

NEWS STATEMENT FOR IMMEDIATE RELEASE November 25, 2009

Contact: Maureen Maxwell Office: (303) 861-5165, ext. 259 Cell: (303) 913-9078 E-mail: <u>Maureen@cchn.org</u>

## **Distribution of Primary Care Fund – Clarification**

DENVER— Yesterday the Colorado Department of Health Care Policy and Financing (HCPF) announced distribution of current year funding from the Primary Care Fund (PCF). This distribution is the annual awarding of funds from the PCF, funding that is vital to Community Health Centers and other safety net health care providers for caring for uninsured Coloradans.

The PCF's annual appropriation is dependent on tobacco tax revenue and for Colorado's current fiscal year, July 1, 2009 to June 30, 2010, originally was expected to be approximately \$31,920,000. The state's budget shortfall due to the economic downturn resulted in the state legislature giving the state the authority to redirect up to \$15,000,000 during the current fiscal year to meet the needs of the growing Medicaid caseload. The state legislature in April specifically redirected \$7,400,000. The status of the remaining \$7,600,000 has yet to be determined.

Yesterday's announcement describes the distribution of \$16,920,000 of the fund for the current fiscal year. HCPF awarded the funds to 32 health care providers who serve the uninsured through the Primary Care Fund, 15 of which are CHCs.

The Primary Care Fund was established when voters approved Amendment 35 in 2004, increasing Colorado's tobacco tax. Nineteen percent of the Amendment 35 revenue is placed in the PCF each year. The PCF supports health care providers to build infrastructure and provide health services to uninsured Coloradans who are not eligible for Medicaid, the Child Health Plan Plus (CHP+) program or any other insurance. The law creating the PCF included a provision allowing some or all of the dollars to be redirected to Medicaid and CHP+ in the case of a fiscal emergency.

"We remain hopeful that the economy and the state budget situation will improve, allowing the use of the remaining \$7,600,000 for the original purpose of the Primary Care Fund: health care for uninsured Coloradans," said Katie Pachan Jacobson, Policy Manager for CCHN.

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To see the HCPF news release describing the PCF awards, please go to: <u>http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=</u> <u>MungoBlobs&blobwhere=1251602907183&ssbinary=true</u>.

The Colorado Community Health Network (CCHN) is the collective voice for Colorado's 15 Community Health Centers (CHCs) and their patients. CHCs provide a health care home to more than 500,000 of their community members - one in 10 people in Colorado - from 55 of the state's 64 counties. Without CHCs, hundreds of thousands of Colorado's low-income families and individuals would have no regular source of health care. CCHN's mission is to increase access to high quality health care for people in need in Colorado. For more information about CCHN, please visit <u>www.cchn.org</u>.