



Prime Health Innovation Summit H.R. 1 and the Supplemental Nutrition Assistance Program (SNAP)

September 12, 2025



COLORADO
Department of Human Services





What is SNAP

Supplemental Nutrition Assistance Program

Calendar year 2024 monthly average:

- 594,526 people received SNAP benefits in Colorado each month
- over 300,000 children
- About 114,000 elderly individuals

More than \$1.4 billion in SNAP benefits were issued during 2024.

H.R. 1 SNAP: High Level Implementation Date Timelines

- Initial USDA Guidance needed to clarify implementation details and deadlines
- Changes to non-citizen eligibility and benefits calculations
- Expanded work requirements
- Measurement period for Payment Error Rate (PER) for state share
- 25% cut to admin funding
- State share begins

	2025			2026			2027			2028		
	July	October	December									
Changes to non-citizen eligibility and benefits calculations		●										
Expanded work requirements		●										
Measurement period for Payment Error Rate (PER) for state share												
25% cut to admin funding												
State share begins												

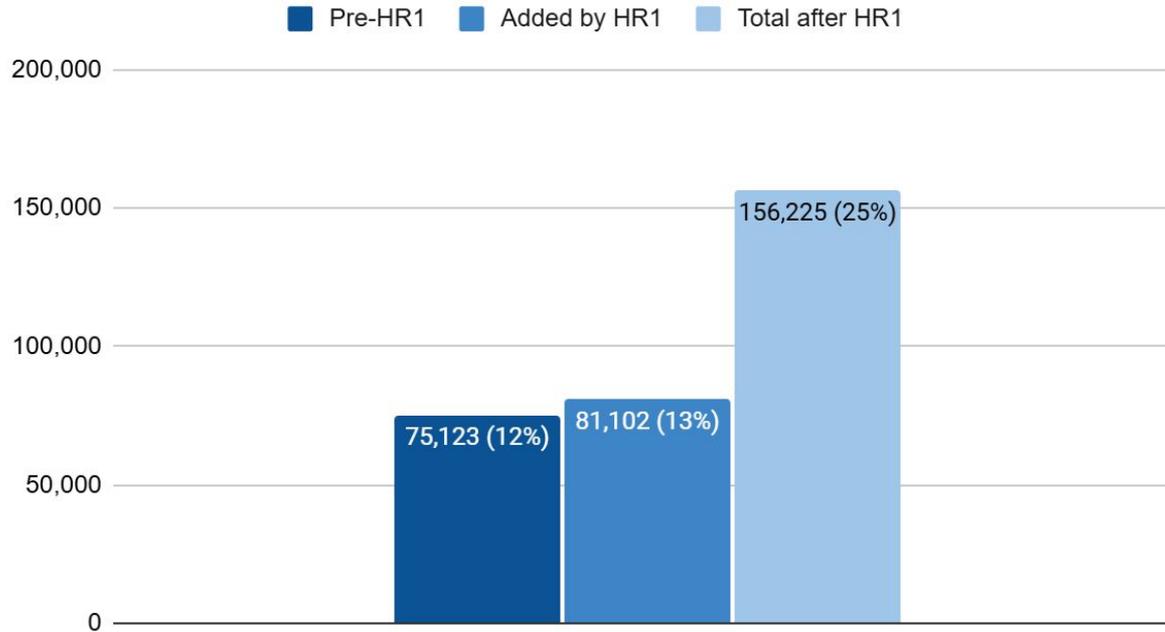
Administrative cost sharing

Effective October 1, 2026

- Federal match is reduced from 50% to 25%
- Total admin budget would reduce by nearly \$50 M per SFY (based on SFY 2024-25 allocation)
 - County Admin = ~(\$30.5 M)
 - State Admin (SNAP administration, QA, Fair Hearings) = ~(\$1.2 M)
 - CBMS (Operating, contract, pool hours, training) = ~(\$6.8 M)
 - Other spending (Outreach, EBT, Workfare, Indirects) = ~(\$10 M)

Work requirements double

SNAP recipients subject to work requirements



Work Requirements Resources (comparing SNAP and Medicaid)

APHSA [Human Services Work Requirement Crosswalk](#)

Legal Action Center [comparison of work requirements](#)





