

**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

SENATE SPONSORSHIP

Michaelson Jenet,

HOUSE SPONSORSHIP

Brown and Mabrey,

Senate Committees

Health & Human Services
Appropriations

House Committees

A BILL FOR AN ACT

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

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.

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 DEFAYAL 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 DEFAYAL 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 DEFAYAL
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 DEFAYAL 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.