



## Joint Budget Committee Staff

Nonpartisan Budget Analysis for Colorado's Legislature

# Memorandum

To: Joint Budget Committee  
From: Amanda Bickel, JBC Staff (303-866-4960)  
Date: January 13, 2026  
Subject: Background on the Budget Shortfall

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In recent months, staff has received questions about the origins of the State's current fiscal situation and to what extent it is the result of spending one-time money on ongoing expenses. This memo provides a record of staff's understanding of some of the most important factors from the post-pandemic period that contributed to the State's current structural budget deficit, including the role of one-time funds. The inherent complexity of the state's budget means that there is no single answer to the question of how the State arrived in its current budget situation. This memo provides some additional context.

## One-time Funds After the COVID-19 Pandemic

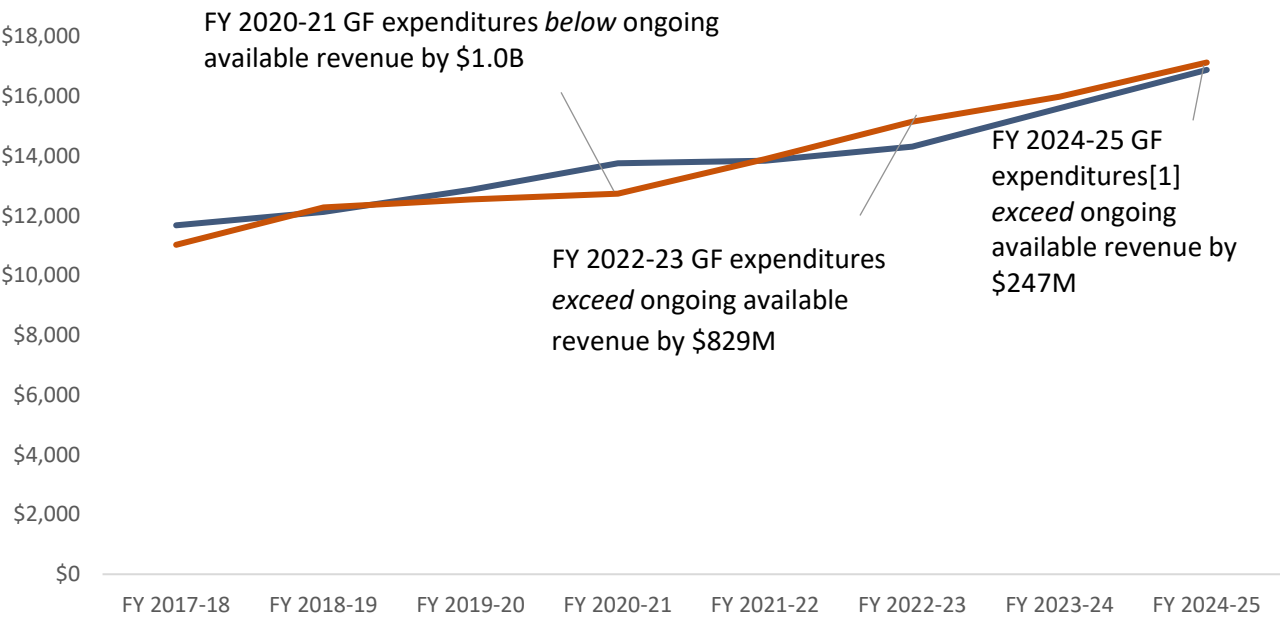
Following the start of the COVID-19 pandemic, there was significant one-time revenue available to the General Assembly from multiple sources. **As described in more detail below, the General Assembly spent most of this one-time revenue on one-time expenses. However, the availability of this revenue may have helped mask the underlying status of the General Fund.** The one-time funds made it easier for both the executive branch and members of the legislature to address longstanding fiscal concerns, such as covering increasing Medicaid costs, undoing the K-12 budget stabilization factor and modifying the K-12 funding formula, increasing funding for mental health services and higher education, and launching new initiatives like universal pre-kindergarten, without immediately facing the restrictions in General Fund revenue.

Staff has received multiple questions about whether the *reason* for the current problem is that the State was spending one-time dollars on ongoing things. **The State began spending one-time dollars on ongoing costs in FY 2023-24 as it plugged budget holes with one-time money to come into balance. This pattern increased in FY 2024-25. However, this was as much a *symptom* of ongoing pressures on the General Fund and decisions to expand a wide range of ongoing obligations as the *cause* of current State challenges.**

# Structural Deficit

Colorado faces a structural deficit despite significant efforts to restrict spending and come into balance. The chart below compares actual ongoing General Fund revenue available for expenditure on state services with actual General Fund expenditures from FY 2017-18 through FY 2024-25.<sup>1</sup>

State expenditures from from the General Fund fell below ongoing available revenue in FY 2020-21, but expenses have exceeded revenue since then



