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Statement from Kara Johnson-Hufford, CEO, Colorado Behavioral Healthcare Council on Aurora Mental Health and Recovery's Announcement of Staff and Program Reductions

April 30, 2026

Today's announcement from Aurora Mental Health and Recovery (AMHR) is devastating news for the people they serve, for their staff, and for the Aurora community. AMHR is one of Colorado's most capable and committed safety net providers — an organization that by law cannot turn anyone away, regardless of their condition, complexity, or ability to pay. The fact that they have reached this point is not a reflection of their performance. It reflects a payment model that, as currently designed, is not fully aligned with the demands placed on comprehensive safety net providers.

AMHR is not alone. A March 2026 CBHC survey of member organizations found that 77% are operating at break-even or at a loss. Sixty-two percent have reduced services or frozen hiring. Sixty-two percent have scaled back high-acuity programs, including crisis care, residential services, and intensive outpatient programs that exist precisely because no one else will provide them.

These results highlight challenges within a financing architecture that caps provider payment at actual cost, eliminates any operating margin, and requires providers to repay the difference between advance payments and audited costs on a compressed 30-day timeline, in some cases totaling millions of dollars at a time. Colorado's legislature built this safety net and assigned these providers sweeping obligations. The financing model has not kept pace with those obligations.

CBHC has brought these concerns formally to the Joint Budget Committee and to the Department of Health Care Policy and Financing. We are encouraged that these issues are now part of the Medicaid Interim Committee's agenda for this summer, and we remain committed to working constructively with state partners and the General Assembly toward a payment architecture that can more effectively support and sustain the system Colorado has built.

The people AMHR serves — and the people served by every comprehensive safety net provider across this state — deserve a system that can show up for them reliably. That requires providers who are financially able to do so. We will continue to advocate for financing that supports that reality.

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The Colorado Behavioral Healthcare Council (CBHC) represents Colorado's community behavioral health providers and the people they serve. Through advocacy, collaboration, and expertise, CBHC works to build a stronger, more accessible behavioral health system statewide.