Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Memorandum

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TO: Interim Committee Commission on Medicaid

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SUBJECT: Medicaid Legislation in Colorado (2022—2026)

Contents

Overview

This memorandum provides an overview of Medicaid-related legislation from Colorado's last five legislative sessions (2022 to 2026). During this period, the General Assembly introduced at least 87 Medicaid-related bills of which 16 bills were lost (18.4 percent). Between 2022 and 2024, approximately 90 percent of all Medicaid-related bills passed. The bill passage rate dropped to 76 percent in 2025 and 65 percent in 2026. Appendix 1 includes a complete list of these Medicaid bills organized by year introduced, chamber, bill number, and name.

Across this period, Medicaid-related legislation addressed six cross-cutting themes:

- Medicaid eligibility, enrollment, and coverage;
- Provider payments and workforce;
- Financing;

- Behavioral health and high-need populations;
- Utilization management and cost control; and
- Administrative modernization.

While these themes largely remained constant, the emphasis changed over time. In 2022 and 2023, bills emphasized Medicaid expansion, workforce stabilization, investment in the workforce, and continuity of coverage. In 2024, the focus of legislation shifted to systemic integration, telehealth, administrative streamlining, and access to care. By 2025, legislation pivoted to large-scale reforms in financing (i.e., the Colorado Healthcare Affordability and Sustainability Enterprise (CHASE) expansion), and systems for auditing and accountability emerged. Most recently, 2026 legislation addressed oversight and cost control.

Table 1 summarizes how key legislation from 2022 to 2026 aligned with the cross-cutting themes and how the legislature's focus within these themes evolved over time.

Table 1
Evolution of Key Medicaid Legislation from 2022 to 2026

Primary Themes	2022	2023	2024	2025	2026
Medicaid eligibility, enrollment, and coverage	**House Bill 22-1289** expands coverage to low-income pregnant people and children regardless of immigration status, expanding eligibility during the Public Health Emergency (PHE).	**House Bill 23-1300** requires HCPF to study the feasibility of extending continuous medical coverage for certain populations and to seek federal authorization to extend continuous eligibility coverage. **Senate Bill 23-182** maintains coverage during the PHE unwind.	**Senate Bill 24-116** allows hospitals to grant presumptive eligibility. **House Bill 24-1400** simplifies reenrollment verification, emphasizing continuity of coverage.	**House Bill 25-1162** streamlines reenrollment and simplifies the documentation process for assessing long-term care needs. It also requires automatic reenrollment pathways for stable-income populations. **Senate Bill 25-226** extends a program for complementary and integrative health for eligible members with certain mobility impairments.	**House Bill 26-1235** requires public reporting on eligibility outcomes and aligns rules for qualified noncitizens.
Provider payments and workforce	**House Bill 22-1333** creates statewide wage enhancement payments nursing facility employees. **House Bill 22-1268** requires a review of behavioral health rates, emphasizing workforce stabilization and recommendations on equitable payment models.	**Senate Bill 23-002** authorizes Medicaid payments for services provided by community health workers. **Senate Bill 23-288** advances doula workforce expansion.	**House Bill 24-1086** imposes contracting and reimbursement constraints for Denver Health.	**Senate Bill 25-084** sets dispensing fee rates to sustain market participation from pharmacies that prepare and dispense total parenteral nutrition.	**House Bill 26-1336** reimburses certain pharmacist-provided services. **House Bill 26-1177** eliminates nursing home wage supplements now that the statewide minimum wage exceeds $15 per hour.

Primary Themes	2022	2023	2024	2025	2026
Financing	**House Bill 22-1343** clarifies the allocation of Referendum C revenue affecting Medicaid funding.	Legislation did not directly address financing reforms or new financing mechanisms. Topics related to financing appeared within bills related to stabilizing coverage and setting reimbursement rates for nursing facilities (e.g., **House Bill 23-1228** includes language on fiscal stewardship).	**House Bill 24-1405** adjusts financing to the University of Colorado for fee-for-service contracts for health services during the phase-out of enhanced federal matching (PHE unwind).	**Senate Bill 25-228**, **Senate Bill 25-270**, and **Senate Bill 25-308** expand CHASE enterprise financing, create cash funds, and leverage federal matching for social needs services.	**House Bill 26-1367** extends authority related to enhanced federal match reconciliation. **House Bill 26-1377** exempts certain Medicaid expenditures from TABOR calculations.
Behavioral health and high-need populations	**Senate Bill 22-196** creates behavioral health diversion and data-sharing programs tied to criminal justice populations.	**Senate Bill 23-174** expands select mental health services for youth members under 21 years of age without a diagnosis. **House Bill 23-1200** ensures access to behavioral health services via out-of-network agreements.	**House Bill 24-1045** creates and expands substance use disorder programs and services. **House Bill 24-1038** requires the development of a system of care for children and youth in residential care who are less than 21 years of age and who have complex behavioral health needs.	**Senate Bill 25-042** strengthens the behavioral health crisis response system based on recommendations from the Legislative Oversight Committee Concerning the Treatment of Persons with Behavioral Health Disorders in the Criminal and Juvenile Justice Systems. **Senate Bill 25-294** requires the development of policies to transition Medicaid members in qualified residential treatment programs (QRTP) and psychiatric residential treatment facilities (PRTF) to the statewide managed care system.	**Senate Bill 26-188** transitions services provided in QRTP and PRTF to the managed care system for members in the care and custody of a county department of human or social services.