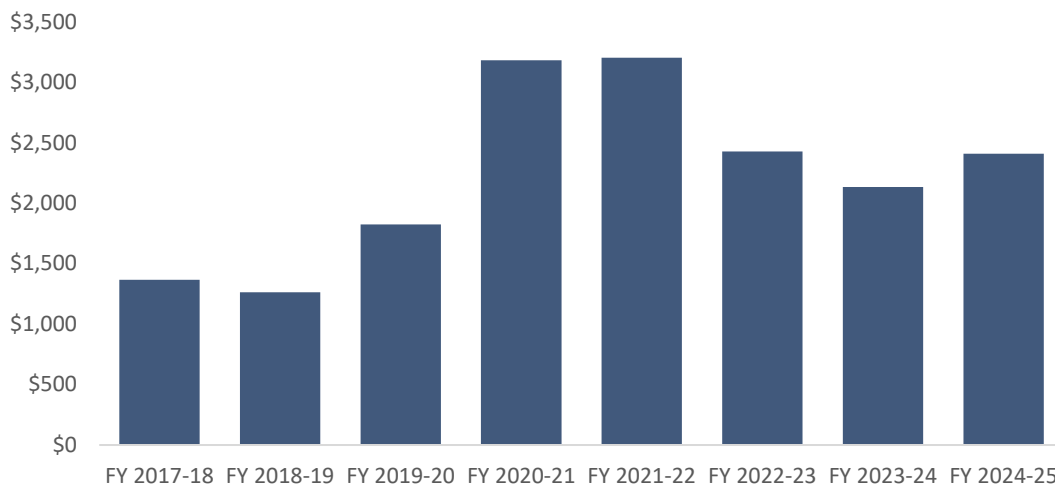
Data source: Data provided by the Office of the State Controller to LCS and OSPB, adjusted as described in footnote 1. FY 2024-25 is preliminary. Expenditures includes expended appropriations and transfers out.

The pattern shown above is partially explained by the accumulation and then the expenditure of amounts that built up in the General Fund reserve in FY 2020-21 and FY 2021-22, which were then expended in the following years.<sup>2</sup>

<sup>1</sup>For purposes of this comparison, the chart excludes TABOR refund obligations from both revenue and expenditure amounts. Revenue does *not* include transfers *into* the General Fund. Expenditures include transfers and appropriations from the General Fund and accounting adjustments. Amounts are also adjusted to reduce distortions in FY 2023-24 and FY 2024-25 that were created by HB24-1466 (Refinance Federal Coronavirus Recovery Funds). This bill reduced General Fund expenditures across FY 2023-24 and FY 2024-25 by \$1.6B, with \$1.0B in FY 2023-24 and \$0.6B in FY 2024-25. It did not include any transfer from the GF in FY 2023-24, but it transferred \$1.4B from the GF in FY 2024-25. This analysis assigns \$1.018B of the transfer to FY 2023-24, leaving the balance (which was subsequently adjusted) in FY 2024-25. With this change, the bill has a net \$0 impact on General Fund expenditures in FY 2023-24, since the \$1.0B expenditure reduction in that year is matched by a \$1.0B transfer out. See the appendix for the calculations.

<sup>2</sup> Much of the one-time General Fund that built up in the General Fund reserve was transferred into the various cash funds created to manage one-time federal ARPA funds. These allocations are described in [Appendix D2 of the FY 2024-25 Appropriations Report](#).

### Ending General Fund reserve (Million \$s)



However, this is only part of the story.

- Ongoing General Fund expenditures in this period were being artificially suppressed by federal funds that substituted for General Fund otherwise required.
- At the same time, one-time General Fund outlays were boosting expenditures.

What was the balance between these two factors?

## One-time revenue was largely—but not entirely—matched by one-time expenditures

The State received \$3.8 billion in one-time federal revenue from the State and Local Fiscal Recovery Funds provided under the American Rescue Plan Act of 2021. Significant other one-time money also became available in response to the pandemic, including nearly \$3.0 billion of General Fund money. However, the State also *spent* billions in ways that were intended to be one-time.

## How much one-time money was available?

### Major One-time Flexible Revenue Sources Available to the General Assembly in early 2020s

Source	Amount	Explanation
<b>ARPA</b> - State and Local Fiscal Recovery Funds from the American Rescue Plan Act of 2021 – Mostly appeared as cash funds in the state budget. A <i>portion was used to reduce required General Fund appropriations</i> in FY 2023-24 and FY 2024-25	\$3,828,761,790	Received in May 2021 for obligation through December 2024. The uses were originally anticipated to be restricted, but most was ultimately available for general government services. ARPA funds were used in lieu of GF personal service expenditures in late FY 2023-24/early FY 2024-25, with most (but not all) of the GF savings deposited into cash funds for one-time uses (the HB 24-1466 ARPA “big swap”). In addition to the amount shown, the State was allowed to retain interest on the federal ARPA funds (\$134.2M as of the end of FY 2023-24).

Source	Amount	Explanation
<b>FMAP</b> - Enhanced Federal Medical Assistance Percentage (FMAP) - Visible in the General Fund budget as <b>a reduction in required General Fund appropriations</b> , primarily in HCPF	2,049,613,428	The federal government covered an additional 6.2 percent of Medicaid expenses effective for expenses after January 1, 2020. The enhancement phased down in late FY 2022-23 and early FY 2023-24 until it was fully eliminated January 1, 2024. This reduced the state share of Medicaid costs, freeing-up General Fund for other uses. The State adopted legislation (S.B. 21-213) to ensure the General Fund also benefited in programs where the Medicaid match was cash funds, <i>e.g.</i> , from provider fees and money transferred from the Department of Higher Education. Actual payments and reimbursements often occur long after services are provided. The amount shown reflects actual state receipts from the enhanced match from FY 2019-20 to the present (See appendix.)
<b>Excess Reserve</b> - Excess General Fund reserve associated with suppressing state expenditures and increasing transfers to the GF in FY 2019-20 and FY 2020-21. Spent as General Fund appropriations and transfers	794,809,687	The amount shown compares the total reserve available at the end of FY 2021-22 (\$3.2 billion) with the 15.0 percent reserve at the end of FY 2024-25 (\$2.4 billion), as an approximation of the one-time excess GF reserve that was available for expenditure. The one-time revenue available was greater, but \$1.1 billion of the total was retained in the reserve.
<b>Total</b>	<b>\$6,673,184,905</b>	

