



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1107: HEALTH CARE IN REGULATED FACILITIES

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Fiscal note status: This fiscal note reflects the introduced bill.

Summary Information

Overview. The bill requires dementia care facilities to update information disclosure requirements and expands the authority of medical professionals to administer medication by injection.

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

- State Revenue
- State Expenditures
- TABOR Refunds
- Local Government

Appropriations. For FY 2026-27, the bill requires an appropriation of \$82,341 to the Department of Regulatory Agencies.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
State Revenue	\$62,356	\$357,000	\$62,356
State Expenditures	\$88,770	\$317,347	\$70,098
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$62,356	\$357,000	not estimated
Change in State FTE	0.3 FTE	2.9 FTE	0.7 FTE

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

**Table 1A
State Revenue**

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
General Fund	\$0	\$0	\$0
Cash Funds	\$62,356	\$357,000	\$62,356
Total Revenue	\$62,356	\$357,000	\$62,356

**Table 1B
State Expenditures**

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
General Fund	\$0	\$0	\$0
Cash Funds	\$82,341	\$256,870	\$55,145
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$6,429	\$60,477	\$14,953
Total Expenditures	\$88,770	\$317,347	\$70,098
Total FTE	0.3 FTE	2.9 FTE	0.7 FTE

Summary of Legislation

The bill requires dementia care facilities to update information disclosure requirements, authorizes the Department of Public Health and Environment (CDPHE) to enforce these provisions, and expands the authority of medical professionals to administer medication by injection.

Information Disclosure

By January 1, 2027, the CDPHE must create a dementia care services information form for dementia care facilities to complete and distribute to individuals seeking the facility's services. The form must include, at minimum, the facility's:

- dementia training requirements for staff;
- guidelines for physical and chemical restraint;
- security features and procedures; and
- placement, transfer, and discharge protocols, among others.

By July 1, 2027, facilities must provide the completed form to inquiring parties, update and publish the form at least once every five years with up-to-date information, and maintain the completed form onsite for inspection.

Enforcement

During an inspection of a dementia care facility, the CDPHE must require the facility to produce the current and completed form as a condition of licensure. The bill makes failing to maintain a dementia care services information form on premise and available for inspection a deceptive trade practice.

Medication Administration

Under current law, the CDPHE maintains a medication administration program in certain licensed and regulated facilities. Further, the Department of Human Services (CDHS), the Behavioral Health Administration (BHA), the Department of Health Care Policy and Financing (HCPF), and the Department of Corrections (CDOC) maintain medication administration programs in residential, assisted living, and correctional facilities.

The bill expands medication administration to include injection by qualified medication administration personnel (QMAP), a licensed practical nurse (LPN), or a certified nurse aide (CNA) in any licensed facility. LPNs and CNAs who administer medication by injection must complete education and training requirements established by the CDPHE and State Board of Nursing in the Department of Regulatory Agencies (DORA).

Background and Assumptions

QMAP Registrations

Qualified Medication Administration Personnel are individuals who are registered with the CDPHE to assist a person in the ingestion, application, inhalation, or insertion of medication according to a physician's orders in certain health facilities. These individuals are not certified or licensed professionals, and currently do not have the authority to inject medication. The department registers about 102,000 QMAPs, who operate in 650 of the department's licensed assisted living residences. The bill expands the permissible settings for QMAPs to all 4,500 licensed health facilities, which could lead to a significant increase the number of registered QMAPs.

However, the fiscal note assumes that most facilities will use existing medical staff for medication injection, and that any growth in the number of registered QMAPs will be marginal. It is further assumed that only 25 percent of the existing QMAP registrants (about 25,500 individuals) will seek retraining and requalification. The CDPHE currently contracts with about 250 third-party contractors who conduct QMAP education and training. It is estimated that 75 percent of these trainers (about 188 trainers) will establish new education training programs that include medication injection.

If the number of individuals seeking registration or retraining increases beyond these estimates, then state revenue and expenditures in the CDPHE will increase accordingly.

