



**FOR IMMEDIATE RELEASE**

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**Statement from Colorado Healthcare Providers  
Regarding Proposed Legislation to Reduce Medicaid Provider Rates**

Greenwood Village – The Colorado House of Representatives yesterday passed an amendment to the Long Bill that will reduce Medicaid provider rates by 4.3 percent in an effort to balance the state budget. With the federal match, \$27 million in budget cuts would result in more than \$57 million in costs that would no longer be paid by Medicaid and instead shift to the private sector. In addition, the House voted to redirect some of the funding generated by Amendment 35 tobacco tax dollars, contravening the wishes of Colorado voters. In response to this action, the American Academy of Pediatrics (Colorado Chapter), Colorado Community Health Network, Colorado Hospital Association and Colorado Medical Society issued the following statement:

“As providers serving our state’s most vulnerable individuals, we are sensitive to the budgetary challenges faced by the state. However, reducing provider reimbursement and, consequently, shifting these costs to those already struggling with the affordability of health care services, is not the solution to the state’s budget shortfall.

State health care services are needed most during difficult economic times. As more Coloradans lose their jobs, they also lose health care coverage previously provided through their employer. In fact, recent data suggests that Colorado’s Medicaid enrollment has the second fastest growth in the nation. Drastic Medicaid budget cuts will impact those most at risk such as children, the elderly, and people with disabilities as it will become even more difficult for them to find providers who accept Medicaid.

Colorado already ranks among the lowest Medicaid reimbursement rates in the nation. At a time when policymakers are looking to make health care more affordable, and reduce the cost shift from underpayment, cuts in Medicaid provider rates in an effort to balance the state budget will only increase the cost of health care.

Furthermore, these cuts to funding for health care for the uninsured come at a time when community health centers, hospitals, physicians and other safety net providers are experiencing increases in demand as Coloradans lose their jobs and health insurance. These cuts will reduce access to health care for tens of thousands of Coloradans and significantly undermine the federal economic stimulus investment in the safety net in Colorado.”

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