In addition to the amounts above, large amounts of additional one-time revenue also became available for more specific uses.<sup>3</sup> For thinking about the State’s overall fiscal situation, the most relevant is the State Education Fund.

**State Education Fund:** The State Education Fund (SEF) acquired a large reserve post-pandemic in part for the same reasons the General Fund acquired a large reserve. The balance of the SEF reached an **all-time high of \$1.7 billion at the end of FY 2023-24**.

- The most important driver was cuts made during the pandemic, including the application of a \$1.1 billion budget stabilization factor in FY 2020-21, combined with higher-than-anticipated FY 2020-21 revenue. Like the General Fund, high revenue combined with low expenditures to build the reserve.
- A second factor was large increases in assessed property values. This translated to an increase in local share for school finance, reducing the need for state share.

The large State Education Fund balance allowed the General Assembly to pay for school finance formula increases in FY 2023-24 and FY 2024-25 entirely out of the SEF, when historically the General Fund appropriation for the state share of districts' total program funding had increased by an average of \$187.0 million per year from FY 2012-13 through FY 2019-20. This large balance also facilitated other increases in K-12 spending.

**If \$1.3 billion<sup>4</sup> of the additional reserve that accumulated in the State Education Fund is included, the State had approximately \$8.0 billion in one-time money available for allocation by the General Assembly post-pandemic.**

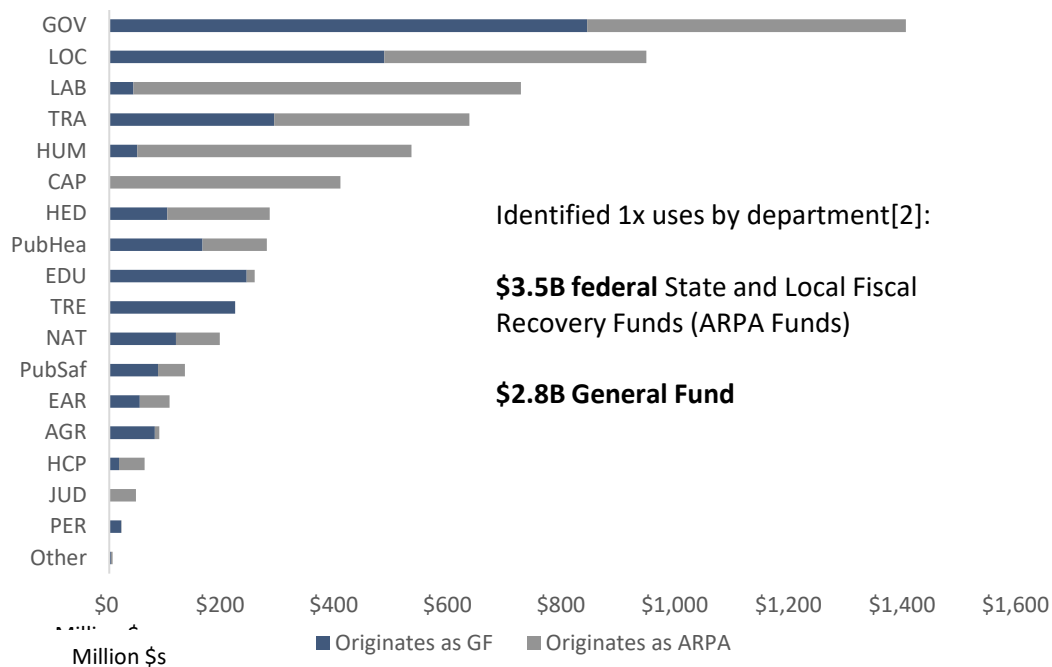
<sup>3</sup> There were many other sources of one-time revenue that passed through the State, some within and some outside of the General Assembly’s control. For example, Child Care Development Funds, federal funds that are subject to appropriation by the General Assembly, were enhanced by \$626.8 million in one-time federal stimulus funds, helping to launch the Department of Early Childhood. Elementary and Secondary School Emergency Relief (ESSER) funds, one-time federal funds totaling \$1.8 billion, were outside of the General Assembly’s control and largely sent directly to school districts.

<sup>4</sup> The balance in the SEF has fluctuated over time. Simply for purposes of this analysis, staff is identifying \$1.3B of the \$1.7B available at the end of FY 2023-24 as “excess” reserve.

## How much one-time money was allocated to one-time activities?

Since 2021, JBC staff has sought to track legislative decisions to allocate funds on a one-time basis. This is a more involved exercise than identifying one-time revenue, since the JBC and the General Assembly make thousands of funding decisions each year, and there is currently no automated system for classifying appropriations and transfers as “one-time”. The chart below is based on manual tracking by staff through the 2023 legislative session and covering initial appropriations through FY 2023-24.

