

April 2, 2026

Chair Mullica and Members of the Senate Health & Human Services Committee,

On behalf of the American Academy of Pediatrics - Colorado Chapter and Children's Hospital Colorado, we are writing with concern about House Bill 1096 that would allow Direct Primary Care.

We understand the intent of this bill. Access to primary care in Colorado — especially in rural and frontier communities — is a genuine problem, and we share the sponsors' commitment to solving it. But this bill, as written, creates significant risks specifically for children that we do not believe have been fully considered.

### **Protections for children**

Medicaid's Early and Periodic Screening, Diagnostic, and Treatment program is a federal mandate — not a suggestion. It guarantees every child enrolled in Medicaid a comprehensive schedule of physical exams, developmental screenings, vision and hearing tests, lead screening, and dental referrals, all of which should happen in the context of the primary care medical home. HB 26-1096 does not speak at all to this right of children under 21 enrolled in Medicaid. If a child's family signs a direct primary care agreement under this bill, there is no mechanism to ensure those federally required screenings still happen.

### **Provider network adequacy erosion**

Another key area of concern is the erosion of the primary care network of providers that Medicaid (and commercial insurers) must legally offer for their patients. This bill creates financial incentives for providers to opt-out of becoming enrolled Medicaid providers, which may drive more primary care providers out of network (Medicaid & even commercial - as many DPC don't accept any insurance), leading to patient access risks across Colorado. According to the [American Academy of Family Physicians](#), "The major draw [to DPC] is being able to practice medicine without the hassles related to dealing with health insurers or the time pressures of traditional primary care practice." By allowing DPC providers to care for Medicaid members without enrolling as Medicaid providers, Colorado runs a real risk of squeezing the primary care networks who do accept insurance and Medicaid.

### **Weakening Medicaid oversight and coordination**

As Colorado strengthens its oversight of fraud, waste and abuse within the program, HB1096 threatens to weaken oversight into the quality of care being delivered to Medicaid members. DPC providers would not be connected to the Medicaid delivery system infrastructure, the Accountable Care Collaborative, which requires providers to track outcomes to reduce disparities, control costs, and ensure high quality care for members. Another key component of the ACC is care coordination. Because DPC operates outside of the Medicaid delivery system, services provided through DPC arrangements will not be visible to the broader care team.

In most rural communities, there are no pediatric hospitalists, so the primary care provider must admit patients to the hospital themselves to resolve higher acuity issues. The DPC clinician may lack admitting privileges. In these cases, care is handed off to a Medicaid-enrolled pediatrician who may not have access to the child's prior records, disrupting continuity at a critical moment and increasing the risk of incomplete or delayed care.

**Reducing administrative burdens and supporting workforce programs is the answer**

The draw to becoming a DPC means spending more time with patients and less time on paperwork. This reduces burnout and increases patient and provider satisfaction. These are great things, but we urge Colorado legislators, Medicaid leaders, and insurers to build streamlining administrative burdens for primary care providers as key goals to retain a strong primary care network of providers. This means reducing prior authorization processes, streamlining credentialing, and leveraging electronic means of communication. We also urge the legislature to protect investments and expand programs that grow our primary care workforce.

We respectfully request a No vote on 1096. Thank you for your consideration.

Sincerely,

Cassie Littler, MD, FAAP

American Academy of Pediatric, Colorado Chapter

David Keller, MD, FAAP

Children's Hospital Colorado



## 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](mailto:kristine.mclaughlin@coleg.gov), 303-866-4776

**DATE:** March 18, 2026

## **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**

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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**

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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**

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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**

<b>Type of Impact</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
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.

## From the Desk of David L. Bryan

### **Testimony in Support of HB26-1096 – Medicaid Access to Primary Care Services**

**Method:** Written

**Position:** In Favor

**Representing:** Self

**Date:** April 1<sup>st</sup>, 2026

I am writing in support of HB26-1096 based on my direct experience working with a Direct Primary Care (DPC) provider for over three years.

