



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 25-1288: SUPPORT FOR FEDERALLY QUALIFIED HEALTH CENTERS

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**Prime Sponsors:**

Rep. Martinez; Winter T.

Sen. Roberts; Simpson

**Fiscal Analyst:**

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**Bill Outcome:** Signed into Law

**Drafting number:** LLS 25-0667

**Version:** Final Fiscal Note

**Date:** June 25, 2025

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

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### Summary Information

**Overview.** The bill permits the Department of Health Care Policy and Financing to accept gifts for the Primacy Care Fund and allows federally qualified health centers to establish subsidiaries.

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

- Minimal State Workload

**Appropriations.** No appropriation is required.

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

<b>Type of Impact</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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The bill codifies the Department of Health Care Policy and Financing's (HCPF) authorization to accept monetary gifts from private and public sources for the Primacy Care Fund. It also permits a Federally Qualified Health Center (FQHC) to establish a subsidiary company to provide additional fee-for-service services outside of the FQHC's Medicaid encounter rate if the services have been historically provided and reimbursements from HCPF remain budget neutral.

## Background and Assumptions

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The [Primary Care Fund](#) in HCPF receives 19 percent of taxes collected on tobacco products in the state to pay health care providers that meet specific qualifications. Qualified providers are FQHCs or health centers where at least 50 percent of the patients serviced are uninsured, medically indigent, Medicaid, or CHP+ members.

## State Expenditures

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Starting in FY 2025-26, the bill minimally increases workload in HCPF to promulgate rules related to Primary Care Fund gifts and subsidiary companies established by FQHCs. No change in appropriations is required.

## Effective Date

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This bill was signed into law by the Governor and took effect on May 27, 2025.

## State and Local Government Contacts

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Health Care Policy and Financing

Public Health and Environment

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).