

**NOTE: The governor signed this measure on 6/1/2016.**

# An Act

SENATE BILL 16-027

BY SENATOR(S) Martinez Humenik and Todd, Aguilar, Baumgardner, Carroll, Cooke, Crowder, Donovan, Garcia, Grantham, Guzman, Heath, Hodge, Holbert, Jahn, Johnston, Jones, Kefalas, Kerr, Lambert, Lundberg, Merrifield, Newell, Roberts, Scheffel, Scott, Sonnenberg, Tate, Woods; also REPRESENTATIVE(S) Primavera and Landgraf, Brown, Buckner, Carver, Court, Esgar, Garnett, Ginal, Kagan, Klingenschmitt, Kraft-Tharp, Lawrence, Lontine, Moreno, Pabon, Pettersen, Priola, Rosenthal, Ryden, Saine, Vigil, Williams, Young, Hullinghorst.

CONCERNING ALLOWING THE OPTION FOR MEDICAID CLIENTS TO OBTAIN PRESCRIBED DRUGS THROUGH THE MAIL, AND, IN CONNECTION THEREWITH, REDUCING AN APPROPRIATION.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 25.5-5-505, **amend** (1); and **add** (1.5) as follows:

**25.5-5-505. Prescribed drugs - mail order - rules.** (1) (a) (I) The state board shall adopt by rule a system to allow ~~the following~~ medical assistance recipients THE OPTION to receive THROUGH THE MAIL prescribed maintenance medications ~~through mail order~~. USED TO TREAT CHRONIC MEDICAL CONDITIONS.

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

~~(A) Recipients who suffer from a physical hardship that prohibits the recipient from obtaining prescription medications from a local pharmacy; and~~

~~(B) Recipients who have third-party insurance that allows the recipient to obtain maintenance medications through mail order.~~

(II) The state board shall RULES MUST include in the rules the definition of maintenance medications. The rules may allow for a medical assistance recipient who qualifies to receive medication through mail order pursuant to this section to receive THROUGH THE MAIL up to a three-month supply, or the maximum allowed under federal law, of maintenance medications used to treat chronic medical conditions.

~~(b) The state board shall, to the extent possible, require the use of local pharmacies that are able to provide the same services as mail order. To the extent allowed by federal law, the state department shall require that the same copayment amount be paid by a medical assistance recipient receiving prescription medication through THE mail order PAY THE SAME COPAYMENT AMOUNT as a medical assistance recipient receiving prescription medication from a local pharmacy THROUGH ANY OTHER METHOD. THE STATE DEPARTMENT SHALL ENCOURAGE MEDICAL ASSISTANCE RECIPIENTS WHO CHOOSE TO RECEIVE MAINTENANCE MEDICATIONS THROUGH THE MAIL TO USE LOCAL RETAIL PHARMACIES FOR MAIL DELIVERY.~~

(c) A PHARMACY MAY PROVIDE MAINTENANCE MEDICATIONS THROUGH THE MAIL TO MEDICAL ASSISTANCE RECIPIENTS IN ACCORDANCE WITH ALL APPLICABLE STATE AND FEDERAL LAWS IF THE PHARMACY IS ENROLLED AS A PROVIDER WITH THE STATE DEPARTMENT AND IS REGISTERED WITH THE STATE BOARD OF PHARMACY, CREATED AND EXISTING PURSUANT TO SECTION 12-42.5-103, C.R.S.

~~(e)~~(d) A nonresident prescription drug outlet doing business in this state shall provide a means for recipients of state medical assistance who have third-party insurance with whom the nonresident prescription drug outlet has a contractual relationship to receive their required pharmacy benefits at a cost to the recipients of no more than the legally allowed state medical assistance copayment. If a third-party insurance carrier's

copayment or deductible for pharmacy benefits is larger than the legally allowed state medical assistance copayment, the prescription drug outlet may bill the state medical assistance program for the difference pursuant to state medical assistance reimbursement rules.

(1.5) THE STATE DEPARTMENT SHALL PUBLISH ON ITS WEBSITE AND INCLUDE IN THE RECIPIENT HANDBOOK THE FOLLOWING INFORMATION FOR RECIPIENTS ENROLLED IN FEE-FOR-SERVICE MEDICAL ASSISTANCE PROGRAMS:

(a) THAT A MEDICAL ASSISTANCE RECIPIENT MAY USE THE PHARMACY OF HIS OR HER CHOICE;

(b) THAT A MEDICAL ASSISTANCE RECIPIENT MAY USE A LOCAL RETAIL PHARMACY FOR MAIL DELIVERY OF MAINTENANCE MEDICATIONS, IF OFFERED; AND

(c) THAT THE COPAYMENT AMOUNT FOR PRESCRIPTION MEDICATIONS IS THE SAME AT ANY PHARMACY ENROLLED IN THE MEDICAL ASSISTANCE PROGRAM.

**SECTION 2. Appropriation - adjustments to 2016 long bill.**

(1) To implement this act, appropriations made in the annual general appropriation act for the 2016-17 state fiscal year to the department of health care policy and financing for medical services premiums are adjusted as follows:

(a) The general fund appropriation, which is subject to the "(M)" notation as defined in the annual general appropriation act for the same fiscal year, is decreased by \$9,084; and

(b) The cash funds appropriation from the hospital provider fee cash fund created in section 25.5-4-402.3 (4) (a), C.R.S., is decreased by \$409.

(2) The figure shown in the federal funds column in the annual general appropriation act for the 2016-17 state fiscal year for the department of health care policy and financing for medical services premiums is decreased by \$20,424. The decrease in paragraph (a) of subsection (1) of this section is based on the assumption that the federal funds received by the department will decrease by this amount.

**SECTION 3. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless

approved by the people at the general election to be held in November 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

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Bill L. Cadman  
PRESIDENT OF  
THE SENATE

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Dickey Lee Hullinghorst  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Effie Ameen  
SECRETARY OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_

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John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO