prisons, jails or detention facilities.
- College students whose residence is from outside Colorado.
- Visitors from other states.
- Persons who qualify for Medicaid. Persons whose Medicaid benefits are disbursed as a Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB) or Qualified Individual (QI-1) benefits are not excluded from consideration for CICIP eligibility.
- Persons who are eligible for the Child Health Plan (CHP). Persons who are waiting to become an enrollee in CHP or have incurred healthcare charges in the 90 days prior to the application date are not excluded from consideration for eligibility on a temporary basis.

Application:

Hospitals and clinics administer enrollment into CICIP through eligibility technicians at each contracted CICIP location. Through the application process providers assign a "rate" identifier for the applicant based on their total income and assets.

- Ratings usually occur on the initial date of service.
- Ratings are retroactive for services received up to 90 days prior to application.
- CICIP ratings are effective for a maximum of one year from the date of the rating unless the client's financial or family situation changes.

Co-payments

A client's rating determines their co-payment amount. The fee schedule includes ten levels up to a maximum of 250% of the FPL based on income and family size. Homeless clients receive a "Z" rating and are exempt from co-payments, income verification requirements and verification of denied Medicaid benefits. Co-pays for CICIP rated clients per service rendered are as follows:

Client Co-payment Table Effective February 1, 2006							
Rating	% FPL	Inpatient	ER	Hospital Physician	Outpatient	Specialty Out-patient	Lab/Meds
Z	40%	\$0	\$0	\$0	\$0	\$0	\$0
N	40%	\$15	\$15	\$7	\$7	\$15	\$5
A	62%	\$65	\$25	\$35	\$15	\$25	\$10
B	81%	\$105	\$25	\$55	\$15	\$25	\$10
C	100%	\$155	\$30	\$80	\$20	\$30	\$15
D	117%	\$220	\$30	\$110	\$20	\$30	\$15
E	133%	\$300	\$35	\$150	\$25	\$35	\$20
F	159%	\$390	\$35	\$195	\$25	\$35	\$20
G	185%	\$535	\$45	\$270	\$35	\$45	\$30
H	200%	\$600	\$45	\$300	\$35	\$45	\$30
I	250%	\$630	\$50	\$315	\$40	\$50	\$35

Reimbursement:

Provider payments are modified from one fiscal year to another by changing specific variables such as the Disproportionate Share Hospital or (DSH) allotment, Inpatient Upper Payment Limit or UPL, CICIP costs and hospital utilization data. The rate setting process maximizes the federal funds and minimizes the General Fund available to the system while equitably distributing the pool of money to providers who serve a disproportionate number of Medicaid and low-income clients.

Per Inpatient Day

Reimbursement per inpatient day by provider type for FY05-06:

CICIP Provider Type	Inpatient Days	CICIP Payment Per Inpatient Day
CICIP Clinics	N/A	N/A
CICIP Hospitals	46,663	\$563.13
Denver Health	22,564	\$1,848.49
University Hospital	10,768	\$1440.48

Per Outpatient Visit

Reimbursement per outpatient visit by provider type for FY05-06:

CICIP Provider Type	Inpatient Days	CICIP Payment Per Outpatient Visit
CICIP Clinics	232,892	\$26.02
CICIP Hospitals	140,061	\$129.74
Denver Health	137,505	\$247.19
University Hospital	48,243	\$310.10

Reporting

Per CACP regulations, providers are required to submit an annual audit compliance statement. The audit can be completed in one of two ways depending on the total reimbursement received under CACP.

1. **External Audit:** If a provider receives over \$1,000,000 in reimbursement from CACP, an independent auditor must perform an annual audit and submit a formal audit statement of compliance to the CACP administration.
2. **Internal Audit:** If a provider received under \$1,000,000 in reimbursement from the CACP, the provider may choose to conduct the annual compliance audit internally rather than receiving an external audit.