



# 2026 Legislative Session Recap

Colorado’s 2026 session was defined by a \$1.2 billion budget shortfall and the downstream effects of major federal policy shifts – all against the backdrop of a consequential election year in which every statewide office is on the ballot, and Governor Polis is serving his final year in office. Lawmakers introduced more than 600 bills, touching affordability, artificial intelligence, labor, health care, taxation, and more. Together with members, CHA engaged on every front – protecting hospital funding, defeating overreaching proposals, and shaping legislation that affects how care is delivered in Colorado.

## In the 2026 legislative session, CHA:

Tracked **82 bills**

Staff and members testified more than **60 times**

Secured nearly **100 amendments**

Generated more than **100 member advocacy actions** across video, letter, and media



## CHA-Supported Bills – Advanced

**CHASE Funding and Medicaid Sustainability** | When the governor’s budget proposed using Colorado Healthcare Affordability and Sustainability Enterprise (CHASE) funds to help close the budget gap, CHA made a strong case to protect CHASE and the Medicaid program. With solid data and narratives from member hospitals, CHA also defeated a proposed cut to Indirect Medical Education (IME) funding that would have cost significant federal matching dollars and weakened Colorado’s workforce pipeline. Together with members, multiple attempts to include a rate setting footnote in the state budget were successfully defeated before they were formally offered. While a 2% Medicaid provider rate reduction was included in the final budget, it was reduced from the initially proposed 3.9%, and CHA will continue to fight for fair payment for Medicaid providers.

**Senate Bill 26-138 | Regulatory Relief** | Regulatory duplication doesn’t just create paperwork – it pulls time and resources away from direct patient care. A member-led workgroup identified opportunities and built the legislation to address them. SB 26-138 passed with strong bipartisan support in both chambers, moving health facility licensure from annual to biennial, improving financial transparency reporting, and streamlining eligibility determination for Hospital Discounted Care.

**HB 26-1432 | Hospital Transformation Program** | As the Hospital Transformation Program (HTP) reached its final year, more than \$600 million in hospital funding was at risk of being tied to retrospective financial penalties. Alongside members, CHA negotiated the program’s elimination, and the proposed performance-based penalty structure was withdrawn. HB 26-1432 aligns state statute with the conclusion of HTP and establishes the pathway toward a new quality program.

**SB 26-178 | Health Insurance Affordability Enterprise (HIAE)** Represents a one-year fix to the HIAE, including new bonding authority and redirected marijuana tax revenue to sustain coverage programs. CHA protected hospitals from being assessed to fund the enterprise – keeping those dollars where they belong: in the communities that hospitals serve. The longer-term structure of HIAE remains unresolved; CHA will stay engaged.



## CHA-Supported Bills *continued*

**SB 26-189 | Artificial Intelligence Oversight** | Colorado’s AI regulatory framework, established under SB 24-205, was not built with health care in mind – creating real risk that hospitals and clinicians would be subject to requirements misaligned with how care is delivered. When the legislature moved to fix the law through SB 26-189, CHA ensured hospitals were part of shaping the solution. Hospital leaders participated in the governor’s AI task force and secured exemptions for HIPAA-covered entities and their business associates, protected clinical decision-making, and aligned with existing law to avoid duplication. Hospitals are required to comply with the new employment-related requirements in the bill.

**HB 26-1262 | Patient Access to Compounded Medications** | Compounding remains essential to personalized patient care, particularly during drug shortages. As part of a coalition, CHA helped pass HB 26-1262 to align Colorado statute with the existing federal framework and remove unnecessary regulation that can create barriers to access without improving safety.

**HB 26-1328 | Non-emergency Medical Transportation** | Closes a years-long gap in federal Medicaid matching by optimizing the state’s ability to draw down available dollars, ensuring Medicaid beneficiaries retain access to transportation services as federal funding faces other cuts.

**HB 26-1024 | Safe Haven Law Expansion** | Extends a new parent’s ability to voluntarily relinquish a newborn to a hospital from 72 hours to 30 days after birth, with no new requirements for hospitals or other relinquishment sites.

