



Colorado Rural and Frontier Hospital Capital Needs Study Task Force

HB 25-1223

**By Representative Dusty Johnson, Representative Meghan Lukens,
Senator Rod Pelton, and Sentaor Dylan Roberts**

Summary of Problem

The 43 rural hospitals in Colorado confront enormous challenges. For example, rural hospitals patients are older, sicker, and travel longer distances to receive healthcare. Additionally, rural and frontier hospitals confront historic infrastructure challenges. Many rural hospitals were constructed in the 1950's using Hill-Burton dollars. The infrastructure and technology within rural hospitals are not adequate to provide modern healthcare services to rural patients.

Nationwide, since 2005, 190 rural hospitals in the United States have closed or discontinued inpatient services. Approximately 600 rural hospitals - including 23 in Colorado - are poised to shut down. Recently, a mother gave birth on the side of the road in rural Colorado because her local rural hospital no longer provided OB services. The average age of a rural hospital in the United States is 60 years. Most banks and financial institutions will not provide loans to rural hospitals due to financial risk. Additionally, USDA loans to rural hospitals are bureaucratic and do not finance most of the rural hospital's construction goals.

Phase One Solution

The Colorado Rural and Frontier Hospital Capital Needs Study Task Force (Task Force) will assemble the brightest rural leaders to study local, regional, and national rural hospital funding, staffing, and related best practices and make recommendations to the Colorado General Assembly for improving rural healthcare infrastructure. Specifically, by June 30, 2026, the Task Force will study the following goals:

- Identify the number of facilities that are not compliant with current and relevant design and building code standards for healthcare facilities.

- Identify the age of core facilities and any additions.
- Estimate the costs for renovating or replacing facilities identified as having capital needs.

Task Force Membership

The seven-member Task Force will assemble by August 1, 2025 and be comprised of the following membership: Three members who work in rural or frontier hospitals; one member who is an architect professional; one member who is a construction contractor professional; one member who represents hospitals; and one member of the general public who lives in a rural area or frontier area.

The first meeting of the Task Force will be held by October 1, 2025. The Governor shall appoint three members, the President of the Senate, the Speaker of the House, the Minority Leader of the Senate, and the Minority Leader in the House shall each appoint one member each.

Task Force Funding

Good news – the Task Force will be funded by Gifts, Grants, and Donations and cost approximately \$34,000. There will be no fiscal note or taxpayer related costs.

Endorsements

- Eastern Plains Healthcare Consortium (EPHC): The EPHC represents approximately 15 rural and frontier hospitals in the eastern plains of Colorado.

Contact Information

To co-sponsor this important legislation or to learn more about the Task Force, please contact former Colorado Representatives, and current lobbyists for the EPHC, Mark Waller and Joe Miklosi. Mark Waller's cell is 719-290-1292 and his email is mark@wallerconsulting.net. Joe Miklosi's cell is 303-919-4748 and his email is joe@joemiklosi.com.