



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1367: COVID INCREASED MEDICAID MATCH TO GENERAL FUND

Prime Sponsors:

Rep. Brown; Taggart
Sen. Bridges; Kirkmeyer

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Fiscal note status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of the FY 2026-27 Long Bill budget package.

Summary Information

Overview. The bill allows the state to retain certain federal funds generated from the enhanced federal matching rate for Medicaid that was in effect during the Coronavirus public health emergency.

Types of impacts. The bill is projected to affect the following areas on a temporary basis:

- State Revenue
- State Expenditures

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Current Year FY 2025-26	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$1,311,573	Not estimated	Not estimated
State Expenditures	\$0	\$0	\$0
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE	FTE

Summary of Legislation

[Senate Bill 21-213](#) allowed the state to use a temporary increase in federal matching funds for Medicaid under the Family First Coronavirus Response Act 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. This authority under SB 21-213 was in effect for any year in which the enhanced federal match was in effect, which ended on December 31, 2024, in FY 2024-25.

The bill clarifies and allows that the authority granted to HCPF under SB 21-213 related to certification of public expenditures continues into the future for any payment reconciliations that occur for services provided when the enhanced federal matching rate was in effect.

State Revenue and Expenditures

The bill increases state revenue to the General Fund by \$1,311,573 in FY 2025-26 and indeterminate amounts in future years, as shown in Table 1 above and discussed below.

In the current FY 2025-26, HCPF is expected to receive an additional \$1.3 million in federal funds from reconciling payments for services delivered when the enhanced federal matching rate was in effect. The fiscal note has not calculated the impact from reconciliations in future years.

The bill requires HCPF to retain this revenue and for the State Treasurer to transfer the money to the General Fund, rather than pass it on to the providers who submitted the certification of public expenditures. The money credited to the General Fund for appropriation to the Medicaid program. This revenue is not subject to TABOR, as it originates as federal funds.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Joint Budget Committee Staff

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).