**HB 26-1139 | AI in Insurer Utilization Decisions** | Requires that any denial or delay of coverage based on medical necessity cannot rest solely on AI output without independent review by a health care professional. It also establishes anti-discrimination requirements, documentation standards, and disclosure obligations to state regulators. For hospitals and patients, the core protection is clear: a machine alone cannot say “no” to care.

## CHA-Opposed Bills – Defeated

**SB 26-041 | Antitrust Overreach – Defeated Twice in One Session** | In close partnership with members, CHA defeated two versions of overreaching legislation that would have created broad new state oversight of health care transactions. After good-faith interim engagement with bill sponsors and the Attorney General’s office, including concrete policy alternatives, neither bill reflected a balanced approach. CHA’s coordinated advocacy resonated with policymakers both times.

**HB 26-1267 | Medical Debt Collection Restrictions** | This bill would have further limited hospitals’ ability to collect medical debt from patients with the ability to pay and failed to address the real drivers of rising medical debt. Hospitals proactively resolve billing concerns by screening patients for financial assistance, providing financial counseling, connecting them to support resources, and offering discounted or charity care for financially vulnerable patients. Member hospitals and health systems made that case in committee testimony, and the bill died in its first hearing. CHA will continue collaborating with stakeholders on affordability.

**HB 26-1012 | “Captive Consumer” Pricing** | A proposal targeting prices at hospitals, airports, and event venues as “unreasonably excessive” failed to reflect how health care pricing actually works and the complexity tied to payer contracts. CHA worked with Colorado’s broader business community to defeat the bill in its first hearing.

**HB 26-1092 | Mandatory Midwife Credentialing** | Colorado hospitals support expanding access to high-quality maternal

care and recognize the important role midwives play in equitable outcomes. HB 26-1092, however, was not the right mechanism. As drafted, the bill created significant patient safety, operational, and federal compliance concerns. CHA engaged in good-faith negotiations and offered meaningful compromise language, but with needed safeguards still missing, CHA could not support it. The bill failed in committee.

**SB 26-066 | Compounding Weight-Loss Medication Restrictions** | Would have restricted access to compounded weight-loss medications and limited treatment options for patients who depend on them.

**SB 26-176 | No Kings Act** | Proposed a parallel state liability framework for constitutional rights violations that would have created conflicting legal exposure for hospitals acting under state and local law.

**SB 26-062 | Rodenticide Restrictions** | A proposal with sweeping restrictions would have threatened hospitals’ ability to maintain the safe, sanitary facilities that patient care and infection prevention require.

**HB 26-1054 | State OSHA** | This bill sought to authorize the Attorney General’s office to adopt state workplace safety rules whenever federal Occupational Safety and Health Administration (OSHA) standards are rolled back, creating potentially conflicting federal and state requirements for hospital employers.



## Bills Improved Through Amendment

**HB 26-1044 | Improving Outcomes for Black Mothers** | As introduced, the bill imposed new maternal health equity reporting requirements on hospitals with the potential for large financial penalties. With support and input from member clinicians, CHA removed the large penalty authority, clarified that investigation and discipline would flow through existing processes, and refined severe reporting language to align with existing frameworks. The bill passed with those revisions in place.

**HB 26-1116 | Behavioral Health Emergency Holds Alignment** CHA secured removal of premature mental health and substance use disorder hold alignment provisions and extended M1 follow-up requirements from 48 to 72 hours, excluding weekends and holidays.

**HB 26-1195 & HB 26-1263 | AI in Psychotherapy and Chatbot Protections for Children** | CHA secured amendments across several bills to protect hospital access to AI tools used under health care professional oversight and existing regulations, ensuring that well-intentioned consumer protections do not become unintended barriers to patient care.

**HB 26-1210 | Surveillance Pricing** | The bill would have prohibited the use of an individual's online activity through algorithms to set personalized prices for goods and services or determine wages. CHA successfully amended the bill to ensure hospitals may continue offering differential pricing through publicly disclosed financial assistance programs, including discounted care, sliding scale fees, and charity care. The amended bill passed but was vetoed by Gov. Polis.

**HB 26-1414 | Medical Records Fees** | As introduced, the bill proposed limiting fees on attorney requests for medical records on behalf of patients or a patient's representative. CHA secured amendments to align the bill with HIPAA requirements, protect peer review materials, adjust the fee schedule for inflation every two years, require invoices within 30 days rather than 15, specify that records are not released until payment is received, and expand force majeure provisions.

