

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 25-0194.01 Anna Petrini x5497

SENATE BILL 25-084

SENATE SPONSORSHIP

Mullica and Simpson,

HOUSE SPONSORSHIP

Bradfield and Rydin,

Senate Committees

Health & Human Services
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE ADEQUACY OF THE INFUSION PHARMACY NETWORK**
102 **SUPPLYING PARENTERAL NUTRITION TO MEDICAID MEMBERS,**
103 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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>.)

Infusion pharmacies supply medicaid members with parenteral nutrition, which provides patients with essential nutrients through an intravenous infusion.

The bill requires the state department of health care policy and financing (state department) to ensure policies and reimbursement levels

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.

for infusion pharmacies for the preparation and dispensing of parenteral nutrition are sufficient to encourage an adequate level of market participation among infusion pharmacies.

The bill requires the state department to annually report on the adequacy of the infusion pharmacy network that supplies parenteral nutrition to medicaid members.

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

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

4 (a) Parenteral nutrition is a feeding method that bypasses the
5 gastrointestinal tract and delivers nutrition directly into a patient's veins.
6 Parenteral nutrition is the only way for some patients with significant
7 feeding and digestion disabilities to survive. Children who need
8 parenteral nutrition may need it their entire lives.

9 (b) Because parenteral nutrition is highly regulated and specially
10 formulated for each individual patient, it is expensive to produce and
11 store, according to data from the American Society for Parenteral and
12 Enteral Nutrition. Infusion pharmacies that make parenteral nutrition and
13 other in-home infusion medications must dedicate time, training, and
14 facilities to their formulation. Infusion pharmacies must produce
15 parenteral nutrition daily, with frequent formulation changes, and must
16 ensure that the parenteral nutrition meets all safety and quality
17 regulations.

18 (c) According to recent data from the American Society for
19 Parenteral and Enteral Nutrition, because of recent financial pressures,
20 many infusion pharmacies have stopped supplying parenteral nutrition
21 across the nation, particularly for children. As a result, medical providers
22 spend more time locating infusion pharmacies that will agree to serve the

1 medical providers' patients, who risk losing access to medically necessary
2 and life-saving parenteral nutrition treatment.

3 (d) Federal law establishes early and periodic screening,
4 diagnosis, and treatment requirements as the cornerstone medicaid health
5 coverage for children. Pursuant to 42 U.S.C. sec. 1396 and sec. 1396d
6 (r)(5), children enrolled in medicaid are eligible for early and periodic
7 screening, diagnosis, and treatment benefits. As a result, the state must
8 ensure that children enrolled in medicaid have timely access to medically
9 necessary health care in the most appropriate setting.

10 (e) It is not clear if the medicaid reimbursement methodologies
11 that are currently in place in Colorado are sufficient to cover the extensive
12 costs of producing parenteral nutrition and other specialty
13 pharmaceuticals.

14 (2) Therefore, the general assembly declares that it is necessary to
15 ensure that Colorado medicaid members have access to an adequate
16 network of infusion pharmacies supplying parenteral nutrition.

17 **SECTION 2.** In Colorado Revised Statutes, **add** 25.5-5-519 as
18 follows:

19 **25.5-5-519. Pharmacy reimbursement - parenteral nutrition**
20 **- report - definitions.** (1) AS USED IN THIS SECTION, UNLESS THE
21 CONTEXT OTHERWISE REQUIRES:

22 (a) "INFUSION PHARMACY" MEANS A PRESCRIPTION DRUG OUTLET
23 THAT PREPARES AND DISPENSES A SOLUTION THAT INCLUDES PARENTERAL
24 NUTRITION FOR DIRECT ADMINISTRATION INTO A PATIENT'S BLOODSTREAM.
25 THE SOLUTION MAY CONTAIN MEDICATIONS OR OTHER TREATMENTS AND
26 MAY BE ADMINISTERED IN A PATIENT'S HOME OR IN A HEALTH-CARE
27 FACILITY.

1 (b) "PARENTERAL NUTRITION" MEANS A FORM OF NUTRITIONAL
2 SUPPORT THAT PROVIDES A PATIENT WITH NEEDED NUTRIENTS, INCLUDING,
3 AT A MINIMUM, CARBOHYDRATES, AMINO ACIDS, AND LIPIDS, THROUGH AN
4 INTRAVENOUS INFUSION.

