

## Prescription drug transparency report

**1. Hospital defined.** For purposes of this section, "hospital" means an acute care institution licensed and operating in this State as a hospital under (NDCC section)

**2. Report on participation in federal 340B drug program.** Beginning January 1, 2026, each hospital participating in the federal drug pricing program under Section 340B of the federal Public Health Service Act, 42 United States Code, Section 256b, referred to in this section as "the 340B program," shall provide an annual report to N.D. Department of Health and Human Services. NDDHHS shall post the report on its publicly accessible website. Each hospital shall report in a standardized format as agreed upon by NDDHHS and the hospitals, and include, at a minimum, the following information in the report consistent with the annual reporting of hospitals voluntarily participating in the good stewardship program of the American Hospital Association:

- A. A description of how the hospital uses savings from participation in the 340B program to benefit its community through programs and services funded in whole or in part by savings from the 340B program, including services that support community access to care that the hospital could not continue without savings from the 340B program. The reporting must include annual charity care, prescription assistance programs, investments in healthcare workforce development, total annual costs in excess of Medicaid payments and Medicare payments, examples of subsidized services and the hospital's low-income and uninsured volume (also known as hospital disproportionate share, or DSH); *The report shall also contain an accounting of any amount of 340B savings not used w/in the state of ND.*
- B. The annual estimated savings from the 340B program to the hospital, comparing the acquisition price of drugs under the 340B program to group purchasing organization pricing. *if any...* If group purchasing organization pricing is not available for a drug under the 340B program, the acquisition price for that drug must be compared to a price from another acceptable pricing source;
- C. A comparison of the hospital's estimated savings under the 340B program to the hospital's total drug expenditures; and
- D. A description of the hospital's internal review and oversight of the 340B program, which must meet the federal Department of Health and Human Services, Health Resources and Services Administration's program rules and guidance for compliance.
- E. Total aggregated payments made by hospitals to contract pharmacies for 340B program services.

**3. Reporting.** NDDHHS shall produce and post on its publicly accessible website a report that includes a summary of the aggregate information received from hospitals required to report under subsection 2. NDDHHS shall annually provide a report to the interim Health Care Committee.

#### Drug Manufacturer Information to start...

1. A drug manufacturer shall provide in the aggregate any rebates, discounts, or other financial incentives or payments provided to health insurers.
2. A drug manufacturer shall provide in the aggregate any rebates, discounts, or other financial incentives or payments provided to health insurers.
3. If a drug manufacturer denies a 340B discount or alters pricing, they must submit a written explanation to covered entities and the commissioner.
4. If a drug manufacturer overcharges, covered entities, they must disclose overcharges to commissioner and covered entities shall be reimbursed for any overcharges.
5. A drug manufacturer shall provide covered entities with detailed transaction level data to ensure correct 340B discount application.
6. A drug manufacturer shall be required to disclose all trial data, including negative results and effects for any 340B drug.
7. A drug manufacturer shall report any government subsidies, tax incentives, and grants received for each drug approved for sale in the United States.

#### Pharmacy Benefits Manager Information to start...

1. The aggregated amount charged to employer plans for all drugs listed on respective formularies.
2. The aggregated amount paid to pharmacies that are owned or affiliated with the pharmacy benefits manager.
3. The aggregated amount paid to pharmacies that are not owned or affiliated with the pharmacy benefits manager.
4. The aggregated 340B savings obtained from drug manufacturers under the 340B program. Each PBM shall disclose 340B savings for mail order pharmacy, specialty mail order pharmacies, community pharmacy or hospitals it has ownership in or an affiliation.
5. Disclose contract policies that reduce reimbursement to pharmacies for their participation in the 340B program.
6. The aggregated amount showing 340B contract rate reductions to pharmacies.
7. Disclose the difference in 340B rates for pharmacies owned or affiliated compared to non-affiliated pharmacies.
8. Disclose the average dispensing fee paid to pharmacies owned or affiliated, including mail order pharmacies, compared to the ND Medicaid rate of dispensing.
9. Disclose the average dispensing fee paid to non-affiliated pharmacies compared to the ND Medicaid rate of dispensing.

#### Health Insurer Information to start...

1. Total of premium dollars collected annually from individuals and employers.
2. Total of approved medical claims and prescription claims paid annually.
3. Disclose how they use excess revenues to reduce premiums and patient out-of-pocket expenses.
4. Disclose rebates, price protection payments, discounts and other similar remunerations received from drug manufacturers.
5. Disclose rebates, price protection payments, discounts and other similar remunerations received from PBMs.
6. Disclose if they have ownership in a PBM.
7. If a health insurer has an ownership interest in a PBM, disclose how much revenue the PBM provides to the health insurer.
8. Disclose if any part of their business umbrella participates in the 340B program and to what degree.
9. If any business segment participates in the 340B program, they shall disclose aggregated revenue generated from their participation in the 340B program
10. Disclose how the 340B revenue is used to reduce premiums and patient out-of-pocket expenses.
11. Starting with January 1, 2020, health insurers shall provide historical data and trends for employers and patients related to premiums, deductibles, coinsurance, copayments and any other out-of-pocket expense and report annually thereafter.
12. Starting with January 1, 2020, health insurers shall disclose annual saving from claim denials and report annually thereafter.