What is PER

Payment Error Rate (PER)

A federal measure to look at SNAP payment accuracy

Includes both overpayments and underpayments



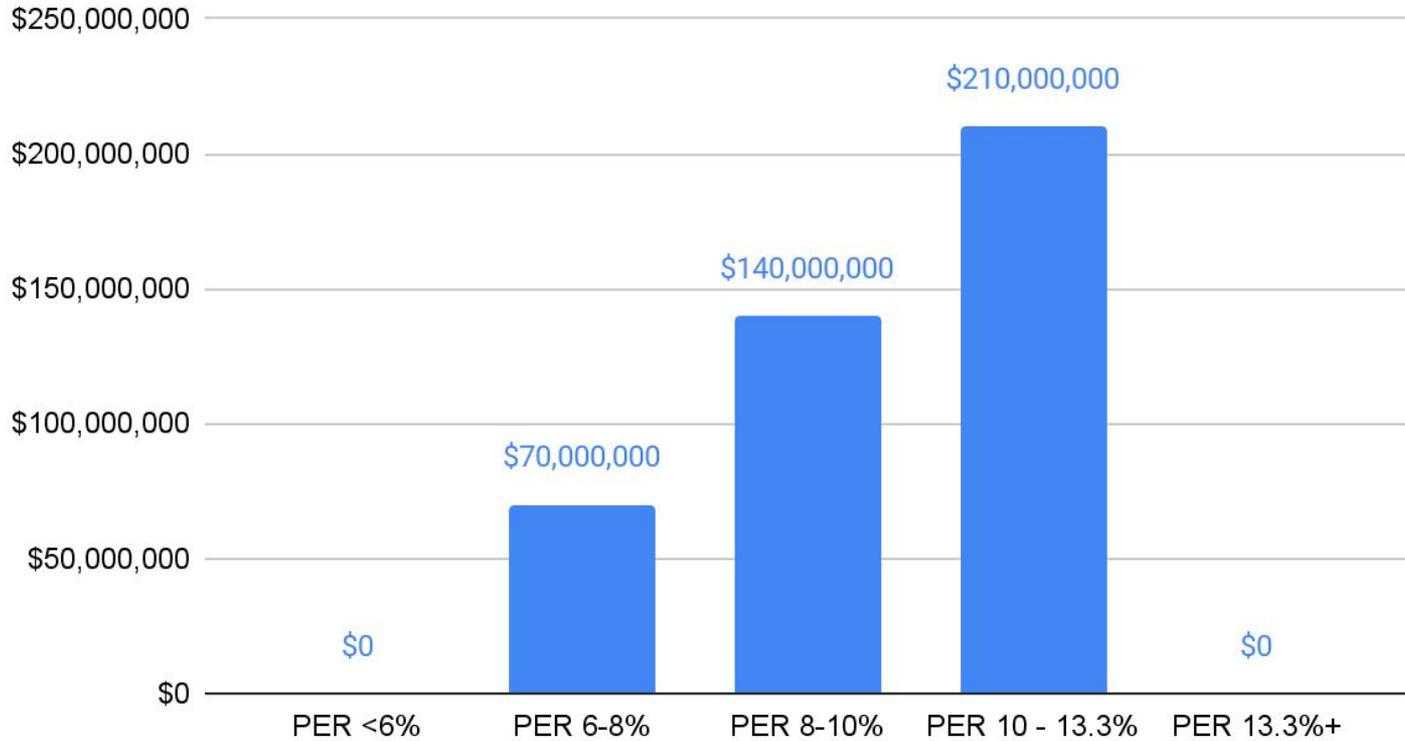
Why is PER Important

Food and Nutrition Service (U.S. Department of Agriculture) pays close attention to it

Under H.R. 1, state share for SNAP benefits tied to PER starting FY28

- PER < 6% - no state share
- PER 6-8% - 5% state share
- PER 8-10% - 10% state share
- PER 10% - 13.3% - 15% state share
- PER 13.3%+ - no state share until FY30

Potential State of Colorado Share



How is PER determined?

Highly federally regulated process

Conducted by the CDHS Quality Assurance (QA) team

Each month, the team samples cases (about 100 active cases and 70 denied or terminated cases)

It takes 3 months to review a sample, including case review, field investigations, and interviewing the participant



How is PER calculated?

