



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-229: REIMBURSEMENT FOR COMMUNITY HEALTH WORKERS

Prime Sponsors:

Sen. Kirkmeyer; Bridges
Rep. Bird; Taggart

Fiscal Analyst:

Kristine McLaughlin, 303-866-4776
kristine.mclaughlin@coleg.gov

Published for: Senate Appropriations
Drafting number: LLS 25-0978

Version: Initial Fiscal Note
Date: March 31, 2025

Fiscal note status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of the FY 2025-26 Long Bill budget package.

Summary Information

Overview. The bill stops implementation of Medicaid coverage of services provided by community health workers.

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

- State Expenditures

Appropriations. For FY 2025-26, the bill decreases appropriations by \$11.7 million in the Department of Health Care Policy and Financing.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	-\$11,726,508	-\$13,685,368
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	-1.0 FTE	-1.0 FTE

¹ Fund sources for these impacts are shown in the table below.

Table 1A
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	-\$2,807,023	-\$3,274,872
Cash Funds	-\$685,499	-\$803,013
Federal Funds	-\$8,233,986	-\$9,607,483
Centrally Appropriated	\$0	\$0
Total Expenditures	-\$11,726,508	-\$13,685,368
Total FTE	-1.0 FTE	-1.0 FTE

Summary of Legislation

The bill stops implementation of [Senate Bill 23-002](#), which required the Department of Health Care Policy and Financing (HCPF) to cover services—including health education, screening, and advocacy—provided by community health workers. Community health workers are defined as liaisons between health care or social service providers who are credentialed by the Department of Public Health and Environment (CDPHE).

State Expenditures

The bill decreases state expenditures by \$11.7 million in FY 2025-26 and \$13.7 million in FY 2026-27 and future years. These savings, from General Fund, the Health Care Affordability and Sustainability Cash Fund, and federal funds, will be incurred in HCPF as shown in Table 2 and described below.

Table 2
State Expenditures
Department of Health Care Policy and Financing

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Personal Services	-\$98,246	-\$98,246
Operating Expenses	-\$1,350	-\$1,350
System Costs	-\$180,000	-\$180,000
Service Costs	-\$11,426,689	-\$13,385,549
Employee Insurance	-\$11,530	-\$11,530
Supplemental PERA	-\$8,693	-\$8,693
Total Costs	-\$11,726,508	-\$13,685,368
Total FTE	-1.0 FTE	-1.0 FTE

Department of Health Care Policy and Financing

SB 23-002 included staff, system change, and service costs for HCPF to cover services provided by community health workers. This bill removes the entirety of these costs as shown in Table 2A.

Department of Public Health and Environment

SB 23-002 included 2.0 FTE and ongoing system costs to CDPHE to credential additional community health workers and worker training programs under the assumption that demand for the service would increase. Since additional training programs have already been credentialed, the fiscal note assumes that students will continue to seek credentials and repealing HCPF coverage will not impact CDPHE.

Effective Date

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

State Appropriations

For FY 2025-26 the bill includes a decrease in appropriation to the Department of Health Care Policy and Financing of \$11,726,508, including:

- \$2,807,023 from the General Fund;
- \$685,499 from the Health Care Affordability and Sustainability Cash Fund; and
- \$8,233,986 from federal funds.

State and Local Government Contacts

Joint Budget Committee Staff