Primary Themes	2022	2023	2024	2025	2026
Utilization management and cost control	**Senate Bill 22-156** restricts prepaid inpatient health plans from retroactive payment recovery and prior authorization practices for outpatient psychotherapy services.	**House Bill 23-1183** creates step-therapy exemption processes and timelines.	**Senate Bill 24-110** specifies exemptions to the requirement that adults be prescribed antipsychotic prescription drugs on the preferred drug list.	**Senate Bill 25-314** imposes new requirements on vendors hired to conduct recovery audits. **House Bill 25-1033** conforms state Medicaid statutes to recent changes in federal law around third-party payer reimbursement.	**House Bill 26-1412** expands audit extrapolation authority. **House Bill 26-1426** strengthens fraud cost recovery to support investigation and enforcement.
Administrative modernization	**Senate Bill 22-235** redesigns the funding model for the administration of public and medical assistance. **House Bill 22-1380** funds the implementation of a new electronic benefits system.	Administrative improvements were embedded in legislation around broader reforms to coverage and access. For example, **Senate Bill 23-219** requires HCPF to guide facility schools on how to request and receive Medicaid funding for therapeutic services, in part through the development of an interagency resource guide.	**Senate Bill 24-168** expands the telehealth infrastructure and remote monitoring services. **House Bill 24-1146** allows for provider suspensions when HCPF identifies that the provider is participating in an alleged and ongoing organized crime or fraud scheme.	**House Bill 25-1213** modernizes billing and managed care processes. **House Bill 25-1003** aligns and consolidates waiver programs for children.	**Senate Bill 26-187** establishes the Commission on Medicaid to recommend policy changes for a sustainable Medicaid program. **House Bill 26-1429** creates a new public benefits delivery model and a centralized member integrity service to investigate fraud.

Source: Legislative Council Staff. These bills are described below.

The following sections summarize all annual Medicaid-related legislation and emerging legislative issue areas from 2026 back to 2022.

Summary of Legislation from 2026

The Medicaid legislation introduced by the General Assembly in 2026 included:

- governance and stewardship;
- funding and federal match optimization;
- program integrity, audits, and fraud investigation;
- managed care expansion and service delivery reforms;
- provider scope, workforce, and payments; and
- coverage and benefits.

Across these categories, primary themes include managing fiscal risk, reflecting an increase in costs and the end of enhanced federal funding. Compared to legislation from prior years, legislation in 2026 pivoted to cost control, audits, and enforcement.

Of the 20 Medicaid-related bills introduced in 2026, seven bills were postponed indefinitely or deemed lost. Most of the bills lost related to Medicaid coverage.

Governance and Stewardship

Senate Bill 26-187 establishes the Commission on Medicaid to identify, consider, evaluate, and recommend policy changes to implement a sustainable Medicaid program. It may meet up to 12 times between May 13, 2026, and December 11, 2026 to engage and collaborate with representatives of state agencies, community-based Medicaid specialists, national experts, Medicaid members, health care providers, and other stakeholders.

House Bill 26-1429 requires the Departments of Health Care Policy and Financing (HCPF), Human Services (CDHS), and Early Childhood (CDEC) to create a new public benefits delivery model and to create a centralized member integrity service to investigate fraud. The public benefits impacted include: Medicaid, Children's Basic Health Plan (CHP+), Supplemental Nutrition Assistance Program (SNAP), child care assistance program, Temporary Assistance for Needy Families (TANF), and adult financial programs.

House Bill 26-1235 expands Medicaid reporting on nonemergency medical transportation (NEMT) performance, adds safeguards and stakeholder input requirements for outpatient therapy payment changes, and mandates public reporting on eligibility and enrollment outcomes. The bill implements federal requirements and aligns eligibility rules for qualified

noncitizens. It also expands reimbursement for medication-assisted treatment in jails, requires financial reporting from home- and community-based service providers, and makes statutory updates to improve program administration.

Federal Match Optimization and Funding

The Family First Coronavirus Response Act (Senate Bill 21-213) allowed the state to use a temporary increase in federal matching funds for Medicaid to reduce General Fund obligations, rather than having the benefit accrue to cash funds or to providers submitting a certification of public expenditures for serving medically indigent patients. House Bill 26-1367 clarifies this authority and allows that HCPF's authority to certify public expenditures continues into the future for payment reconciliations when the enhanced federal matching rate was in effect.

House Bill 26-1377 specifies that federal or state funds expended by HCPF and received by CDHS, regardless of whether these funds pass through a managed care entity (MCE), are excluded from the calculation of state fiscal year spending for the purposes of Taxpayer's Bill of Rights (TABOR).

House Bill 26-1432 reorganizes how HCPF distributes incentive payments to hospitals by ending the Hospital Transformation Program and modifying the Hospital Quality Incentive Payment Program. The CHASE board must approve rules for the distribution of incentive payments. The bill also modifies processes for setting and modifying hospital quality metrics to prioritize stability, federal alignment, and reducing administrative overhead.

House Bill 26-1327 was postponed indefinitely, but would have created the Large Employer Health-Care Support Enterprise in HCPF to collect fees from large employers with employees who qualify for, and are enrolled in, the state's Medicaid program.

Program Integrity, Audits, and Fraud Investigation

When auditing claims from pediatric behavioral therapy or NEMT providers for services provided between January 1, 2022 and December 31, 2023, House Bill 26-1412 specifies that HCPF may find the statistical error rate for the audited claims, apply it to all claims made by that provider during the time period, and correct for under- or over-payments based on this average. If a provider's incorrectly billed claims exceed 10 percent, HCPF may apply the statistical error rate to claims submitted after the audit's time period until December 31, 2025. The bill also establishes procedures for notification requirements, appeals, and a review by the State Auditor.

House Bill 26-1426 modifies allowable cost recoveries in Medicaid fraud enforcement actions to include a detailed list of legal costs, such that the Department of Law (DOL) may recover more

money than under current law. After proceeds from recoveries are distributed to refund the federal and state government, they are then sent to the General Fund, where up to 20 percent of the amount may be deposited into the new False Medicaid Claims Recovery Fund to support fraud investigation and enforcement.

House Bill 26-1429, as previously mentioned, requires HCPF, CDHS, and CDEC to create a centralized member integrity service to investigate fraud.

Managed Care Expansion and Service Delivery Reforms

Senate Bill 26-188 requires HCPF to initiate the transition of services currently provided under Qualified Residential Treatment Programs and Psychiatric Residential Treatment Facilities into the managed care system for Medicaid members who are in the care and custody of a county department of human or social services. The bill creates a steering committee, effective July 1, 2026, to support this transition and subjects HCPF to reporting requirements.

House Bill 26-1328 reclassifies and creates a new oversight structure for NEMT under Medicaid. Additionally, the bill involves changes to NEMT service classification, the transportation broker contract phase-in, HCPF rulemaking, eligibility verification, and claims denials. HCPF's transportation broker must establish the Transportation Community Advisory Board to assist HCPF in disseminating rules for oversight of NEMT services.

