

HOUSE BILL NO. 1033

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 cost-sharing under the Medicaid expansion program; and to provide a statement of
3 legislative intent.

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

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

7 **50-24.1-37. (~~Effective January 1, 2014, through July 31, 2017~~) Medicaid expansion.**

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

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

15 f.4. Any information provided to the department of human services or any audit firm by a
16 pharmacy benefit manager under this section is confidential under section 44-04-17.1.

17 5. The department shall pursue a federal Medicaid waiver to allow the department to
18 implement premium cost-sharing for individuals enrolled in the medical assistance
19 expansion program. An enrollee's premium responsibility under this subsection may
20 not exceed five percent of household income. The department may not implement
21 premium cost-sharing under this subsection if the state's share of the annual cost of
22 administration of the premium cost-sharing exceeds the state's share of premium
23 collected.

24 **SECTION 2. LEGISLATIVE INTENT.** It is the intent of the sixty-fifth legislative assembly
25 that the department of human services actively pursue steps to facilitate receipt of one hundred
26 percent federal funding for eligible medical assistance provided to American Indian's through
27 care coordination agreements.