

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**ENGROSSED**

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

LLS NO. 24-0335.01 Shelby Ross x4510

**SENATE BILL 24-054**

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**SENATE SPONSORSHIP**

**Michaelson Jenet and Ginal,**

**HOUSE SPONSORSHIP**

**Brown and Mabrey,**

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**Senate Committees**

Health & Human Services  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE "DIABETES PREVENTION AND OBESITY TREATMENT**  
102 **ACT".**

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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 requires all private insurance companies to provide coverage for the treatment of the chronic disease of obesity and the treatment of pre-diabetes, including coverage for intensive behavioral or lifestyle therapy, bariatric surgery, and FDA-approved anti-obesity medication.

No later than January 2025, the bill requires the department of

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  
Amended 2nd Reading  
April 29, 2024

health care policy and financing (department) to seek federal authorization to provide treatment for the chronic disease of obesity and the treatment of pre-diabetes. Upon receiving federal authorization, the department is required to notify medicaid members in writing about the availability of the treatment.

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

2           **SECTION 1. Short title.** The short title of this act is the  
3 "Diabetes Prevention and Obesity Treatment Act".

4           **SECTION 2. Legislative declaration.** (1) The general assembly  
5 finds that:

6           (a) In Colorado, the impact of the chronic disease of obesity is  
7 staggering. Obesity affects over 24% of Colorado adults, with higher  
8 prevalence in communities of color. Black and Latino adults have a  
9 higher prevalence of obesity, 33.4% and 31%, respectively. More than  
10 one in four youth ages 10 to 17 are either overweight or experiencing  
11 obesity, and 24.3% of children enrolled in the federal special  
12 supplemental nutrition program for women, infants, and children in 2020  
13 were overweight or experiencing obesity.

14           (b) The American Medical Association and the American  
15 Academy of Pediatrics declared obesity a chronic disease in 2013, and the  
16 American Diabetes Association has recognized obesity as a complex,  
17 progressive, serious, relapsing, and costly chronic disease. Obesity serves  
18 as a major risk factor for developing conditions, including heart disease,  
19 stroke, type 2 diabetes, renal disease, non-alcoholic steatohepatitis, and  
20 13 types of cancer. Research shows that obesity and diabetes pose higher  
21 risk for more severe coronavirus infection and hospitalization. Obesity  
22 also contributes to many chronic and costly conditions and increases risk  
23 of physical injury, including falls, sprains, strains, lower extremity

1 fractures, and joint dislocation.

2 (c) Strong and consistent evidence shows that effective weight  
3 management can delay the progression from pre-diabetes to type 2  
4 diabetes and is highly beneficial in treating type 2 diabetes. In people with  
5 type 2 diabetes who are also overweight or experiencing obesity, modest  
6 weight management clinically improves health, including reducing  
7 glycemia levels and reducing the need for glucose-lowering medications.  
8 Greater weight management substantially reduces A1C and fasting  
9 glucose and has been shown to support sustained diabetes remission  
10 through at least two years.

11 (d) The 2023 American Academy of Pediatrics obesity guidelines  
12 recommend that comprehensive, evidence-based obesity treatment for  
13 youth should include timely initiation of intensive behavioral or lifestyle  
14 therapy, anti-obesity medications, and bariatric surgery, and that these  
15 treatment options are safe and effective. Eight out of ten adolescents with  
16 obesity will continue to have obesity as adults. Treatment significantly  
17 improves an individual's health and quality of life and has the potential to  
18 significantly reduce health-care costs by preventing the development and  
19 progression of obesity-related complications, including diabetes.