One-time federal ARPA and General Fund allocations totaled \$6.3 billion for FY 2020-21 through FY 2023-24 [1]



[1] Based on data aggregated by JBC staff through fall 2023 for allocations effective through FY 2023-24. Limited tracking in the 2024 and 2025 legislative sessions indicated far smaller allocations for 1x purposes in subsequent years. About \$100 million of the ARPA money allocated for one-time purposes as of fall 2023 was ultimately redirected to assist with budget balancing.

[2] For a large share of one-time funds allocated to the Governor’s Office, the Governor was provided authority to allocate the money out to individual departments. This includes funds deposited in the “discretionary account” that originated with ARPA legislation (SB21-288) and General Fund appropriated to the Infrastructure Investment and Jobs Act (IIJA) Cash Fund.

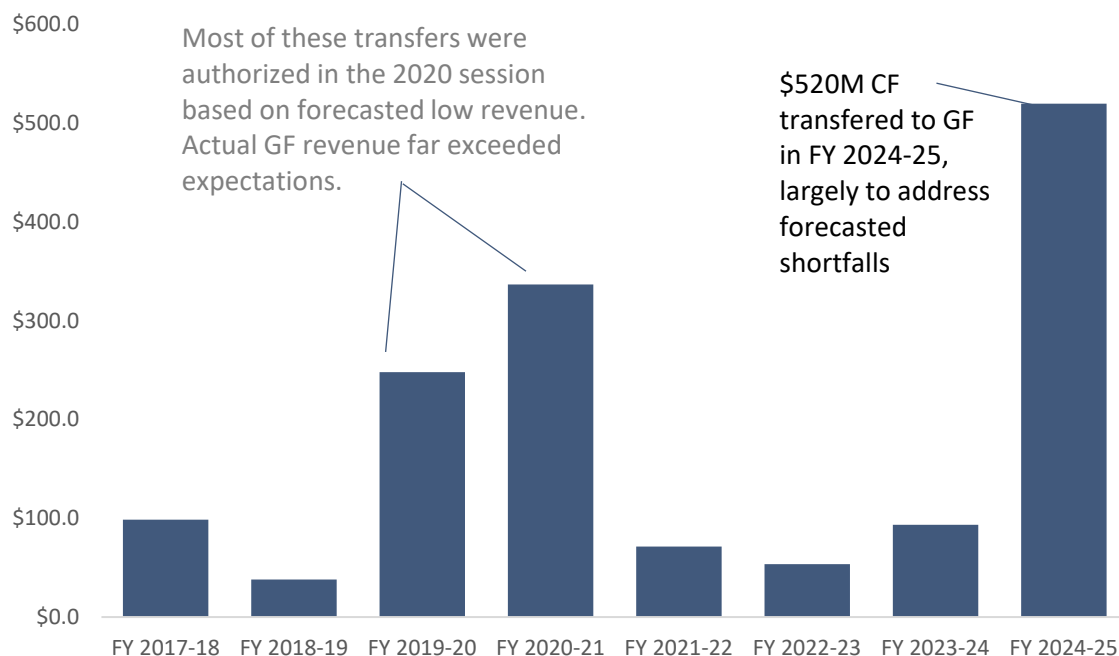
Comparing the one-time federal and General Fund *revenue* from p. 4 versus the identified one-time federal fund and General Fund *uses* identified by JBC staff, it is evident that **as of fall 2023, most of the federal ARPA funds had been allocated to one-time functions, and essentially all of the one-time General Fund revenue was matched by one-time uses.**

**However:**

- Ultimately, after some additional adjustments in the 2024 and 2025 sessions are included, just over **\$400 million in federal one-time funds was spent over two years (FY 2023-24 and FY 2024-25) to help in statewide balancing.** This offset General Fund otherwise required.

- Specifically, **for FY 2023-24**, the FY 203-24 Long Bill (S.B. 23-214) appropriated **\$159.8 million** in ARPA funds from the Revenue Loss Restoration Fund for behavioral health, local affairs, and public health activities that were generally expected to be ongoing, i.e., this was an identified use of one-time funds for ongoing purposes that was applied to assist with budget-balancing.
- Appropriation and transfer adjustments included in H.B. 24-1466, related to the refinance of the federal ARPA funds, freed up \$210.6 million of General Fund in FY 2024-25, which was augmented by an additional \$33.6 million in S.B. 25-312 for a total of **\$244.2 million used for balancing in FY 2024-25**. This included both funds that had never been allocated and funds that had initially been allocated for one-time purposes but that ultimately were not used for this and were instead used for budget balancing.
- **If all one-time revenue had been spent on one-time activities and the State had *otherwise* managed to keep spending commitments within available revenue, ongoing General Fund revenue and spending should have come back into alignment between FY 2023-24 and FY 2024-25. It did not.** Despite other factors that suppressed General Fund requirements for FY 2023-24 and FY 2024-25, including use of ARPA funds, the enhanced federal Medicaid match, and the State Education Fund, General Fund outlays still exceeded ongoing available revenue. Because of this, **additional transfers** into the General Fund from other one-time cash funds were required in FY 2024-25.

