



COLORADO

Department of Health Care
Policy & Financing

Department of Human Services

FY 2025-26 HCPF R-07 and CDHS R-01 Decision Items

Colorado's historic \$44.5 million statewide investment in the public and medical assistance eligibility and enrollment system

Strategic Investments In Our State-Supervised, County-Administered System

Senate Bill 22-235 charged the Department of Health Care Policy and Financing (HCPF) and the Colorado Department of Human Services (CDHS) with conducting a two-pronged approach to improve statewide administration of public and medical assistance programs. These assessments produced a series of recommendations for HCPF and CDHS (Year 1) and a county administration funding model (Year 2). HCPF's FY 2025-26 R-07 and CDHS's R-01 Decision Items make historic investments in the State-county eligibility and enrollment system to address the SB 22-235 recommendations and support the county administration funding model.

In conjunction with HCPF and CDHS' implementation of SB 22-235 recommendations, the FY 2025-26 HCPF/R-07 and CDHS/R-01 Decision Items request nearly \$44.5 million in new federal, State and local funding that aims to:

Improve access to eligibility determinations for applicants and members through:

- A \$25.2 million investment in the county workforce that supports higher wages and more eligibility staff, call center agents and customer service staff, while enabling higher State performance among counties. These funds will help to ensure equitable access to benefits to all Coloradans, regardless of where they live.
 - HCPF's R-07 includes \$21 million and CDHS' R-01 includes \$4.2 million in new funding for county administration
- A 10% increase in HCPF pool hours for the Colorado Benefits Management System (CBMS) for projects that help members retain coverage, support counties, and streamline system processes.
- A new HCPF Interactive Voice Response (IVR) call system for members to access information about eligibility and reduce county call center volume; CDHS previously implemented the IVR system for food assistance.
- Permanently funding HCPF's county escalation process, giving applicants and members recourse if they need state assistance to successfully navigate standard county eligibility processes.

Support counties administering HCPF and CDHS programs by:

- Implementing an automated solution called Program Area Natural Dialogue Assistant (PANDA) for county staff to navigate and get support on eligibility policies.
- Funding an expansion of intelligent Character Recognition (iCR) that will reduce manual data entry from documents received for eligibility.
- Funding for CBMS that implements automated user testing to reduce defects.



- Funding to replace specific CBMS software technology that causes delays in county processing.
- Funding additional, future SB 22-235 Year 2 model updates that will allow HCPF to set caseload-to-staff ratios for Long Term Services and Supports (LTSS) cases and explore funding needs for dedicated LTSS resources in counties.
- Funding additional HCPF resources to improve communications to counties and provide additional on-site support for counties, to implement county business process standardization as dictated by SB 22-235 and provide dedicated HCPF staff support to counties for complex cases.

The funding requested in FY 2025-26 HCPF/R-07 and CDHS/R-01 demonstrates the State’s commitment to improving eligibility and enrollment processes while simultaneously supporting counties, who are on the front lines connecting Coloradans to public and medical assistance programs and supporting them through the enrollment process.

Next Steps

The HCPF R-07 and CDHS R-01 requests included in the Governor Polis’ FY 2025-26 budget proposal must be considered by the Joint Budget Committee during the 2025 legislative session. These proposals complement simultaneous State efforts to improve eligibility processes and county administration, including the upcoming procurement of the Colorado Benefits Management System (CBMS), implementation of the Joint Agency Interoperability workload and document management system in FY 2026-27, and the 2025 HCPF County Administration regulatory changes.

About the Department of Health Care Policy and Financing and Department of Human Services

The Department of Health Care Policy and Financing (HCPF) is responsible for administering Colorado’s Medical Assistance programs in compliance with federal and state law. Visit colorado.gov/hcpf to learn more about HCPF’s programs and services. For more information about HCPF’s budget requests, visit colorado.gov/hcpf/legislator. For more information about county administration visit colorado.gov/hcpf/county-admin.

The Colorado Department of Human Services (CDHS) is responsible for administering public assistance programs, including the Supplemental Nutrition Assistance Program (SNAP) and Adult Financial (TANF) Programs. For more information about CDHS, visit colorado.gov/cdhs/benefits-assistance. Copies of the SB 22-235 reports can be found colorado.gov/cdhs/legislative-affairs.

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