Senate Bill 26-063 was deemed lost but would have required a transportation broker participating in the state's Medicaid program to contract with at least five transportation providers to deliver NEMT services. These transportation providers would have to meet specified experience, operational, and safety requirements. The bill would also have required transportation brokers to manage scheduling and billing, maintain records, and conduct annual performance reviews of providers.

Provider Payments and Workforce

House Bill 26-1336 requires insurance coverage of certain pharmacy services, expands pharmacists' prescriptive authority, and authorizes delegation of final product verification tasks. The bill authorizes reimbursement under the state's Medicaid program for pharmacist-provided services that are within the pharmacist's scope of practice and are not duplicative of other pharmacist services or programs reimbursed by Medicaid.

House Bill 26-1425 requires the Department of Regulatory Agencies (DORA) to license applied behavior analysis (ABA) practitioners and CDHS to license ABA clinics. HCPF is subject to reimbursement requirements for ABA services.

HCPF was required to make wage enhancement supplemental payments to eligible nursing home providers until the statewide minimum wage exceeded $15 per hour. As of January 1, 2026, the statewide minimum wage is $15.16 per hour. House Bill 26-1177 prohibits HCPF from making these supplemental payments to nursing home providers, even if the services were provided prior to January 2026.

Coverage and Benefits

The following five bills around Medicaid coverage and benefits were postponed indefinitely or deemed lost.

House Bill 26-1122 would have required Medicaid and all health benefit plans in the state to provide coverage for hormone replacement therapy, as prescribed by licensed physicians, for women who are experiencing menopause or perimenopause.

House Bill 26-1018 would have required an individual being discharged from a nursing facility to be presumptively eligible for long-term services and supports under Medicaid. Additionally, it would have required HCPF to engage a formal stakeholder process to evaluate data regarding individuals transitioning out of nursing facilities and into home- and community-based settings.

House Bill 26-1096 would have prohibited HCPF from denying Medicaid clients the ability to enter into direct primary care (DPC) agreements. Providers entering DPC agreements with Medicaid clients would have been required to enroll in Medicaid as Ordering, Prescribing, or Referring providers and would be subject to disclosure and data reporting requirements.

Of the two bills proposing coverage rollbacks, House Bill 26-1087 would have prohibited providing certain gender affirming care services to minors and further specified that no state or federal funds may be used on these services. House Bill 26-1365 would have repealed Medicaid coverage for therapy with a horse and reduced HCPF's appropriation accordingly.

Summary of Medicaid Legislation from 2025

Medicaid legislation introduced by the General Assembly in 2025 and the 2025 extraordinary session addressed:

- financing and enterprise expansion;
- service coverage;
- provider payments and workforce stabilization;
- behavioral health systems;
- program audits and accountability;

- the 340B Drug Pricing Program;
- eligibility and administrative simplification; and
- Medicaid waiver design.

Across these categories, legislation restructured and expanded Medicaid to preserve services and stabilize financing. Compared to legislation from prior years, legislation in 2025 shifted towards large-scale financing reforms and enterprise expansion, particularly through CHASE.

The legislature introduced the most bills in 2025. Of the 21 Medicaid-related bills introduced, five bills were postponed indefinitely or deemed lost. The lost bills primarily addressed service coverage and continuity of care.

Financing and Enterprise Expansion

In 2025, HCPF operated two Medicaid buy-in programs. Senate Bill 25-228 shifts this revenue into the existing CHASE, thus making it exempt from TABOR. This bill creates a new cash fund under CHASE, called the Healthcare Affordability and Sustainability (HAS) Medicaid Buy-in Cash Fund, and creates the Medicaid Buy-in Enterprise Support Board.

Senate Bill 25-308 creates two cash funds to allow HCPF to implement federally matched Medicaid coverage of health-related social need and reentry services, and to reinvest the state savings in the Department of Corrections, the Department of Local Affairs, and CDHS. The bill also requires HCPF to develop a workforce of peer support professionals to comply with federal waiver requirements.

Senate Bill 25-270 eliminates fees paid by nursing facility providers and intermediate care facilities to the state. It shifts fee collection for nursing facilities to the CHASE, thus exempting fee revenue from TABOR. The bill creates two new cash funds for the fees: the HAS Nursing Facility Provider Fee Cash Fund and the HAS Intermediate Care Facility Fee Cash Fund. In return for paying fees, facilities will receive support from CHASE through matching federal funds on fees, including sustained or increased reimbursement rates and supplemental Medicaid payments.

Senate Bill 25B-002 requires HCPF to use state-only funds to reimburse entities that are prohibited from receiving federal reimbursement (i.e., Planned Parenthood) from the Centers for Medicare and Medicaid Services under H.R.1. These reimbursements apply only to services covered under Title XIX of the federal Social Security Act provided on or after July 1, 2025, and only when the claim is not eligible for federal reimbursement.

Service Coverage

Senate Bill 25B-002, previously mentioned above, provides for state-only reimbursement where a federal match is barred.

Amendment 79, passed in the 2024 general election, made abortion a constitutional right in Colorado. The amendment also repealed a Colorado constitutional prohibition on the use of public funds for abortion care services. Senate Bill 25-183 makes conforming changes to state law, thus codifying that public employers are required to provide this coverage. Additionally, the bill includes abortion care services as a covered benefit under Medicaid and CHP+, and it requires that all services be reimbursed with state funds only. Similar to federally funded services, the bill gives HCPF over-expenditure authority for state-funded abortion care services.

