Prepared by the Legislative Council
staff for Representative Dobervich
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Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2370

Introduced by

Senators Cleary, Dever, Mathern

Representative McLeod

In place of amendment (25.1364.02003) adopted by the House, Engrossed Senate Bill No. 2370 is amended by amendment (25.1364.02005) as follows:

A BILL ~~for an Act to amend and reenact section 54-52.1-04.18 of the North Dakota Century Code, relating to health insurance benefits coverage of insulin drugs and supplies.~~for an Act to provide for a legislative management study regarding prescription drug transparency reporting under the federal drug discount program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1. AMENDMENT.** Section 54-52.1-04.18 of the North Dakota Century Code is amended and reenacted as follows:~~

~~**54-52.1-04.18. Health insurance benefits coverage - Insulin drug and supply out-of-pocket limitations. (Expired effective July 31, 2025)**~~

~~1. As used in this section:~~

~~a. "Insulin drug" means a prescription drug that contains insulin and is used to treat a form of diabetes mellitus. The term does not include an insulin pump, an electronic insulin-administering smart pen, or a continuous glucose monitor, or supplies needed specifically for the use of such electronic devices. The term includes insulin in the following categories:~~

~~(1) Rapid-acting insulin;~~

~~(2) Short-acting insulin;~~

~~(3) Intermediate-acting insulin;~~

~~(4) Long-acting insulin;~~

~~(5) Premixed insulin product;~~

~~(6) Premixed insulin/GLP-1 RA product; and~~

~~(7) Concentrated human regular insulin.~~

~~b. "Medical supplies for insulin dosing and administration" means supplies needed for proper insulin dosing, as well as supplies needed to detect or address medical emergencies in an individual using insulin to manage diabetes mellitus. The term does not include an insulin pump, an electronic insulin-administering smart pen, or a continuous glucose monitor, or supplies needed specifically for the use of such electronic devices. The term includes:~~

~~(1) Blood glucose meters;~~

~~(2) Blood glucose test strips;~~

~~(3) Lancing devices and lancets;~~

~~(4) Ketone testing supplies, such as urine strips, blood ketone meters, and blood ketone strips;~~

~~(5) Glucagon, in injectable and nasal forms;~~

~~(6) Insulin pen needles; and~~

~~(7) Insulin syringes.~~

~~c. "Pharmacy or distributor" means a pharmacy or medical supply company, or other medication or medical supply distributor filling a covered individual's prescriptions.~~

~~2. The board shall provide health insurance benefits coverage that provides for insulin drug and medical supplies for insulin dosing and administration which complies with this section.~~

~~3. The coverage must limit out-of-pocket costs for a thirty-day supply of:~~

~~a. Covered insulin drugs which may not exceed twenty-five dollars per pharmacy or distributor, regardless of the quantity or type of insulin drug used to fill the covered individual's prescription needs.~~

~~b. Covered medical supplies for insulin dosing and administration, the total of which may not exceed twenty-five dollars per pharmacy or distributor, regardless of the quantity or manufacturer of supplies used to fill the covered individual's prescription needs.~~

~~4. The coverage may not allow a pharmacy benefits manager or the pharmacy or distributor to charge, require the pharmacy or distributor to collect, or require a covered individual to make a payment for a covered insulin drug or medical supplies for insulin dosing and administration in an amount that exceeds the out-of-pocket limits set forth under subsection 3.~~

~~5. The coverage may not impose a deductible, copayment, coinsurance, or other cost-sharing requirement that causes out-of-pocket costs for prescribed insulin or medical supplies for insulin dosing and administration to exceed the amount set forth under subsection 3.~~

~~6. Subsection 3 does not require the coverage to implement a particular cost-sharing structure and does not prevent the limitation of out-of-pocket costs to less than the amount specified under subsection 3. Subsection 3 does not limit out-of-pocket costs on an insulin pump, an electronic insulin-administering smart pen, or a continuous glucose monitor. This section does not limit whether coverage classifies an insulin pump, an electronic insulin-administering smart pen, or a continuous glucose monitor as a drug or as a medical device or supply.~~

~~7. If application of subsection 3 would result in the ineligibility of a health benefit plan that is a qualified high-deductible health plan to qualify as a health savings account under section 223 of the Internal Revenue Code [26 U.S.C. 223], the requirements of subsection 3 do not apply with respect to the deductible of the health benefit plan until after the enrollee has satisfied the minimum deductible under section 26 U.S.C. 223.~~

~~8. This section does not apply to the Medicare part D prescription drug coverage plan.~~

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PRESCRIPTION DRUG TRANSPARENCY REPORTING.

1. During the 2025-26 interim, the legislative management shall study establishing reporting requirements for covered entities in North Dakota which participate in the federal drug discount program under 42 U.S.C. 256b, and how reported data could be used to develop public policy that directly benefits patients in North Dakota.
2. The study must include:

a. Consideration of the various entities participating in the federal drug discount program that should be required to report data to this state, including health care facilities, contract pharmacies, federally qualified health centers, drug manufacturers, pharmacy benefits managers, and health insurers.

b. Consideration of the specific data elements that each entity should be required to report.

c. Exploration of methods of reporting, compiling, and sharing the compiled data which provide the greatest benefit to patients in North Dakota.

d. Analysis of issues relating to the confidentiality and disclosure of the data.

e. Consideration of reporting enforcement mechanisms, including civil penalties for failing to report.

f. Input from and consultation with stakeholders, including:

(1) A professional association representing hospitals in North Dakota.

(2) A professional association representing pharmacies in North Dakota.

(3) A professional association representing federally qualified health centers in North Dakota.

(4) A professional association representing rural health in North Dakota.

(5) A professional association representing innovative pharmaceutical manufacturers.

(6) The insurance department.

(7) The department of health and human services.

(8) The North Dakota board of pharmacy.

(9) Hospitals participating in the federal drug discount program.

(10) Federally qualified health centers.

(11) Pharmacies that have contracts with covered entities participating in the federal drug discount program.

(12) Health insurers.

3. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.