



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1026: REPEAL COPAYMENT FOR DOC INMATE HEALTH CARE

Prime Sponsors:

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

Summary Information

Overview. The bill prohibits the DOC from charging copayments and late fees for medical services.

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

- State Revenue
- State Expenditures
- TABOR Refunds

Appropriations. For FY 2025-26, the bill requires a General Fund appropriation of \$157,179 to the Department of Corrections and a cash fund reduction in the same amount.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	-\$157,179	-\$157,179
State Expenditures ²	No net change	No net change
Transferred Funds	\$0	\$0
Change in TABOR Refunds	-\$157,179	-\$157,179
Change in State FTE	0.0 FTE	0.0 FTE

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

² The bill requires in a refinancing of cash fund expenditures to the General Fund, resulting in no net change in total expenditures.

**Table 1A
State Revenue**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$0	\$0
Cash Funds	-\$157,179	-\$157,179
Total Revenue	-\$157,179	-\$157,179

**Table 1B
State Expenditures**

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$157,179	\$157,179
Cash Funds	-\$157,179	\$157,179
Total Expenditures	\$0	\$0
Total FTE	0.0 FTE	0.0 FTE

Summary of Legislation

Currently, state law permits the Department of Corrections (DOC) to charge inmates a copay for health services and caps the copay amount to \$5. This bill repeals this authority and prohibits the DOC from charging copayments or late fees for any medical service. DOC is required to report on appointment-related data at its 2026 SMART Act hearing.

Background

According to [DOC Rule 700-30](#), all offenders have access to health care regardless of their ability to pay, but the department does charge:

- a \$5 copay for self-declared emergencies;
- a \$3 copay (which may be waived for chronic conditions) for offender-initiated medical appointments, dental visits, and optometry services; and
- a \$3 no-show fee when an offender fails to attend or properly cancel a scheduled appointment, or when an offender refuses an appointment.

The policy also provides a range of services where a co-pay is not charged, such as for routine treatment orders, medical conditions related to a state or national declared emergency, lab work and x-rays, dialysis, end-of-life care, and infirmary admission, among others.

State Revenue

Starting in FY 2025-26, cash fund revenue to the DOC will decrease by an estimated \$157,179 per year. This represents the current amount of copayments and late fees collected by the DOC. This revenue is subject to the state's TABOR limit.

State Expenditures

Starting in FY 2025-26, the bill decreases state cash fund expenditures from copayments by \$157,179 and increases General Fund expenditures by the same amount. General Fund costs will pay for the portion of medical services costs that are currently covered using copayments and late fees paid by offenders. In addition, the removal of late fees may increase the number of appointment no-shows, which may create scheduling delays.

TABOR Refunds

The bill is expected to decrease the amount of state revenue required to be refunded to taxpayers by \$157,179 per year. This estimate assumes the March 2025 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2026-27. Because TABOR refunds are paid from the General Fund, decreased cash fund revenue will increase the amount of General Fund available to spend or save.

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 the following appropriation adjustments to the Department of Corrections:

- a reduction of \$322,861 and 3.0 FTE in cash funds from inmate medical fees; and
- an increase of \$157,179 and 1.5 FTE from the General Fund for use by the Medical Services Subprogram.

Note: the included appropriation clause in the bill eliminates the entire cash fund appropriation from inmate medical fees included in the FY 2025-26 Long Bill, which is higher than the actual fee revenue collected. The increase in General Fund appropriations is based on the actual amount of fee revenue collected that must be replaced to maintain current funding levels for medical services.

State and Local Government Contacts

Corrections