Of the four bills in this area that were postponed indefinitely, Senate Bill 25B-007 would have repealed state-subsidized health care coverage for undocumented immigrants and prohibited HCPF from reimbursing providers for services rendered to this population. House Bill 25B-1010 would have required state agencies to provide guidance to health care providers and facilities on prioritizing the continuity of care for disproportionately impacted communities. Senate Bill 25-121 would have required HCPF to reimburse health care facilities that provide vagus nerve stimulation therapy to certain members. House Bill 25B-1015 would have repealed several state-subsidized health care coverage programs for undocumented immigrants and state-funded abortion and gender-affirming care services. It also would have prohibited HCPF from reimbursing providers that deliver medical services to undocumented immigrants, or deliver abortion or gender-affirming care services.,

Provider Payments and Workforce Stabilization

HCPF's Complementary and Alternative Medicine Program offered chiropractic care, massage therapy, and acupuncture to Home and Community-Based Service-eligible members over the age of 18 years who are living with a spinal cord injury, multiple sclerosis, brain injury, spina bifida, muscular dystrophy, or cerebral palsy with the inability for independent ambulation. Senate Bill 25-226 codifies the program's name as the Complementary and Integrative Health Program and extends the repeal date to September 1, 2030.

Senate Bill 25-084 requires HCPF to establish Medicaid dispensing fee rates that encourage an adequate level of market participation from infusion pharmacies that prepare and dispense total parenteral nutrition. In the program's first year, dispensing fee rates are capped at 30 percent of the pharmacy's administrative cost to prepare and dispense total parenteral nutrition. By

November 1, 2026 and each year thereafter, HCPF must report data to the General Assembly, including the number of new infusion pharmacies participating in the state Medicaid program.

Senate Bill 25-229 delays implementation of Senate Bill 23-002, which requires HCPF to cover services provided by community health workers, to January 1, 2026. Community health workers are defined as liaisons between health care or social service providers who are credentialed by the Department of Public Health and Environment (CDPHE).

Behavioral Health Systems

Senate Bill 25-042 enacts recommendations from the Legislative Oversight Committee Concerning the Treatment of Persons with Behavioral Health Disorders in the Criminal and Juvenile Justice Systems (e.g., form a behavioral health stakeholder group to identify existing resources and model programs to address the behavioral health crises). The bill also requires HCPF to report on reimbursement gaps within the Behavioral Health Crisis Response System and funding options to address the gaps. It codifies a budget request to reimburse institutes of mental health disease for up to 60 days of mental health care and treatment services per Medicaid member, as long as the average length of stay is no more than 30 days per year. Lastly, the bill requires a facility to discharge a person on an emergency mental health hold only if they no longer meet the criteria for the hold.

Senate Bill 25-294 requires HCPF, in collaboration with CDHS, the Behavioral Health Administration, and relevant stakeholders, to develop policies to transition qualified residential treatment programs and psychiatric residential treatment facilities to the statewide managed care system for Medicaid members who are in the care and custody of a county department of human or social services.

Program Audits and Accountability

Senate Bill 25-314 places requirements on vendors hired by HCPF to conduct recovery audits as well as the audits they conduct (e.g., contracting requirements, disclosure requirements, audit limitations, review requirements).

House Bill 25-1033 mandates third-party payers to reimburse HCPF for health care items and services provided to Medicaid members regardless of any prior authorization requirements they impose. The bill also requires third-party payers to respond within 60 days with payment or written denial to claims issued by HCPF.

House Bill 25-1213 makes updates to Medicaid on billing and HCPF's relationship with managed care organizations. The bill also requires HCPF and CHASE to seek federal authorization to fund and implement a State Directed Payment program.

340B Drug Pricing Program

The federal 340B Drug Pricing Program requires drug manufacturers participating in Medicaid to provide outpatient drugs to covered entities at a discount. The legislature adopted Senate Bill 25-071, prohibiting pharmaceutical manufacturers and other related entities from imposing limitations or restrictions on covered hospitals, contract pharmacies, federally qualified health centers, or other facilities. The bill adds reporting requirements for covered hospitals, and it prohibits the use of 340B savings for certain expenses (e.g., administrative compensation, penalties and fines, advertising, lobbying).

An additional bill, Senate Bill 25-124, was deemed lost. This bill would similarly have prohibited certain nonprofit hospitals from using 340B savings for specific expenses (e.g., administrative compensation, penalties and fines, advertising, lobbying). Manufacturers or providers of 340B drugs would have been required to not limit the provision of 340B drugs to community hospitals and critical access hospitals.

Eligibility and Administrative Simplification

House Bill 25-1162 requires HCPF to streamline Medicaid reenrollment for individuals with stable incomes and to simplify the medical documentation process for assessing long-term care needs. By July 1, 2028, HCPF must seek federal authorization to allow automatic Medicaid reenrollment for members whose income consists only of Social Security or other stable sources. In consultation with Medicaid members and advocacy groups, HCPF is required to define what qualifies as stable income or assets. If a member's income or assets remain unchanged since their initial verification, reenrollment will not require additional verification or checks against federal data sources.

Medicaid Waiver Design

House Bill 25-1003 revises state statute to align with HCPF's merger of two existing Medicaid waiver programs for children – the Children's Home and Community-Based Services waiver and the Children with Life-Limiting Illness waiver – into the Children with Complex Health Needs waiver program. The new program includes respite care, palliative care, and bereavement services for children who:

- are under 19 years old;

- meet the income requirements of the Home and Community-Based Services waivers; and
- have a life-limiting illness or qualify for nursing facility or hospital level of care.

Summary of Medicaid Legislation from 2024

Medicaid legislation introduced by the General Assembly in 2024 addressed:

- eligibility, enrollment, and continuity of coverage;
- financing adjustments and the public health emergency unwind;
- provider payments and contracting;
- mental health, behavioral health, and substance use disorder;
- fraud investigation;
- telehealth and digital health; and
- coverage mandates.

Across these categories, bills focused on streamlining services and integrating systems as the state transitioned out of the public health emergency. Of the 14 Medicaid-related bills introduced in 2024, one bill was deemed lost. The bill would have required insurance plans to cover lifestyle therapy, bariatric surgery, and anti-obesity medication for the treatment of chronic obesity and prediabetes.

Eligibility, Enrollment, and Continuity of Coverage

Certain populations (e.g., people under 19 years, people who qualify for the Breast and Cervical Cancer Program) are deemed presumptively eligible for Medicaid or CHP+ and may receive services immediately while their applications are processed. HCPF and Denver Health were the only institutions that could make a presumptive eligibility determination before Senate Bill 24-116. This bill allows hospitals to make these determinations and updates the requirements for indigent patients receiving health care discounts on services not reimbursed through the Colorado Indigent Care Program.

