



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1365: REPEAL MEDICAID REIMBURSEMENT FOR EQUINE THERAPY

**Prime Sponsors:**

Rep. Brown; Sirota  
Sen. Amabile; Kirkmeyer

**Fiscal Analyst:**

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**Fiscal note status:** The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of the FY 2026-27 Long Bill budget package.

### Summary Information

**Overview. Budget package bill.** The bill eliminates coverage for equine therapy under Medicaid.

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

- State Expenditures

**Appropriations.** For FY 2026-27, the bill requires and includes an appropriation reduction of \$362,028 to the Department of Health Care Policy and Financing.

**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	-\$363,028	-\$363,028
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Fund sources for these impacts are shown in the tables below.

**Table 1A  
State Expenditures**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
General Fund	-\$181,514	-\$181,514
Cash Funds	\$0	\$0
Federal Funds	-\$181,514	-\$181,514
Centrally Appropriated	\$0	\$0
<b>Total Expenditures</b>	<b>-\$363,028</b>	<b>-\$363,028</b>
<b>Total FTE</b>	<b>0.0 FTE</b>	<b>0.0 FTE</b>

## Summary of Legislation

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The bill repeals Medicaid coverage for therapy with a horse and reduces the Department of Health Care Policy and Financing's (HCPF) appropriation accordingly.

## State Expenditures

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The bill decreases state expenditures in HCPF by an estimated \$362,028 starting in FY 2026-27, split evenly between the General Fund and federal funds. This estimate assumes that once coverage for therapy with a horse is repealed there will be no corresponding increase in other forms of therapy.

## Effective Date

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The bill takes effect upon signature of the Governor, or upon becoming law without his signature. However, Section 2 only takes effect if the Long Bill becomes law, with this section taking effect on the effective date of this bill or of the FY 2026-27 Long Bill, whichever is later.

## State Appropriations

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For FY 2026-27, the bill requires and includes an appropriation reduction of \$362,028 to the Department of Health Care Policy and Financing, split evenly from the General Fund and federal funds.

In addition, the bill includes technical language making these reductions in appropriations conditional on sufficient appropriations being available in the applicable line items in the FY 2026-27 Long Bill.

## **State and Local Government Contacts**

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Joint Budget Committee Staff