PER =
total erroneous dollars / total dollars in the sample

Errors are only counted if the error is above \$57

This means:

- Small over- or underpayments have smaller impact on the PER
- A very large overpayment could significantly impact the PER





How does FNS compute PER?

QA submits reviewed cases to FNS weekly

FNS re-reviews 50% of all reviews completed by the states to verify accuracy

PER rates are reported annually by Federal Fiscal Year and are finalized on June 30 after the FFY ends (a 9 month lag) because of FNS re-reviews

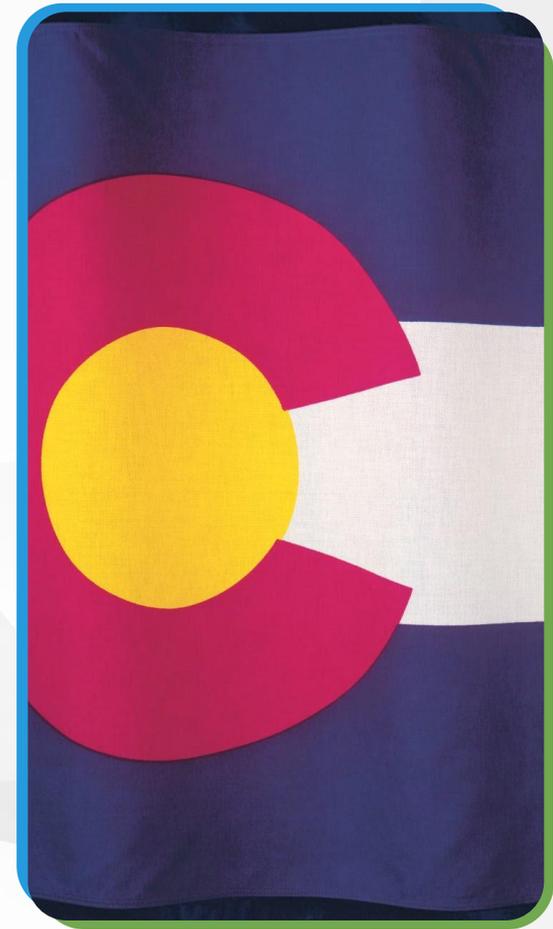
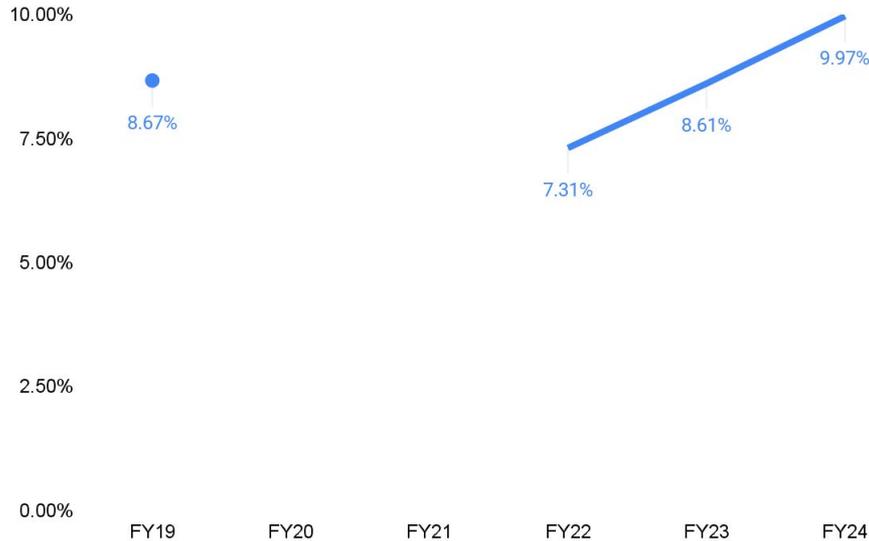
What is Colorado's PER