Similarly, House Bill 24-1229 changes the requirements for people in need of long-term care to become presumptively eligible for Medicaid by removing the requirement for a level of care assessment and allowing HCPF to collect any information required for federal authorization.

House Bill 24-1400 authorizes HCPF to seek federal authorization to not require additional verification during a Medicaid member's eligibility reenrollment process if information about the member's income or assets is not verified through a federally approved electronic data source.

Additionally, Senate Bill 24-093 deems that if a person is disenrolled from their health plan and starts receiving coverage from a new carrier for an existing course of treatment that meets select criteria, the new carrier must cover the treatment as an in-network benefit for up to 90 days.

Finally, Senate Bill 24-176 aligns terminology to "member" when referring to an individual who is enrolled in Medicaid. Prior law referred to a "recipient," "client," or "member" interchangeably when referring to an individual who is enrolled in the state's Medicaid program.

Financing Adjustments from the Public Health Emergency Unwind

Pursuant to the aforementioned "Families First Coronavirus Response Act," appropriations to the University of Colorado for fee-for-service contracts for health services were reduced by the amount of additional Medicaid reimbursements and payments received by the state through December 31, 2024. House Bill 24-1405 continues this provision until December 31, 2026. As additional Medicaid payments are phased out, the General Fund appropriation to the University of Colorado for fee-for-service contracts will be increased.

Provider Payments and Contracting

House Bill 24-1086 places requirements on HCPF's contract with Denver Health and Hospital Authority (Denver Health) for physical health services. As long as Denver Health meets HCPF's criteria (e.g., not reimbursing contracted Medicaid providers more than the Medicaid fee-for-service rates), HCPF must continue contracting with Denver Health until June 30, 2032.

Mental Health, Behavioral Health, and Substance Use Disorder

Senate Bill 24-110 prohibits HCPF from requiring an adult to be prescribed an antipsychotic prescription drug that is included on the preferred drug list and used to treat a mental health disorder or mental health condition in certain situations (e.g., the adult is stable on a drug that is not included on the preferred drug list).

House Bill 24-1045 expands substance use disorder treatment and recovery services by increasing support for behavioral health diversion programs, creating the Contingency Management Grant Program, expanding the Colorado Child Abuse Prevention Trust Fund, and strengthening the behavioral health safety net workforce. It also requires HCPF to provide Medicaid-covered reentry services for individuals leaving correctional facilities and seek federal approval for partial hospitalization services for substance use disorder.

House Bill 24-1038 directs HCPF, BHA, and CDHS to create a system of care for certain youth populations, including youth covered by Medicaid and youth who are in, or are at risk of being

placed in, out-of-home care placements. The bill also requires HCPF to seek federal approval to expand the Children's Habilitation Residential Program waiver and to evaluate reimbursement rates for psychiatric residential treatment facilities. Finally, the bill strengthens residential treatment capacity through provider training, performance standards, and expansion of the Emergency Residential Treatment Program.

Fraud Investigation

House Bill 24-1146 allows HCPF to suspend a provider when the department identifies that the provider is participating in an alleged and ongoing organized crime or fraud scheme. The initial suspension period is up to six months while HCPF conducts a review of the crime or fraud scheme, and it may be extended by additional six-month increments. HCPF must reinstate a provider's enrollment where it determines no crime or fraud scheme occurred.

Telehealth and Digital Health

Senate Bill 24-168 increases access to telehealth and remote monitoring services by expanding patient eligibility for remote patient monitoring services. It requires HCPF to reimburse outpatient facilities for service costs provided to Medicaid members and creates a telehealth remote monitoring grant program through HCPF.

Coverage Mandates

House Bill 24-1322 requires HCPF to study the possibility of covering housing and nutrition services under Medicaid and to seek federal approval to provide these services should they have a neutral impact on the state General Fund. The study must address several issues, including costs and funding mechanisms, and how the services will be integrated with existing state housing and nutrition services.

Senate Bill 24-054 was deemed lost but would have required insurance plans to cover lifestyle therapy, bariatric surgery, and anti-obesity medication for the treatment of chronic obesity and prediabetes. The bill would have required these treatments under Medicaid to be provided within existing appropriations.

Summary of Medicaid Legislation from 2023

Medicaid legislation introduced by the General Assembly in 2023 addressed:

- continuity of coverage;
- pharmaceutical benefit design and utilization management;

- behavioral health access and managed care;
- long-term services and supports, including home- and community-based care;
- workforce scope and expansion;
- consumer protection and transparency; and
- school-based services.

Across these categories, the focus shifted toward stabilizing coverage and improving access, particularly in response to the end of the public health emergency. Legislation emphasized extending continuous coverage; improving access to behavioral health services; and reducing barriers to care, like prior authorization and copays.

Of the 18 Medicaid-related bills introduced in 2023, two bills were deemed lost. The bills would have expanded access to behavioral health services for selected Medicaid members under 21 years of age and removed utilization controls for prescription drugs used to treat serious mental health disorders.

Continuity of Coverage

House Bill 23-1300 requires HCPF to study the feasibility of extending continuous medical coverage and to submit a report detailing its findings and recommendations. HCPF must also seek federal authorization to extend continuous eligibility coverage for children under three years of age and to extend coverage for 12 months for adults who have been release from a Colorado Department of Corrections facility.

Senate Bill 23-182 temporarily suspends various statutory requirements related to enrollment and cost sharing for Medicaid and other state health programs in line with federal law. These changes are a condition of receiving federal funds through the federal Families First Coronavirus Response Act, which requires states to maintain continuous coverage for clients and provide certain services during specified wind-down periods following the end of the federal public health emergency.

Pharmaceutical Benefit Design and Utilization Management

Senate Bill 23-222 removes the requirement for Medicaid patients to pay a copayment for pharmacy and outpatient services.

House Bill 23-1183 requires HCPF to review applications to exempt prescriptions for serious or complex medical conditions from any requirement to try an alternative drug (step-therapy requirement) if the prescribing provider makes certain attestations. The bill outlines timeframes

for responses and requires HCPF to establish an appeals process with information made available online.

