

## HOUSE FLOOR AMENDMENT

Second Reading

BY REPRESENTATIVE Jodeh

1 Amend printed bill, page 4, line 15, strike "16 AND SECTION 25-37-103.5."  
2 and substitute "16".

3 Page 6, strike lines 14 through 17 and substitute:

4 "SECTION 7. In Colorado Revised Statutes, **add with amended**  
5 **and relocated provisions** 10-16-122.6 as follows:

6 **10-16-122.6. [Formerly 25-37-103.5] Pharmacy benefit**  
7 **managers - contracts with pharmacies - maximum allowable cost**  
8 **pricing - enforcement - rules.** (1) (a) In each contract between a  
9 pharmacy benefit manager and a pharmacy, the pharmacy shall be given  
10 the right to obtain from the pharmacy benefit manager, within ten days  
11 after any request, a current list of the sources used to determine maximum  
12 allowable cost pricing. The pharmacy benefit manager shall update the  
13 pricing information at least every seven days and provide a means by  
14 which contracted pharmacies may promptly review pricing updates in a  
15 format that is readily available and accessible.

16 (b) A pharmacy benefit manager shall maintain a procedure to  
17 eliminate products from the list of drugs subject to maximum allowable  
18 cost pricing in a timely manner in order to remain consistent with pricing  
19 changes in the marketplace.

20 (2) In order to place a prescription drug on a maximum allowable  
21 cost list, a pharmacy benefit manager shall ensure that:

22 (a) The drug is listed as "A" or "B" rated in the most recent  
23 version of the United States food and drug administration's approved drug  
24 products with therapeutic equivalence evaluations, also known as the  
25 orange book, or has an "NR" or "NA" rating or similar rating by a  
26 nationally recognized reference; and

27 (b) The drug is generally available for purchase by pharmacies in  
28 this state from a national or regional wholesaler and is not obsolete.

29 (3) Each contract between a pharmacy benefit manager and a  
30 pharmacy must include a process to appeal, investigate, and resolve  
31 disputes regarding maximum allowable cost pricing that includes:

32 (a) A twenty-one-day limit on the right to appeal following the  
33 initial claim;

34 (b) A requirement that the appeal be investigated and resolved  
35 within twenty-one days after the appeal;

36 (c) A telephone number at which the pharmacy may contact the  
37 pharmacy benefit manager to speak to a person responsible for processing  
38 appeals;

1 (d) A requirement that a pharmacy benefit manager provide a  
2 reason for any appeal denial and the identification of the national drug  
3 code, AS DEFINED IN SECTION 10-16-122.9 (2)(f), of a drug that may be  
4 purchased by the pharmacy at a price at or below the benchmark price as  
5 determined by the pharmacy benefit manager; and  
6 (e) A requirement that a pharmacy benefit manager make an  
7 adjustment to a date no later than one day after the date of determination.  
8 This requirement does not prohibit a pharmacy benefit manager from  
9 retroactively adjusting a claim for the appealing pharmacy or for another  
10 similarly situated pharmacy.  
11 (4) THE".

12 Page 6, line 18, strike "OF INSURANCE".

13 Page 6, after line 21, insert:

14 "(5) THE COMMISSIONER MAY ADOPT RULES TO IMPLEMENT AND  
15 ENFORCE THIS SECTION.".

16 Page 7, after line 20, insert:

17 **"SECTION 9. Repeal of relocated provision in this act. In**  
18 **Colorado Revised Statutes, repeal 25-37-103.5."**

19 Renumber succeeding section accordingly.

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