

2021 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1042

2021 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1042
1/7/2021

Relating to the PERS uniform group insurance program part D contracts with pharmacy benefit managers

Chairman Kasper opened the hearing on HB 1042 at 10:58 a.m.

Representatives	Roll Call
Representative Jim Kasper	P
Representative Ben Koppelman	P
Representative Pamela Anderson	P
Representative Jeff A. Hoverson	P
Representative Karen Karls	P
Representative Scott Louser	P
Representative Jeffery J. Magrum	P
Representative Mitch Ostlie	P
Representative Karen M. Rohr	P
Representative Austen Schauer	P
Representative Mary Schneider	P
Representative Vicky Steiner	P
Representative Greg Stemen	P
Representative Steve Vetter	P

Discussion Topics:

- Part D Plan Exemption
- No audit of Express Scripts Incorporated

Scott Miller, Executive Director, NDPERS, testified in favor, testimony #13

Chairman Kasper closed the hearing at 11:03 a.m.

Additional written testimony: #177, #184

Chairman Kasper adjourned at 11:04 a.m.

Carmen Hart, Committee Clerk

TESTIMONY OF SCOTT MILLER

House Bill 1042 – Medicare Part D Exemption

Good Morning, my name is Scott Miller. I am the Executive Director of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in support of House Bill 1042.

House Bill 1042 proposes to finish what the last legislative session started. Section 2 of House Bill 1374 last session created a requirement that PERS could only contract for Pharmacy Benefit Manager (PBM) services if the contract provided for full audit and financial transparency rights. Because that transparency may come at a cost, the last Legislative Assembly exempted our Medicare Part D plan, that is, the pharmacy program for our Medicare-eligible retirees, in order to protect those retirees from a possible large premium increase. The Assembly was concerned that any resulting increase might unduly harm our Medicare retirees, who pay the full premium for Part D coverage. Unfortunately, in the waning minutes of the Conference Committee consideration of the bill, a third subsection was added with similar transparency requirements, but without the exemption for the Part D plan. House Bill 1042 adds that exemption into those requirements, and thereby makes the statute internally consistent.

Making these changes in this session will be just in time for our upcoming Request for Proposals (RFP) for Part D services. If our experience with our health plan RFP is an indication of what may happen with our Part D RFP, we anticipate that this exemption may result in more bidders and lower costs for our Medicare retirees.

This concludes my testimony. I ask for your favorable consideration of this bill. I would be happy to answer any questions you may have.

TESTIMONY OF REBECCA FRICKE
HOUSE BILL 1042 – Exemption for Medicare Part D
Plan

Good morning, my name is Rebecca Fricke. I am the Chief Benefits Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in support of House Bill 1042. I am available should there be any questions related to the impact of the bill on any of the NDPERS benefits.

TESTIMONY OF Derrick Hohbein
House Bill 1042 – Medicare Part D Exemption

Good morning, my name is Derrick Hohbein. I am the Chief Operating/Financial Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in support of on House Bill 1042. I am available should there be any questions related to the impact of the bill on any of the NDPERS benefits.

2021 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1042
1/15/2021

Relating to the PERS uniform group insurance program part D contracts with pharmacy benefit managers
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Chairman Kasper opened the meeting at 9:38 a.m.

Representatives Kasper, Koppelman, Hoverson, Karls, Louser Ostlie, Rohr, Schauer, Stemen, Vetter, Anderson, Schneider were present. Absent Steiner and Magrum.

Discussion Topics:

- Exempting Medicare Part D
- Express scripts incorporated

Motion made by Representative B.Koppelman to Do Pass.
Representative Stemen seconded.

Roll call vote

Representatives	Vote
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Pamela Anderson	Y
Representative Jeff A. Hoverson	Y
Representative Karen Karls	Y
Representative Scott Louser	Y
Representative Jeffery J. Magrum	A
Representative Mitch Ostlie	Y
Representative Karen M. Rohr	Y
Representative Austen Schauer	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	A
Representative Greg Stemen	Y
Representative Steve Vetter	Y

Motion passed. 12-0-2

Chairman Kasper closed hearing at 9:42 a.m.

Carmen Hart, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1042: Government and Veterans Affairs Committee (Rep. Kasper, Chairman)
recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB
1042 was placed on the Eleventh order on the calendar.

2021 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1042

2021 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Room JW216, State Capitol

HB 1042
3/4/2021

A BILL relating to the public employees retirement system's uniform group insurance program part D contracts with pharmacy benefit managers.

Chair Vedaa opened the hearing at 11:00 AM with Sen Vedaa, Meyer, Elkin, K Roers, Weber, Wobbema, and Marcellais present.

Discussion Topics:

- Statutory consistency
- HB1374 from 2019 session

Scott Miller, PERS Ex Dir - testified in favor #7240

Sen Roers moves Do Pass

Sen Meyer seconds

Roll Call Vote 7 -- YES 0 -- NO -0-ab Motion Passed

Senators	Vote
Senator Shawn Vedaa	Y
Senator Scott Meyer	Y
Senator Jay R. Elkin	Y
Senator Richard Marcellais	Y
Senator Kristin Roers	Y
Senator Mark F. Webber	Y
Senator Michael A. Wobbema	Y

Sen Roers will carry the bill

Additional written testimony:

Derrick Hohbein – For #7203

Rebecca Fricke – For #7204

Adjourned at 11:32 PM

Pam Dever, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1042: Government and Veterans Affairs Committee (Sen. Vedaa, Chairman)
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB
1042 was placed on the Fourteenth order on the calendar.

TESTIMONY OF SCOTT MILLER

House Bill 1042 – Medicare Part D Exemption

Good Morning, my name is Scott Miller. I am the Executive Director of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in support of House Bill 1042.

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House Bill 1042 – Medicare Part D Exemption

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#7204

TESTIMONY OF REBECCA FRICKE
HOUSE BILL 1042 – Exemption for Medicare Part D
Plan

Good morning, my name is Rebecca Fricke. I am the Chief Benefits Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in support of House Bill 1042. I am available should there be any questions related to the impact of the bill on any of the NDPERS benefits.