Fund Balance

The fiscal note assumes that the CDPHE will pay costs in FY 2026-27 from the Medication Administration Fund and then begin collecting training fees to the fund from third-party contractors in FY 2027-28. It is estimate that the current fund balance is sufficient to absorb these costs.

State Revenue

The bill increases state cash fund revenue by about \$62,000 in FY 2026-27, \$357,000 in FY 2027-28, and \$62,000 in FY 2028-29 and every two years thereafter. This revenue accrues to the Medication Administration Fund in the CDPHE and the Division of Professions and Occupations Fund in DORA, as shown in Table 2 below. It may also increase revenue from civil penalties and filing fees. Fee revenue is subject to TABOR, while penalty revenue is not. These impacts are discussed in more detail below.

Table 2
State Revenue
All Departments

Payer Type	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
Medication Administration Fund (CDPHE)	\$0	\$357,000	\$0
Division of Professions and Occupations Fund (DORA)	\$62,356	\$0	\$62,356
Total Revenue	\$62,356	\$357,000	\$62,356

QMAP Training Costs

In FY 2027-28 only, the bill increases cash fund revenue by \$357,000 in the Medication Administration Fund in the CDPHE. Currently, third-party contractors that administer training for QMAP registrants pay the department a \$14 fee per student. The fiscal note assumes that 25,500 registrants will choose to retrain in order to meet the requirements for medication injection administration.

Table 2A
Fee Impact for LPNs and CNAs

Payer Type	Estimated Fee Increase	Payers Affected	Biannual Fee Increase
Licensed Practical Nurse Renewal Fee	\$2	8,044	\$16,088
Certified Nurse Aide Renewal Fee	\$1	46,268	\$46,268
Total Revenue			\$62,356

Fee Impact on Licensed Practical Nurses and Certified Nurse Aides

Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. Beginning in FY 2026-27 and every two years thereafter—in accordance with the current renewal schedule—DORA will collect about \$62,000 in additional renewal fees on LPNs and CNAs, as shown in Table 2A above. The fiscal note estimates an increase of \$2 for LPNs and \$1 for CNAs, on top of the current \$50 and \$74 biannual renewal fees, respectively, to cover implementation and ongoing costs of the program. These proposed fees are estimates only; actual fees will be set administratively by DORA based on cash fund balance, estimated program costs, and the number of licensees subject to the fee.

Civil Penalties

Under the Colorado Consumer Protection Act, a person committing a deceptive trade practice may be subject to a civil penalty of up to \$20,000 for each violation. Additional penalties may be imposed for subsequent violations of a court order or injunction. This revenue is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General and district attorneys, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

Filing Fees

The bill may increase revenue to the Judicial Department from an increase in civil case filings. Revenue from filing fees is subject to TABOR.

State Expenditures

The bill increases state expenditures by about \$89,000 in FY 2026-27, \$317,000 in FY 2027-28, and \$70,000 in future years. These costs, shown in Table 3 and discussed below, will be incurred in the CDPHE and DORA, and paid from the Medication Administration Fund and Division of Professions and Occupations Fund, respectively. Workload will also minimally increase in several other agencies.

**Table 3
State Expenditures
All Departments**

Department	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
Department of Public Health and Environment	\$56,991	\$285,568	\$38,319
Department of Regulatory Agencies	\$31,779	\$31,779	\$31,779
Total Costs	\$88,770	\$317,347	\$70,098

Department of Public Health and Environment

State expenditures in the CDPHE will increase for staff and rulemaking to implement the bill, paid from the Medication Administration Fund. The costs are shown in Table 3A and discussed below.

