

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REREVISED

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

LLS NO. 23-0181.01 Brita Darling x2241

HOUSE BILL 23-1130

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House Committees

Health & Insurance
Appropriations

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Health & Human Services
Appropriations

A BILL FOR AN ACT

101 **CONCERNING REQUIREMENTS FOR PRESCRIPTION DRUG COVERAGE**
102 **FOR SERIOUS MENTAL ILLNESS, AND, IN CONNECTION**
103 **THEREWITH, MAKING 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://leg.colorado.gov>.)

With respect to step-therapy protocols (protocols) for health insurance, the bill defines "serious mental illness" and prohibits the protocols from requiring a person to try more than one prescription drug prior to receiving coverage for the drug recommended by the person's health-care provider. If certain conditions are met and attested to by the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
3rd Reading Unamended
April 21, 2023

SENATE
2nd Reading Unamended
April 20, 2023

HOUSE
3rd Reading Unamended
March 13, 2023

HOUSE
Amended 2nd Reading
March 11, 2023

person's health-care provider, the carrier, private utilization review organization, or pharmacy benefit manager must cover the drug recommended by the person's health-care provider.

The bill defines "serious mental illness" for purposes of the "Colorado Medical Assistance Act" in the same manner as the term is defined for commercial health insurance. The bill requires the medical services board to require a review for coverage of a new drug approved by the federal food and drug administration for a serious mental illness within 90 days after the drug is approved.

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

2 **SECTION 1.** In Colorado Revised Statutes, 10-16-145, **add**
3 (1)(f.5) and (4.5) as follows:

4 **10-16-145. Step therapy - limitations - exceptions - definitions**
5 **- rules.** (1) As used in this section:

6 (f.5) "SERIOUS MENTAL ILLNESS" MEANS THE FOLLOWING
7 PSYCHIATRIC ILLNESSES, AS DEFINED BY THE AMERICAN PSYCHIATRIC
8 ASSOCIATION IN THE MOST RECENT VERSION OF THE DIAGNOSTIC AND
9 STATISTICAL MANUAL OF MENTAL DISORDERS:

10 (I) BIPOLAR DISORDERS (HYPOMANIC, MANIC, DEPRESSIVE, AND
11 MIXED);

12 (II) DEPRESSION IN CHILDHOOD AND ADOLESCENCE;

13 (III) MAJOR DEPRESSIVE DISORDERS (SINGLE EPISODE OR
14 RECURRENT);

15 (IV) OBSESSIVE-COMPULSIVE DISORDERS;

16 (V) PARANOID AND OTHER PSYCHOTIC DISORDERS;

17 (VI) SCHIZOAFFECTIVE DISORDERS (BIPOLAR OR DEPRESSIVE); AND

18 (VII) SCHIZOPHRENIA.

19 (4.5) WITH RESPECT TO A **COVERED** DRUG PRESCRIBED FOR
20 SERIOUS MENTAL ILLNESS:

1 (a) IF, UNDER A HEALTH BENEFIT PLAN, A CARRIER, A PRIVATE
2 UTILIZATION REVIEW ORGANIZATION, OR A PBM REQUIRES STEP THERAPY,
3 THE STEP THERAPY MAY ONLY REQUIRE A COVERED PERSON TO TRY ONE
4 PRESCRIPTION DRUG OTHER THAN THE DRUG PRESCRIBED BY THE
5 PROVIDER PRIOR TO PROVIDING COVERAGE TO THE COVERED PERSON FOR
6 THE DRUG PRESCRIBED BY THE COVERED PERSON'S PROVIDER.

7 (b) NOTWITHSTANDING SUBSECTION (4.5)(a) OF THIS SECTION, IF
8 A COVERED PERSON'S PROVIDER ATTESTS ON A FORM ESTABLISHED BY THE
9 DIVISION THAT ANY OF THE CRITERIA SPECIFIED IN SUBSECTIONS (4)(a)(I)
10 TO (4)(a)(IV) OF THIS SECTION ARE MET, THE CARRIER, PRIVATE
11 UTILIZATION REVIEW ORGANIZATION, OR PBM MUST COVER THE DRUG
12 PRESCRIBED BY THE COVERED PERSON'S PROVIDER WITHOUT REQUIRING
13 STEP THERAPY.