20 **SECTION 3.** In Colorado Revised Statutes, 10-16-104, **add** (27)  
21 as follows:

22 **10-16-104. Mandatory coverage provisions - applicability -**  
23 **rules - definitions.** (27) **Anti-obesity medications.** (a) ALL INDIVIDUAL  
24 AND GROUP HEALTH BENEFIT PLANS ISSUED OR RENEWED IN THIS STATE  
25 MUST PROVIDE COVERAGE FOR THE TREATMENT OF THE CHRONIC DISEASE  
26 OF OBESITY AND THE TREATMENT OF PRE-DIABETES, INCLUDING  
27 COVERAGE FOR INTENSIVE BEHAVIORAL OR LIFESTYLE THERAPY,

1 BARIATRIC SURGERY, AND FDA-APPROVED ANTI-OBESITY MEDICATION.

2 (b) THE COVERAGE CRITERIA FOR FDA-APPROVED ANTI-OBESITY  
3 MEDICATION MUST NOT BE MORE RESTRICTIVE THAN FDA-APPROVED  
4 INDICATIONS FOR THE MEDICATION.

5 (c) THE COVERAGE REQUIRED PURSUANT TO THIS SUBSECTION (27)  
6 MUST NOT BE DIFFERENT OR SEPARATE FROM COVERAGE FOR ANY OTHER  
7 ILLNESS, CONDITION, OR DISORDER FOR PURPOSES OF DETERMINING  
8 COPAYMENTS, DEDUCTIBLES, COINSURANCE, OR ANNUAL MAXIMUM  
9 BENEFIT.

10 (d) THIS SUBSECTION (27) DOES NOT PROHIBIT A PLAN FROM  
11 APPLYING UTILIZATION MANAGEMENT TO DETERMINE MEDICAL NECESSITY  
12 FOR TREATMENT OF THE CHRONIC DISEASE OF OBESITY AND THE  
13 TREATMENT OF PRE-DIABETES IF APPROPRIATENESS AND MEDICAL  
14 NECESSITY DETERMINATIONS ARE MADE IN THE SAME MANNER AS THOSE  
15 DETERMINATIONS ARE MADE FOR THE TREATMENT OF ANY OTHER ILLNESS,  
16 CONDITION, OR DISORDER COVERED BY THE PLAN.

17 (e) THIS SUBSECTION (27) DOES NOT APPLY TO A SPECIALIZED  
18 HEALTH-CARE SERVICE PLAN OR CONTRACT THAT COVERS ONLY DENTAL  
19 OR VISION BENEFITS OR TO A MEDICARE SUPPLEMENTAL CONTRACT.

20 (f) (I) THE COMMISSIONER SHALL SUBMIT TO THE FEDERAL  
21 DEPARTMENT OF HEALTH AND HUMAN SERVICES:

22 (A) A DETERMINATION AS TO WHETHER THE BENEFIT SPECIFIED IN  
23 THIS SUBSECTION (27) IS IN ADDITION TO ESSENTIAL HEALTH BENEFITS AND  
24 WOULD BE SUBJECT TO DEFAYAL BY THE STATE PURSUANT TO 42 U.S.C.  
25 SEC. 18031 (d)(3)(B); AND

26 (B) A REQUEST THAT THE FEDERAL DEPARTMENT OF HEALTH AND  
27 HUMAN SERVICES CONFIRM THE DIVISION'S DETERMINATION WITHIN SIXTY

1 DAYS AFTER RECEIPT OF THE DIVISION'S REQUEST AND SUBMISSION OF ITS  
2 DETERMINATION.

3 (II) THIS SUBSECTION (27) APPLIES TO LARGE EMPLOYER POLICIES  
4 OR CONTRACTS ISSUED OR RENEWED ON OR AFTER JANUARY 1, 2026, AND  
5 TO INDIVIDUAL AND SMALL GROUP POLICIES AND CONTRACTS ISSUED ON  
6 OR AFTER JANUARY 1, 2025, AND THE COMMISSIONER SHALL IMPLEMENT  
7 THE REQUIREMENTS OF THIS SUBSECTION (27) ONLY IF:

8 (A) THE DIVISION RECEIVES CONFIRMATION FROM THE FEDERAL  
9 DEPARTMENT OF HEALTH AND HUMAN SERVICES THAT THE COVERAGE  
10 SPECIFIED IN THIS SUBSECTION (27) DOES NOT CONSTITUTE AN ADDITIONAL  
11 BENEFIT THAT REQUIRES DEFRAID BY THE STATE PURSUANT TO 42 U.S.C.  
12 SEC. 18031 (d)(3)(B);