House Bill 23-1130 changes step therapy requirements for prescription drugs treating serious mental illness and prohibits state-regulated insurance plans from requiring more than one alternative drug trial as part of a step therapy protocol before covering a drug prescribed by a provider to treat serious mental illness. Additionally, HCPF must review a newly U.S. Food and Drug Administration-approved drug for a serious mental illness within 90 days for coverage of the drug under Medicaid.

Senate Bill 23-033 was deemed lost but would have prohibited HCPF from requiring prior authorization, fail first, or step-therapy requirements for any prescription drug indicated to treat a serious mental health disorder. The bill would have applied to drugs provided under a contract between HCPF and a health maintenance organization.

Behavioral Health Access and Managed Care

Senate Bill 23-174 requires select mental health to be covered for Medicaid members under 21 years of age without requiring a diagnosis. The services must be provided through the managed care system and the School Health Services Program. The Senate Health and Human Services Committee postponed indefinitely a similar bill, Senate Bill 23-091, that would have limited coverage of select mental health services without requiring a diagnosis for Medicaid members under 21 years of age to those members who had certain mental health risk factors.

HCPF provides behavioral health services for Medicaid members by contracting with regional MCEs. The MCE receives a set monthly rate for each Medicaid member who resides in its region, builds an adequate network of providers, and reimburses in-network providers. House Bill 23-1200 requires MCEs to enter into single-case agreements with out-of-network providers when the MCE cannot provide a specific member with behavioral health services required under the MCE's contract with HCPF.

Long-Term Services and Supports, Including Home- and Community-Based Care

House Bill 23-1228 adjusts the supplemental Medicaid payment rates a qualifying nursing facility receives. The bill requires HCPF to engage with stakeholders, define nursing home reimbursement, and submit annual reports to the Joint Budget Committee (JBC).

Senate Bill 23-289 requires HCPF to seek federal authorization through an amendment to the state medical assistance plan to create the Community First Choice (CFC) option under the state Medicaid program. It moves several services provided under the Home and Community-Based

Services waiver program to the new CFC option and requires that Medicaid ensure continuity of support for eligible individuals previously receiving services. Additionally, the bill requires the state plan amendment to include personal care services, home health services, health maintenance activities, personal emergency response systems, and voluntary training.

Workforce Scope and Expansion

Senate Bill 23-002 requires HCPF to seek federal approval to pay for services provided by community health workers under Medicaid and to begin implementing this coverage once approval is received. At a minimum, services provided by community health workers must include preventive services, screening, assessments, and individual support and health advocacy. HCPF must determine the qualifications for an individual to qualify for state reimbursement for community health worker services through stakeholder and federal approval processes.

Senate Bill 23-162 authorizes supervising pharmacists to delegate certain testing and technical tasks to pharmacy technicians. It modifies supervision requirements and allows pharmacists enrolled in the Vaccines for Children Program to receive reimbursement for vaccinating children under 19 years old through Medicaid.

Senate Bill 23-288 requires HCPF to initiate a stakeholder process to promote the expansion and utilization of doula services for pregnant and postpartum Medicaid recipients. Additionally, HCPF must seek federal authorization for Medicaid providers to provide doula services and create a doula scholarship program. DOI must contract with an independent entity to study potential healthcare costs and benefits or providing coverage for doula services and submit a report to the General Assembly during its SMART Act hearing.

Senate Bill 23-223 alters the timeline for the Medicaid Provider Rate Review Advisory Committee report and makes conforming changes.

Consumer Protection and Transparency

House Bill 23-1215 prohibits certain health care providers from charging a facility fee that is not covered by a patient's insurance for preventative services provided in an outpatient setting. Providers must disclose information about facility fees to consumers and post this information in their facilities. Failure to comply is a deceptive trade practice. HCPF must form a steering committee to produce a one-time report by October 1, 2024, that details the impact of facilities fees using data (including Medicaid expansion data) from the past ten years.

Senate Bill 23-176 prohibits Medicaid and health insurance plans from using body mass index, ideal body weight, or any achieved weight standard to determine medical need or the level of

care for individuals with certain types of disordered eating. The bill prohibits retail establishments from selling over-the-counter diet pills to individuals under 18 years old without prescriptions, with rules to be created by DORA and failure to comply constituting a deceptive trade practice.

School-Based Services

Senate Bill 23-219 makes changes related to the regulation and funding of facility schools, and modifies the duties of the Office of Facility Schools in the Colorado Department of Education (CDE). With regards to Medicaid, the bill adds additional duties to the existing facility school working group, including consulting with HCPF to provide guidance to facility schools on requesting and receiving Medicaid funding for therapeutic services and recommending changes to the method for calculating facility school tuition costs.

Summary of Medicaid Legislation from 2022

Medicaid legislation introduced by the General Assembly in 2022 addressed:

- workforce stabilization and provider payments;
- expansion of eligibility;
- administrative infrastructure and modernization of systems;
- prior authorization;
- benefits and covered services;
- behavioral health and criminal justice; and
- fiscal governance.

With the COVID-19 pandemic and public health emergency in effect, the General Assembly introduced Medicaid legislation to stabilize the provider workforce, expand eligibility, and modernize administrative systems.

Of the 14 Medicaid-related bills introduced in 2022, one bill was deemed lost. The bill would have made certain survivors of torture eligible for medical assistance without federal financial participation.

Workforce Stabilization and Provider Payments

House Bill 22-1333 allows wage enhancement supplemental payments to be made by HCPF to facilities statewide for the purpose of increasing the minimum wage for facility employees up to $15 per hour. It also requires the establishment of a process, by rule, to provide these payments

that are only in effect if the statewide minimum wage is less than $15 per hour. (See House Bill 26-1177 above for current information).

House Bill 22-1268 requires HCPF to submit a report to the legislature regarding Medicaid reimbursement rates for independent mental health and substance abuse treatment providers. HCPF must contract with an independent auditor to prepare the report and make recommendations. To facilitate cost reporting, HCPF must establish a publicly available cost reporting template and schedule to assist providers in collecting the required information.

