



HEALTH CARE COMMITTEE

Wednesday, August 4, 2021
Roughrider Room, State Capitol
Bismarck, North Dakota

Representative Robin Weisz, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Robin Weisz, Pamela Anderson, Mike Beltz, Ruth Buffalo, Clayton Fegley, Zachary Ista, George Keiser, Lisa Meier, Marvin E. Nelson, Bob Paulson, Karen M. Rohr, Greg Westlind; Senators Howard C. Anderson, Jr., Tim Mathern, Kristin Roers

Members absent: Representative Gretchen Dobervich and Senator Dave Oehlke

Others present: See [Appendix A](#)

Chairman Weisz noted his preference is for members and presenters to attend meetings in person throughout the interim.

Ms. Jennifer S. N. Clark, Senior Counsel, Legislative Council, reviewed the [Supplementary Rules of Operation and Procedure of the North Dakota Legislative Management](#).

PRESCRIPTION DRUG STUDY

Ms. Samantha E. Kramer, Senior Counsel, Legislative Council, reviewed a memorandum entitled [Prescription Drug Pricing, Importation, Reference Pricing, and Pharmacy Benefit Managers Study - Background Memorandum](#).

Mr. John Arnold, Deputy Commissioner, Insurance Department, presented a status report regarding the implementation of House Bill No. 1032 (2021). He indicated the first status report would be delayed because the appropriation for the bill, which is needed to create the database, is tied to the license fees collected each June.

Mr. Mark J. Hardy, Executive Director, State Board of Pharmacy, presented testimony ([Appendix B](#)) on the implementation of House Bill No. 1032 (2021).

In response to a question from the committee, Mr. Hardy said medications patients order online from Canada are dangerous because most are manufactured in third world countries without undergoing inspection by the Food and Drug Administration.

Mr. Shabbir Safdar, Executive Director, Partnership for Safe Medicines, presented testimony ([Appendix C](#)) regarding issues related to drug importation.

Mr. Hardy provided an overview ([Appendix D](#)) of the prescription drug system. He indicated local pharmacists often work with patients and providers to ensure a patient is able to take advantage of lower-cost options for prescription drugs.

Ms. Sharon Lamberton, Deputy Vice President of State Government Advocacy, PhRMA, provided information ([Appendix E](#)) regarding the role pharmaceutical companies play in drug pricing. She provided several policy options to help patients pay less:

- Share the savings from rebates with patients.
- Make coupons count.
- Offer lower cost-sharing options.
- Hard-dollar cost-sharing caps.

Ms. Michelle Mack, Director of State Affairs, PCMA, provided information ([Appendix F](#)) relating to the role pharmacy benefit managers play in drug pricing.

Mr. Alex Sommer, Principal Government Affairs Lobbyist, Prime Therapeutics, provided information relating to the role pharmacy benefit managers play in drug pricing.

Mr. Mike Schwab, Executive Vice President, North Dakota Pharmacists Association, provided information ([Appendix G](#)) regarding the prescription drug system and the role pharmacists play in drug pricing.

In response to questions from the committee, Mr. Schwab noted pharmacists do not have access to medications directly from manufacturers and the top solutions for reducing patient costs include getting rid of the rebate process and the negotiated price for a drug which happens behind the scenes and providing existing discounts to the patients.

Comments by Interested Persons

Mr. Josh Askvig, North Dakota State Director, AARP, provided comments ([Appendix H](#)) relating to the prescription drug study.

Ms. Margaret Reynolds, Government Affairs Principal, Cigna Health Insurance, indicated patients are sent a notice of a formulary change 60 to 90 days before a change, and with the use of electronic prescribing, providers are able to see the various medications in each tier of the formulary.

The committee received additional testimony ([Appendix I](#)) from interested persons.

Committee members noted although the cost of prescription drugs is in large part an issue best addressed by the federal government, interested parties need to work together to find a solution.

HEALTH INSURANCE NETWORK STUDY

Ms. Clark reviewed a background memorandum entitled [Health Insurance Network Study - Background Memorandum](#).

