



Monday, April 14, 2025

Senator Michael Bennet  
Senator John Hickenlooper  
Representative Diana DeGette  
Representative Joe Neguse  
Representative Jeff Hurd  
Representative Lauren Boebert  
Representative Jeff Crank  
Representative Jason Crow  
Representative Brittany Petterson  
Representative Gabe Evans

To the Honorable Members of Colorado's Congressional Delegation:

Healthier Colorado is a nonpartisan, nonprofit organization dedicated to raising the voices of Coloradans in the public policy process to improve the health of our state's residents. We believe that every Coloradan should have a fair chance at living a healthy life. That is why we are writing to request that Colorado's congressional delegation **oppose any proposed cuts to the Medicaid program**. Healthier Colorado recognizes that the \$880 billion in cuts detailed in the adopted budget resolution passed in Congress will lead to the termination of health care for millions, including people fighting cancer, seniors in nursing homes, veterans, children, and people with disabilities. The proposed cuts will not only leave thousands of Coloradans without health care coverage, but will also lead to hospital and clinic closures, eliminating thousands of health care jobs in communities across the state and decreasing access to health services for those with other insurance types. These Medicaid cuts are widely unpopular among voters on both sides of the aisle<sup>1</sup> and will be devastating to your districts.

### Why Medicaid Matters

According to [data from Colorado's Department of Health Care Policy and Financing](#) (HCPF), Colorado's Medicaid program, Child Health Insurance Plan (CHIP+), and other health care programs covered 1.31 million Coloradans as of January 2025 - 22 percent of the state's residents. Overall, these public programs cover 39 percent of children and 44 percent of the state's births. Many older Coloradans rely on Medicaid for nursing or in-home care, with 61 percent of Coloradans in nursing homes covered by Medicaid. Overwhelmingly, the people covered by Medicaid who are able to work do so, **with at least 92** percent of Medicaid enrollees working, living in a nursing facility, living with a disability/illness, attending school, or providing care to a family member. The remaining 8 percent includes people who are retired or are unable

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<sup>1</sup>Cutting Medicaid is widely unpopular and has a political impact. Two recent surveys conducted by Lake Research Partners found a majority of voters say they would be less favorable toward their member of Congress if they voted to cut \$880 billion from Medicaid. Each survey reached a total of 800 likely voters in 2026 nationwide.



to find employment. Medicaid is the only health coverage program that provides long-term care, services, and supports that help older Coloradans and Coloradans with disabilities live and thrive in their communities.

### **Medicaid Cuts Will Hurt Colorado's Economy and Lead to Job Losses**

Medicaid spending generates economic activity, including jobs, income, and state tax revenues. Federal Medicaid matching dollars support jobs and generate income within the health care sector and throughout other sectors of the economy due to the multiplier effect. On average, about 58 percent of all funding for HCPF's budget, including Medicaid, CHP+, other programs and administration, comes in the form of federal matching funds, while 42 percent comes from state funding sources. Reducing the federal match levels that currently exist would translate to a more than \$1 billion reduction in federal matching funding annually. Decreases in funding reduce the flow of dollars to Colorado's hospitals, nursing homes, home health agencies, and pharmacies, and reduce the amount of money circulating through the economy, affecting employment, income, state tax revenue, and economic output.

- The proposed Medicaid cuts would **eliminate at least \$27.2 billion in federal funding** provided to Colorado over the next five years and threaten the state's financial stability at a time when Colorado is facing a \$1.2 billion shortfall.
- A **recent study** published by the Colorado Health Foundation estimates that Medicaid disenrollments could result in up to \$4.7 billion in economic losses, 28,046 job losses, and a reduction of \$1.7 billion in household earnings.
- **Another study** from The Commonwealth Fund showed that if proposed cuts to Medicaid and SNAP are enacted, Colorado could lose 14,000 jobs in 2026 and the state's gross domestic product could shrink by almost \$1.6 billion. The loss in state and local taxes could be \$106 million next year.

