

Colorado's Health Care Safety Net

A PRIMER

What Is the Safety Net?

The health care safety net is a term describing the providers and clinics serving people who experience inequities that create barriers to getting needed care. Many of these inequities are rooted in historic policies and discrimination that have kept people in poverty. Primarily located in areas where care is limited and social barriers are common, safety net providers offer medical services, oral health care, behavioral health care, and other resources most needed within the communities they serve.¹

This report describes the elements of the state's health care safety net, those who use its services, and how the system is funded. All counts and percentages in this report are from the most recently available data sources as of August 2021.

Safety Net Providers: The Services They Provide

Community Health Centers, also known as Federally Qualified Health Centers: Primary care, including preventive physical, dental, and behavioral health services. Located in medically underserved areas and among medically underserved populations.

Community Mental Health Centers: Outpatient, emergency, day treatment, and partial hospitalization mental health and substance use disorder services for residents of designated geographic service areas.

Community Safety Net Clinics: Free, low-cost, or sliding-fee primary care services for people who have low incomes and/or who do not have insurance. These can include faith-based clinics, facilities staffed by volunteer clinicians, and family medicine residency clinics.

Community-Based Dental Clinics: Oral health services for Coloradans who have low-incomes, and/or do not have insurance.

Critical Access Hospitals: Inpatient, acute, and emergency services in rural hospitals with no more than 25 inpatient beds located 35 miles or more from another hospital, or 15 miles or more in mountainous terrain.

Emergency Departments of Community and Public Hospitals: Emergency medical care regardless of ability to pay or insurance status.²

Local Public Health Agencies and Public Nursing Services: Limited primary care services, varying by community. May include health assessments and screenings for children covered by Medicaid, immunizations, family planning, oral health, cancer screenings, and testing for sexually transmitted infections and HIV.³

Rural Health Clinics: Primary care services, differing by clinic. Located in non-urban areas with documented shortages of health care providers and/or medically underserved populations.

School-Based Health Centers: Primary health care services, including immunizations, well-child checks, sports physicals, chronic care management for conditions such as asthma and diabetes, and acute medical care, in schools with many children who live in households with low incomes. May also include mental and oral health care, substance use disorder services, and violence prevention.

Who Uses the Safety Net?

The Coloradans most likely to use the safety net are people who live in households with low incomes, who are covered by public health insurance, who do not have adequate insurance, or who lack health insurance altogether. People who live in a geographically isolated location, have no regular source of primary care, or experience cultural, language, and other social barriers to accessing care are also likely to obtain care through the safety net. Many people experience multiple barriers. Figure 1 displays estimates of how many Coloradans experience these different barriers.

Coloradans Without Coverage

Coloradans who do not have health insurance are more likely to seek care from the state's safety net providers. Data from the 2019 Colorado Health Access Survey provide insight into the experiences of the roughly 361,000 Coloradans who remain without health insurance despite some being eligible for Child Health Plan Plus (CHP+), Health First Colorado — the state's Medicaid program — or advance premium tax credits, which aid in the purchase of commercial coverage. Some of these insights include:

Immigration policy and rhetoric contribute to high uninsured rates among Hispanic or Latinx Coloradans and immigrants. Anti-immigrant rhetoric and policies have had a negative effect on enrollment in public programs. For instance, the public charge rule — a now-rescinded federal policy that would have deemed immigrants ineligible for citizenship if they were determined to be likely to depend primarily on government services in the future — led some families to opt not to enroll in public insurance programs for which they were eligible because of a concern that enrollment would affect their immigration status.⁴ The uninsured rate among Hispanic or Latinx children increased between 2015 and 2019, likely due in part to this rule: 7.9% of Hispanic or Latinx children (ages 0 to 18) did not have insurance in 2019, according to the Colorado Health Access Survey, while the uninsured rate for non-Hispanic white children was 2.7%.⁵

Coloradans who are immigrants without documentation have significantly fewer health coverage options. An estimated one in seven Coloradans who do not have health insurance are also immigrants without documentation.⁶ Despite

