



Re: HB25-1222 Implementation, Enforcement, and the Need for Coordinated Executive Action

Date: April 28, 2026

To:

Governor Jared Polis
Office of the Governor
State of Colorado

Cc:

Assistant Minority Leader, Representative Ty Winter
Representative Meghan Lukens
Majority Caucus Chair, Senator Dylan Roberts
Minority Leader, Senator Cleave Simpson

Attorney General Phil Weiser
Deputy Attorney General Jeff Riester

Commissioner Michael Conway, Division of Insurance
Deputy Commissioner, Deb Judy
PBM Enforcement Director Sofie Thomas

Dear Governor Polis,

We write to underscore the urgent need for coordinated action by the Governor's Office and the Attorney General to ensure full compliance and enforcement of HB25-1222, Preserving Access to Rural Independent Pharmacies, which you signed into law on May 27, 2025, in Alamosa.

HB25-1222 was enacted with overwhelming bipartisan support to address a clear and well-documented crisis: below-cost reimbursement by Pharmacy Benefit Managers (PBMs) that is forcing rural independent pharmacies to close, threatening access to medications and essential health care services in rural and underserved Colorado communities.

While the law took effect January 1, 2026, independent pharmacies are now documenting ongoing PBM non-compliance, placing the statute’s intent—and the pharmacies it was designed to protect—at serious risk.

To fully understand the purpose, scope, and urgency of HB25-1222, it is important to review the legislative history and timeline that led to its enactment and implementation. The development and passage of HB25-1222 followed extensive bipartisan engagement, documented evidence, and deliberate legislative action, all aimed at addressing a well-defined and urgent crisis affecting rural independent pharmacies.

HB25-1222 was not enacted in isolation. Its passage reflects months of bipartisan study, stakeholder engagement, and legislative consensus responding to the documented harms caused by PBM reimbursement practices across Colorado.

The following timeline outlines the intent, deliberation, and bipartisan consensus behind HB25-1222, underscoring that the law was designed to be immediately operative and fully enforceable upon its effective date:

Fall–Winter 2024

Independent pharmacies across Colorado hosted bipartisan legislative tours to demonstrate firsthand the impact of PBM reimbursement practices, including underwater claims, spread pricing, and the *Rutledge* Supreme Court decision affirming state authority to regulate PBMs across all markets for every prescription filled. Legislators reviewed real loss data from rural pharmacies, reinforcing the need for cost-based reimbursement across commercial and ERISA plans.

December 2024–January 2025

Bill drafting began with a singular guiding principle: independent pharmacies must be reimbursed for the cost of the drug plus a dispensing fee sufficient to cover the cost of doing business, consistent with Medicaid’s cost-based model.

February–May 2025

HB25-1222 advanced with unanimous and near-unanimous votes:

- Passed House Health Committee 12–0
- Passed the House with 61 yes votes
- Passed Senate Health Committee unanimously
- Passed the Senate with 35 yes votes
- Supported by the Pharmaceutical Care Management Association (PCMA)

Governor Polis, you signed HB25-1222 into law on May 27, 2025, reflecting the General Assembly's shared conclusion that preserving rural independent pharmacies is essential to maintaining health care access statewide.

January 1, 2026

HB25-1222 became effective.

January–April 2026

Despite the law being in force:

- PBMs remain out of compliance with cost-based reimbursement requirements
- Independent pharmacies continue to absorb losses
- The Division of Insurance (DOI) has issued draft bulletins clarifying statutory terms, but enforcement gaps persist

Pharmacies have now met directly with DOI and legislators requesting enforcement, and meetings have been held with PBMs and the Attorney General's Office regarding compliance.

HB25-1222 was not aspirational legislation—it is binding law. Without enforcement, the consequences are immediate and irreversible:

- Rural pharmacy closures, leaving communities without local access to medications
- Increased health care costs, as patients turn to emergency rooms or higher-cost settings
- Erosion of legislative authority, if PBMs can ignore duly enacted statutes
- Failure of market competition, as independent pharmacies subsidize PBM practices until they shutter

The General Assembly specifically designed HB25-1222 to apply across all markets and all plans, and to function without delay once effective.

We respectfully request the Governor's Office to:

1. Affirm publicly and directly that HB25-1222 is in effect and must be followed, regardless of ongoing bulletin clarification.
2. Direct coordination between the Governor's Office, the Division of Insurance, and the Attorney General to ensure timely enforcement.
3. Support enforcement action where documented PBM non-compliance exists, to prevent further financial harm and closures.

Independent pharmacies are not asking for special treatment - they are asking for compliance with the law you signed and the General Assembly passed nearly unanimously.

In closing, HB25-1222 represents Colorado's commitment to rural health access, fair markets, and community-based care. Its success now depends on swift, coordinated executive enforcement.

We appreciate your leadership on this issue and stand ready to provide documentation, pharmacy data, and direct testimony demonstrating current non-compliance and the real-world impacts on Colorado communities.

Respectfully,

Ky Davis, RxPlus Pharmacies and President, Harris Health Mart Pharmacy

Mark Kinney, Executive Vice President of Government Relations, Independent Pharmacy Cooperative

Emily Zadvorny, CEO, Colorado Pharmacists Society