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What's Ahead for Colorado's Health and Social Programs



Joe Hanel

Colorado Health Institute





COLORADO **HEALTH** INSTITUTE

CHI strengthens communities and systems with trusted analysis and collaborative solutions to improve health.



We answer critical questions.



We make sense of complex issues.



We support others to reach actionable solutions.

Timeline Overview

July 2025

H.R. 1 passes

Immediate effects: Tax revenue shortfall and Planned Parenthood funding



October 2025

SNAP cuts

January 2026

Insurance subsidies end

October 2026

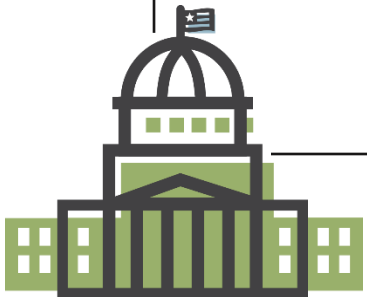
Medicaid eligibility and SNAP changes

January 2027

Medicaid eligibility changes

October 2027

Funding cuts to Medicaid and SNAP



Fall 2025 25-26 Federal Budget

H.R. 1: Immediate Problems

JULY 2025

Tax cuts cause \$1.2 billion state revenue loss

- ▶ H.R. 1 wiped out TABOR surplus and left a \$750 million hole to fill
- ▶ Colorado's tax policy automatically adopts federal changes
- ▶ **State Response**
Tax policy changes, use of state reserve

H.R. 1: Immediate Problems

JULY 2025

▶ **State Response**

Governor announces **\$250 million** in cuts:

- ▶ **\$105 million** from affordable housing
- ▶ **\$79 million** from Health Care Policy and Financing
- ▶ **\$16 million** from public health
- ▶ **\$22 million** from colleges

The good news:

- **No cuts** to K-12 education
- **“Only” about \$50 million** in cuts from H.R. 1 are expected in 2026-27

H.R. 1: Immediate Problems

JULY 2025

Planned Parenthood Restrictions

- ▶ H.R. 1 forbid states from using Medicaid to pay for non-abortion services at Planned Parenthood.
This is being challenged in court
- ▶ **State Response:**
\$4.3 million funding during special session

H.R. 1: Upcoming Issues

OCTOBER 2025



SNAP Cuts

- ▶ Refugees and asylees no longer qualify.
- ▶ Work requirements expanded to include adults 55 to 64, parents with children 14 to 17.
- ▶ SNAP Education grant terminated.
- ▶ **State Response**
School meals fund repurposed.

H.R. 1: Upcoming Issues

OCTOBER 2025



Rural Provider Relief Fund

- ▶ Possibly \$100 million a year for Colorado clinics and hospitals

H.R. 1: Upcoming Issues

JANUARY 2026



Insurance Subsidies End

- ▶ Premium prices up average of 28%
- ▶ Coupled with subsidy loss, average out-of-pocket increase will be 104% for customers getting a tax credit
110,000 Coloradans potentially leave market
- ▶ **State Response**
\$100 million boost for Health Insurance Affordability Enterprise

H.R. 1: Upcoming Issues

OCTOBER 2026



Medicaid

- ▶ Coverage forbidden for refugees, asylees, humanitarian parolees, trafficking survivors, and other immigrants

Affects 7,000 people

H.R. 1: Upcoming Issues

OCTOBER 2026



SNAP

- ▶ Federal share of administration cost goes to 25% (from 50%).
- ▶ State and counties must pay an extra \$50 million.

JANUARY 2027



Medicaid

- ▶ Restrictions for ACA expansion population (377,000 people)
 - ▶ Work requirements begin
 - ▶ Eligibility checks increase to twice a year, up from annually
- ▶ Retroactive coverage reduced to one month (from the current three months)

OCTOBER 2027



Medicaid

- ▶ Hospital Provider Fee starts to drop in 0.5 percentage point increments annually
- ▶ Each 0.5 point cut results in \$180 million loss in federal matching funds



SNAP

- ▶ Federal government stops paying full cost of SNAP benefits
- ▶ States must pay up to 15%, based on their payment error rates

Upcoming: Federal 2025-26 Budget



Takes effect
October 1 or later

Let's Review

Issues Addressed:



- ▶ Tax revenue cuts
- ▶ Planned Parenthood
- ▶ SNAP funding (partially)
- ▶ Individual insurance market (partially)

Issues Remaining:



- ▶ **2025:** Refugee benefits, SNAP work requirements
- ▶ **2026:** Individual market, further SNAP cuts
- ▶ **2027:** Medicaid eligibility, Hospital Provider Fee, more SNAP funding cuts

Today's Panel



Mike Beasley

President

5280 Strategies



Bernie Buescher

Of Counsel

Ireland Stapleton Pryor and Pascoe



Claire Levy

Commissioner

Boulder County



Henry Sobanet

*Treasurer and Senior
Advisor to the Chancellor*

Colorado State University

**Coming in
November**

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