Figure 1. Coloradans by Selected Economic, Insurance, or Demographic Category

2,131,000



Income <300% of federal poverty level (FPL)
(\$79,500 for a family of four in 2021)



361,000

Lack health insurance

1,499,000



Health First Colorado (Medicaid) Members



720,000

Living in Rural Area

58,000



Child Health Plan Plus (CHP+) Members



291,000

Speak English Less Than "Very Well"

NOTE: Values are rounded. Uninsured counts are based on the 2019 Colorado Health Access Survey.²¹ Income based on the FPL is aligned with the 2021 poverty guidelines from the U.S. Department of Health and Human Services. Health First Colorado (Medicaid) and CHP+ counts are July 2021 caseload figures from the Colorado Department of Health Care Policy & Financing. Rural population estimates were obtained from the 2019 American Community Survey (ACS) 5-year estimates. Language proficiency estimates are based on data from the U.S. Census Bureau's 2019 ACS estimates and include the population ages five years and older who report speaking English less than "very well."

contributing millions in taxes, Coloradans who do not have documentation are not eligible for federally funded programs such as Medicaid, CHP+ or advance premium tax credits.⁷ This significantly diminishes their options for health care coverage. A notable exception is Colorado's recent passage of Senate Bill (SB) 21-009, which requires the Colorado Department of Health Care Policy & Financing to create a reproductive health program for people ineligible for Medicaid due to documentation status.⁸

The cost of coverage is too high for many.

Approximately 89.6% of Coloradans who do not have insurance reported that they lacked coverage because it was too expensive. This suggests that even with the financial assistance provided through advance premium tax credits, the majority of Coloradans who lack insurance still may not be able to afford private health insurance.

Young adults may be more open to the risk of not having insurance. Approximately 31% of Coloradans ages 19–25 without insurance reported that they did not have coverage because they did not need it.⁹

Lack of communication and information about enrollment creates gaps. In 2019, almost one in five Coloradans who lack coverage — 18.8% — reported they did not have coverage because they did not know how to get insurance. This barrier is more pronounced for people whose primary language is not English: 5.5% of Coloradans who speak English as their primary language report being uninsured compared to 16.5% of Coloradans whose primary language is Spanish, according to the Colorado Health Access Survey.¹⁰

Covered by Colorado Programs

Colorado has implemented a variety of programs intended to expand health coverage and access to care. Many Coloradans enrolled in these programs utilize safety net services. These programs include:

Medicaid: A state/federal partnership that provides health care coverage to Coloradans who have low incomes. Colorado expanded Medicaid eligibility in January 2014 under the Affordable Care Act. The expansion primarily affected parents of dependent children and working-age adults without dependent children with incomes at or below 138% of the FPL (\$36,570 for a family of four in 2021. See Figure 2).¹¹

Medicaid coverage includes certain preventive services, primary and acute care, dental care, behavioral health care, and long-term care in a nursing home or in the community.

- **Members:** 1,499,303 as of July 2021.¹²

Child Health Plan Plus (CHP+): A state/federal partnership providing health care coverage to children (ages 0–18) with family incomes between 147% and 265% of the FPL and pregnant women with incomes between 200% and 265% of the FPL (265% of the FPL is set at \$70,255 for a family of four in 2021. See Figure 2). Coverage includes inpatient and outpatient hospital care, primary care services, prescription drugs, immunizations, and a limited dental and mental health benefit for children only.¹³

- **Members:** 57,472 children and 565 pregnant women totaling 58,037 people as of July 2021.¹⁴

Colorado Indigent Care Program: A state program that partially reimburses certain high-volume hospitals and clinics for uncompensated care provided to patients who are uninsured or underinsured, have limited assets, are not eligible for Medicaid or CHP+, and have incomes at or below 250% of the FPL.

