



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1288: SUPPORT FOR FEDERALLY QUALIFIED HEALTH CENTERS

Prime Sponsors:

Rep. Martinez; Winter T.

Sen. Roberts; Simpson

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Date: April 30, 2025

Fiscal note status: This revised fiscal note reflects the reengrossed bill.

Summary Information

Overview. The bill permits the Department of Health Care Policy and Financing to accept gifts for the Primacy Care Fund and allows federally qualified health centers to establish subsidiaries.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
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

Summary of Legislation

The bill codifies the Department of Health Care Policy and Financing's (HCPF) authorization to accept monetary gifts from private and public sources for the Primacy Care Fund. It also permits a Federally Qualified Health Center (FQHC) to establish a subsidiary company to provide additional fee-for-service services outside of the FQHC's Medicaid encounter rate if the services have been historically provided and reimbursements from HCPF remain budget neutral.

Background and Assumptions

The [Primary Care Fund](#) in HCPF receives 19 percent of taxes collected on tobacco products in the state to pay health care providers that meet specific qualifications. Qualified providers are FQHCs or health centers where at least 50 percent of the patients serviced are uninsured, medically indigent, Medicaid, or CHP+ members.

State Expenditures

Starting in FY 2025-26, the bill minimally increases workload in HCPF to promulgate rules related to Primary Care Fund gifts and subsidiary companies established by FQHCs. No change in appropriations is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Health Care Policy and Financing

Public Health and Environment