

HOUSE BILL NO. 1095

Presented by: **Jon Godfread, Insurance Commissioner
North Dakota Insurance Department**

Before: **House Industry, Business and Labor Committee
Representative Louser, Chairman**

Date: **January 11, 2023**

Good morning, Chairman Louser and members of the committee. My name is Jon Godfread, and I am the North Dakota Insurance Commissioner. I am here today in support of House Bill 1095.

The 67th Legislative Assembly passed HB 1010, part of which requested legislative council to conduct a study on medication optimization. The Insurance Department assisted with the study and worked with various actuarial consultants and found that a program of this nature would benefit the consumers of North Dakota. These findings were consistent with the recommendations from the Interim Health Care study that 66th Legislative Assembly tasked my office with conducting.

The consultants from the current study collaborated with the insurance carriers in the state and asked questions surrounding these types of programs. As a result of the study, we found that all the carriers already offer some of these services in some of the programs they already have in place. House Bill 1095 would just put parameters around the requirements to ensure there is consistency for the consumers, pharmacists, providers, and the insurers.

House Bill 1095 requires the insurers to ensure that if a pharmacist or provider is conducting comprehensive medication management programs that they are credentialed and have the correct criteria to advise patients on the best medication regimens and to achieve good outcomes as a result of the program. We recognize that this may be a different process for insurers in their provider contracting, but these programs are designed to help medication management.

One issue that was brought to our attention is that there are some sections of the bill that may create additional administration and challenges for the insurer's and that was not our intent when drafting this legislation. We want the patients of North Dakota to have more options available to them to ensure healthy outcomes. Also, we need to keep in mind that programs like this have resulted in lower overall costs in utilization. A little investment in during implementation pays dividends once these programs are up and running.

We also want to point out that some of the logistical criteria and overall program will be vetted out through the advisory committee and even potential administrative rules process.

We know there may be opposition to this bill, but we are committed to working through any issues to ensure we get consumers what they need in our state. We have offered to work with the insurers and are open to suggestions but have not seen any recommendations to date.

Ultimately, this program was the result of our Health Care Cost study, as such, it is believed to be a program that will ultimately bring costs down in our state. To accomplish this necessary goal, things may have to change, programs may have to evolve, comprehensive medication management is a proven tool to improve patient outcomes, satisfaction, and adherence to medication, and in doing so improve the health of the consumer, thus lowering the overall medical spend. I would argue this bill is 5 years in the making, it was studied during our health care cost study and was determined to be a good idea then.

It was again study during this interim and was determined to be a good idea at that point, so much so it was recommended for inclusion in our Essential Health Benefits.

Ultimately, what you have before you is an idea that should not only improve the patient experience, improve their overall health and outcome, but over the long run attempt to bring down the cost of health care.

I would now like to turn it over to Chrystal Bartuska, who is the Life and Health Division Director at the North Dakota Insurance Department, to walk through the bill.