



COLORADO

Department of Health Care
Policy & Financing

303 E. 17th Ave
Denver, CO 80203

Medicaid Sustainability Discussion

January 2025

Key Take Aways

HCPF remains dedicated to partnering with the General Assembly to implement your vision for Colorado's Medicaid program, in a way that supports our state's most vulnerable while exhibiting stewardship to taxpayer dollars. Below are points from HCPF's JBC hearing for your consideration.

- First, and most preferred, better address all the controllable factors that drive Medicaid cost trends assuming reasonable budget allocations to HCPF safety net programs going forward, compared to prior year allocations.
- Second, and also preferred, maximize Medicaid's ability to draw down additional federal dollars that directly relate to Medicaid programs, but also offset the state budget in other non-traditional Medicaid areas, like housing, food, Corrections or more.
 - Follow precedent to use CHASE fee as general fund offset to medical services premiums, thus freeing up funds to address other priorities such as safety net providers or targeted provider rate increases.
- Third, and also preferred, continued efforts to drive a Colorado economy and educational system that helps Coloradans rise and thrive, thereby reducing demand for Medicaid safety net coverage programs.
- Fourth, make reasonable Medicaid cuts or adjustments; identify where programs, benefits, and reimbursements are comparative outliers or designed in such a way that we are seeing - or will experience - higher than intended trends or unintended consequences.
- Fifth, consider pausing or adjusting recently passed policies that have not yet been implemented, if we find the current budget realities cannot cover the costs and trends.
- Sixth, exercise caution in crafting increases to the Medicaid program going forward.

For more information, contact:

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