

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

**INTRODUCED**

LLS NO. 17-0852.02 Kristen Forrestal x4217

**SENATE BILL 17-203**

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**SENATE SPONSORSHIP**

**Todd**, Coram, Aguilar, Crowder, Kefalas

**HOUSE SPONSORSHIP**

**Covarrubias and Kennedy**,

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**Senate Committees**

Business, Labor, & Technology

**House Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE PROHIBITION AGAINST A CARRIER REQUIRING A**  
102             **COVERED PERSON TO UNDERGO STEP THERAPY, AND, IN**  
103             **CONNECTION THEREWITH, REQUIRING COVERAGE FOR A**  
104             **PRESCRIBED MEDICATION THAT IS PART OF THE CARRIER'S**  
105             **MEDICATION FORMULARY.**

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**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>.)*

The bill prohibits a carrier from requiring a covered person to

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.*

undergo step therapy:

- ! When being treated for a terminal condition; or
- ! If the covered person has tried a step-therapy-required drug under a health benefit plan and the drug was discontinued by the manufacturer.

A carrier that requires step therapy must have an override process for health care providers.

"Step therapy" is defined as a protocol that requires a covered person to use a prescription drug or sequence of prescription drugs, other than the drug that the covered person's health care provider recommends for the covered person's treatment, before the carrier provides coverage for the recommended drug.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 10-16-145 as  
3 follows:

4           **10-16-145. Step therapy - prohibited - definitions.** (1) FOR THE  
5 PURPOSES OF THIS SECTION:

6           (a) "STEP THERAPY" MEANS A PROTOCOL THAT REQUIRES A  
7 COVERED PERSON TO USE A PRESCRIPTION DRUG OR SEQUENCE OF  
8 PRESCRIPTION DRUGS, OTHER THAN THE DRUG THAT THE COVERED  
9 PERSON'S HEALTH CARE PROVIDER RECOMMENDS FOR THE COVERED  
10 PERSON'S TREATMENT, BEFORE THE CARRIER PROVIDES COVERAGE FOR  
11 THE RECOMMENDED PRESCRIPTION DRUG.

12           (b) "TERMINAL CONDITION" MEANS AN INCURABLE OR  
13 IRREVERSIBLE ILLNESS THAT HAS BEEN MEDICALLY CONFIRMED AND WILL,  
14 WITHIN REASONABLE MEDICAL JUDGMENT, RESULT IN DEATH WITHIN SIX  
15 MONTHS.

16           (2) A CARRIER SHALL NOT REQUIRE A COVERED PERSON TO  
17 UNDERGO STEP THERAPY, AND SHALL PROVIDE COVERAGE FOR THE DRUG  
18 PRESCRIBED BY THE COVERED PERSON'S HEALTH CARE PROVIDER AS LONG  
19 AS THE PRESCRIBED DRUG IS ON THE CARRIER'S PRESCRIPTION DRUG

1 FORMULARY, WHEN:

2 (a) THE COVERED PERSON IS UNDERGOING TREATMENT FOR A  
3 TERMINAL CONDITION; OR

4 (b) THE COVERED PERSON HAS TRIED A STEP-THERAPY-REQUIRED  
5 PRESCRIPTION DRUG WHILE UNDER HIS OR HER CURRENT OR PREVIOUS  
6 HEALTH INSURANCE OR HEALTH BENEFIT PLAN, AND THE PRESCRIPTION  
7 DRUG WAS DISCONTINUED BY THE MANUFACTURER DUE TO LACK OF  
8 EFFICACY OR EFFECTIVENESS, DIMINISHED EFFECT, OR AN ADVERSE EVENT.

9 (3) (a) A CARRIER THAT REQUIRES STEP THERAPY SHALL PROVIDE  
10 AN OVERRIDE PROCESS. A STEP THERAPY OVERRIDE DETERMINATION  
11 SHALL BE EXPEDITIOUSLY GRANTED WHEN THE TREATING HEALTH CARE  
12 PROVIDER CAN SHOW THAT THE CARRIER'S PREFERRED DRUG IS  
13 CONTRAINDICATED OR WILL LIKELY CAUSE AN ADVERSE REACTION  
14 RESULTING IN MENTAL OR PHYSICAL HARM TO THE COVERED PERSON.

15 (b) THE CARRIER, HEALTH BENEFIT PLAN, OR UTILIZATION REVIEW  
16 ORGANIZATION MAY REQUEST RELEVANT DOCUMENTATION FROM THE  
17 COVERED PERSON OR HEALTH CARE PROVIDER TO SUPPORT THE OVERRIDE  
18 REQUEST.

19 (4) THIS SECTION DOES NOT PRECLUDE:

20 (a) A CARRIER FROM REQUIRING PRIOR AUTHORIZATION FOR THE  
21 COVERAGE OF A PRESCRIBED DRUG THAT WAS COVERED BY THE COVERED  
22 PERSON'S FORMER HEALTH BENEFIT PLAN; OR

23 (b) A HEALTH CARE PROVIDER FROM PRESCRIBING A NEW DRUG  
24 THAT IS COVERED BY THE COVERED PERSON'S NEW HEALTH BENEFIT PLAN  
25 IF THE NEW DRUG IS MEDICALLY NECESSARY, AS DETERMINED BY THE  
26 HEALTH CARE PROVIDER, FOR THE COVERED PERSON.

27 **SECTION 2. Act subject to petition - effective date.** This act

1 takes effect September 1, 2017; except that, if a referendum petition is  
2 filed pursuant to section 1 (3) of article V of the state constitution against  
3 this act or an item, section, or part of this act within the ninety-day period  
4 after final adjournment of the general assembly, then the act, item,  
5 section, or part will not take effect unless approved by the people at the  
6 general election to be held in November 2018 and, in such case, will take  
7 effect on the date of the official declaration of the vote thereon by the  
8 governor.