

Fund the Safety Net – Impact of the Public Health Emergency Unwind

The problem: Since the end of the COVID-related Public Health Emergency (known as the PHE unwind) in 2023, Medicaid has disenrolled members whose eligibility had been maintained since 2020. Colorado has seen disenrollments at rates that are among the [highest in the country](#). Numerous Colorado community mental health centers (CMHCs)—though not all due to county and regional-specific factors—witnessed actual net Medicaid enrollment declines that were considerably greater than originally projected by the Dept. of Health Care Policy and Financing (HCPF) and the regional accountable entities (RAEs) that manage Medicaid at the regional level.

The resulting deficit across Colorado CMHCs was estimated at **minimum \$24 million** in early 2024.

- Three CMHCs were forced to lay off staff and consolidate programs after other cost-cutting measures were not sufficient.
- Others froze hiring.
- No additional state funding has been made available to support safety net behavioral health providers.

A major factor in the discrepancy between the state’s disenrollment projections and providers’ actual experience was challenges with existing eligibility and enrollment processes, including long-standing problems with the Consolidated Benefits Management System and too few entities allowed to serve as eligibility determination and enrollment sites. At the same time, the state’s data never matched providers’ data, making it harder to pinpoint the source of problems and develop solutions.

Our ask of legislators:

Recognizing that the state’s budget deficit does not allow for additional funding to cover the cost of uncompensated care at this time, we ask the following:

- Allow safety net behavioral health providers to qualify as Medicaid eligibility determination or eligibility sites.
- Support efforts to require HCPF to create a shared data dashboard, so that decisionmakers, providers and consumer advocates are all operating on a common understanding of the situation.
- Support efforts for ongoing collaborative decision-making among HCPF, providers and consumer advocates to foster creative problem-solving.