



# Fiscal Note

## Legislative Council Staff

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### SB 25B-002: REIMBURSE ENTITIES PROVIDING REPRODUCTIVE HLTH

**Prime Sponsors:**

Sen. Bridges; Daugherty

Rep. Bacon; Willford

**Fiscal Analyst:**

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**Published for:** Signed into Law

**Drafting number:** LLS 25B-0001

**Version:** Final Fiscal Note

**Date:** September 10, 2025

**Fiscal note status:** The final fiscal note reflects the enacted bill.

### Summary Information

**Overview.** The bill requires the Department of Health Care Policy and Financing to use state funds to reimburse entities that are prohibited from receiving federal reimbursement from the Centers for Medicare and Medicaid Services.

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

- State Expenditures

**Appropriations.** No appropriation is required in the current FY 2025-26. See State Appropriations section for detail.

**Table 1**  
**Conditional State Fiscal Impacts**

Type of Impact	Current Year FY 2025-26	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0	\$0
State Expenditures (General Fund)	up to \$4,377,694	up to \$4,377,694	up to \$4,377,694
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE	FTE

## Summary of Legislation

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Effective July 1, 2025, the bill requires the Department of Health Care Policy and Financing (HCPF) to use state-only funds to reimburse entities that are prohibited from receiving federal reimbursement (i.e., Planned Parenthood) from the Centers for Medicare and Medicaid Services under the One Big Beautiful Bill Act (OBBBA). These reimbursements apply only to services covered under Title XIX of the federal Social Security Act provided on or after July 1, 2025, and only when the claim is not eligible for federal reimbursement.

## Background and Assumptions

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Colorado Medicaid covers preventive and reproductive health care services—including exams, screenings, contraceptives, and STI treatment—at no cost to members. Prior to the passage of OBBBA on July 4, 2025, services provided at Planned Parenthood qualified for a 90 percent federal matching rate. As of this writing, a [preliminary injunction](#) has been granted by a U.S. District Judge in Massachusetts, temporarily prohibiting the provision from going into effect.

FY 2024-25 claims data show that HCPF paid Planned Parenthood of the Rocky Mountains \$4,864,104 for covered services provided to eligible Medicaid members, of which \$4,377,694 was federally funded.

## State Expenditures

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Conditional upon the outcome of the case outlined in the Background section, the bill may increase state General Fund expenditures in the Department of Health Care Policy and Financing by about \$4.4 million per year. These costs will be incurred to pay for covered reproductive health care services that no longer qualify for federal funding.

This estimate is based on prior year claims data. To the extent that changes in federal funding and other factors affect utilization of reproductive health care services at the affected entity or services shift to other types of providers, costs for state-only reimbursement may vary. Any necessary adjustments to state-only funding will be addressed through the annual budget process based on actual claims and utilization.

## Effective Date

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The bill was signed into law by the Governor and took effect on August 26, 2025.

## **State Appropriations**

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No appropriation is required in the current fiscal year. It is assumed that a General Fund appropriation to the Department of Health Care Policy and Financing of \$4,377,694 will only be required if the current injunction is overturned. This funding will be requested through the supplemental or annual budget process, if necessary.

## **State and Local Government Contacts**

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Health Care Policy and Financing