



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1019: KIDNEY SCREENING MANDATORY PREVENTIVE COVERAGE

Prime Sponsors:

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Fiscal note status: This initial fiscal note reflects the introduced bill.

Summary Information

Overview. The bill adds kidney function screening services to mandatory coverage provisions for certain health benefit plans.

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

- State Expenditures
- Minimal State Workload

Appropriations. No appropriation required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures (Centrally Appropriated)	\$0	up to \$1.2 million
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Costs will be paid from a variety of fund sources, including General Fund, cash funds, and federal funds, that are used to pay centrally appropriated health/life/dental insurance costs.

Summary of Legislation

The bill requires that certain health benefit plans fully cover kidney function screening services unless it is determined that the benefit requires state defrayal of the cost of coverage under the federal Patient Protection and Affordable Care Act. This requirement applies to large employer health benefit plans issued or renewed in Colorado on or after January 1, 2027, and all individual and small group health benefit plans issued or renewed on or after January 1, 2028.

Background

Colorado's mandated health insurance benefit laws apply to fully insured plans regulated by the DOI. This does not include self-funded plans, union plans, federal employee benefit plans, other government plans, such as Medicaid, Medicare, or TRICARE, or plans issued in other states. It does apply to health plans provided to state employees and will be effective for plans starting July 1, 2027.

State Expenditures

The bill will increase workload in the DOI beginning in FY 2026-2027, and will increase state agency expenditures on employee health insurance beginning in FY 2027-2028 by up to \$1.2 million per year. This cost for state agencies' share of health insurance costs are paid from a variety of fund sources, including General Fund, cash funds, and federal funds.

Division of Insurance

Beginning in FY 2026-27, the DOI will review insurer rate and form filings to ensure that insurers are complying with the no-cost annual kidney function screening services requirements of the bill. These reviews will minimally increase workload for the DOI and can be accomplished within existing appropriations.

State Employee Health Insurance

State employee insurance is offered through two insurers—Kaiser Permanente and Cigna. Kaiser Permanente offers fully insured plans subject to state regulation, while Cigna administers self-funded plans regulated under federal law that are also required to offer all mandatory benefits outlined in state law. Requiring total costs to be covered by the insurer rather than shared with the policyholder contributes to higher costs paid by both health plans. Preliminarily, costs are estimated by the insurers to be between \$730,000 and \$1,230,000 per year beginning in FY2027-28.

These costs will contribute to higher insurance premium costs that are shared by state agencies and employees. While the current partnership agreement with Colorado WINS specifies that any increased premium costs will be paid by the state through FY 2027-28, the exact share paid by the state and by employees will ultimately be adjusted and set by the General Assembly through the annual budget process.

Local Government – School District – Statutory Public Entity

Like state government insurers, local governments, school districts, and statutory public entities may also see an increase in premiums from their insurers from the requirement to fully cover annual kidney function screening services. This amount has not been estimated.

Technical Note

As drafted, the bill conflicts with federal law regarding high-deductible health plans and eligibility for health savings accounts. To qualify as a high-deductible plan, the policyholder is required to meet the required deductible before the insurer begins covering costs, with limited exceptions for preventative care. It is assumed that the bill will be amended to not apply to high-deductible plans, including those offered to state employees. The cost estimate above reflects insurer state spending only on regular co-pay health plans for state employees.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Personnel

Regulatory Agencies

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](#).