FY24 PER is 9.97%

Overpayment rate: 7.91%

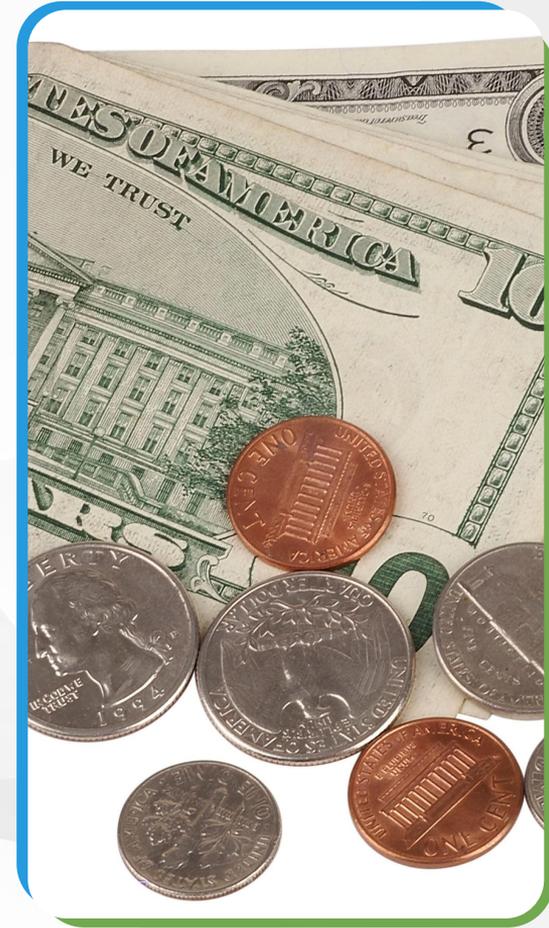
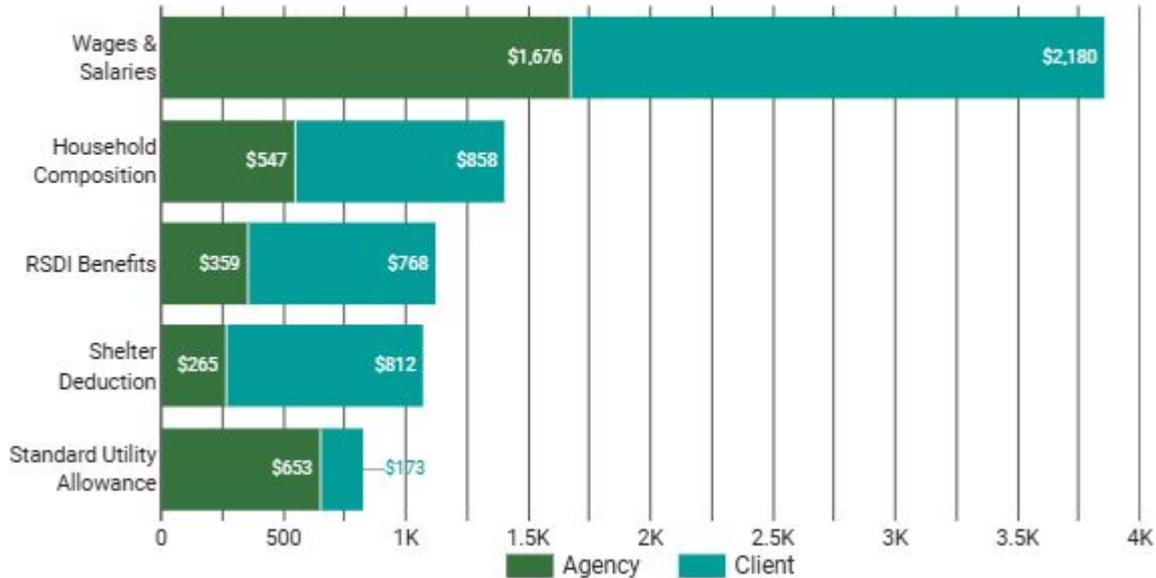
Underpayment rate: 2.06%

