

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 16-0726.01 Brita Darling x2241

SENATE BILL 16-027

SENATE SPONSORSHIP

Martinez Humenik and Todd,

HOUSE SPONSORSHIP

Primavera and Landgraf,

Senate Committees

Health & Human Services
Appropriations

House Committees

Health, Insurance, & Environment
Appropriations

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills summaries>.)

For persons receiving medical assistance (recipient), the bill allows the option to receive through the mail prescribed medications used to treat chronic medical conditions. The recipient may receive up to a certain amount of the medication and shall pay the same copayment amount as recipients receiving the medication through any other method. The

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
April 15, 2016

SENATE
3rd Reading Unamended
February 18, 2016

SENATE
Amended 2nd Reading
February 17, 2016

department of health care policy and financing (department) shall encourage recipients to use local retail pharmacies for mail delivery.

The state board of medical services shall adopt rules relating to the option to receive medications through the mail.

A pharmacy providing maintenance medications to recipients must be enrolled with the department and registered with the state board of pharmacy and shall comply with state and federal law relating to the provisions of the maintenance medications.

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

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

4 **25.5-5-505. Prescribed drugs - mail order - rules.**

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

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

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

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

20 (b) ~~The state board shall, to the extent possible, require the use of~~
21 ~~local pharmacies that are able to provide the same services as mail order.~~

1 To the extent allowed by federal law, the state department shall require
2 that ~~the same copayment amount be paid by~~ a medical assistance recipient
3 receiving prescription medication through ~~THE mail order~~ PAY THE SAME
4 COPAYMENT AMOUNT as a medical assistance recipient receiving
5 prescription medication ~~from a local pharmacy~~ THROUGH ANY OTHER
6 METHOD. THE STATE DEPARTMENT SHALL ENCOURAGE MEDICAL
7 ASSISTANCE RECIPIENTS WHO CHOOSE TO RECEIVE MAINTENANCE
8 MEDICATIONS THROUGH THE MAIL TO USE LOCAL RETAIL PHARMACIES FOR
9 MAIL DELIVERY.

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

16 ~~(c)~~ (d) A nonresident prescription drug outlet doing business in
17 this state shall provide a means for recipients of state medical assistance
18 who have third-party insurance with whom the nonresident prescription
19 drug outlet has a contractual relationship to receive their required
20 pharmacy benefits at a cost to the recipients of no more than the legally
21 allowed state medical assistance copayment. If a third-party insurance
22 carrier's copayment or deductible for pharmacy benefits is larger than the
23 legally allowed state medical assistance copayment, the prescription drug
24 outlet may bill the state medical assistance program for the difference
25 pursuant to state medical assistance reimbursement rules.

26 (1.5) THE STATE DEPARTMENT SHALL PUBLISH ON ITS WEBSITE AND
27 INCLUDE IN THE RECIPIENT HANDBOOK THE FOLLOWING INFORMATION FOR

1 RECIPIENTS ENROLLED IN FEE-FOR-SERVICE MEDICAL ASSISTANCE
2 PROGRAMS:

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

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

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

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

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

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

19 (b) The cash funds appropriation from the hospital provider fee
20 cash fund created in section 25.5-4-402.3 (4) (a), C.R.S., is decreased by
21 \$409.

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

1 **SECTION 3. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly (August
4 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
5 referendum petition is filed pursuant to section 1 (3) of article V of the
6 state constitution against this act or an item, section, or part of this act
7 within such period, then the act, item, section, or part will not take effect
8 unless approved by the people at the general election to be held in
9 November 2016 and, in such case, will take effect on the date of the
10 official declaration of the vote thereon by the governor.