

**HOUSE BILL NO. 1032**

Introduced by

Legislative Management

(Health Care Reform Review Committee)

1 A BILL for an Act to amend and reenact section 50-24.1-37 of the North Dakota Century Code,  
2 relating to provider reimbursement rates for the Medicaid expansion program.

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

4 **SECTION 1. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **50-24.1-37. (~~Effective January 1, 2014, through July 31, 2017~~) Medicaid expansion.**

- 7 1. The department of human services shall expand medical assistance coverage as  
8 authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148],  
9 as amended by the Health Care and Education Reconciliation Act of 2010 [Pub.  
10 L. 111-152] to individuals under sixty-five years of age with income below one hundred  
11 thirty-eight percent of the federal poverty level, based on modified adjusted gross  
12 income.
- 13 2. The department of human services shall inform new enrollees in the medical  
14 assistance program that benefits may be reduced or eliminated if federal participation  
15 decreases or is eliminated.
- 16 3. Effective January 1, 2018, provider reimbursement rates for the medical assistance  
17 expansion are the same as the provider reimbursement rates set for traditional  
18 medical assistance.
- 19 4. ~~The~~ the department shall ~~implement~~ implements the expansion by bidding through  
20 private carriers or utilizing the health insurance exchange. ~~The, the~~ contract between  
21 the department and the private carrier must:
  - 22 a. Provide a reimbursement methodology for all medications and dispensing fees  
23 which identifies the minimum amount paid to pharmacy providers for each  
24 medication. The reimbursement methodology, at a minimum, must:

- 1                   (1) Be available on the department's website; and
- 2                   (2) Encompass all types of pharmacy providers regardless of whether the
- 3                         pharmacy benefits are being paid through the private carrier or contractor or
- 4                         subcontractor of the private carrier under this section.
- 5           b. Provide full transparency of all costs and all rebates in aggregate.
- 6           c. Allow an individual to obtain medication from a pharmacy that provides mail order
- 7                 service; however, the contract may not require mail order to be the sole method
- 8                 of service.
- 9           d. Ensure that pharmacy services obtained in jurisdictions other than this state and
- 10                 its three contiguous states are subject to prior authorization and reporting to the
- 11                 department for eligibility verification.
- 12           e. Ensure the payments to pharmacy providers do not include a required payback
- 13                 amount to the private carrier or one of the private carrier's contractors or
- 14                 subcontractors which is not representative of the amounts allowed under the
- 15                 reimbursement methodology provided in subdivision a.
- 16    f.5. Any information provided to the department of human services or any audit firm by a
- 17                 pharmacy benefit manager under this section is confidential under section 44-04-17.1.