



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1411: CHANGES TO COVER ALL COLORADANS PROGRAM

Prime Sponsors:

Rep. Brown; Sirota
Sen. Amabile; Kirkmeyer

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Fiscal note status: The fiscal note reflects the reengrossed bill, as amended by the Senate Appropriations Committee. The bill was recommended by the Joint Budget Committee as part of the FY 2026-27 budget package.

Summary Information

Overview. The bill limits services provided under the Cover All Coloradans program in the Department of Health Care Policy and Financing.

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

- State Expenditures

Appropriations. For the current FY 2025-26, the bill includes an appropriation reduction of \$375,000 from the Department of Health Care Policy and Financing. For FY 2026-27, the bill includes an appropriation reduction of \$16,303,020 to the Department of Health Care Policy and Financing.

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	\$0	\$0	\$0
State Expenditures	-\$375,000	-\$16,303,019	-\$31,829,738
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE	FTE

Fund sources for these impacts are shown in the tables below.

**Table 1A
 State Expenditures**

Fund Source	Current Year FY 2025-26	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	-\$131,250	-\$12,916,390	-\$26,572,650
Cash Funds	\$0	-\$396,038	-\$432,041
Federal Funds	-\$243,750	-\$2,990,591	-\$4,825,047
Centrally Appropriated	\$0	\$0	\$0
Total Expenditures	-\$375,000	-\$16,303,019	-\$31,829,738
Total FTE	0.0 FTE	0.0 FTE	0.0 FTE

Summary of Legislation

[House Bill 22-1289](#) established a Medicaid lookalike program called Cover All Coloradans under the Department of Health Care Policy and Financing (HCPF) for children and pregnant people who would qualify for Medicaid or the Children’s Basic Health Plan (CHP+) except for their immigration status. The bill limits what services may be offered under this program by:

- eliminating long-term services and supports for people not already using them, effective January 2027;
- capping dental services at \$750 annually, effective July 2026;
- eliminating behavioral health capitated services, effective January 2027; and
- eliminating care coordination services offered under the Affordable Care Collaborative (ACC), effective January 2027.

In addition, the bill simplifies the program for children by specifying that eligible children will receive benefits that look like Medicaid, regardless of income, rather than benefits that look like either Medicaid or CHP+ depending on income. In FY 2026-27, the bill caps enrollment in the program for children at 25,000. Lastly, the bill repeals the program’s outreach campaign.

State Expenditures

One net, the bill decreases HCPF expenditures by \$373,000 in FY 2025-26, \$16.3 million in FY 2026-27, and \$31.8 million in future years as shown in Table 3 and described in the sections below. Costs are primarily paid from the General Fund, but a portion of costs are paid from federal funds and the Adult Dental Cash Fund.

Table 2
State Expenditures
Department of Health Care Policy and Financing

Cost Component	Current Year FY 2025-26	Budget Year FY 2026-27	Out Year FY 2027-28
Outreach Repeal	-\$375,000	-\$750,000	-\$750,000
Long Term Services and Supports Repeal	\$0	-\$54,602	-\$120,123
Dental Services Cap	\$0	-\$7,310,288	-\$7,974,860
Behavioral Health Capitated Services Repeal	\$0	-\$8,451,566	-\$16,903,134
Behavioral Health Incentive Payments Exclusion	\$0	-\$459,705	-\$919,408
ACC Care Coordination Services Repeal	\$0	-\$2,581,107	-\$5,162,213
System Costs	\$0	\$3,304,249	\$0
Total Costs	-\$375,000	-\$16,303,019	-\$31,829,738
Total FTE	0.0 FTE	0.0 FTE	0.0 FTE

Services Limitations

Starting in the current FY 2025-26, the bill reduces expenditures by limiting services offered under Cover All Coloradans by \$0.4 million. In FY 2026-27, savings of \$19.6 million are partially offset by costs of \$3.3 million to upgrade IT systems. In FY 2027-28 and future years, savings on health services are estimated to be \$31.8 million per year. Costs by service category are shown in Table 2 above, while Table 3 shows the full impact of service limitations by fund source once the bill is fully implemented in FY 2027-28.

Services are primarily paid for with General Fund, except that some services provided to pregnant women receive federal funding and dental services are partially funded with the Adult Dental Cash Fund.

Table 3
Health Service Cost Savings by Fund Source
 FY 2027-28 and Future Years

Cost Component	General Fund	Cash Funds	Federal Funds	Total
Long Term Services and Supports Repeal	-\$120,123	\$0	\$0	-\$120,123
Dental Services Cap	-\$6,740,456	-\$432,041	-\$802,363	-\$7,974,860
Behavioral Health Capitated Services Repeal	-\$14,511,368	\$0	-\$2,391,766	-\$16,903,134
Behavioral Health Incentive Payments Exclusion	-\$786,093	\$0	-\$133,315	-\$919,408
ACC Care Coordination Services Repeal	-\$4,152,110	\$0	-\$1,010,103	-\$5,162,213
Total	-\$26,310,150	-\$432,041	-\$4,337,547	-\$31,079,738

Children's Enrollment Cap

The fiscal note assumes that the enrollment cap for children will not be exceeded in the near-term; for this reason, savings are not estimated for this provision.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature. However, Sections 8 and either Section 9 or Section 10 only take effect if the Long Bill becomes law, with these sections taking effect on the effective date of this bill or of the FY 2026-27 Long Bill, whichever is later.

State Appropriations

The bill requires and includes the following changes in appropriations to the Department of Health Care Policy and Financing:

- for the current FY 2025-26, a reduction of \$375,000, of which \$131,250 is from the General Fund and \$243,750 is from federal funds.
- for FY 2026-27, a reduction of \$16,303,020, of which \$12,916,392 is from the General Fund, \$396,038 is from the Adult Dental Cash Fund, and \$2,990,590 is from federal funds.

In addition, the bill includes technical language making these in appropriations conditional on sufficient appropriations being available in the applicable line items in the FY 2026-27 Long Bill. If the cash fund does not have sufficient funds, the appropriation will switch to a General Fund appropriation.

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](#).