The Colorado Health Foundation™

The Colorado Health Foundation informs Colorado's Congressional Delegation on the potential impact of Medicaid cuts

April 17, 2025

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

Honorable Members of Colorado’s Congressional Delegation:

As a nonprofit and nonpartisan private foundation, the Colorado Health Foundation (CHF) works statewide to advance our mission to improve the health of Coloradans. Through community engagement, grantmaking, research, and private sector investments, our work aims to ensure that everyone in Colorado has what they need to be healthy. Maintaining access to affordable, high-quality

health care, and consistent health insurance coverage is an essential part of this effort.

We are gravely concerned about the current cuts to Medicaid being considered by Congress. These cuts would not only decimate Colorado's health care system and harm Coloradans who receive health insurance through Health First Colorado, Colorado's Medicaid program – but the ripple effects on Colorado's local and state economy would be profound. While Colorado is fortunate to have a strong statewide philanthropic sector, private foundations are not equipped to offset the magnitude of cuts currently being proposed by Congress. On top of an already dire state budget situation, these cuts would widen the state's budget shortfall, reduce core services, and place the goal of health and well-being even further out of reach for your constituents.

Medicaid Supports the Health of Coloradans: According to Colorado's Department of Health Care Policy and Financing (HCPF), Colorado's Medicaid program, Child Health Insurance Plan (CHP+), and other health care programs covered 1.31 million Coloradans as of January 2025. This is 22% of all Colorado residents. These public programs cover 39% of Colorado children and 44% of the state's births. These programs are also vital for seniors needing nursing or in-home care, with 61% of Coloradans in nursing homes covered by Medicaid. Enrollment in Health First Colorado ranges from 16% to 31% of the total population by Congressional District.

On an annual basis, CHF works with a bipartisan team of researchers to conduct a statewide poll to better understand the concerns and experiences of Coloradans. We know from our 2024 Pulse Poll, that 43% of Coloradans have postponed necessary medical or dental care in the last year, primarily due to cost. These concerns are more pronounced for certain segments of the population. Uninsured Coloradans and members of Health First Colorado experience significantly higher rates of food and housing insecurity as well as strains on health and wellbeing as

compared to the total population. In fact, 70% report struggling to get by financially as compared to 37% of the total population. Any additional disruption to this vital program will further harm Coloradans already working hard to make ends meet.

Medicaid Supports Colorado's Economy: Health care as an industrial sector is significant in Colorado, accounting for more than 5% of economic activity and 9% of statewide employment. The economic multiplier for health care in Colorado is among the highest of any industry in the state. This means that health care spending recirculates in the economy at a high level and generates more overall economic activity than spending in almost any other industry in Colorado. When the health care economy contracts—especially due to reductions in federal funding—the overall economic impact is more severe than contractions in other industries with smaller economic multipliers.

CHF recently partnered with the Colorado Futures Center at Colorado State University to analyze the economic impact of the Medicaid Unwind in Colorado, following the end of the COVID-19 Public Health Emergency. The bottom line: The Medicaid Unwind resulted in a smaller Colorado economy, reduced household earnings and fewer jobs than had the coverage continued uninterrupted. While we are through the Medicaid Unwind, this report has direct implications for considerations currently underway. Any change in federal funding or structure of Medicaid would have far-reaching and profound economic implications for Coloradans and for our state's economy.

A new report by the Commonwealth Fund and the George Washington University Milken Institute School of Public Health projects that Colorado could lose as many as 12,000 jobs, $1.3 billion in state GDP, and $82 million in state/local tax dollars in 2026 as a result of proposed budget cuts. Colorado is already facing a substantial budget shortfall and we cannot absorb these additional impacts.

Medicaid is Critical for Colorado's Health Care System: Following the end of the COVID-19 Public Health Emergency and the subsequent Medicaid redetermination, Colorado's health care delivery system is severely strained. Many health care providers have already implemented staff layoffs, hiring freezes, closed School-Based Health Centers, and reduced access to care. We know from our statewide partners that any additional changes to Medicaid will threaten the stability of our already shaky health care safety net, leading to further layoffs, reduction in services and diminished access to essential health care. This affects all of us – from the frontline health care workers providing care to local clinics, rural hospitals, and safety net providers that serve our communities. The philanthropic sector has been working to help support our safety net during this precarious time; however, our health system cannot sustain additional disruption without significant cuts to services, jobs and access to care.

While we appreciate the desire to reduce waste, fraud and abuse, the sweeping cuts to Medicaid would not achieve this goal and represent a false narrative. These cuts would jeopardize health care for more than one million Coloradans, further destabilize our health care and safety net system and ultimately increase costs for everyone who calls Colorado home.

We value the partnership we have with our elected officials in prioritizing the long-term health of Coloradans. Thank you for your leadership and consideration of this important issue.

In Good Health,
Karen McNeil-Miller, Ed.D
President and CEO
The Colorado Health Foundation

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BY

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