



April 11, 2025

The Honorable Matthew Ruby, Chair Human Services Committee
The Honorable Kathy Frelich, Vice Chair Human Services Committee
North Dakota House Human Services Committee Members
State Capitol
600 East Boulevard
Bismarck, ND 58505-0360

Re: **SB 2370– Hoghouse Amendment Proposed Relating to 340B Reporting
PCMA Testimony in Opposition to SB 2370 - Amendment**

Dear Chair Ruby, Vice Chair Frelich, and Committee Members:

My name is Michelle Mack, and I represent the Pharmaceutical Care Management Association, commonly referred to as PCMA. PCMA is the national trade association for pharmacy benefit managers (PBMs), which administer prescription drug plans for more than 275 million Americans with health coverage provided by large and small employers, health insurers, labor unions, and federal and state-sponsored health programs.

PBMs exist to make drug coverage more affordable by aggregating the buying power of millions of enrollees through their plan sponsor/payer clients. PBMs help consumers obtain lower prices for prescription drugs through price discounts from retail pharmacies, rebates from pharmaceutical manufacturers, and using lower-cost dispensing channels. Though employers, health plans, and public programs are not required to use PBMs, most choose to because PBMs help lower the costs of prescription drug coverage.

At this time, PCMA appreciates the opportunity to provide comments on the proposed amendment dealing with 340B reporting for SB 2370 and respectfully opposes it. We agree that appropriate transparency for the 340B program is necessary but the language in the amendment requires reporting well beyond the 340B program as well as information PBMs do not have. Currently, the federal government already requires PBMs to provide detailed reports on drug spending, rebates, fees, and patient out-of-pocket costs to health plans, enabling plans to report to the government. CMS also requires extra reporting for Medicare and Exchange plans. State-level reporting is duplicative, costly, and unnecessary. Please see our concerns below:

- What government entity are these reports to be filed with?
- Items #1, #2, and #3 appear to require information beyond the scope of most PBM reporting requirements and/or may not be easily feasible.
- Item #4 demands information a PBM does not have.
 - No PBM obtains savings from manufacturers attributable to the 340B program, nor has access to that information because 340B claims reconciliation occurs OUTSIDE of the PBM/plan claim adjudication process.



- Items #5, #6, and #7 demand information about PBM practices in which PBMs do not engage.
- Items #8 and #9 require information that may not be feasible as proposed.

Thank you again for the opportunity to comment on the amendments for SB 2370. We urge a “do not pass” vote.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Michelle Mack". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Michelle Mack
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