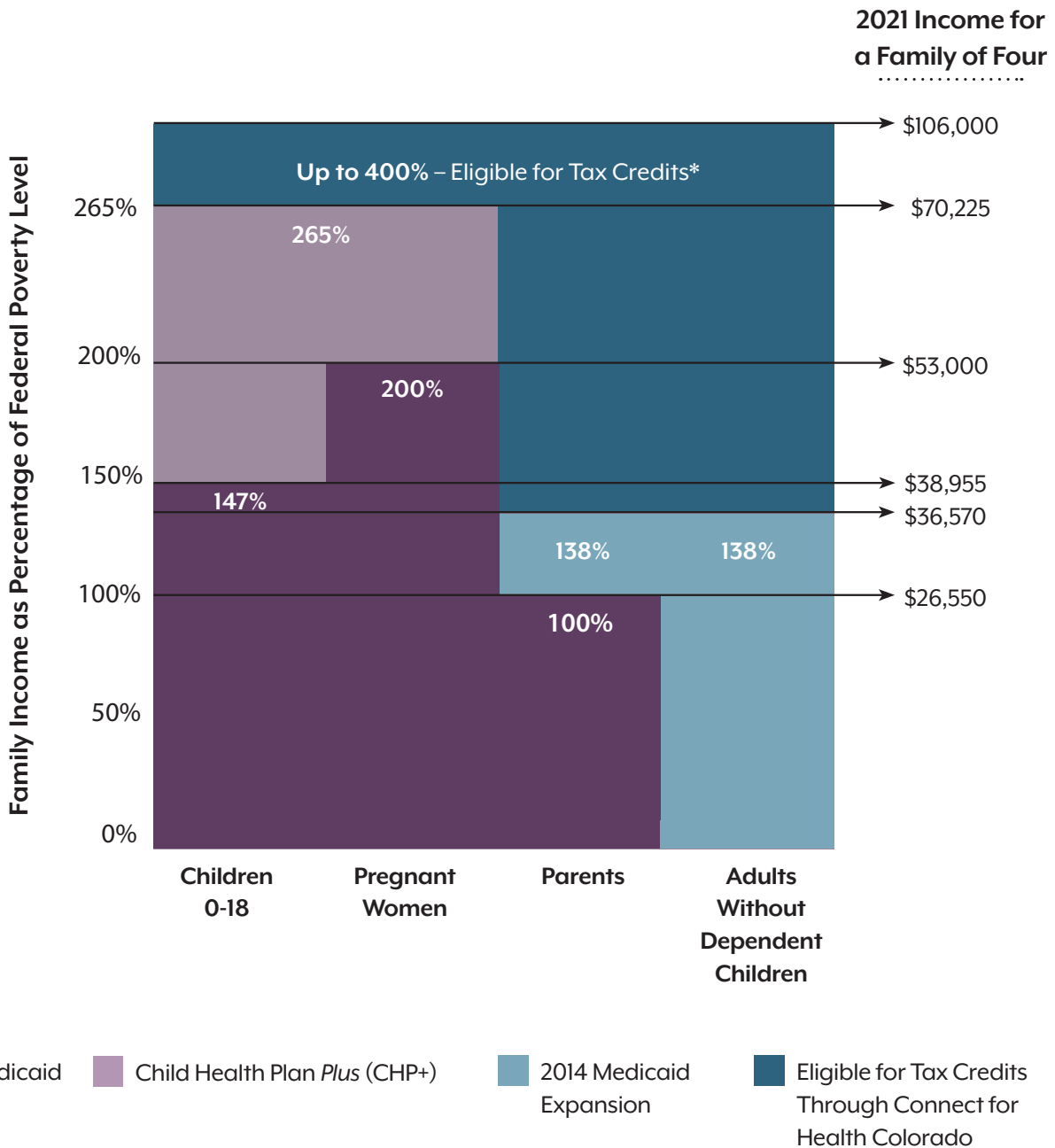
- **Clients:** In FY 2019-20, 54,222 people received services that were discounted through this program.¹⁵

Advance Premium Tax Credits (APTCs): Adults and children can qualify for financial assistance — in the form of tax credits — to purchase commercial insurance through Colorado's health insurance marketplace, Connect for Health Colorado. Individuals qualify if their incomes are too high to be eligible for Medicaid or CHP+. Prior to 2021, adults qualified for APTCs if they earned between 138% and 400% of the FPL (400% of the FPL is set at \$106,000 for a family of four in 2021. See Figure 2). Children qualified for APTCs if they were part of families with incomes between 265% and 400% of the FPL (see Figure 2). However, the American Rescue Plan Act, passed in 2021, temporarily expanded eligibility for this tax credit to individuals and families making more than 400% of the FPL for the 2021 and 2022 plan years.¹⁶

- **Coloradans:** 65,820 Coloradans received advance premium tax credits in 2019.¹⁷

Figure 2.