14 **SECTION 2.** In Colorado Revised Statutes, 25.5-4-103, **add**
15 (24.5) as follows:

16 **25.5-4-103. Definitions.** As used in this article 4 and articles 5
17 and 6 of this title 25.5, unless the context otherwise requires:

18 (24.5) "SERIOUS MENTAL ILLNESS" MEANS THE FOLLOWING
19 PSYCHIATRIC ILLNESSES, AS DEFINED BY THE AMERICAN PSYCHIATRIC
20 ASSOCIATION IN THE MOST RECENT VERSION OF THE DIAGNOSTIC AND
21 STATISTICAL MANUAL OF MENTAL DISORDERS:

22 (a) BIPOLAR DISORDERS (HYPOMANIC, MANIC, DEPRESSIVE, AND
23 MIXED);

24 (b) DEPRESSION IN CHILDHOOD AND ADOLESCENCE;

25 (c) MAJOR DEPRESSIVE DISORDERS (SINGLE EPISODE OR
26 RECURRENT);

27 (d) OBSESSIVE-COMPULSIVE DISORDERS;

- 1 (e) PARANOID AND OTHER PSYCHOTIC DISORDERS;
- 2 (f) SCHIZOAFFECTIVE DISORDERS (BIPOLAR OR DEPRESSIVE); AND
- 3 (g) SCHIZOPHRENIA.

4 **SECTION 3.** In Colorado Revised Statutes, **add** 25.5-5-514 as
5 follows:

6 **25.5-5-514. Serious mental illness - prescribed drugs.**
7 NOTWITHSTANDING ANY PROVISIONS OF THIS PART 5 TO THE CONTRARY,
8 AND SUBJECT TO ANY NECESSARY FEDERAL AUTHORIZATION, THE STATE
9 BOARD SHALL REQUIRE A REVIEW FOR COVERAGE OF A NEW DRUG
10 APPROVED BY THE FEDERAL FOOD AND DRUG ADMINISTRATION FOR A
11 SERIOUS MENTAL ILLNESS WITHIN NINETY DAYS AFTER THE APPROVAL OF
12 THE DRUG.

13 **SECTION 4. Appropriation.** (1) For the 2023-24 state fiscal
14 year, \$53,117 is appropriated to the department of health care policy and
15 financing for use by the executive director's office. This appropriation is
16 from the general fund. To implement this act, the office may use this
17 appropriation as follows:

18 (a) \$49,242 for personal services, which amount is based on an
19 assumption that the office will require an additional 0.8 FTE; and

20 (b) \$3,875 for operating expenses.

21 (2) For the 2023-24 state fiscal year, the general assembly
22 anticipates that the department of health care policy and financing will
23 receive \$53,117 in federal funds to implement this act, which amount is
24 subject to the "(I)" notation as defined in the annual general appropriation
25 act for the same fiscal year. The appropriation in subsection (1) of this
26 section is based on the assumption that the department will receive this
27 amount of federal funds to be used as follows:

1 (a) \$49,242 for use by the executive director's office for personal
2 services; and

3 (b) \$3,875 for use by the executive director's office for operating
4 expenses.

5 **SECTION 5. Act subject to petition - effective date.** Section 1
6 of this act takes effect January 1, 2025, and the remainder of this act takes
7 effect at 12:01 a.m. on the day following the expiration of the ninety-day
8 period after final adjournment of the general assembly; except that, if a
9 referendum petition is filed pursuant to section 1 (3) of article V of the
10 state constitution against this act or an item, section, or part of this act
11 within such period, then the act, item, section, or part will not take effect
12 unless approved by the people at the general election to be held in
13 November 2024 and, in such case, will take effect on the date of the
14 official declaration of the vote thereon by the governor; except that
15 section 1 of this act takes effect January 1, 2025.