**SB 26-004 | Extreme Risk Protection Orders** | Expands the ability of health care facilities that employ or contract with clinicians to petition for removal of firearms when a patient poses an immediate risk of harm. CHA secured amendments to simplify definitions and ensure hospitals are represented under the law.

**SB 26-007 | Medical Marijuana in Health Facilities** | As introduced, the bill would have required health facilities to allow terminally ill patients to use medical marijuana on-site, with no discretion for facilities to establish their own policies. CHA secured an amendment making allowance permissive rather than mandatory, in accordance with each facility's clinical policies.

**SB 26-146 | Single-Use Plastic Restrictions** | As introduced, the bill would have required restaurants and food service operations to provide single-use plastics only upon explicit customer request. CHA worked with the business community to secure an amendment exempting meals provided to patients and residents of licensed health facilities while also preserving the ability to offer bulk condiment dispensers at self-service stations.

**SB 26-149 | Competency Pathways** | Creates a new legal and clinical pathway for individuals deemed not competent to stand trial but still pose danger to themselves or others. CHA secured essential amendments to protect clinical decision-making, prevent inappropriate boarding in emergency departments, and reduce the risk of related uncompensated care.

**SB 26-162 | Mandatory Sensitive Test Result Delays** | As introduced, the bill would have required a mandatory three-day delay before cancer-related pathology reports, radiology reports, and certain genetic test results could be released to patients through their electronic health record or patient portal. CHA secured amendments to shift compliance to electronic health record vendors, giving patients meaningful control over when and how they receive their results. The legislature decided not to advance the bill prior to those amendments being added.



# THE WORK AHEAD

**Medicaid Provider Rates** | As one of the state’s larger budget expenditures, Medicaid and provider rate cuts will carry into future legislative and budget discussions. Hospitals will need to stay engaged as policymakers continue exploring funding mechanisms.

**Hospital Transformation Program** | The performance-penalty state plan amendment has been withdrawn, but building the successor quality program requires careful work. CHA will continue collaborating with HCPF and quality experts to reduce administrative burden and develop a practical transition framework.

**Health Care Affordability** | Medical debt, health insurance affordability, antitrust oversight, and access to care will remain major legislative themes. Since 2021, charity care provided by Colorado hospitals has increased 112% – an increase of \$208 million. CHA will engage over the interim to help shape solutions that reflect what Colorado’s hospitals do every day to protect patients facing financial hardship and protect a strong, sustainable, high-quality health care system.

**Artificial Intelligence** | The rapid expansion of AI and automated decision-making into nearly every aspect of daily life has made consumer protection and transparency a

major legislative priority. HB 26-1195, which regulates AI in psychotherapy, is expected to return, along with SB 26-189. As AI becomes more deeply embedded in how care is documented, coordinated, and delivered, the stakes for getting the policy framework right will only grow. CHA will continue to ensure that future legislation protects patients without restricting clinical or administrative tools hospitals utilize.

**Behavioral Health Emergency Hold Alignment** | The removal of Section 2 from HB 26-1116 was a win, but the underlying question – how to align mental health and substance use disorder emergency hold processes – remains open. Bill sponsors and the Behavioral Health Administration (BHA) have committed to convening hospitals and stakeholders this summer to develop a feasible plan.

**Compounding and Medical Spa Regulation** | CHA expects continued legislative attempts to limit compounding as the policy debate at both the state and federal level intensifies. On medical spas, the rapid growth of facilities offering clinical services outside traditional health care oversight is drawing new attention to scope of practice, liability, and care standards. CHA has a long history of working collaboratively to identify policies that protect patient access and quality care. CHA will continue working to ensure that any new regulations reflect how care is delivered and the standards patients deserve.



*Leaders from Colorado’s hospitals and health systems made their voices heard in the capitol in 2026.*

## FOR MORE INFORMATION CONTACT:

Bridget Frazier, senior director, advocacy and government relations,  
at [Bridget.Frazier@cha.com](mailto:Bridget.Frazier@cha.com).

