

**HOUSE BILL NO. 1259**

Introduced by

Representative M. Nelson

1 A BILL for an Act to amend and reenact subdivision b of subsection 2 of section 50-24.1-07 and  
2 section 50-24.1-37 of the North Dakota Century Code, relating to medicaid expansion.

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

4 **SECTION 1. AMENDMENT.** Subdivision b of subsection 2 of section 50-24.1-07 of the  
5 North Dakota Century Code is amended and reenacted as follows:

6 b. The department may not file a claim against an estate to recover payments made  
7 on behalf of a recipient who was eligible for medicaid under section 50-24.1-37  
8 and who received coverage through a private carrier.

9 **SECTION 2. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is  
10 amended and reenacted as follows:

11 **50-24.1-37. (~~Effective January 1, 2014, through July 31, 2017~~) Medicaid expansion.**

- 12 1. The department of human services shall expand medical assistance coverage as  
13 authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148],  
14 as amended by the Health Care and Education Reconciliation Act of 2010 [Pub.  
15 L. 111-152] to individuals under sixty-five years of age with income below one hundred  
16 thirty-eight percent of the federal poverty level, based on modified adjusted gross  
17 income.
- 18 2. The department of human services shall inform new enrollees in the medical  
19 assistance program that benefits may be reduced or eliminated if federal participation  
20 decreases or is eliminated.
- 21 3. The department shall implement the expansion by bidding through private carriers or  
22 utilizing the health insurance exchange. The contract between the department and the  
23 private carrier must:

- 1           a. Provide a reimbursement methodology for all medications and dispensing fees  
2           which identifies the minimum amount paid to pharmacy providers for each  
3           medication. The reimbursement methodology, at a minimum, must:
- 4           (1) Be available on the department's website; and  
5           (2) Encompass all types of pharmacy providers regardless of whether the  
6           pharmacy benefits are being paid through the private carrier or contractor or  
7           subcontractor of the private carrier under this section.
- 8           b. Provide full transparency of all costs and all rebates in aggregate.
- 9           c. Allow an individual to obtain medication from a pharmacy that provides mail order  
10          service; however, the contract may not require mail order to be the sole method  
11          of service.
- 12          d. Ensure that pharmacy services obtained in jurisdictions other than this state and  
13          its three contiguous states are subject to prior authorization and reporting to the  
14          department for eligibility verification.
- 15          e. Ensure the payments to pharmacy providers do not include a required payback  
16          amount to the private carrier or one of the private carrier's contractors or  
17          subcontractors which is not representative of the amounts allowed under the  
18          reimbursement methodology provided in subdivision a.
- 19          f. Any information provided to the department of human services or any audit firm  
20          by a pharmacy benefit manager under this section is confidential under section  
21          44-04-17.1.