### Cash Fund Transfers to the General Fund (Million \$s)



- **Use of the \$1.3B+ in State Education Fund reserves has not been matched with allocations that are specifically identified as one-time expenditures.** Almost all of those funds are—instead—being spent down on ongoing educational expenses. In FY 2024-25, State Education Fund appropriations increased by **\$840.5 million** (from \$1.0 billion in FY 2023-24 to \$1.8 billion in FY 2024-25). Without this increase, additional General Fund would have been required. Because spending from the SEF offsets the need for General Fund, this pattern may create a *future* funding cliff.

## The availability of one-time money probably contributed to the *perception* that funding for ongoing activities could be increased

**Colorado General Fund spending between FY 2018-19 and FY 2024-25 grew more quickly than the TABOR/Referendum C cap.** Between FY 2018-19 and FY 2024-25, total General Fund expenditures, including transfers and expended appropriations, but excluding TABOR refund obligations, increased from \$12.278 billion to \$18.280 billion. If FY spending is adjusted for the impact of H.B. 24-1466, **total FY 2024-25 General Fund spending was \$17.135 billion<sup>5</sup>, representing an increase of \$4.9 billion or 39.6 percent.** During the same period, the Denver-Aurora-Lakewood CPI grew by approximately 25.5 percent, and the Referendum C TABOR cap grew by 33.4 percent.<sup>6</sup> And FY 2024-25 expenditures were still suppressed by the use of one-time funds, including \$244 million in federal ARPA funds and use of the State Education Fund to support large K-12 increases.

**In recent years, the General Assembly has approved a wide range of ongoing funding increases and program expansions.** These included increases that built the budget-year General Fund base and also initiatives for which the fiscal impact was projected to grow over multiple years. In part because one-time federal funds and General Fund was available, legislators, advocates, and the public may have had the incorrect *perception* that certain ongoing program increases were feasible and future impacts manageable. In particular, many of those involved may not have fully appreciated how enhanced federal Medicaid FMAP was creating additional space in the General Fund budget.

Policy decisions are not the only factors driving the State budget. It is affected by factors over which the General Assembly has limited direct control, including various inflationary, caseload, and population trends. However, because there were fewer immediate pressures on the General Fund budget, it was likely easier to obtain approval for increases, and there was less pressure for the JBC and the General Assembly as a whole to rein in cost increases by cutting programs.

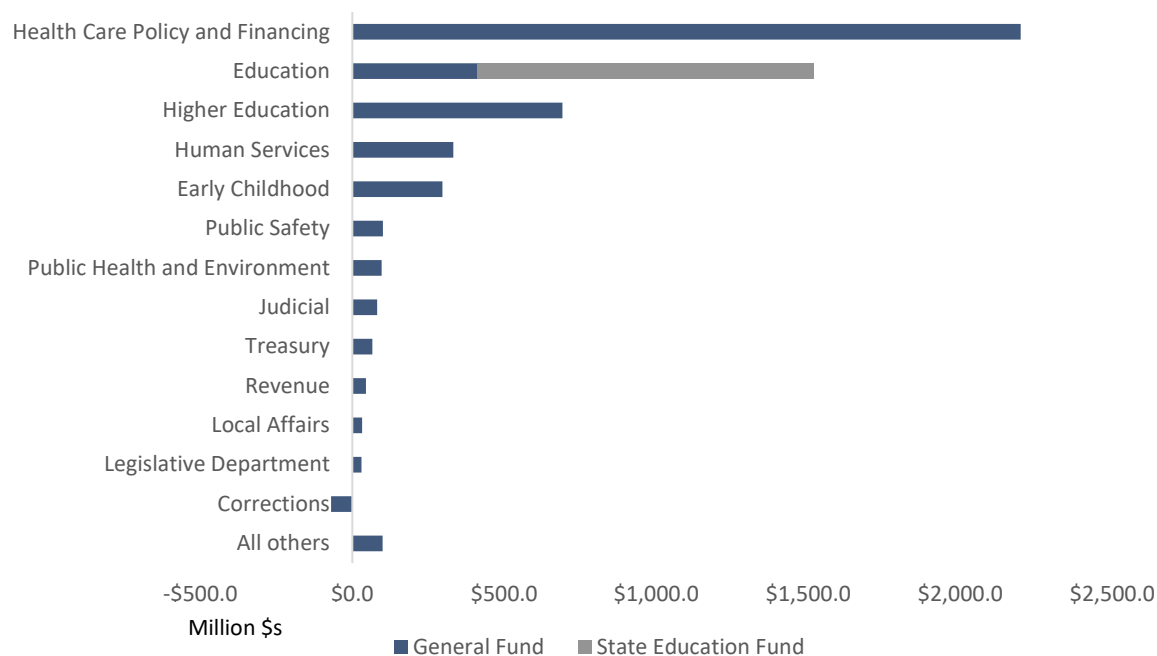
**One-time funds did not *directly* fuel all of this growth but may have *indirectly* fueled much of it.** It seems likely that the Governor, as well the JBC and legislative leadership, were taking the one-time nature of some of the state's General Fund, as well as federal funds, into account. As noted above, one-time General Fund outlays and receipts *both* totaled about \$2.8 billion during the relevant period. However, **ongoing General Fund-supported programs increased *in addition to* one time spending.**

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<sup>5</sup> As previously described, H.B. 24-1466 (Refinance Coronavirus Recovery Funds) reduced appropriations in FY 2023-24 and FY 2024-25 but only increased transfers from the General Fund FY 2024-25, distorting total FY 2024-25 outlays. The adjustment described here shifts \$1.018B of transfers from the General Fund into FY 2023-24, aligning the reduced appropriation in FY 2023-24 with increased transfers from the General Fund of the same amount. See appendix.

