K

April 10, 2025

The Honorable Senator Michael Bennet The Honorable Senator John Hickenlooper The Honorable Representative Diana DeGette The Honorable Representative Joe Neguse The Honorable Representative Jason Crow The Honorable Representative Brittany Pettersen The Honorable Representative Lauren Boebert The Honorable Representative Jeff Hurd The Honorable Representative Jeff Crank The Honorable Representative Gabe Evans

Dear Members of Colorado's Congressional Delegation,

The proposed federal Medicaid cuts and the restructuring of Substance Abuse and Mental Health Services Administration (SAMHSA) together pose an imminent and devastating threat to the health and well-being of Coloradans and our behavioral healthcare safety net. Combined, these cuts risk catastrophic damage to our fragile behavioral health system.

The proposed deep Medicaid cuts jeopardize essential care for our vulnerable citizens. Simultaneously, the recent claw backs of SAMHSA funds—subsequently reinstated, but creating chaos while in place—and the weakening of SAMHSA by reducing staff and consolidating it within the Administration for a Healthy America devalues specialized behavioral healthcare expertise and resources, risking diluted focus and funding for mental health and substance use disorder treatment. The convergence of these threats – gutting Medicaid and weakening SAMHSA – threatens the very existence of Colorado's behavioral healthcare safety net, eliminating vital funding when most needed.

Already underfunded, Colorado's behavioral health safety net relies heavily on federal funding from Medicaid and SAMHSA to supplement our constrained state budget and support crucial health coverage and community-based programs for our most vulnerable residents. Medicaid ensures mental health and substance use coverage for low-income Coloradans of all ages. SAMHSA funds critically important treatment and wraparound services that Medicaid does not cover—such as assertive community treatment, homeless outreach, and crisis response. Colorado cannot backfill these massive federal reductions, which, rather than combating fraud, waste, and abuse will terminate essential, often life-sustaining care for those who need it most. These cuts are a direct threat to the lives and well-being of Coloradans, with catastrophic consequences:

- Loss of Healthcare Coverage: Proposed cuts threaten coverage for over 1.4 million Coloradans, potentially ending affordable care for nearly 500,000 Coloradans, and decimating care for seniors, children, and people with disabilities. Increased uncompensated care costs will strain our state's economy.
- **Destabilization of Safety Net Behavioral Health Providers:** The combined reliance on Medicaid and SAMHSA funding puts these providers at unique risk that can force drastic reductions in essential programs, services, and staffing, leaving vulnerable individuals without critical mental health and substance use treatment.



- Increased Emergency Room, Crisis, and Jail Utilization: Untreated mental health and substance use conditions will inevitably drive-up emergency room visits, incarceration rates, homelessness, and long-term healthcare costs, burdening state and local resources and destabilizing communities and families. A 2019 study from The Colorado Health Institute found that every \$1 invested in community behavioral health yields \$4 in savings from these avoidable costs.
- Economic Devastation: The Colorado Hospital Association estimates that work requirements and per capita caps alone would reduce federal funds to Colorado by hundreds of millions of dollars. Medicaid supports nearly 1 in 5 jobs in Colorado. These cuts will not only lead to significant job losses in the healthcare sector but will also negatively impact local businesses that rely on the spending power of healthcare workers and Medicaid beneficiaries.

Medicaid and SAMHSA are the backbone of our behavioral health system in Colorado, a lifeline for our most vulnerable. Gutting them will have cascading and irreversible negative impacts. We must protect and strengthen our healthcare safety net and the federal agencies that support it.

Therefore, we implore you to:

- Oppose all proposed cuts to Medicaid and other safety net supports and services funded by SAMHSA.
- Actively resist the proposed SAMHSA restructuring, ensuring a strong, specialized federal focus on behavioral health.
- Prioritize Coloradans' health by recognizing the long-term costs of short-sighted cuts. Reducing Medicaid and undermining federal behavioral health infrastructure will inevitably shift costs to states and increase expenditures on emergency care, incarceration, and the consequences of untreated mental health and substance use crises.
- Champion the Certified Community Behavioral Health Clinic (CCBHC) model. A Medicaid program administered through SAMHSA, this longstanding model with bipartisan support is at particular risk. Colorado is currently developing its implementation plan for a multi-year CCBHC grant that, under current rules, would draw down enhanced federal matching dollars to enable safety net behavioral health providers to implement evidence-based strategies to expand access and improve quality. Eliminating the enhanced match for CCBHC further undermines Colorado's behavioral health safety net.

These decisions will have profound and lasting consequences. We urge you to stand with Colorado's most vulnerable and protect our healthcare safety net and the federal commitment to behavioral health.

Thank you for your immediate attention.

Sincerely,

Kara Johnson-Hufford, CEO Colorado Behavioral Healthcare Council



K

CBHC Member Organizations/Co-Signers

Dr. Kiara Kuenzler, CEO Jefferson Center for Mental Health CBHC Board President

Dr. Kelly Phillips-Henry, CEO Aurora Mental Health and Recovery CBHC Board President-Elect

Bill Henricks, CEO AllHealth Network CBHC Past Board President

Victoria Romero, CEO San Luis Valley Behavioral Health Group CBHC Board Secretary

Dante Gonzales, CEO Centennial Mental Health Center CBHC Board Treasurer

Jason Chippeaux, CEO Health Solutions & Health Solutions West CBHC Board Ex-Officio Officer

Kimberly Collins, CEO North Range Behavioral Health CBHC Board Ex-Officio Officer Rudy Gonzales, CEO Servicios de la Raza

Cyndi Dodds, Interim CEO SummitStone Health Partners

Simon Smith, CEO Clinica Family Health & Wellness

James Greer, Interim CEO WellPower

Rick Doucet, CEO Community Reach Center

Adam Roberts, CEO Diversus Health

Mandy Kaisner, CEO Solvista Health

Shelly Burke, CEO Axis Health System, Inc.

Jania Arnoldi, CEO Valley-Wide Health System