

Sixty-second
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1422

Introduced by

Representatives Weisz, Devlin, Kilichowski

Senators Dever, Uglen, Heckaman

1 A BILL for an Act to create and enact a new section to chapter 23-01 of the North Dakota
2 Century Code, relating to electronic drug prior authorization standards; and to provide for a
3 report to the legislative management.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 23-01 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Electronic drug prior authorization and transmission - Limitations.**

- 8 1. Effective August 1, 2013, a drug prior authorization request must be accessible ~~and~~
9 ~~submitted by~~ to a health care provider with the provider's electronic prescribing
10 software system and must be accepted ~~by a group purchaser~~ electronically, through a
11 secure electronic transmission, by the payer, by the insurance company, or by the
12 pharmacy benefit manager responsible for implementing or adjudicating or for
13 implementing and adjudicating the authorization or denial of the prior authorization
14 request. For purposes of this section, a facsimile is not an electronic transmission.
15 2. Effective August 1, 2013, electronic transmission devices used to communicate a
16 prescription to a pharmacist may not use any means or permit any other person to use
17 any means, including ~~alerts~~, advertising, commercial messaging, and popup
18 advertisements, to influence or attempt to influence through economic incentives ~~or~~
19 ~~otherwise~~ the prescribing decision of a prescribing practitioner at the point of care.
20 Such means may not be triggered by or be in specific response to the input, selection,
21 or act of a prescribing practitioner or the prescribing practitioner's staff in prescribing a
22 certain pharmaceutical or directing a patient to a certain pharmacy. Any ~~alert~~ electronic
23 communication sent to the prescriber, including advertising, commercial messaging, or
24 popup advertisements must be consistent with the product label, supported by

scientific evidence, and ~~must be consistent with~~ meet the federal food and drug
administration ~~regulations~~ requirements for advertising pharmaceutical products.

3. Electronic prescribing software may show information regarding a payer's formulary if
the software is not designed to preclude or make more difficult the act of a prescribing
practitioner or patient selecting any particular pharmacy or pharmaceutical.

**SECTION 2. ELECTRONIC DRUG PRIOR AUTHORIZATION STANDARDIZATION AND
TRANSMISSION - REPORT TO LEGISLATIVE MANAGEMENT.**

During the 2011-12 interim,
the ~~state department of health and the~~ health information technology advisory committee shall
~~work together to~~ establish an outline on how best to standardize drug prior authorization request
transactions between providers and ~~group purchasers~~ the payers, insurance companies, and
pharmacy benefit managers responsible for adjudicating the authorization or denial of the
prescription request. The outline must be designed with the goal of maximizing administrative
simplification and efficiency in preparation for electronic transmissions and alignment with
standards that are or will potentially be used nationally. By ~~January 1~~ June 30, 2012, the ~~state-~~
~~department of health and the~~ health information technology advisory committee shall provide a
report to the legislative management regarding the outline on how best to standardize drug prior
authorization request transactions ~~between providers and group purchasers.~~