

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. 24-0735.01 Chelsea Princell x4335

**SENATE BILL 24-110**

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**SENATE SPONSORSHIP**

**Rodriguez and Kirkmeyer,**

**HOUSE SPONSORSHIP**

**Amabile and Sirota,**

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Health & Human Services  
Appropriations

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**A BILL FOR AN ACT**

101 **CONCERNING PROHIBITING PRIOR AUTHORIZATION FOR**  
102 **ANTIPSYCHOTIC PRESCRIPTION DRUGS USED TO TREAT A**  
103 **MENTAL HEALTH CONDITION, AND, IN CONNECTION THEREWITH,**  
104 **MAKING AN APPROPRIATION.**

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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 the department of health care policy and financing from requiring prior authorization for an antipsychotic prescription drug used to treat a mental health disorder or mental health

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 23, 2024

condition.

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

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

4 (a) Nearly a quarter million Coloradan adults live with a mental  
5 health disorder or mental health condition like schizophrenia or bipolar  
6 disorder, yet less than half of the adult population in the state of Colorado  
7 receives appropriate treatment and care;

8 (b) Access to appropriate treatment, including prescription drugs,  
9 leads to better outcomes for individuals living with serious mental health  
10 disorders;

11 (c) Individuals living with schizophrenia who are subject to  
12 formulary restrictions are more likely to be hospitalized and incur 23%  
13 higher inpatient costs compared to individuals living with schizophrenia  
14 who are not subject to inpatient costs. Similar effects are observed for  
15 individuals living with bipolar disorder.

16 (d) Prior authorization requirements for antipsychotic prescription  
17 drugs are associated with a 22% increase in the likelihood of  
18 imprisonment; and

19 (e) Policies that have formulary restrictions, including prior  
20 authorization, step therapy protocols, and fail first requirements, may  
21 diminish access to necessary prescription drugs and ultimately result in  
22 significant human, economic, and social costs.

23 (2) Therefore, the general assembly declares that access to  
24 antipsychotic prescription drugs to treat mental health disorders or mental  
25 health conditions must be available without excessive access restrictions

1 for Coloradans receiving care through the state medical assistance  
2 program.

3 **SECTION 2.** In Colorado Revised Statutes, **add 25.5-5-517** as  
4 follows:

5 **25.5-5-517. Prescription drugs for treating mental health**  
6 **disorders or conditions -     prior authorization - rules - definitions.**

7 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
8 REQUIRES:

9 (a) "MENTAL HEALTH DISORDER OR MENTAL HEALTH CONDITION"  
10 REFERS TO THE MENTAL HEALTH DISORDERS DESCRIBED IN THE MOST  
11 RECENT EDITION OF THE DIAGNOSTIC AND STATISTICAL MANUAL OF  
12 MENTAL DISORDERS.

13 (b) "PRESCRIPTION DRUG" HAS THE SAME MEANING AS SET FORTH  
14 IN SECTION 12-280-103.

15 (c) "UNSUCCESSFULLY TREATED" REFERS TO THE CLINICALLY  
16 APPROPRIATE GUIDELINES USED TO DETERMINE A PATIENT'S FAILURE ON  
17 A MEDICATION AND MAY INCLUDE A LACK OF EFFICACY DURING A  
18 SIX-WEEK MEDICATION TRIAL, AN ALLERGIC REACTION, INTOLERABLE SIDE  
19 EFFECTS, SIGNIFICANT DRUG-TO-DRUG INTERACTIONS, OR A KNOWN  
20 INTERACTING GENETIC POLYMORPHISM THAT PREVENTS SAFE PREFERRED  
21 MEDICATION DOSING AS ATTESTED TO BY THE PROVIDER.

22 (2) THE STATE DEPARTMENT SHALL NOT REQUIRE AN ADULT TO BE  
23 PRESCRIBED AN ANTIPSYCHOTIC PRESCRIPTION DRUG THAT IS INCLUDED  
24 ON THE PREFERRED DRUG LIST AND USED TO TREAT A MENTAL HEALTH  
25 DISORDER OR MENTAL HEALTH CONDITION, AS INDICATED ON FEDERALLY  
26 APPROVED LABELS, IF:

27 (a) DURING THE PRECEDING THREE HUNDRED SIXTY-FIVE DAYS,

1 THE ADULT WAS PRESCRIBED AND UNSUCCESSFULLY TREATED WITH AN  
2 ANTIPSYCHOTIC PRESCRIPTION DRUG THAT IS INCLUDED ON THE  
3 PREFERRED DRUG LIST AND USED TO TREAT A MENTAL HEALTH DISORDER  
4 OR MENTAL HEALTH CONDITION AND FOR WHICH A SINGLE CLAIM IS PAID;  
5 OR

6 (b) THE ADULT IS STABLE ON AN ANTIPSYCHOTIC DRUG USED TO  
7 TREAT A MENTAL HEALTH DISORDER OR MENTAL HEALTH CONDITION THAT  
8 IT NOT INCLUDED ON THE PREFERRED DRUG LIST.

9 (3) THIS SECTION APPLIES TO A FEE-FOR-SERVICE MEDICAL  
10 ASSISTANCE PLAN AND A HEALTH MAINTENANCE ORGANIZATION THAT HAS  
11 A CONTRACT WITH THE STATE DEPARTMENT AND PROVIDES COVERAGE FOR  
12 PRESCRIPTION DRUGS.

13 (4) THIS SECTION DOES NOT PROHIBIT THE STATE DEPARTMENT  
14 FROM CONTRACTING WITH A MANAGED CARE ORGANIZATION FOR  
15 PHARMACEUTICAL SERVICES OFFERED UNDER THE STATE MEDICAL  
16 ASSISTANCE PROGRAM PURSUANT TO THIS ARTICLE 5 AND ARTICLES 4 AND  
17 6 OF THIS TITLE 25.5, IF THE CONTRACT COMPLIES WITH THIS SECTION.

18 (5) THIS SECTION DOES NOT PROHIBIT OR DISCOURAGE THE USE OF  
19 A GENERIC DRUG.

20 (6) THIS SECTION DOES NOT PREVENT THE STATE DEPARTMENT  
21 FROM PERFORMING A DRUG UTILIZATION REVIEW THAT IS NECESSARY FOR  
22 PATIENT SAFETY OR TO ENSURE THE PRESCRIBED USE IS FOR A MEDICALLY  
23 ACCEPTED INDICATION, AS REQUIRED BY SECTION 1927 OF THE FEDERAL  
24 "SOCIAL SECURITY ACT OF 1935".

25 (7) THIS SECTION DOES NOT PREVENT THE STATE DEPARTMENT  
26 FROM REQUIRING THE PRESCRIBING PROVIDER TO ELECTRONICALLY  
27 ATTEST THAT THE ADULT MEETS THE REQUIREMENTS OF SUBSECTION

1 (2)(a) OR (2)(b) OF THIS SECTION PRIOR TO PROVIDING COVERAGE FOR AN  
2 ANTIPSYCHOTIC DRUG USED TO TREAT A MENTAL HEALTH DISORDER OR  
3 MENTAL HEALTH CONDITION THAT IS NOT INCLUDED ON THE PREFERRED  
4 DRUGLIST. THE ATTESTATION MUST BE AUTOMATICALLY PROCESSED AND  
5 MUST AUTOMATICALLY OVERRIDE THE PREFERRED DRUG COVERAGE  
6 REQUIREMENT UPON THE ATTESTATION BEING MADE.

7 **SECTION 3. Appropriation.** (1) For the 2024-25 state fiscal  
8 year, \$1,380,663 is appropriated to the department of health care policy  
9 and financing. This appropriation consists of \$1,123,301 from the general  
10 fund, which is subject to the "(M)" notation as defined in the annual  
11 general appropriation act for the same fiscal year, and \$257,362 from the  
12 healthcare affordability and sustainability fee cash fund created in section  
13 25.5-4-402.4 (5)(a), C.R.S. To implement this act, the department may  
14 use this appropriation for medical and long-term care services for  
15 Medicaid eligible individuals.

16 (2) For the 2024-25 state fiscal year, the general assembly  
17 anticipates that the department of health care policy and financing will  
18 receive \$2,901,550 in federal funds for medical and long-term care  
19 services for Medicaid eligible individuals to implement this act. The  
20 appropriation in subsection (1) of this section is based on the assumption  
21 that the department will receive this amount of federal funds.

22 **SECTION 4. Safety clause.** The general assembly finds,  
23 determines, and declares that this act is necessary for the immediate  
24 preservation of the public peace, health, or safety or for appropriations for  
25 the support and maintenance of the departments of the state and state  
26 institutions.