



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note Memorandum

TO: Members of the Senate Health & Human Services Committee

FROM: Kristine McLaughlin, Fiscal Analyst, kristine.mclaughlin@coleg.gov, 303-866-4776

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Fiscal Assessment of L.003 to HB26-1096

This memorandum is an assessment of the fiscal impact of the attached proposed amendment L.003 to House Bill 26-1096. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendment

Amendment L.003 removes the requirement that direct primary health care providers who see Medicaid clients submit reports to be summarized by the Department of Health Care Policy and Financing (HCPF).

Fiscal Impact of Amendment

Amendment L.003 removes the \$85,000 cost to HCPF identified in the first revised fiscal note, published on March 2, 2026.

Bill's Revised Fiscal Impact with Amendment

Amendment L.003 restores the bill's fiscal impact to those described in the initial fiscal note dated February 12, 2026. As amended, the bill will have a minimal expenditure impact on HCPF that does not require an appropriation.



Table 1
State Fiscal Impacts with Amendment L.003

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

State Expenditures

To the extent that Medicaid clients pay for services through direct primary care (DPC) agreements that would otherwise be covered by Medicaid, expenditures in HCPF will decrease. If these payments result in increased complaints, administrative workload for HCPF will increase. Given that the bill places disclosure requirements on providers entering DPC agreements with Medicaid clients, the limited utilization of DPC agreements in the private market, and that the up-front costs of these agreements are expected to further limit utilization in the Medicaid client market, the fiscal note assumes that these impacts will be minimal. Additionally, HCPF may have increased workload to educate providers about the restrictions placed on direct primary care agreements through the bill and federal law.

Departmental Difference

HCPF estimates that the bill requires 1.0 FTE, requiring an appropriation in FY 2026-27 of \$77,331, split evenly between the General Fund and federal funds. This estimate assumes that administrative workload will increase to ensure that DPC agreements comply with federal and state law and do not result in duplicative billing, regardless of how often DPC agreements are utilized. It also assumes the processing of additional provider and member questions and complaints related to coverage uncertainty. The fiscal note assumes these impacts will be minimal given the limited nature of DPC agreements.