5 (2) (a) UPON RECEIVING ANY NECESSARY FEDERAL APPROVAL
6 PURSUANT TO SUBSECTION (2)(c) OF THIS SECTION, BEGINNING ON OR
7 BEFORE JANUARY 1, 2026, THE STATE DEPARTMENT SHALL CREATE
8 SPECIFIC PROFESSIONAL DISPENSING FEES FOR THE PREPARATION AND
9 DISPENSING OF PARENTERAL NUTRITION TO ENCOURAGE AN ADEQUATE
10 LEVEL OF MARKET PARTICIPATION AMONG INFUSION PHARMACIES.

11 (b) DURING THE YEAR BEGINNING JANUARY 1, 2026, THE SPECIFIC
12 PROFESSIONAL DISPENSING FEES MUST NOT EXCEED THIRTY PERCENT OF
13 INFUSION PHARMACY ADMINISTRATIVE COSTS FOR THE PREPARATION AND
14 DISPENSING OF PARENTERAL NUTRITION.

15 (c) THE STATE DEPARTMENT SHALL SEEK FEDERAL
16 AUTHORIZATION, AS NECESSARY, TO IMPLEMENT THE PROFESSIONAL
17 DISPENSING FEES PURSUANT TO THIS SUBSECTION (2).

18 (3) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), ON OR
19 BEFORE NOVEMBER 1, 2026, AND ON OR BEFORE EVERY NOVEMBER 1
20 THEREAFTER, THE STATE DEPARTMENT SHALL, WITHIN EXISTING
21 APPROPRIATIONS, REPORT IN ITS PRESENTATION TO THE JOINT BUDGET
22 COMMITTEE AND ITS "SMART ACT" HEARING HELD PURSUANT TO
23 SECTION 2-7-203 ON:

24 (a) THE TOTAL NUMBER AND GEOGRAPHIC DISTRIBUTION OF
25 INFUSION PHARMACIES THROUGHOUT COLORADO THAT PROVIDE
26 PARENTERAL NUTRITION TO MEMBERS;

27 (b) THE NUMBER OF NEW INFUSION PHARMACIES PARTICIPATING IN

1 THE MEDICAL ASSISTANCE PROGRAM;

2 (c) SEPARATE DATA ON THE PARENTERAL NUTRITION NEEDS OF
3 ADULT AND CHILD MEMBERS AND THE SUFFICIENCY OF THE INFUSION
4 PHARMACY NETWORK TO SERVE EACH; AND

5 (d) ANY REGULATORY OR REIMBURSEMENT CHANGES THE STATE
6 DEPARTMENT HAS UNDERTAKEN TO ENCOURAGE AN ADEQUATE LEVEL OF
7 MARKET PARTICIPATION AMONG INFUSION PHARMACIES TO MEET THE
8 PARENTERAL NUTRITION NEEDS OF MEMBERS.

9 **SECTION 3. Appropriation.** (1) For the 2025-26 state fiscal
10 year, \$54,832 is appropriated to the department of health care policy and
11 financing. This appropriation is from the general fund, which amount is
12 subject to the "(M)" notation as defined in the annual general
13 appropriation act for the same fiscal year. To implement this act, the
14 department may use this appropriation for medical and long-term care
15 services for medicaid eligible individuals.

16 (2) For the 2025-26 state fiscal year, the general assembly
17 anticipates that the department of health care policy and financing will
18 receive \$54,832 in federal funds, which amount is subject to the "(I)"
19 notation as defined in the annual general appropriation act for the same
20 fiscal year, to implement this act. The appropriation in subsection (1) of
21 this section is based on the assumption that the department will receive
22 this amount of federal funds to be used for general professional services
23 and special projects medical and long-term care services for medicaid
24 eligible individuals.

25 **SECTION 4. Act subject to petition - effective date.** This act
26 takes effect at 12:01 a.m. on the day following the expiration of the
27 ninety-day period after final adjournment of the general assembly; except

1 that, if a referendum petition is filed pursuant to section 1 (3) of article V
2 of the state constitution against this act or an item, section, or part of this
3 act within such period, then the act, item, section, or part will not take
4 effect unless approved by the people at the general election to be held in
5 November 2026 and, in such case, will take effect on the date of the
6 official declaration of the vote thereon by the governor.