

2025 HOUSE HUMAN SERVICES

HB 1543

2025 HOUSE STANDING COMMITTEE MINUTES

Human Services Committee Pioneer Room, State Capitol

HB 1543
1/28/2025

A BILL for an Act to provide for a legislative management study regarding prescription drug pricing and the maximum fair price as determined by the federal government.

10:30 a.m. Chairman M. Ruby opened the hearing.

Members Present: Chairman M. Ruby, Vice-Chairman Frelich, Representatives Anderson, Beltz, Bolinske, Davis, Dobervich, Fegley, Hendrix, Holle, Kiefert, Rios, Rohr

Discussion Topics:

- Price concerns
- Studies from other states

10:30 a.m. Representative Meier, District 32, introduced the bill and submitted testimony, #32144.

10:32 a.m. Janelle Moos, Associate State Director Advocacy, AARP ND, testified in favor and submitted testimony, #31985.

10:38 a.m. Chairman M. Ruby closed the hearing.

Jackson Toman, Committee Clerk



House Bill 1543– Support
January 28, 2025
House Human Services
Janelle Moos, AARP ND jmoos@aarp.org

Chairman Ruby and members of the House Human Services Committee, my name is Janelle Moos, Associate State Director of Advocacy with AARP North Dakota. AARP is a nonpartisan, nonprofit, nationwide organization with nearly 38 million members. Approximately, 82,000 of those members live in North Dakota.

There is no reason why Americans should continue paying the highest prices in the world for prescription drugs – three times what other nations pay for the same drugs. For years, prescription drug price increases have dwarfed even the highest rates of general inflation. Between July 2021 and July 2022 alone, big drug companies raised list prices faster than inflation on more than 1,200 prescription drugs – rising an average of 31.6%.

The good news is that due to the Federal Inflation Reduction Act (IRA) of 2022, some relief is coming to some North Dakotans. The IRA included provisions that will allow Medicare to negotiate the price of some prescription drugs. Reference pricing uses the negotiated Medicare Maximum Fair Price (MFP) rates as reference rates to set upper payment limits. With the passage of the Inflation Reduction Act, Medicare, for the first time, has begun to negotiate the price of certain high-cost drugs. The first negotiated prices will take effect in 2026. The full roll out is:

- 2026: A maximum of 10 drugs will be negotiated.
- 2027: Another maximum of 15 drugs will be negotiated.
- 2028: Another maximum of 15 drugs will be negotiated.
- 2029: Another maximum of 20 drugs will be negotiated this year and every year after that.¹

The National Academy for State Health Policy (NASHP) has an FAQ, a blog post, and a model bill that can be found here- <https://nashp.org/model-legislation-and-contracts-prescription-drug-pricing/>

The Congressional Budget Office in their February 2023 “estimated that price negotiation will lower average drug prices paid by Medicare and will reduce the budget deficit by \$25 billion in 2031. Part D spending will be \$14 billion lower than it would have been, Part B drug spending will be \$9 billion lower, and other federal spending will be \$1 billion lower on net.”² This demonstrates the costs savings for both seniors and the Medicare program.

House Bill 1543 would allow Legislative Management to study the federal drug negotiations under the IRA and the overlap with current drugs paid for by the public employees retirement system to determine usage and potential cost-savings to the state and consumers.

All North Dakotans deserve to benefit as much as possible from the historic IRA provisions that will allow Medicare to negotiate prices and set Maximum Fair Prices. Please take this important step to study prescription drug costs by recommending passage on House Bill 1543.

Thank you.

¹ Bunis, Dena www.aarp.org 8.15.22 <https://www.aarp.org/politics-society/advocacy/info-2022/medicare-drug-price-negotiations.html>

HB 1543

Mr. Chairman and members of the House Human Service Committee.
For the record I am Lisa Meier of District 32.

Many North Dakotans have difficulty affording the cost of their prescriptive drugs.