### **Work Requirements Cause Working People to Lose Health Coverage**

Ninety-two percent of people on Medicaid are working, going to school, have a disability, or provide ongoing care for a family member. Medicaid work reporting requirements create additional red tape and administrative barriers, leading to the loss of health coverage for people who need it most. This can lead to gaps in care that damage their health and financial security and make it harder for them to find or keep a job. Work requirements are also not common sense - they often increase administrative costs for states. Given Colorado's county-administered model, our state could face significant additional administrative costs at the county and state levels.

### **Waste, Fraud, and Abuse is a False Narrative**

With 96 percent of Colorado Medicaid's budget directly paying care providers and only 4 percent going to administration, the Medicaid program is the most efficiently run health plan in the state compared to those in commercial/private insurance or Medicare Advantage plans.



Colorado Medicaid is particularly low-cost and efficient, **especially for children and adults under age 65**, spending less than almost all other states to provide robust coverage for these populations. Waste, fraud, and abuse in Medicaid are very rare. Recent **analysis** of the FY 2023 Health Care Fraud and Abuse Control Program (HCFAC) report found no beneficiary fraud in the listing. Any solutions targeted to address waste, fraud, and abuse must not be targeted at Medicaid enrollees. Eight hundred and eighty billion dollars in cuts cannot be achieved by addressing waste, fraud, and abuse. These cuts will ultimately terminate health care for those who can least afford it—and increase health care costs for all Coloradans—while doing nothing to address waste, fraud, and abuse.

### **Medicaid Cuts Close Hospitals & Clinics**

Colorado's health care sector generates \$148 billion of economic output and supports 744,000 jobs—nearly 1 in 5 jobs—statewide. Health care providers are top employers and economic drivers in our communities. Terminating health coverage drives up uncompensated care to unsustainable levels and eliminates health care providers as economic drivers for the state and local communities.

The impact of the Medicaid unwinding of more than 500,000 people in 2023-24 created stress on the safety net providers across our state. Within the last year alone, Colorado hospitals have seen over a 50 percent increase in patients without insurance seeking care in the emergency department. Colorado's safety net primary care and dental clinics have experienced a 25-50 percent growth in uninsured patients, and community mental health centers have reported increases of 50 percent in the uninsured rate. Colorado's safety net providers already operate on razor-thin margins. The dramatic increase in uncompensated care costs is forcing service reductions, layoffs, and clinic closures.

Further, providers and hospitals in rural Colorado need Medicaid to keep their doors open. Medicaid cuts will likely lead to the closure of many critical access and sole community hospitals. Most rural hospitals run on tight margins; in fact, **21 hospitals in rural Colorado** are operating in the red right now and will be at extreme risk of closing with cuts to Medicaid. Rural counties with hospital closures saw **meaningfully lower annual growth** in employment and aggregate wages three years after the closure than counties without hospital closures.

### **Colorado Cannot Afford Cuts to Medicaid**

Colorado cannot afford federal cuts to Medicaid. The Colorado General Assembly has already had to grapple with a \$1.2 billion gap in the 2025-26 state budget, with another budget deficit anticipated next year as well. Given Colorado's Taxpayer Bill of Rights (TABOR), the state's spending is extremely constrained and we lack the ability to increase revenue to fill the gap caused by these cuts. Ultimately, federal cuts to Medicaid would decimate Colorado's budget as our state does not have the necessary resources to support the many services Coloradans need to thrive, such as transportation, education, child care, housing supports, and behavioral health services.



### **Our Ask: Oppose Cuts to Medicaid**

Healthier Colorado urges you to **oppose all proposed cuts to the Congressionally-proposed Medicaid program**, a program that ensures 1 in 5 of our state's residents receive the health care they need to thrive. Medicaid keeps Colorado healthy, fuels the economy, and keeps people employed. Please do not rush to terminate health care for hundreds of thousands of Coloradans including seniors, children, pregnant people, and people with disabilities on Medicaid.

Healthier Colorado has a long track record of success, working across the state and on both sides of the aisle to make sustainable and innovative improvements to our health system. We would love to partner with you so you can best meet the needs of the constituents in your district who rely on Medicaid. Thank you for your consideration.

In health,

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