<sup>6</sup> Amounts are based on LCS figures, including the September 2025 forecast for FY 2024-25 CPI and the preliminary FY 2024-25 TABOR calculation in the December 2025 forecast.

Between FY 2018-19 and FY 2024-25 half of all growth in General Fund appropriations was in HCPF, but changes in other departments made a difference too



## Examples of Legislative Decisions with Ongoing and Increasing Out-year Implications

The following items are not a comprehensive list of decisions that contributed to ongoing program cost increases but represent select examples.

### Health Care Policy and Financing

Various changes have been implemented in the last few years that drive ongoing costs in the Department of Health Care Policy and Financing (HCPF). Because HCPF costs are so driven by caseload and utilization, as well as federal policy, the impacts of some of these changes over the long term can be difficult to project. The policy changes contribute to HCPF’s growth trajectory, although they are far from the sole driver.

- The JBC and General Assembly have approved numerous targeted rates increases for HCPF providers in recent years, mostly funded through the Long Bill.
  - In FY 2023-24 targeted provider rates increased the HCPF base by \$114.2 million General Fund.
  - In FY 2024-25, the targeted rate increase was \$125.3 million General Fund. Budget documents reflected an additional \$28.0 million to annualize prior year rate adjustments.
  - During its hearing, HCPF noted that long-term care services for Medicaid recipients had increased in cost by 44.0 percent from FY 2020-21 to FY 2023-24, from \$2.9 billion to \$4.1 billion. In response to JBC questions, the Department explained the factors driving long-term service and support costs between FY



2020-21 and FY 2024-25 as: 42.7% due to rate changes; 45.9% percent due to utilization; and 11.4% due to enrollment growth.

- H.B. 22-1289 (Cover all Coloradans) extended Medicaid to children and pregnant women who would be eligible for Medicaid but for their immigration status. This bill was adopted in 2022 but was scheduled to take effect in mid-FY 2024-25. The original fiscal note projected total costs of \$34.0 million, including \$15.0 million General Fund (45%). The Department's FY 2026-27 R4 request projected costs for affected children at \$53.4M General Fund in FY 2025-26, increasing to \$60.3M by FY 2027-28.
- H.B. 23-1228 (Nursing Facility Reimbursement Rate Setting) added \$62.3 million, including \$30.5 million General Fund, for nursing facility rates. The impact was expected to be ongoing.
- The JBC analyst for mental health and child welfare services has highlighted 14 recent bills affecting the Department of Health Care Policy and Financing that are estimated to add \$71.2 million in General Fund costs in FY 2025-26. In addition, she has identified four recent decision items adding \$11.8 million General Fund in Department costs in FY 2025-26. (See appendix.)

## Education

Some of the General Assembly's most ambitious program changes have been in K-12 education. The impact of these changes on the General Fund has not been immediately evident because of the large reserves accumulated in the State Education Fund. However, these changes are expected to put pressure on the General Fund going forward as State Education Fund reserves are depleted, since education costs not borne by the State Education Fund will be borne by the General Fund.

- Senate Bill 23-287 (School Finance) stepped down and then eliminated the Budget Stabilization Factor. In FY 2021-22, the BSF was still over \$500 million. It was eliminated effective FY 2024-25.
- House Bill 24-1448 (New School Finance Formula) established a new formula with higher costs and an extended roll-out.
- Property tax relief legislation shifted some increased costs that would have been borne by local governments to the state share of school finance instead.

As described in the FY 2025-26 School Finance budget briefing:

"Immediately after H.B. 24-1448 was passed, the General Assembly enacted significant property tax relief through S.B. 24-233 and H.B. 24B-1001. The property tax relief bills result in a higher state share of total program funding by shifting school finance costs from local property taxes to the state. The estimated cost of the state share of districts' total program funding for FY 2025-26 onward is substantially higher than was projected in OSPB's January 2024 revised request...The estimated cumulative cost of H.B. 24-1448, S.B. 24-233, and H.B. 24B-1001 on the state share from FY 2024-25 through FY 2028-29 is \$2.3 billion, as shown below."

### Legislative Impacts on State Share of Total Program (millions)

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Cumulative
H.B. 24-1448	\$0.0	\$95.0	\$190.0	\$285.0	\$380.0	\$950.0
Property tax legislation*	383.8	160.0	256.0	270.7	274.7	1,345.2
Total state share increase	\$383.8	\$255.0	\$446.0	\$555.7	\$654.7	\$2,295.2

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\*State share impact of S.B. 24-233 and H.B. 24B-1001 as estimated by fiscal notes through FY 2026-27, and by OSPB for later years.

## Higher Education

The JBC and General Assembly approved exceptionally large General Fund base increases for the higher education institutions in recent year Long Bills, including the following ongoing increases for institutions and financial aid.

- \$129.6 million in FY 2022-23 (11.4 percent);
- \$147.6 million in FY 2023-24 (11.5 percent); and
- \$139.4 million in FY 2024-25 (10.0 percent).