That experience has been exceptional. By design, the DPC model fosters a much stronger patient-provider relationship than the traditional insurance-based system. Patients benefit from longer visits, improved access, and more personalized, preventive care—factors that are often difficult to achieve within the constraints of Medicaid reimbursement structures.

Importantly, this bill does not replace Medicaid coverage, but rather expands patient choice. It allows individuals who value and can access DPC arrangements to pursue a care model that may better meet their needs, while retaining their Medicaid benefits for other services.

In a healthcare environment where access to primary care providers remains a challenge, especially for Medicaid populations, enabling alternative care models like DPC is a practical and forward-thinking approach.

I encourage you to support HB26-1096 as a way to expand access, strengthen patient-provider relationships, and give Medicaid members more control over how they receive care.

Thank you for your consideration.

David Lous Bryan

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Senate Health & Human Services

04/02/2026

HB26-1096 CO Medicaid Access to Primary Care Services

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Devin Hughes  For  themselves	<p>Written Testimony in Support of HB26-1096</p> <p>Dear Members of the Committee,</p> <p>My name is Devin Hughes, and I am writing in strong support of HB26-1096, which would allow Medicaid patients in Colorado to voluntarily access Direct Primary Care (DPC).</p> <p>This bill protects something essential: continuity of care and patient choice.</p> <p>Under current Colorado law, when a patient becomes eligible for Medicaid, they may be forced to leave a Direct Primary Care physician they know and trust “ even if they want to continue that relationship and are willing to pay privately for their DPC membership. That kind of disruption can be harmful, especially for patients managing chronic conditions, mental health concerns, or other ongoing health needs.</p> <p>HB26-1096 offers a simple, practical, patient-centered solution. It does not require anyone to participate. It simply allows patients and providers to opt in voluntarily. It also preserves full Medicaid coverage for covered services such as specialty care, hospital care, medications, and more, while ensuring that no Medicaid dollars are used to pay for DPC memberships.</p> <p>At a time when so many Coloradans struggle to find timely access to primary care, this bill helps expand options. Direct Primary Care can provide stronger physician-patient relationships, better preventive care, and fewer unnecessary visits to urgent care or emergency rooms for routine issues.</p> <p>Colorado should not be one of the only states restricting Medicaid patients from accessing this kind of care.</p> <p>HB26-1096 is not a mandate “ it is an option. It restores choice, supports continuity of care, and strengthens access to primary care across our state.</p> <p>I respectfully urge you to support HB26-1096.</p>

	<p>Thank you for your time and consideration.</p> <p>Sincerely,</p> <p>Devin Hughes</p> <p>Colorado</p>
<p>Pamela Bales</p> <p>For themselves</p>	<p>I would highly encourage the Colorado Legislators to pass this bill. With the deficit our state faces, it is ridiculous to continue to be one of only two states in the entire US that does not allow medicaid patients to access Direct Primary Care practices. These DPCs, of which I am a member, don't just treat symptoms like the big insurance companies/medical networks - they treat the problem. Plus, they are able to spend time with patients to encourage healthier lifestyles and practices that save us all money. It's just common sense to pass this bill. Otherwise, it seems that the "big" guys are just scared of DPCs' excellent work in our communities. I urge you to pass this commonsense law.</p>
<p>Scott Runyon</p> <p>For themselves</p>	<p>Working in healthcare, I've seen the deterioration of our industry over the years. Rising costs and diminishing care have made it almost worthless for the public to seek out most kinds of care. That's where direct payment for care has changed the game. DPC's are enabling providers to go above and beyond for the patients the way that the Hippocratic oath was intended. By blocking Medicaid recipients from being able to legally pay out of their own pocket for the services they want is completely un-American and against a free market system. Medicaid recipients are often the ones that need someone to listen to them the most. They don't get that from in-network Medicaid providers. They need DPC to get what they need. The way things are currently established is punishing our low income families in the worst way. Please vote to allow Medicaid recipients to choose how they spend their own money.</p>

## Testimony in Support of Repealing the Medicaid Direct Primary Care

### Restriction

My name is Sherry Brown. I began my career in healthcare 20 years ago as a medical assistant and continued working in the field while ultimately earning my bachelor's degree. Over the years, I have worked on both the clinical and administrative sides of healthcare. Part of my career was spent serving patients at my local community health center, where I witnessed firsthand the challenges faced by low-income and Medicaid populations. I have also had the opportunity to work in a Direct Primary Care (DPC) practice and to see how many of those same challenges were dramatically reduced — and in some cases eliminated — in that setting.