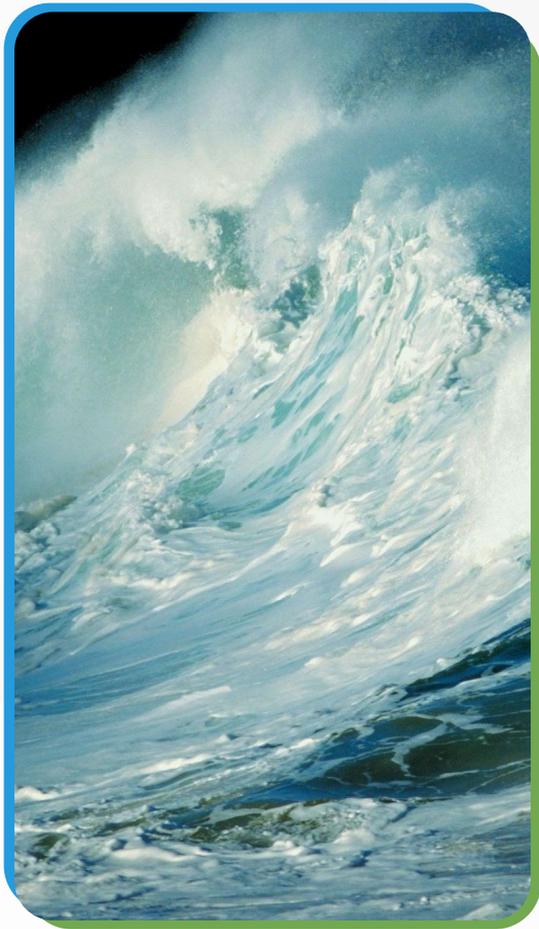
Total PER: 9.97%



What causes PER errors?

Top PER Error dollars by Responsibility





The Perfect Storm

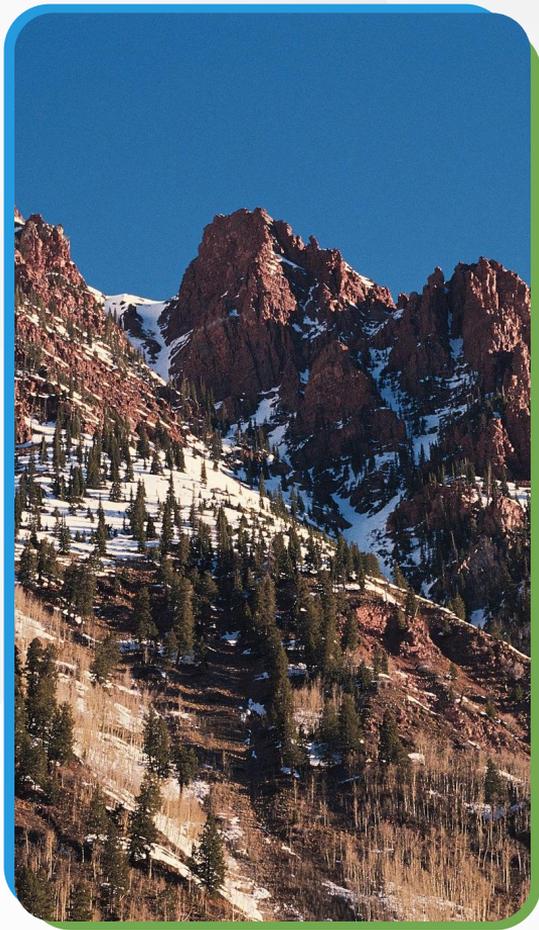
How does this all work together:

- Work requirements increase administrative burden
- Cut to admin funding decreases administrative capacity
- Caseload growth increase administrative burden

Overall effect: much higher administrative burden with reduced administrative capacity

How that impacts PER:

- “PER isn’t a measure of fraud. It’s more of a measure of administrative burden and administrative capacity.”

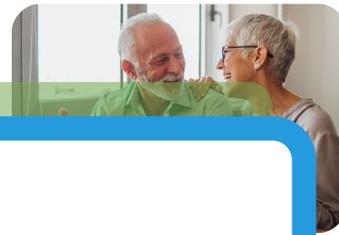


What's Next?

- Goal: Colorado will employ technology, county, and internal levers over the next 12 months to improve the PER from 9.97% to 5.99% by FFY2026 (Oct. 1 2026)

Key Short-Term Milestones

- Identify root causes of Payment Error Rate
- Develop a PER proxy measure
- Evaluate vendor options for technology interventions
- Prioritize and implement solutions based on impact and effort



Thank you!