HB 1543 is a study to be considered that looks at prescriptive drug pricing and maximum fair pricing by the US Dept. of Health and Human Services.

This study includes consideration of federal drug price negotiations under the Federal Inflation Reduction Act of 2022 and look at overlap of current drugs paid by PERS to determine usage and potential cost-savings to the state and consumers.

The study will include input from PERS, Insurance Commissioner, State Board of Pharmacy, and other stake holders.

I think it's important to recognize that the price of prescriptions is a concern to most of our citizens.

I appreciate your consideration.

2025 HOUSE STANDING COMMITTEE MINUTES

Human Services Committee Pioneer Room, State Capitol

HB 1543
2/3/2025

A BILL for an Act to provide for a legislative management study regarding prescription drug pricing and the maximum fair price as determined by the federal government.

4:00 p.m. Chairman M. Ruby opened the meeting.

Members Present: Chairman Ruby, Vice-Chairman Frelich, Representatives K. Anderson, Beltz, Bolinske, Davis, Dobervich, Fegley, Kiefert, Rios, Rohr

Members Absent: Representatives Hendrix, Holle

Discussion Topics:

- Committee work

4:01 p.m. Representative Dobervich moved a Do Pass and to place on the consent calendar.

4:01 p.m. Representative K. Anderson seconded the motion.

Representatives	Vote
Representative Matthew Ruby	Y
Representative Kathy Frelich	Y
Representative Karen Anderson	Y
Representative Mike Beltz	Y
Representative Macy Bolinske	Y
Representative Jayme Davis	Y
Representative Gretchen Dobervich	Y
Representative Cleyton Fegley	Y
Representative Jared Hendrix	AB
Representative Dawson Holle	AB
Representative Dwight Kiefert	Y
Representative Nico Rios	Y
Representative Karen Rohr	Y

4:02 p.m. Motion passed 11-0-2.

Representative Bolinske will carry the bill.

4:03 p.m. Chairman M. Ruby closed the hearing.

Jackson Toman, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1543 ([25.1305.01000](#))

Human Services Committee (Rep. M. Ruby, Chairman) recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (11 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1543 was placed on the Tenth order on the calendar.

2025 SENATE HUMAN SERVICES

HB 1543

2025 SENATE STANDING COMMITTEE MINUTES

Human Services Committee Fort Lincoln Room, State Capitol

HB 1543
3/5/2025

A BILL for an Act to provide for a legislative management study regarding prescription drug pricing and the maximum fair price as determined by the federal government.

11:02 a.m. Chairman Lee opened the hearing.

Members Present: Chairman Lee, Vice-Chairman Weston, Senator Van Oosting, Senator Clemens, Senator Hogan, Senator Roers.

Discussion Topics:

- Previous Studies Results
- Status of Federal Government Funding

11:03 a.m. Janelle Moos, Associate State Director of AARP ND, testified in favor and submitted testimony #38624.

11:07 a.m. Mike Schwab, Executive Vice President of ND Pharmacist Association, testified in favor.

Additional written testimony:

Representative Meier submitted written testimony in favor #38899.

11:10 a.m. Chairman Lee closed the hearing.

Andrew Ficek, Committee Clerk



House Bill 1543– Support
March 5, 2025
Senate Human Services
Janelle Moos, AARP ND jmoos@aarp.org

Chair Lee and members of the House Human Services Committee,

My name is Janelle Moos, Associate State Director of Advocacy with AARP North Dakota. AARP is a nonpartisan, nonprofit, nationwide organization with nearly 38 million members. Approximately, 82,000 of those members live in North Dakota.

There is no reason why Americans should continue paying the highest prices in the world for prescription drugs – three times what other nations pay for the same drugs. For years, prescription drug price increases have dwarfed even the highest rates of general inflation. Between July 2021 and July 2022 alone, big drug companies raised list prices faster than inflation on more than 1,200 prescription drugs – rising an average of 31.6%.