Eligibility Levels for Medicaid, CHP+ and Tax Credits for Private Insurance, Colorado, 2021



* As part of the American Rescue Plan Act, passed in 2021 tax credits were temporarily made available to individuals and families making more than 400% of the FPL. The new legislation also establishes a new upper limit of 8.5% for how much of a family's household income can be paid toward their benchmark insurance cost. Families and individuals making more than 400% of the FPL may not receive tax credits if the cost of the benchmark plan is less than 8.5% of their total household income.

How Is the Safety Net Funded?

A portion of most safety net providers' revenue comes from health coverage reimbursements through Medicaid, CHP+, and private insurance. Most safety net providers also rely on a mix of public and private funds and patient fees. These include:

Grants from the federal Bureau of Primary Health Care: The federal government awards grant funding to Community Health Centers to provide primary care, behavioral health care, chronic disease management, and other services in underserved areas.¹⁸

Block grants: Colorado passes some of its federal block grant funding, including the Maternal and Child Health Services Block Grant, Ryan White CARE Act funds, and the Preventive Health and Health Services block grant, to various safety net providers.¹⁹

Primary Care Fund: Amendment 35, passed by Colorado voters in 2004, increased the excise tax on tobacco products, earmarking some of those revenues for safety net providers through a program called the Primary Care Fund.

Disproportionate share hospital payments: These funds help states partially compensate hospitals providing a disproportionate share of medical care to patients who are uninsured and those who are Medicaid enrollees.²⁰

Fees: Most safety net providers employ a sliding-scale fee schedule based on a patient's income, offsetting a portion of the costs.

Foundation funding: Colorado's philanthropic community provides support to safety net providers through grants and contracts.

Hospital fees: The Colorado Health Care Affordability Act, passed in 2009, established a fee that is assessed on Colorado hospitals. The fee leverages federal dollars to increase hospital reimbursement rates for care provided to people who are without insurance or enrolled in Medicaid. The fee also funded expansions of Colorado's Medicaid and CHP+ programs.

Local public funding: This funding fills gaps in services. The duration, type, and level of financial support vary by community.

Additional Resources

For more information regarding Colorado's safety net, see:

- Colorado Association for School-Based Health Care: casbhc.org
- Colorado Behavioral Healthcare Council: cbhc.org/
- Colorado Community Health Network: cchn.org
- Colorado Consumer Health Initiative: cohealthinitiative.org/
- Colorado Hospital Association: cha.com
- Colorado Rural Health Center: coruralhealth.org
- Colorado Safety Net Collaborative: cosafetynet.org/
- Connect for Health Colorado: connectforhealthco.com/
- Colorado Department of Health Care Policy & Financing
 - Health First Colorado/Medicaid: colorado.gov/pacific/hcpf/colorado-medicaid
 - CHP+: colorado.gov/pacific/hcpf/child-health-plan-plus
 - CICP: colorado.gov/pacific/hcpf/colorado-indigent-care-program
- Colorado Department of Public Health and Environment: cdphe.colorado.gov/