In FY 2018-19 higher education made up **8.8 percent** of state General Fund appropriations. By FY 2024-25, this percentage had increased to **10.7 percent** of General Fund appropriations.

## Human Services

The analyst for mental health and child welfare programs has highlighted 40 recent bills that added ongoing costs of \$80.5 million General Fund in the Department, including in the Behavioral Health Administration, as well as an FY 2024-25 decision item that added \$31.9 million General Fund.

## Common Policies – Personal Services & Provider Rates

Common policy has a large impact on statewide costs. Personal services policy has particularly large General Fund impacts in Corrections, Human Services, and the Judicial Department. Provider rate increases also have statewide impacts but particularly affect human services programs.

FY 2023-24

- The General Assembly added \$88.8 million General Fund statewide to fund a 5.0 percent salary survey base increase.
- It also added \$82.0M General Fund to the base for statewide community provider rates

FY 2024-25:

- Based on the WINS agreement, the General Assembly added salary survey increases driving \$56.6 million General Fund and a new step plan adding \$52.5 million General Fund, for a total of \$109.0 million General Fund.
- It also added \$72.7 million General Fund for a 2.0 percent statewide community provider rate increase.

## Conclusions and Considerations

Given the ever-increasing complexity of the State budget, assessing the role of one-time funds in the structural deficit is inherently difficult. The State is also not equipped to easily track and analyze the relevant data. However, based on the available information, JBC Staff offers a few thoughts and considerations.

- Where funds were clearly one-time in nature (e.g., federal ARPA funds that actually came at one time), JBC Staff's analysis indicates that the General Assembly largely managed to direct the money to one-time uses –

and made a few specific decisions to do otherwise for budget balancing. The General Assembly's creation of specific cash funds to house much of that money clarified where the funds were going, although the multiple cash funds added complexity.

- One-time revenue and expenditures in the General Fund are far harder to calculate and track, and this makes it more difficult for both legislators and staff to take one-time revenue into consideration.
  - The General Assembly took some steps to set-aside one-time General Fund post-pandemic. For example, although there was no formal mechanism for calculating the amount in the General Fund that should be considered one-time money, during the 2022 legislative session the General Assembly set-aside much of the large General Fund reserve for one-time uses. As documented in the ARPA appendices to the annual appropriations reports, nearly \$560 million of General Fund was transferred, mostly during the 2022 legislative session, for uses similar to the federal ARPA funds.
  - The money available from the enhanced FMAP in Medicaid was more complicated. This revenue simply reduced the General Fund that Medicaid would otherwise have required. The enhanced match was available for many years and freed up about \$2.1 billion in General Fund over a long period. There was no clear mechanism to track this specific “source” of General Fund. And there was a lot of budgetary pressure for ongoing uses of General Fund. The General Assembly did allocate funds for one-time purposes in a similar amount, but the one-time money muddled the overall General Fund picture.
- The State Education Fund situation has been similarly complex. The State did not specifically calculate how much in the SEF was “one time” after the pandemic and how much should be dedicated to ongoing versus one-time uses. The K-12 situation was also complicated by changes in assessed property taxes/local share and student enrollment. But the balance in the SEF is being spent down. Given the State's increasing costs and structural deficit, one-time SEF funds have bled into ongoing uses.

# Appendix

## General Fund Revenue and Expenditure Data - Actual (Million \$s)

	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25 (prelim)
<b>State Accounts</b>								
Beginning reserve	\$614	\$1,366	\$1,263	\$1,826	\$3,182	\$3,203	\$2,427	\$3,154
Gross GF revenue	11,724	12,565	12,868	14,310	17,698	17,998	17,251	17,181
Transfers to the GF	99	38	248	337	71	54	93	520
<b>Total GF available</b>	<b>12,437</b>	<b>13,969</b>	<b>14,379</b>	<b>16,473</b>	<b>20,951</b>	<b>21,255</b>	<b>19,772</b>	<b>20,855</b>
TABOR refund obligation	40	428	0	548	3,848	3,678	1,643	293
Obligations subject to reserve	10,431	11,231	11,868	10,979	12,031	13,308	13,819	15,622
All other GF obligations	745	1,198	910	1,800	1,949	2,041	1,411	2,658
<b>Total obligations</b>	<b>11,215</b>	<b>12,857</b>	<b>12,779</b>	<b>13,327</b>	<b>17,829</b>	<b>19,027</b>	<b>16,873</b>	<b>18,573</b>
Accounting adjustments	144	151	226	32	80	200	255	127
Ending reserve	1,366	1,263	1,826	3,178	3,202	2,427	3,154	2,408

### JBC Staff Adjustments to State Accounts Data Used for Charts

Revenue - Gross GF revenue (excluding transfers to GF) less TABOR refund obligation	<b>\$11,684</b>	<b>\$12,136</b>	<b>\$12,868</b>	<b>\$13,762</b>	<b>\$13,850</b>	<b>\$14,320</b>	<b>\$15,608</b>	<b>\$16,888</b>
Obligations - Total obligations less TABOR refund obligation less accounting adjustment	11,031	12,278	12,553	12,747	13,901	15,149	14,975	18,153
Additional obligation adjustment for H.B. 24-1466 timing							1,018	-1,018
<b>Revised Obligation Calculation</b>	<b>\$11,031</b>	<b>\$12,278</b>	<b>\$12,553</b>	<b>\$12,747</b>	<b>\$13,901</b>	<b>\$15,149</b>	<b>\$15,993</b>	<b>\$17,135</b>

