



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1222: PRESERVING ACCESS TO RURAL INDEPENDENT PHARMACIES

Prime Sponsors:

Rep. Winter T.; Lukens

Sen. Roberts; Simpson

Fiscal Analyst:

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Bill Outcome: Signed into Law

Drafting number: LLS 25-0494

Version: Final Fiscal Note

Date: June 24, 2025

Fiscal note status: This final fiscal note reflects the enacted bill.

Summary Information

Overview. The bill places requirements on pharmacy benefit managers engaging with rural independent pharmacies and modifies requirements for certain prescription drug outlets.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill establishes requirements for pharmacy benefit managers (PBM) who engage with rural independent pharmacies and modifies rules pertaining to certain prescription drug outlets.

Pharmacy Benefit Managers

Beginning on January 1, 2026, the bill requires PBMs to reimburse rural independent pharmacies for prescription drugs at a rate that is equal to or greater than the national average drug acquisition cost plus a dispensing fee. On January 1, 2027, and every other year thereafter, a PBM must increase the amount of the dispensing fee by one percent to account for inflation.

Additionally, when recouping more than \$1,000 as a result of an audit conducted on a rural independent pharmacy, PBMs must notify the pharmacy of the recoupment and right to appeal. Lastly, PBMs may not prohibit a rural independent pharmacy from using a private courier to deliver a prescription drug to a patient or require a rural independent pharmacy to obtain consent from the PBM to use a private courier.

Rural Independent Pharmacies

The bill also permits a prescription drug outlet that is acting as a rural independent pharmacy to operate without the direct charge of a pharmacist if the initial interpretation and final evaluation of the prescription is done by a pharmacist, in person or remotely.

State Expenditures

Starting in FY 2025-26, the bill may minimally increase workload in the Department of Regulatory Agencies and the Department of Health Care Policy and Financing, as described below.

Department of Regulatory Agencies

Workload in DORA will minimally increase to promulgate rules for rural independent pharmacies, handle additional PBM complaints, and conduct outreach and education. The department may require legal services, provided by the Department of Law, related to rulemaking, implementation, and ongoing administration of the program, as well as a rise in complaints. It is assumed this work can be accomplished within existing appropriations.

Department of Health Care Policy and Financing

Workload in the Department of Health Care Policy and Financing will minimally increase to create a rural pharmacy provider type in the Medicaid enrollment system. No change in appropriations is required.

Effective Date

The bill was signed into law by the Governor on May 27, 2025, and takes effect on August 6, 2025, assuming no referendum petition is filed, except that Section 4 related to reimbursement amounts takes effect on January 1, 2026.

State and Local Government Contacts

Counties

Health Care Policy and Financing

Law

Municipalities

Personnel

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).