

Introduced by

1 A BILL for an Act to amend and reenact section 50-24.1-37 of the North Dakota Century Code,
2 relating to the provider reimbursement rates under the Medicaid expansion program; and to
3 provide for a report to the legislative management.

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

5 **SECTION 1. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **50-24.1-37. (Effective January 1, 2014, through July 31, 2017) Medicaid expansion -**
8 **Report to legislative management.**

- 9 1. The department of human services shall expand medical assistance coverage as
10 authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148],
11 as amended by the Health Care and Education Reconciliation Act of 2010 [Pub.
12 L. 111-152] to individuals under sixty-five years of age with income below one hundred
13 thirty-eight percent of the federal poverty level, based on modified adjusted gross
14 income.
- 15 2. The department of human services shall inform new enrollees in the medical
16 assistance program that benefits may be reduced or eliminated if federal participation
17 decreases or is eliminated.
- 18 3. The department shall implement the medical assistance expansion by bidding through
19 private carriers or utilizing the health insurance exchange.
- 20 4. The contract between the department and the private carrier must:
21 a. Provide a reimbursement methodology for all medications and dispensing fees
22 which identifies the minimum amount paid to pharmacy providers for each
23 medication. The reimbursement methodology, at a minimum, must:
24 (1) Be available on the department's website; and

- 1 (2) Encompass all types of pharmacy providers regardless of whether the
2 pharmacy benefits are being paid through the private carrier or contractor or
3 subcontractor of the private carrier under this section.
- 4 b. Provide full transparency of all costs and all rebates in aggregate.
- 5 c. Allow an individual to obtain medication from a pharmacy that provides mail order
6 service; however, the contract may not require mail order to be the sole method
7 of service.
- 8 d. Ensure that pharmacy services obtained in jurisdictions other than this state and
9 its three contiguous states are subject to prior authorization and reporting to the
10 department for eligibility verification.
- 11 e. Ensure the payments to pharmacy providers do not include a required payback
12 amount to the private carrier or one of the private carrier's contractors or
13 subcontractors which is not representative of the amounts allowed under the
14 reimbursement methodology provided in subdivision a.
- 15 f. *Any*
- 16 5. The contract between the department and the private carrier must provide the
17 department with full access to provider reimbursement rates. The department shall
18 consider provider reimbursement rate information in selecting a private carrier under
19 this section. Before August first of each even-numbered year, the department shall
20 submit a report to the legislative management regarding provider reimbursement rates
21 under the medical assistance expansion program. This report may provide cumulative
22 data and trend data but may not disclose identifiable provider reimbursement rates.
- 23 6. Provider reimbursement rate information received by the department under this
24 section and any information provided to the department of human services or any
25 audit firm by a pharmacy benefit manager under this section is confidential under-
26 section 44-04-17.1, except the department may use the reimbursement rate
27 information to prepare the report to the legislative management as required under this
28 section.