State Accounts Source: Actual year data provided by State Controller to LCS and OSPB and reflected in LCS and OSPB forecasts

## Receipts from Enhanced FMAP by fiscal year of receipt

	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	Grand Total
CHP+	\$7,484,505	\$17,760,863	\$11,279,122	\$17,277,007	\$6,041,967	\$640,302	-\$1,873	\$60,481,893
Medicaid	243,941,663	565,142,885	391,950,887	470,971,493	303,138,853	12,897,195	895,046	1,988,938,022
Money Follows Person	139,561	53,723	230					193,513
<b>Total</b>	<b>251,565,729</b>	<b>582,957,471</b>	<b>403,230,239</b>	<b>488,248,500</b>	<b>309,180,820</b>	<b>13,537,497</b>	<b>893,173</b>	<b>2,049,613,428</b>

Source: Department of Health Care Policy and Financing, January 7, 2026

## Data from Mental Health/Child Welfare Analyst on Prior Year Bills and Decision Items with FY 2025-26 Impact

### Bills

Department	Bill	Program	FY 25-26 General Fund Impact	Notes
BHA	HB 22-1256	Civil commitment care coordination	\$1,150,000	
BHA	HB 24-1038	Youth room & board	5,901,200	
BHA	HB 24-1045	SUD provider application support	500,000	Request eliminates funding
BHA	HB 24-1045	SUD Contingency management grant	320,686	
BHA	SB 21-137	SUD recovery housing grant	4,002,512	
BHA	SB 21-137	Care coordination	1,751,331	
BHA	SB 21-137	Care coordination IT	773,935	
BHA	SB 21-137	Recovery residence certification	200,000	
BHA	SB 21-137	BH rural vouchers	50,000	
BHA	SB 24-001	IMatter	5,002,872	
DHS	HB 24-1406	Adoption assistance	4,632,795	
HCPF	18-1136	SUD inpatient and residential benefit	21,208,897	Estimate
HCPF	21-1085	Behavioral health secure transportation	461,008	Estimate
HCPF	24-1045	Behavioral health partial hospitalization	243,900	Estimate
HCPF	HB 22-1283	Youth psychiatric unit at Fort Logan	Not yet implemented	DHS expects to open a youth unit at Fort Logan in 2027 that should be Medicaid eligible, but isn't accounted for in HCPF budget
HCPF	HB 22-1303	Mental Health Transitional Living Homes	2,582,516	
HCPF	HB 24-1038	Assessments	3,750,000	
HCPF	HB 24-1038	Intensive care coord	2,664,000	
HCPF	HB 24-1038	CHRP expansion	1,480,139	
HCPF	SB 17-207 and HB 22-1214	Mobile crisis	585,000	Estimate, dept provided a combined impact for these bills that increased crisis services through DHS but did not assume increases for HCPF
HCPF	SB 19-195	High fidelity wraparound	3,300,000	Adjusted for budget requests that paused and reduced from original bill
HCPF	SB 22-156	Outpatient psychotherapy PAR prohibition	31,330,942	Request eliminates funding
HCPF	SB 22-231	Supportive housing benefit	900,000	Rough estimate
HCPF	SB 24-110	Antipsychotic drug PAR limit	974,301	
HCPF	SB 25-042	IMD waiver	1,713,811	Estimate
HUM	HB 21-1094	Foster youth in transition to adulthood	1,134,609	
HUM	HB 22-1283	Youth psychiatric unit at Fort Logan	5,410,793	Supports staffing contract, placements should be Medicaid eligible
HUM	HB 22-1303	Mental Health Transitional Living Homes	11,994,224	Supports contracts, some beds are Medicaid eligible and reflected in HCPF
HUM	HB 22-1303	Fort Logan forensic units	6,648,574	
HUM	HB 23-1249	Collaborative management incentives	1,165,039	

Department	Bill	Program	FY 25-26 General Fund Impact	Notes
HUM	HB 23-1307	DYS provider incentives	1,780,137	
HUM	HB 24-1038	Emergency residential treatment	8,969,594	
HUM	HB 24-1038	High acuity incentives	2,606,976	
HUM	HB 24-1038	Justice involved youth	770,000	
HUM	HB 24-1146	Juvenile detention	6,854,420	
HUM	HB 25-1271	Foster youth federal benefits	Not yet implemented	No fiscal impact in FY 25-26, \$1.4 million+ by FY 27-28
HUM	SB 23-082	Foster youth housing voucher	4,572,592	
HUM	SB 24-008	Kinship foster care	4,255,670	Actual county expenditures are higher than appropriation
<b>Total</b>			<b>\$151,642,473</b>	

### Prior Year Decision Items

Department	Prior Year Request	FY 25-26 General Fund Impact
DHS	FY 24-25 Private hospital competency contracts	\$31,941,301
DHS	FY 25-26 Adoption assistance	9,145,990
HCPF	FY 25-26 BA10 Youth SOC	6,639,000
HCPF	FY 23-24 R10 Complex youth	3,035,437
HCPF	25-26 R12 Integrated care	2,171,858
<b>Total</b>		<b>\$52,933,586</b>