Endnotes

- ¹ Institute of Medicine. (2000). *America's Health Care Safety Net: Intact but Endangered*. Washington, DC: National Academies Press. p.10. Retrieved August 2021. <https://www.nap.edu/catalog/9612/americas-health-care-safety-net-intact-but-endangered>
Also see Colorado Health Institute. (2020). *Stretching the Safety Net*. <https://www.coloradohealthinstitute.org/research/stretching-safety-net>.
- ² As a condition of receiving Medicare funds, hospitals must provide a medical screening examination to all individuals who enter the emergency room seeking treatment as required by the Emergency Medical Treatment and Active Labor Act. If the hospital determines that the individual is suffering from an emergency medical condition, the hospital must provide treatment until the patient is stable or transfer the patient to another hospital. More information available at <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1305897/>
- ³ Screening and assessments are often coordinated through the Early and Periodic Screening, Diagnosis and Treatment requirements outlined by federal Medicaid regulations.
- ⁴ Urban Institute. (2021). "Immigrant Families Continued Avoiding the Safety Net During the COVID-19 Crisis." Retrieved August 17, 2021. <https://www.urban.org/sites/default/files/publication/103565/immigrant-families-continued-avoiding-the-safety-net-during-the-covid-19-crisis.pdf>
- ⁵ Colorado Health Institute. (2019). Colorado Health Access Survey Presentation. Retrieved August 20, 2021. <https://www.coloradohealthinstitute.org/research/CHAS>.
- ⁶ Colorado Health Institute. (2021). "Eligible but Not Enrolled 2019." Retrieved August 20, 2021. <https://www.coloradohealthinstitute.org/research/eligible-not-enrolled-2019>
- ⁷ The Bell Policy Center. (2021). Tax Contributions of Undocumented Immigrants. Retrieved August 17, 2021. <https://www.bellpolicy.org/2021/02/19/undocumented-immigrants-tax-contributions/>
- ⁸ Colorado General Assembly. (2021). SB21-009: Reproductive Health Care Program. Retrieved August 20, 2021. <https://leg.colorado.gov/bills/sb21-009>
- ⁹ Colorado Health Institute. (2021).
- ¹⁰ Percent insurance rates by language were obtained by the Colorado Health Institute from an analysis using 2019 Colorado Health Access Survey data. Retrieved August 20, 2021.
- ¹¹ For analysis of eligibility, CHI adjusts eligibility criteria to reflect a 5% income disregard. This method of calculating income is called the Modified Adjusted Gross Income (MAGI) and was established under the Affordable Care Act. For more information, see CHI's A MAGI Primer at https://www.coloradohealthinstitute.org/sites/default/files/file_attachments/MAGI_Primer_2.pdf.
- ¹² Colorado Department of Health Care Policy & Financing. (2021a). FY 2020-21 Medical Premiums and Caseload Report, August 2021. Retrieved August 20, 2021. <https://www.colorado.gov/hcpf/premiums-expenditures-and-caseload-reports>
- ¹³ Colorado Department of Health Care Policy & Financing. (2021b). "Child Health Plan Plus (CHP+)." Retrieved August 2021. <https://www.colorado.gov/pacific/hcpf/child-health-plan-plus>
- ¹⁴ Colorado Department of Health Care Policy & Financing. (2021a).
- ¹⁵ Colorado Department of Health Care Policy & Financing. (2021c). "Colorado Indigent Care Program and Primary Care Fund: FY2019-20 Annual Report." Retrieved August 20, 2021. <https://hcpf.colorado.gov/cicp>
- ¹⁶ Centers for Medicare and Medicaid Services. (2021). Fact Sheet: *American Rescue Plan and the Marketplace*. Retrieved August 5, 2021. <https://www.cms.gov/newsroom/fact-sheets/american-rescue-plan-and-marketplace>
- ¹⁷ Colorado Health Institute. "Eligible but Not Enrolled 2019." (2021).
- ¹⁸ Rural Health Information Hub. Retrieved August 17, 2021. <https://www.ruralhealthinfo.org/topics/federally-qualified-health-centers>.
- ¹⁹ Ryan White CARE Act funds are targeted to people with HIV/AIDS.
- ²⁰ Medicaid and CHIP Payment and Access Commission. (2021). "Medicaid Base and Supplemental Payments to Hospitals." Retrieved August 20, 2021. <https://www.macpac.gov/publication/medicaid-base-and-supplemental-payments-to-hospitals/>
- ²¹ Unless otherwise noted, all references to CHI's analysis of the 2019 Colorado Health Access Survey can be found at <https://www.coloradohealthinstitute.org/research/CHAS>.



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