Mr. Arnold provided an overview ([Appendix J](#)) of the types of health insurance options in the state.

Mr. Al Berg, North Risk Partners, provided information ([Appendix K](#)) relating to health insurance sales and marketing as they relate to narrow network plans.

Dr. Nizar Wehbi, State Health Officer, introduced himself to the committee.

Dr. Duncan Ackerman, orthopedic surgeon, provided testimony ([Appendix L](#)) relating to the health insurance network study and House Bill No. 1465 (2021).

Mr. Dylan Wheeler, Senior Legislative Affairs Specialist, Sanford Health Plan, provided testimony ([Appendix M](#)) relating to Sanford Health Plan's integrated delivery model for its health maintenance organization plans.

Comments by Interested Persons

Mr. Matt Schafer, Director of Government Relations, Medica, provided information ([Appendix N](#)) relating to narrow networks.

Dr. Joan Connell, pediatrics specialist, indicated families are struggling financially and although the decreased cost of care associated with a narrow network plan is appealing, provider options for those families are limited.

TELEHEALTH STUDY

Ms. Clark reviewed a background memorandum entitled [Telehealth Study - Background Memorandum](#).

Mr. Johnny Palsgraaf, General Counsel, Insurance Department, provided information ([Appendix O](#)) relating to telehealth in the state and recent telehealth legislation. He indicated the Insurance Department does not have any qualitative measures in place to assess the effectiveness of telehealth.

Mr. Schafer provided testimony ([Appendix P](#)) regarding the use of telehealth. He indicated Medica is reviewing its data to determine whether the use of telehealth raises utilization of medical services.

Mr. Wheeler provided testimony ([Appendix Q](#)) regarding the use of telehealth.

Ms. Megan Houn, Director of Government Relations, Blue Cross Blue Shield of North Dakota, indicated telehealth is available in most cases and the use of telehealth has been trending down since March 2021. She indicated if improved outcomes are the goal, providers are in the position to get higher reimbursements through value-based arrangements that measure health-based outcomes.

Ms. Marsha Waind, telehealth consultant, provided information ([Appendix R](#)) regarding the use of telehealth in the state.

Ms. Maureen Ideker, Essentia Health, provided information ([Appendix S](#)) relating to Essentia Health's use of telehealth. She indicated without payment parity, practitioners would prefer to see patients in a clinic setting.

Comments by Interested Persons

Dr. Connell provided testimony ([Appendix T](#)) relating to telehealth services for pediatric patients.

Ms. Carlotta McCleary, Executive Director, Mental Health America of North Dakota, and Executive Director, North Dakota Federation of Families for Children's Mental Health, provided testimony ([Appendix U](#)) relating to telehealth options for behavioral health.

Ms. Kristen Dvorak, Bismarck, indicated the use of telehealth has been essential for her family.

COMMUNITY HEALTH WORKER STUDY

Ms. Clark reviewed a background memorandum entitled [Community Health Worker Study - Background Memorandum](#).

Ms. Shelby Stein, Health Programs Analyst, Community Health Representative Program, MHA Nation, provided information ([Appendix V](#)) relating to the Community Health Representative Program used by the MHA Nation to provide community health services to tribal members. She indicated Medicaid reimbursement would be helpful to ensure the continued success of the program.

Mr. Brad Hawk, Indian Health Systems Administrator, Indian Affairs Commission, provided information ([Appendix W](#)) relating to community health worker programs in tribal communities.

Ms. Wendy Schmidt, Learning and Development Senior Specialist, and Mr. Richard Preussler, Patient and Community Education Director of Learning and Development, Sanford Health, provided testimony ([Appendix X](#)) relating to Sanford's use of community health workers. Ms. Schmidt indicated Michigan and Washington, D.C. have models that could work in this state.

No further business appearing, Chairman Weisz adjourned the meeting at 4:25 p.m.

Jennifer S. N. Clark
Senior Counsel

Samantha E. Kramer
Senior Counsel

ATTACH:24