The good news is that due to the Federal Inflation Reduction Act (IRA) of 2022, some relief is coming to some North Dakotans. The IRA included provisions that will allow Medicare to negotiate the price of some prescription drugs. Reference pricing uses the negotiated Medicare Maximum Fair Price (MFP) rates as reference rates to set upper payment limits. With the passage of the Inflation Reduction Act, Medicare, for the first time, has begun to negotiate the price of certain high-cost drugs. The first negotiated prices will take effect in 2026. The full roll out is:

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Thank you.

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Please text

HB 1543

Madam. Chairwoman and members of the Senate Human Service Committee.

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2025 SENATE STANDING COMMITTEE MINUTES

Human Services Committee Fort Lincoln Room, State Capitol

HB 1543
3/5/2025

A BILL for an Act to provide for a legislative management study regarding prescription drug pricing and the maximum fair price as determined by the federal government.

2:32 p.m. Chairman Lee opened the hearing.

Members Present: Chairman Lee, Vice-Chairman Weston, Senator Van Oosting, Senator Clemens, Senator Hogan, Senator Roers.

Discussion Topics:

- Canadian Healthcare Comparison

2:32 p.m. Chairman Lee opened the discussion on amendment changes.

2:36 p.m. Senator Hogan moved amendment LC#25.1305.01002.

2:36 p.m. Senator Weston seconded the motion.

Senators	Vote
Senator Judy Lee	Y
Senator Kent Weston	Y
Senator David A. Clemens	Y
Senator Kathy Hogan	Y
Senator Kristin Roers	Y
Senator Desiree Van Oosting	Y

Motion passed 6-0-0.

2:40 p.m. Senator Hogan moved Do Pass as Amended.

2:40 p.m. Senator Clemens seconded the motion.

Senators	Vote
Senator Judy Lee	Y
Senator Kent Weston	Y
Senator David A. Clemens	Y
Senator Kathy Hogan	Y
Senator Kristin Roers	N
Senator Desiree Van Oosting	Y

Motion passed 5-1-0.

Senator Lee will carry the bill.

Senate Human Services Committee

HB 1543

03/05/2025

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2:41 p.m. Chairman Lee closed the hearing.

Andrew Ficek, Committee Clerk

March 5, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1543

Introduced by

Representatives Meier, K. Anderson, Bolinske, Dobervich, Frelich, Heinert, Holle, Rohr,
Weisz

Senators Cleary, Dever, Hogan

3-5-25
JG (ob)

1 A BILL for an Act to provide for a legislative management study regarding prescription drug
2 pricing and the maximum fair price as determined by the federal government.

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

4 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PRESCRIPTION DRUG PRICING.**

5 1. During the 2025-26 interim, the legislative management shall consider studying
6 prescription drug pricing ~~or~~ and the maximum fair price for a drug as published by the
7 secretary of the United States department of health and human services.

8 2. The study must include consideration of federal drug price negotiations under the
9 Federal Inflation Reduction Act of 2022 [Pub. L. 117-169; 26 U.S.C. 55 et seq.] and
10 overlap with current drugs paid for by the public employees retirement system to
11 determine usage and potential cost-savings to the state and consumers.

12 3. The study must include input from:

- 13 a. The public employees retirement system;
14 b. The insurance commissioner;
15 c. The state board of pharmacy; and
16 d. Other stakeholders.

17 4. The legislative management shall report its findings and recommendations, together
18 with any legislation necessary to implement the recommendations, to the seventieth
19 legislative assembly.

**REPORT OF STANDING COMMITTEE
HB 1543**

Human Services Committee (Sen. Lee, Chairman) recommends **AMENDMENTS** ([25.1305.01002](#)) and when so amended, recommends **DO PASS** (5 YEAS, 1 NAY, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1543 was placed on the Sixth order on the calendar. This bill does not affect workforce development.