Previous law required HCPF to establish a schedule for reviewing Medicaid provider rates so that each provider rate is reviewed at least every five years. HCPF was required to provide the schedule to the JBC. Senate Bill 22-236 requires HCPF to develop a three-year review schedule and provide the schedule to both the Medicaid Provider Rate Review Advisory Committee (MMPRAC) and the JBC. The JBC and the MMPRAC may also request out-of-cycle reviews. In addition, the MMPRAC is reduced from 24 members to 7 members.

Expansion of Eligibility

Senate Bill 22-052 aligns state income eligibility requirements with federal law for children and pregnant women under the CHP+ and Medicaid programs.

House Bill 22-1289 expands Medicaid and CHP+ coverage to low-income pregnant people and children, regardless of immigration status; requires the Insurance Commissioner to improve the quality of health insurance coverage through the Health Insurance Affordability Enterprise; and extends a survey of birthing parents indefinitely, among other requirements.

House Bill 22-1094 was deemed lost but would have provided Medicaid coverage to torture survivors living in Colorado regardless of immigration status and without federal funding, unless federal funding became available.

Administrative Infrastructure and Modernization of Systems

Senate Bill 22-235 requires the development and implementation of a funding model for the administration of public and medical assistance. Among its Medicaid-related provisions, the bill requires CDHS and HCPF to evaluate county workloads, staffing needs, and administrative costs. The bill also mandates ongoing assessments and updates to improve program administration. The JBC must use the model when determining county administration funding.

Program management systems that counties use to manage certain benefits and services for programs (e.g., SNAP, Medicaid) were not standardized across the state. House Bill 22-1380

requires and funds implementation of a new electronic benefit management system in CDHS, as well as programming updates for other electronic benefit systems.

Prior Authorization

Senate Bill 22-156 prohibits a prepaid inpatient health plan from requiring prior authorization for outpatient psychotherapy services and from retroactively recovering provider payments in certain circumstances. The bill also requires health plan to develop payment plans, if requested by the provider.

House Bill 22-1290 prohibits HCPF from requiring prior authorization for any repair of complex rehabilitation technology (CRT). The bill requires the Medical Services Board to engage in a stakeholder process and share rules establishing repair metrics. HCPF must report on these metrics and reimburse labor costs for CRT repairs at a rate that is 25 percent higher for clients residing in rural areas than urban areas. In addition, HCPF may assess fines on suppliers for violations of repair metric rules beginning October 1, 2026.

Benefits and Covered Services

House Bill 22-1114 authorizes a transportation network company to provide non-medical transportation services to persons enrolled in certain Medicaid waiver programs, subject to federal approval and state oversight. It requires HCPF to identify ways to incentivize and increase transportation provider participation and to analyze each operational transportation network company's (TNC) ability to ensure health, safety, welfare, cost effectiveness, and capability.

Subject to federal authorization and federal financial participation, House Bill 22-1068 makes Medicaid reimbursement available for therapy using equine movement when provided by a physical therapist, occupational therapist, or speech-language pathologist.

Behavioral Health and Criminal Justice

Senate Bill 22-196 creates the Early Intervention, Deflection, and Redirection from the Criminal Justice System Grant Program in CDHS to support community responses to behavioral health crises and mitigate individuals' involvement in the criminal justice system related to behavioral health needs. The bill creates the Behavioral Health Information and Data-Sharing Program in the Department of Public Safety (DPS) to enable counties to integrate their jail data system to exchange behavioral health information with the Colorado Integrated Criminal Justice Information System. HCPF must evaluate whether the state should seek additional federal

authority to provide services through the federal Medical Assistance Program to individuals immediately prior to release from a correctional facility. Community corrections programs in DPS must partner with a county department of human or social services to facilitate enrolling offenders into Medicaid.

Fiscal Governance

House Bill 22-1343 clarifies how revenue retained under Referendum C is allocated when actual revenues differ from projected amounts and appropriations that were prospectively made from the General Fund Exempt Account. In cases when the amount retained exceeds appropriations, the bill clarifies that the amount retained in excess of appropriations is spent in equal parts for Medicaid and the state share of K-12 education. This spending does not change the amount spent for those programs, but clarifies that a portion of expenditures from the General Fund outside of the General Fund Exempt Account represent revenue retained under Referendum C.

Appendix 1: List of Medicaid Bills Introduced from 2022 to 2026

The list below includes the names and links for all Medicaid-related bills included in this analysis, arranged by year of introduction and chamber. All bills were enacted into law except where otherwise indicated.

2022

House Bills

House Bill 22-1068: Medicaid Reimbursement for Therapy Using Equines

House Bill 22-1094 *(deemed lost)*: Medicaid Assistance for Survivors of Torture

House Bill 22-1114: Transportation Services for Medicaid Waiver Recipients

House Bill 22-1268: Medicaid Mental Health Reimbursement Rates Report

House Bill 22-1289: Health Benefits for Colorado Children and Pregnant Persons

House Bill 22-1290: Changes to Medicaid for Wheelchair Repairs

House Bill 22-1333: Increase Minimum Wage for Nursing Home Workers

House Bill 22-1343: General Fund Exempt Account and Excess State Revenues

House Bill 22-1380: Critical Services for Low-income Households

Senate Bills

Senate Bill 22-052: Medical Assistance Income Eligibility Requirements

Senate Bill 22-156: Medicaid Prior Authorization and Recovery of Payment

Senate Bill 22-196: Health Needs of Persons in Criminal Justice System

Senate Bill 22-235: County Administration of Public Assistance Programs

Senate Bill 22-236: Review of Medicaid Provider Rates

2023

House Bills

House Bill 23-1130: Drug Coverage for Serious Mental Illness

House Bill 23-1183: Prior Authorization for Step-therapy Exception

House Bill 23-1200: Improved Outcomes Persons Behavioral Health

House Bill 23-1215: Limits on Hospital Facility Fees

House Bill 23-1228: Nursing Facility Reimbursement Rate Setting

House Bill 23-1300: Continuous Eligibility Medical Coverage

Senate Bills

Senate Bill 23-002: Medicaid Reimbursement for Community Health Services

Senate Bill 23-033 *(deemed lost)*: Medicaid Preauthorization Exemption

Senate Bill 23-091 *(postponed indefinitely)*: Access to Behavioral Health Services