13 (B) THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES  
14 HAS OTHERWISE INFORMED THE DIVISION THAT THE COVERAGE DOES NOT  
15 REQUIRE STATE DEFRAID PURSUANT TO 42 U.S.C. SEC. 18031 (d)(3)(B);  
16 OR

17 (C) MORE THAN THREE HUNDRED SIXTY-FIVE DAYS HAVE PASSED  
18 SINCE THE DIVISION SUBMITTED ITS DETERMINATION AND REQUEST FOR  
19 CONFIRMATION THAT THE COVERAGE SPECIFIED IN THIS SUBSECTION (27)  
20 IS NOT AN ADDITIONAL BENEFIT THAT REQUIRES STATE DEFRAID  
21 PURSUANT TO 42 U.S.C. SEC. 18031 (d)(3)(B), AND THE FEDERAL  
22 DEPARTMENT OF HEALTH AND HUMAN SERVICES HAS FAILED TO RESPOND  
23 TO THE REQUEST WITHIN THAT PERIOD, IN WHICH CASE THE DIVISION  
24 SHALL CONSIDER THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN  
25 SERVICES' UNREASONABLE DELAY A PRECLUSION FROM REQUIRING  
26 DEFRAID BY THE STATE.

27 (g) THE COMMISSIONER SHALL ADOPT RULES CONSISTENT WITH

1 AND AS ARE NECESSARY TO IMPLEMENT THIS SUBSECTION (27).

2 (h) A HEALTH-CARE PROVIDER SHALL FOLLOW CLINICAL  
3 GUIDELINES WHEN PRESCRIBING AN FDA-APPROVED ANTI-OBESITY  
4 MEDICATION.

5 (i) AS USED IN THIS SUBSECTION (27):

6 (I) "FDA-APPROVED ANTI-OBESITY MEDICATION" MEANS ANY  
7 MEDICATION APPROVED BY THE FEDERAL FOOD AND DRUG  
8 ADMINISTRATION WITH AN INDICATION FOR CHRONIC WEIGHT  
9 MANAGEMENT.

10 (II) "INTENSIVE BEHAVIORAL OR LIFESTYLE THERAPY" MEANS AN  
11 EVIDENCE-BASED, INTENSIVE, MULTI-COMPONENT BEHAVIORAL OR  
12 LIFESTYLE MODIFICATION INTERVENTION THAT SUPPORTS HEALTHY  
13 WEIGHT MANAGEMENT AS RECOMMENDED BY CURRENT CLINICAL  
14 STANDARDS OF CARE. INTERVENTIONS INCLUDE A HIGH FREQUENCY OF  
15 COUNSELING AND FOCUS ON NUTRITION OR DIETARY CHANGES, INCLUDING  
16 THE USE OF MEDICAL NUTRITION THERAPY; PHYSICAL ACTIVITY; AND  
17 BEHAVIORAL COUNSELING STRATEGIES TO ACHIEVE HEALTH WEIGHT  
18 MANAGEMENT. INTERVENTIONS MAY BE PROVIDED IN OFFICE, VIRTUALLY  
19 THROUGH TELEHEALTH, OR IN COMMUNITY-BASED SETTINGS TO SUPPORT  
20 PATIENT ACCESS AND NEEDS.

