



**COLORADO**

Department of Health Care  
Policy & Financing

1570 Grant Street  
Denver, CO 80203

# 2025 HCPF Legislative Session Wrap-Up

*June 2025*

During the 2025 Legislative Session, HCPF worked with bill sponsors to introduce and pass ten agenda bills. HCPF engaged on many critical priority bills and worked with stakeholders on countless other healthcare related bills to improve health care equity, access and outcomes for Medicaid members and, more broadly, save Colorado money on health care.

## [HB25-1003 Children with Complex Health Needs Waiver](#)

This bill merges the Children's Home and Community-Based Services (CHCBS) waiver with the Children with Life Limiting Illness (CLLI) waiver, and creates a new waiver called the Children with Complex Health Needs waiver (CwCHN). The purpose of the CwCHN waiver is to streamline home and community based services for children's waiver programs, expand access to services, and ensure current and future CHCBS members have continued access to waiver services.

## [HB25-1033 Medicaid Third Party Liability Federal Compliance](#)

To ensure compliance with federal law, this bill bars third-party payers from refusing to reimburse the Medicaid program for an item or service solely on the basis of no prior authorization, and requires third party payers to timely respond to the Department's requests for the 10% of members that have commercial coverage. This bill helps ensure that state taxpayer dollars do not cover services that should be paid by the member's commercial health plan.

## [HB25-1213 Updates to Medicaid](#)

This bill includes a necessary correction to [HB24-1038 High-Acuity Crisis for Children & Youth](#) to clarify the role of the two advisory committees. This correction was necessary to comply with federal regulations that require each state to have a single state agency (HCPF) directing the policy and finances of the state Medicaid program.

## [SB25-226 Extending Spinal & Related Medicine Program](#)

This bill extends the [Complementary and Integrative Services Waiver Pilot Program](#), created by [HB20-1221](#), for another 5 years. This program provides acupuncture, chiropractic care and massage therapy to eligible members living with a spinal cord injury, multiple sclerosis, a brain injury, spina bifida, muscular dystrophy, or cerebral palsy with the inability for independent ambulation. This bill is a companion bill to HCPF's budget request R-11 Office of Community Living Benefits.



### **SB25-228 Enterprise Disability Buy-in Premiums**

This bill moves the Medicaid Buy-In cash fund to the Colorado Healthcare Affordability and Sustainability Enterprise (CHASE), which is TABOR exempt. This reduces the need for General Fund and helps balance the FY 2025-26 budget without impacting Medicaid members or providers. This bill is a companion bill to HCPF's budget request R-16 Medicaid Financing Reductions.

### **SB25-264 Cash Fund Transfers to the General Fund**

This bill repeals outdated cash funds and uses the remaining balances to offset General Fund. For HCPF, the bill repealed three cash funds - Colorado Health Care Services cash fund, Pediatric Hospice Care cash fund and the Primary Care Provider Sustainability Fund. It helps balance the FY 2025-26 budget without impacting on Medicaid members or providers. This bill is a companion bill to HCPF's budget request R-16 Medicaid Financing Reductions.

### **SB25-270 Enterprise Nursing Facility Provider Fees**

This bill moves nursing facility provider fee revenue to the Colorado Healthcare Affordability and Sustainability Enterprise (CHASE), which is TABOR exempt. This reduces the need for General Fund and helps balance the FY 2025-26 budget without impacting Medicaid members or providers.

### **SB25-292 Workforce Capacity Center**

This bill funds the creation of a workforce capacity center to support the creation of a system of care for children and youth Medicaid members in Colorado. The Department, in collaboration with the Behavioral Health Administration, will use evidence-based models to train necessary providers for the system of care. The bill also requires the Department to report quarterly to the Joint Budget Committee on the implementation and outcomes of the workforce capacity center. This bill is a companion bill to HCPF's budget amendment request BA-10 System of Care Funding.

### **SB25-294 Behavioral Health Services for Medicaid Member**

This bill delays the transfer of some psychiatric residential services from fee for service to capitation rates for child welfare involved youth until July 1, 2026. The delay will allow the state and counties time to ensure necessary supports and services are available. This bill is a companion bill to HCPF's budget amendment request BA-10 System of Care Funding.

### **SB25-308 Medicaid Services Related to Federal Authorizations**

This bill creates the Medicaid Comprehensive 1115 Waiver Reinvestment Fund, a Cash Fund that will hold General Fund savings from state-only programs that are eligible to receive a Medicaid match as directed by [HB23-1322](#) and [HB24-1045](#). This includes programs for housing supports, nutrition supports, criminal justice transitions, and any future programs identified for the state's comprehensive 1115 Demonstration Waiver. These funds must be exclusively used for purposes outlined in the 1115 Demonstration Waiver, and this bill ensures federal compliance in the waiver's implementation. This bill is a companion bill to the Department's budget amendment BA-07 Interagency Financing for 1115 Waiver.



## **SB25-314 Recovery Audit Contractor Program**

This bill implements recommendations from the Office of the State Auditor's recent [Evaluation of the Colorado Department of Health Care Policy & Financing's Medicaid Recovery Audit Contractor Program](#)(RAC). The legislation codifies many of the recommendations provided by the audit findings and takes additional steps to improve the program's efficiency and balance the need for provider accountability with a reasonable level of administrative burden. To increase transparency, the bill also creates a cash fund in which RAC audit recoveries will be placed.

## **Other Major Bills Impacting the Department:**

**SB25-183**: **Coverage of Pregnancy Related Services** creates a state-funded benefit for Medicaid and CHP+ members for abortion services in response to Ballot Initiative 89 which amended the Colorado state Constitution to protect the right to abortion services.

**SB25-084**: **Medicaid Access to Parenteral Nutrition** directs the state to apply for a rate increase for pediatric parenteral nutrition services to help address a shortage of providers providing this life saving nutrition in the state.

**SB25-078**: **Nonprofit Hospital Collaborative Agreements** broadens eligibility for small hospital groups to participate in the nonprofit hospital collaborative agreement which allows smaller hospitals to benefit from cost saving options available to larger hospitals.

**SB25-290**: **Stabilization Payments for Safety Net Providers** allows for donations to the primary care cash fund that can then be distributed to safety net providers. As the public health emergency (PHE) unwind comes to an end, safety net providers are in need of financial support as they serve under and uninsured individuals that were able to receive Medicaid coverage during the PHE.

**HB25-1328**: **Implement Recommendations Direct Care Worker Stabilization** implements recommendations to support direct care workers including a website to educate providers on available support services.

**HB25-1162**: **Eligibility Redetermination for Medicaid Members** reduces administrative burden for members and for the Department related to the redetermination process.

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