



Legislative Council Staff

Research Note

Version: House Second
Reading
Date: 4/15/2016

Bill Number

Senate Bill 16-027

Sponsors

Senators Martinez Humenik & Todd
Representatives Primavera & Landgraf

Short Title

Medicaid Option For Prescribed Drugs By Mail

Research Analyst

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Status

The bill is currently pending before the House on second reading. This research note reflects the reengrossed bill as amended by the House Health, Insurance, and Environment Committee on March 8, 2016.

Summary

Under current law, only a limited number of Medicaid recipients may receive maintenance medication by mail order. This bill expands the option to receive a three-month supply of maintenance medication through the mail to all Medicaid recipients. The Department of Health Care Policy and Financing (HCPF) is required to encourage Medicaid recipients to use local retail pharmacies for mail delivery of medications.

Co-pays paid by Medicaid recipients for maintenance medication through the mail must be the same as for medications through any other method. Pharmacies providing mail order service must be approved by Medicaid and registered with the State Board of Pharmacy. The State Board of Medical Services must promulgate rules concerning the receipt of medication through the mail.

The bill directs HCPF to notify Medicaid recipients via its website and in the Medicaid recipient handbook that recipients may use the pharmacy of their choice; that they may use a local retail pharmacy for mail delivery of maintenance medications; and that the copayment amounts for prescription medications are the same at any pharmacy enrolled in Medicaid.

Background

This research note was prepared by Legislative Council Staff, the nonpartisan research staff for the Colorado General Assembly. The research note is provided for informational purposes only and should not be relied upon as an official record of action by the General Assembly. Legislative Council Staff are not attorneys, and the research note is not a legal opinion. If you have legal questions about the bill, including questions about the meaning of the bill language or amendments, please contact the drafter.

Maintenance medication is medication taken on an ongoing basis to treat chronic or long-term illnesses or conditions. Current law allows the following Medicaid recipients to receive up to a three-month supply of maintenance medications via mail order:

- Medicaid recipients with physical hardships that prohibit them from obtaining maintenance medications from a local pharmacy; and
- Medicaid recipients with third-party insurance that allows the recipient to obtain maintenance medications through mail order.

Senate Action

Senate Health and Human Services Committee (February 3, 2016). At the hearing, representatives from Rx Plus Pharmacies, Colorado Academy of Family Physicians, and HCPF testified in support of the bill.

The committee adopted amendment L.001, and referred the bill, as amended, to the Senate Appropriations Committee. Amendment L.001 directs HCPF to notify Medicaid recipients via its website and in the Medicaid enrollment package that recipients may use the pharmacy of their choice; that they may use a local retail pharmacy for mail delivery of maintenance medications; and that the copayment amounts for prescription medications are the same at any pharmacy enrolled in Medicaid.

Senate Appropriations Committee (February 12, 2016). The committee adopted amendment J.002 and referred the bill, as amended, to the Senate Committee of the Whole with a recommendation it be placed on the consent calendar. The amendment added an appropriations clause to the bill.

Senate second reading (February 17, 2016). The Senate adopted the Senate Health and Human Services and the Appropriation committee reports, and passed the bill on second reading, as amended.

Senate third reading (February 18, 2016). The Senate passed the bill on third reading with no amendments.

House Action

House Health, Insurance, & Environment Committee (March 8, 2016). At the hearing, representatives from Rx Plus Pharmacies, Colorado Cross Disability Coalition, and HCPF testified in support of the bill.

The committee adopted amendment L.002, and referred the bill, as amended, to the House Appropriations Committee. Amendment L.002 deleted the term "enrollment packet" and replaced it with "recipient handbook."

House Appropriations Committee (April 15, 2016). The committee referred the bill to the House Committee of the Whole with no amendments.

Relevant Research

Medicaid Prescription Drugs Performance Audit, Office of the State Auditor, May 2015.
<http://goo.gl/LIKXWo>

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