I grew up in Colorado and have seen the domino effects that poor access to healthcare can have on individuals, families, and entire communities. When people cannot access timely, consistent care, their health deteriorates. Chronic conditions worsen. Preventable issues become emergencies. Families suffer — and ultimately, taxpayers bear the cost.

Shortly after beginning my healthcare career, I was diagnosed with diabetes. During that same time, I was going through school and raising children as a divorced mother. I understand personally what it feels like to struggle to find quality, accessible healthcare while balancing work, school, parenting, and a chronic illness. Long wait times and limited appointment availability are not just frustrating — they can be dangerous.

Through both my professional experience and my personal journey, I have seen how detrimental long wait times can be. Many traditional practices must limit the number of Medicaid and Medicare patients they see each day due to low reimbursement rates. Without doing so, they often cannot keep their doors open. There is also a shortage of Medicaid providers because of low reimbursement and long payment processing times. These realities contribute directly to the extended wait times Medicaid recipients often experience.

I have seen patients make multiple trips to the emergency room and urgent care while waiting five or six months for their first scheduled appointment with a primary care provider. I have seen patients unable to get timely medication refills or consistent follow-up care, leading to a downward spiral in their physical health and, often, their mental health as well. I have seen individuals arrive at appointments with little to no quality of life and on the verge of a medical crisis simply because they could not access consistent, timely care.

Direct Primary Care is not a problem — it is part of the solution. When I discovered DPC during my career, it truly felt like a light had been turned on. Longer office visits, smaller

patient panels, and direct access to providers allowed our clinical team to truly know our patients. We could address root causes, manage chronic conditions more effectively, and genuinely improve quality of life.

I have seen DPC providers keep patients out of the emergency room by offering consistent access and continuity of care. I have seen providers bring patients in weekly for months while they waited to see specialists or worked through the Medicaid application and approval process. In some cases, these providers stabilized and supported patients through critical periods — only for those patients to later be required to leave that provider and start all over elsewhere once Medicaid coverage began.

Most Direct Primary Care memberships are affordable — often around \$100 per month. For many individuals, this provides predictable access, same- or next-day appointments, longer visits, and proactive chronic disease management. It shifts the focus from crisis intervention to prevention.

If a Medicaid recipient chooses to use their own disposable income to invest in a DPC membership, why should they be prohibited from doing so? Individuals make personal financial decisions every month. A carton of cigarettes can cost well over \$100. Regularly eating out can easily exceed that amount. Salon services, such as getting hair done, manicures, or other personal grooming expenses, can cost the same or more. These are personal choices — and people have the right to decide how to prioritize their discretionary spending.

Choosing to invest in one's health through consistent primary care is a responsible decision. Allowing that choice does not increase state spending. In fact, it can reduce unnecessary emergency room visits, decrease preventable hospitalizations, keep chronic conditions from affecting other organs, and ultimately save Colorado taxpayers money while improving health outcomes.

All other states that previously had similar restrictions have repealed them after recognizing that the policy was outdated and limited access to care. Colorado should not continue enforcing a law that restricts options for low-income individuals and prevents them from choosing a care model that may better meet their needs.

Preventing our low-income community from accessing Direct Primary Care singles them out and limits their healthcare choices. Expanding access would empower individuals, improve continuity of care, and strengthen our overall healthcare system.

I respectfully urge you to approve this bill and allow Medicaid recipients the freedom to choose Direct Primary Care if they believe it is the best option for their health.

Thank you for your time and consideration.

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I respectfully urge you to approve this bill and allow Medicaid recipients the freedom to choose Direct Primary Care if they believe it is the best option for their health.

Thank you for your time and consideration.

Signed

A concerned healthcare worker