**Table 3A
State Expenditures
Department of Public Health and Environment**

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
Personal Services	\$0	\$175,768	\$29,283
Operating Expenses	\$0	\$3,328	\$512
Capital Outlay Costs	\$0	\$14,000	\$0
Rulemaking – Dementia Care Forms	\$36,346	\$0	\$0
Rulemaking – Medication Injection	\$20,645	\$38,423	\$0
Centrally Appropriated Costs	\$0	\$54,049	\$8,524
Total Costs	\$56,991	\$285,568	\$38,319
Total FTE	0.0 FTE	2.6 FTE	0.4 FTE

Staff

In FY 2027-28 only, the CDPHE requires 2.2 FTE Trainer III to review updated QMAP training programs from third-party contractors. This estimate is based on 188 trainers expanding their curriculums to include medication injection. It is assumed the CDPHE will take 25 hours per program to review and approve train plans. Beginning in FY 2027-28, the CDPHE requires an additional 0.4 FTE Health Professional III to respond to complaints related to medication injections. This estimate assumes a 10 percent increase in complaints against licensed facilities as a result of expanded services provided.

Rulemaking

In FY 2026-27 and FY 2027-28, costs in the CDPHE will increase for rulemaking to update facility licensure standards and medication administration regulation. These costs include ten stakeholder meetings, administrative and document preparation, meeting facilitation, and other responsibilities.

Department of Regulatory Agencies

State expenditures in DORA will increase for staff to implement the bill, paid from the Division of Professions and Occupations Fund. The costs are summarized in Table 3B and discussed below.

**Table 3B
State Expenditures
Department of Regulatory Agencies**

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
Personal Services	\$22,350	\$22,350	\$22,350
Operating Expenses	\$0	\$0	\$0
Capital Outlay Costs	\$0	\$0	\$0
Peer Assistance Referral	\$3,000	\$3,000	\$3,000
Centrally Appropriated Costs	\$6,429	\$6,429	\$6,429
Total Costs	\$31,779	\$31,779	\$31,779
Total FTE	0.3 FTE	0.3 FTE	0.3 FTE

Staff and Peer Assistance Referrals

Beginning in FY 2026-27, DORA requires 0.2 FTE Criminal Investigator III and 0.1 Technician III to conduct witness interviews, gather evidence, and generate reports from increased complaints related to LPN and CNA medication injections. The fiscal note assumes that seven complaints will be referred to the Office of Investigation and require an average of 46 hours to resolve each. DORA also requires an estimated \$3,000 per year for two CNAs to be referred to Peer Assistance Services.

State-Operated Health Facilities

The bill increases workload in the CDHS, the BHA, HCPF, and the CDOC to update medication administration program for regulated health care facilities. This workload is expected to be minimal and no change in appropriations is required.

Department of Law

Workload in the Department of Law will minimally increase to the extent that deceptive trade practice complaints are filed related to dementia care disclosures. The department will review complaints under the bill and prioritize investigations as necessary within the overall number of deceptive trade practice complaints and available resources.

Judicial Department

The trial courts in the Judicial Department may have an increase in cases filed under the Colorado Consumer Protection Act from the addition of a new deceptive trade practice. It is assumed that dementia care facilities will abide by the law and that any violation of the legislation will result in minimal number of new cases. The fiscal note assumes that this can be accomplished within existing resources and that no change in appropriations is required.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in the tables above.

TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by \$62,356 in FY 2026-27 and \$357,000 in FY 2027-28. This estimate assumes the December 2025 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2027-28. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save in FY 2026-27, FY 2027-28, and any future years when the state is over its revenue limit.

Local Government

Similar to the state, to the extent district attorneys receive deceptive trade practice complaints related to the new deceptive trade practice under the bill, workload will increase to investigate complaints and seek relief when appropriate. It is assumed most such cases will be handled at the state level by the Attorney General.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2026-27, the bill requires the following appropriations:

- \$56,991 from the Medication Administration Fund to the Department of Public Health and Environment; and
- \$25,350 from the Division of Professions and Occupations Fund to the Department of Regulatory Agencies, and 0.3 FTE.

State and Local Government Contacts

Behavioral Health Administration

Judicial

Corrections

Law

Health Care Policy and Financing

Public Health and Environment

Human Services

Regulatory Agencies

Information Technology