

SENATE COMMITTEE OF REFERENCE REPORT

	January 17, 2007
Chairman of Committee	Date

Committee on Health and Human Services.

After consideration on the merits, the Committee recommends the following:

SB07-001 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 3, strike line 12 and substitute the following:
- 2 "COLORADANS WHILE AT THE SAME TIME PROTECTING PHARMACIES FROM
- 3 BEARING THE COST OF PROVIDING THE DRUGS TO SUCH PERSONS.";
- 4 after line 14, insert the following:
- 5 "(1) "AVERAGE MANUFACTURER PRICE" MEANS THE AVERAGE
- 6 MANUFACTURER PRICE AS REPORTED TO THE STATE BY THE FEDERAL
- 7 GOVERNMENT PURSUANT TO 42 U.S.C. SEC. 1396r-8 (b) (3).
- 8 (2) "PARTICIPATING PHARMACY" MEANS A PHARMACY THAT
- 9 ENTERS INTO AN AGREEMENT WITH THE STATE DEPARTMENT PURSUANT TO
- 10 SECTION 25.5-2.5-104 (4).".
- 11 Renumber succeeding subsections accordingly.
- 12 Page 4, line 10, strike "DOLLARS." and substitute "DOLLARS AND SHALL BE
- 13 DEPOSITED INTO THE COLORADO CARES RX PROGRAM FUND ESTABLISHED
- 14 PURSUANT TO SECTION 25.5-2.5-105.";
- 15 after line 13, insert the following:
- 16 "(4) FOR PURPOSES OF THE PROGRAM, A PARTICIPATING PHARMACY

1 SHALL BE A LICENSED OR REGISTERED PHARMACY THAT ENTERS INTO AN
2 AGREEMENT WITH THE STATE DEPARTMENT AND AGREES TO PROVIDE
3 GENERIC OR NONPATENTED DRUGS TO ELIGIBLE PERSONS THROUGH THE
4 PROGRAM."

5 Renumber succeeding subsections accordingly.

6 Page 4, line 14, before "ON", insert "(a)" and, before "PHARMACY", insert
7 "PARTICIPATING";

8 line 15, before "GENERIC", insert "THIRTY-DAY SUPPLY OF";

9 line 17, strike "(a)" and substitute "(I)";

10 strike lines 19 through 21 and substitute the following:

11 "BE NOT LESS THAN THE AVERAGE MANUFACTURER PRICE, LESS ANY
12 SUPPLEMENTAL REBATES OR DISCOUNTS, AND NOT MORE THAN THE
13 FEDERAL UPPER LIMIT AS DETERMINED BY THE FEDERAL CENTERS FOR
14 MEDICARE AND MEDICAID SERVICES, PLUS A";

15 line 22, strike "BOARD;" and substitute "BOARD, WHICH FEE SHALL BE NOT
16 LESS THAN FOUR DOLLARS;"

17 line 23, strike "(b)" and substitute "(II)" and, before "PHARMACY", insert
18 "PARTICIPATING";

19 after line 23, insert the following:

20 "(b) A PARTICIPATING PHARMACY SHALL NOT BE REQUIRED TO
21 SELL A GENERIC OR NONPATENTED DRUG FOR LESS THAN THE ACTUAL
22 COST OF THE DRUG TO THE PHARMACY, PLUS THE DISPENSING FEE.";

23 after line 27, insert the following:

24 **"25.5-2.5-105. Cash fund.** (1) THERE IS HEREBY CREATED IN THE
25 STATE TREASURY THE COLORADO CARES RX PROGRAM CASH FUND,
26 REFERRED TO IN THIS SECTION AS THE "FUND", THAT SHALL CONSIST OF
27 REGISTRATION FEES PAID BY ELIGIBLE PERSONS PURSUANT TO SECTION
28 25.5-2.5-104 (3). THE MONEYS IN THE FUND SHALL BE SUBJECT TO
29 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE DIRECT AND

1 INDIRECT COSTS ASSOCIATED WITH THE IMPLEMENTATION OF THIS
2 ARTICLE.

3 (2) ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE
4 OF THIS ARTICLE MAY BE INVESTED BY THE STATE TREASURER AS
5 PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE
6 INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED
7 TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS
8 REMAINING IN THE FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN
9 THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE
10 GENERAL FUND OR ANOTHER FUND.

11 **25.5-2.5-106. Repeal.** THIS ARTICLE IS REPEALED, EFFECTIVE
12 JUNE 30, 2013. PRIOR TO SUCH REPEAL, THE COLORADO CARES RX ACT
13 SHALL BE REVIEWED AS PROVIDED IN SECTION 24-34-104, C.R.S."

14 Page 5, before line 1, insert the following:

15 "SECTION 2. Section 24-34-104, Colorado Revised Statutes, is
16 amended BY THE ADDITION OF A NEW SUBSECTION to read:

17 (43.5) THE FOLLOWING AGENCIES, FUNCTIONS, OR BOTH, SHALL
18 TERMINATE ON JUNE 30, 2013: THE COLORADO CARES RX ACT, CREATED
19 BY ARTICLE 2.5 OF TITLE 25.5, C.R.S."

20 Renumber succeeding section accordingly.

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