

STATE OF COLORADO

DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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Bill Owens
Governor

Stephen C. Tool
Executive Director

November 1, 2006

The Honorable Bernie Buescher, Chairman
Joint Budget Committee
200 East 14th Avenue, 3rd Floor
Denver, CO 80203

Dear Representative Buescher:

The Fiscal Year 06-07 Long Bill, House Bill 06-1385 footnote 22 requires that the Department of Health Care Policy and Financing (the Department) report to the Joint Budget Committee on the preliminary findings of the Primary Care Provider Rate Task Force and Study. Footnote 22 was vetoed by the Governor on constitutional ground, but the Department is complying with the intent of the footnote.

Footnote 22 of House Bill 06-1385, states:

Department of Health Care Policy and Financing, Executive Director's Office, Primary Care Provider Rate Task Force and Study -- The Department is requested to work with the provider community to examine any issues of rate disparity and rate shortfalls for physician and acute care providers. The Department is requested to report on its preliminary findings by November 1, 2006, and its final analysis by November 1, 2007. The Department's appropriation contains \$58,000 total funds for the expenses of any task force that the Department may assemble and for temporary staffing costs for conducting such a study.

The Department is currently seeking proposals from consultants with the background necessary to assist the Department in facilitating the task force and to conduct the study. Based on preliminary discussions with the consultants and the level of funding available, the Department plans to focus on examining reate disparity and rate shortfalls for physician services. The Department will draw upon existing physician-Department relationships as well as perform outreach activities to other physicians in an effort to form the primary care provider task force.

"The mission of the Department of Health Care Policy & Financing is to purchase cost-effective health care for qualified, low-income Coloradans."

<http://www.chcpf.state.co.us>

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Sincerely,

Stephen C. Tool
Executive Director

SCT:mm

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Cc: Senator Abel Tapia, Vice-Chairman, Joint Budget Committee
Senator Moe Keller, Joint Budget Committee
Senator Dave Owen, Joint Budget Committee
Representative Al White, Joint Budget Committee
Representative Jack Pommer, 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
Henry Sobanet, Director, Office of State Planning and Budgeting
Luke Huwar, Budget Analyst OSPB
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