Senate Bill 23-162: Increase Access to Pharmacy Services

Senate Bill 23-174: Access to Certain Behavioral Health Services

Senate Bill 23-176: Protections for People with an Eating Disorder

Senate Bill 23-182: Temporary Suspension of Medicaid Requirements

Senate Bill 23-219: Supports to Students and Facility Schools

Senate Bill 23-222: Medicaid Pharmacy and Outpatient Services Copayment

Senate Bill 23-223: Medicaid Provider Rate Review Process

Senate Bill 23-288: Coverage for Doula Services

Senate Bill 23-289: Community First Choice Medicaid Benefit

2024

House Bills

House Bill 24-1038: High-Acuity Crisis for Children & Youth

House Bill 24-1045: Treatment for Substance Use Disorders

House Bill 24-1086: Operation of Denver Health & Hospital Authority

House Bill 24-1146: Medicaid Provider Suspension for Organized Fraud

House Bill 24-1229: Presumptive Eligibility for Long-Term Care

House Bill 24-1322: Medicaid Coverage Housing & Nutrition Services

House Bill 24-1400: Medicaid Eligibility Procedures

House Bill 24-1405: Higher Education Special Education Services Funding Medicaid Match

Senate Bills

Senate Bill 24-054 *(deemed lost)*: Diabetes Prevention & Obesity Treatment Act

Senate Bill 24-093: Continuity of Health-Care Coverage Change

Senate Bill 24-110: Medicaid Prior Authorization Prohibition

Senate Bill 24-116: Discounted Care for Indigent Patients

Senate Bill 24-168: Remote Monitoring Services for Medicaid Members

Senate Bill 24-176: Update Medicaid Member Terminology

2025

House Bills

House Bill 25-1003: Children Complex Health Needs Waiver

House Bill 25-1033: Medicaid Third-Party Liability Payments

House Bill 25-1162: Eligibility Redetermination for Medicaid Members

House Bill 25-1213: Updates to Medicaid

House Bill 25B-1010 *(postponed indefinitely)*: Continuity of Care for Impacted Communities

House Bill 25B-1015 *(postponed indefinitely)*: Preserve Medicaid Health-Care Services

Senate Bills

Senate Bill 25-042: Behavioral Health Crisis Response Recommendations

Senate Bill 25-071: Prohibit Restrictions on 340B Drugs

Senate Bill 25-084: Medicaid Access to Parenteral Nutrition

Senate Bill 25-121 *(postponed indefinitely)*: Medicaid Reimbursement for Vagus Nerve Stimulation

Senate Bill 25-124 *(deemed lost)*: Reducing Costs of Health Care for Patients

Senate Bill 25-183: Coverage for Pregnancy-Related Services

Senate Bill 25-226: Extending Spinal & Related Medicine Program

Senate Bill 25-228: Enterprise Disability Buy-in Premiums

Senate Bill 25-229: Reimbursement for Community Health Workers

Senate Bill 25-270: Enterprise Nursing Facility Provider Fees

Senate Bill 25-294: Behavioral Health Services for Medicaid Members

Senate Bill 25-308: Medicaid Services Related to Federal Authorizations

Senate Bill 25-314: Recovery Audit Contractor Program

Senate Bill 25B-002: State-Only Funding for Certain Entities

Senate Bill 25B-007 *(postponed indefinitely)*: Immigration Status Low-Income Health Insurance Coverage

2026

House Bills

House Bill 26-1018 *(deemed lost)*: Long-term Care Services for Nursing Home Residents

House Bill 26-1087 *(postponed indefinitely)*: Safeguard Minors from Sex-Altering Interventions

House Bill 26-1096 *(postponed indefinitely)*: Colorado Medicaid Access to Primary Care Services

House Bill 26-1122 *(postponed indefinitely)*: Mandatory Coverage Hormone Replacement Therapy

House Bill 26-1177: End Nursing Provider Wage Enhancement Payments

House Bill 26-1235: Updates to Medicaid

House Bill 26-1327 *(postponed indefinitely)*: Large Employer Worker Health-Care Support

House Bill 26-1328: Medicaid Nonemergency Medical Transportation

House Bill 26-1336: Increase Access to Pharmacy Services

House Bill 26-1365 *(postponed indefinitely)*: Repeal Medicaid Reimbursement for Equine Therapy

House Bill 26-1367: COVID Increased Medicaid Match to General Fund

House Bill 26-1377: Managed Care Entity Payments

House Bill 26-1412: Department of Health Care Policy & Financing Statistical Sampling & Extrapolation

House Bill 26-1425: Applied Behavior Analysis Services

House Bill 26-1426: Department of Law Legislative Report

House Bill 26-1429: County Administration Public Assistance Programs

House Bill 26-1432: Health-Care Payment Programs

Senate Bills

Senate Bill 26-063 *(lost in the Senate)*: Nonemergency Medical Transportation Services

Senate Bill 26-187: Establishing Commission on Medicaid

Senate Bill 26-188: Residential Treatment for Members in Colorado Department of Human Services Custody

Appendix 2: List of Acronyms

ABA	applied behavior analysis
CDEC	Colorado Department of Early Childhood
CDE	Colorado Department of Education
CDHS	Colorado Department of Human Services
CDPHE	Colorado Department of Public Health and Environment
CFC	Community First Choice
CHASE	Colorado Healthcare Affordability and Sustainability Enterprise
CHP+	Children's Basic Health Plan
CRT	complex rehabilitation technology
DOL	Department of Law
DORA	Department of Regulatory Agencies
DPC	direct primary care
DPS	Department of Public Safety
FY	fiscal year
HAS	Healthcare Affordability and Sustainability
HCPF	Colorado Department of Health Care Policy and Financing
JBC	Joint Budget Committee
MCE	managed care entity
MMPRAC	Medicaid Provider Rate Review Advisory Committee
NEMT	nonemergency medical transportation
PRTF	psychiatric residential treatment facility
QRTP	quality residential treatment program
SNAP	Supplemental Nutrition Assistance Program
SPA	state plan amendment
TABOR	Taxpayer's Bill of Rights

TANF	Temporary Assistance for Needy Families
TNC	transportation network company