21 **SECTION 4.** In Colorado Revised Statutes, **add 25.5-5-337** as  
22 follows:

23 **25.5-5-337. Diabetes prevention and obesity treatment -**  
24 **anti-obesity medication - federal authorization - utilization**  
25 **management - report - definitions.** (1) THE STATE DEPARTMENT SHALL  
26 SEEK FEDERAL AUTHORIZATION TO PROVIDE TREATMENT FOR THE CHRONIC  
27 DISEASE OF OBESITY AND THE TREATMENT OF PRE-DIABETES, INCLUDING

1 INTENSIVE BEHAVIORAL OR LIFESTYLE THERAPY, BARIATRIC SURGERY,  
2 AND FDA-APPROVED ANTI-OBESITY MEDICATION.

3 (2) WITHIN EXISTING APPROPRIATIONS AND UPON RECEIVING  
4 FEDERAL AUTHORIZATION, THE STATE DEPARTMENT SHALL IMPLEMENT  
5 THIS SECTION AND NOTIFY MEMBERS IN WRITING ABOUT THE AVAILABILITY  
6 OF TREATMENT FOR THE CHRONIC DISEASE OF OBESITY AND THE  
7 TREATMENT OF PRE-DIABETES PROVIDED PURSUANT TO THIS SECTION.

8 (3) THIS SECTION DOES NOT PROHIBIT THE STATE DEPARTMENT  
9 FROM CONDUCTING UTILIZATION MANAGEMENT TO DETERMINE MEDICAL  
10 NECESSITY FOR TREATMENT OF THE CHRONIC DISEASE OF OBESITY AND  
11 THE TREATMENT OF PRE-DIABETES PROVIDED PURSUANT TO THIS SECTION.

12 (4) BEGINNING WITH THE HEARINGS FOR THE 2026 LEGISLATIVE  
13 SESSION, AND EACH YEAR THEREAFTER, THE DEPARTMENT SHALL INCLUDE  
14 AS PART OF ITS PRESENTATION DURING ITS "SMART ACT" HEARING  
15 REQUIRED BY SECTION 2-7-203 INFORMATION CONCERNING THE EFFORTS  
16 TO REDUCE AND MANAGE THE CHRONIC DISEASE OF OBESITY AND THE  
17 TREATMENT OF PRE-DIABETES, INCLUDING:

18 (a) THE PREVALENCE AND DIAGNOSIS RATES OF OBESITY; AND

19 (b) UTILIZATION OF OBESITY INTERVENTION SERVICES AND  
20 HEALTH IMPROVEMENTS, INCLUDING DIABETES PREVENTION AND  
21 MANAGEMENT AND CARDIOVASCULAR HEALTH.

22 (5) A HEALTH-CARE PROVIDER SHALL FOLLOW CLINICAL  
23 GUIDELINES WHEN PRESCRIBING AN FDA-APPROVED ANTI-OBESITY  
24 MEDICATION.

25 (6) AS USED IN THIS SECTION:

26 (a) "FDA-APPROVED ANTI-OBESITY MEDICATION" MEANS ANY  
27 MEDICATION APPROVED BY THE FEDERAL FOOD AND DRUG

1 ADMINISTRATION WITH AN INDICATION FOR CHRONIC WEIGHT  
2 MANAGEMENT IN PATIENTS WITH OBESITY.

3 (b) "INTENSIVE BEHAVIORAL OR LIFESTYLE THERAPY" MEANS AN  
4 EVIDENCE-BASED, INTENSIVE, MULTI-COMPONENT BEHAVIORAL OR  
5 LIFESTYLE MODIFICATION INTERVENTION THAT SUPPORTS HEALTHY  
6 WEIGHT MANAGEMENT AS RECOMMENDED BY CURRENT CLINICAL  
7 STANDARDS OF CARE. INTERVENTIONS INCLUDE A HIGH FREQUENCY OF  
8 COUNSELING AND FOCUS ON NUTRITION OR DIETARY CHANGES, INCLUDING  
9 THE USE OF MEDICAL NUTRITION THERAPY; PHYSICAL ACTIVITY; AND  
10 BEHAVIORAL COUNSELING STRATEGIES TO ACHIEVE HEALTH WEIGHT  
11 MANAGEMENT. INTERVENTIONS MAY BE PROVIDED IN OFFICE, VIRTUALLY  
12 THROUGH TELEHEALTH, OR IN COMMUNITY-BASED SETTINGS TO SUPPORT  
13 PATIENT ACCESS AND NEEDS.

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