COLORADO
Safety Net Collaborative

ISSUE BRIEF · 2027 SESSION

Protect essential community clinics from the next Medicaid cut

The 2026 budget cut Medicaid rates for independent safety net clinics. In 2027, Colorado should protect state-designated Essential Community Providers who are dedicated to serving our most vulnerable populations.

WHO CSNC CLINICS SERVE

The Colorado Safety Net Collaborative represents over 30 independent, community-based clinics: free and charitable clinics and pediatric, dental and women's health programs that care for people without insurance, Medicaid members, and immigrant and refugee families. Most run on small budgets with volunteer clinicians.

57,000
patients served in 2024 by the 15 clinics that reported a count

47%
had Medicaid or CHP+; 45 percent got free or sliding-fee care

14 of 20
reporting clinics serve undocumented patients

13 of 19
reporting clinics have budgets under $500,000

WHAT HAPPENED IN 2026

October 1, 2025	The 1.6 percent across-the-board increase from July 1, 2025 was repealed; dental rates were cut 15.5 percent.
April 1, 2026	Most fee-for-service rates were reset to 85 percent of Medicare (primary care visit codes were spared).
July 1, 2026	A further 2 percent across-the-board cut. Some providers were exempt. Independent safety net clinics were not.

Why it matters. CSNC clinics bill the Medicaid fee schedule, so every rate cut reaches them directly. That Medicaid revenue helps cover care for uninsured patients, a group likely to grow after the October 1, 2026 loss of coverage for an estimated 7,000 lawfully present immigrants and the Medicaid work requirements due in 2027.

THE ASK

Exempt community clinics designated as Essential Community Providers (C.R.S. 25.5-5-403) from any FY 2027-28 Medicaid provider rate reduction.

ECPs are defined in state law by their record of serving low-income and medically indigent patients on a sliding fee scale. At least 15 CSNC clinics hold the designation, including eight of the nine that bill Medicaid most heavily.

THE COST

$120,000–$260,000
a year lost by CSNC clinics to the 2 percent cut alone

Under $130,000
a year in state General Fund to exempt them, before federal match

CSNC estimate: about $6–13 million a year in Medicaid fee-for-service payments to CSNC's Medicaid-billing ECP clinics, based on 2025 member survey revenue, visit and payer-mix data; state share of 50 percent or less. CSNC will refine the estimate with member data this fall. Sources: CSNC 2025 member survey (calendar 2024 data); HCPF, Medicaid Provider Rate Reductions Q&A; HCPF, State Designated Essential Community Providers list.

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