

Introduced by

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 contract between the
21 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.

NOTE: The amendment in subsection 4 removes the legislative directive the Medicaid Expansion program be implemented through the use of private insurance carriers. If Medicaid Expansion is implemented through the Department of Human Services, the department may incur administrative expenses and require authorization of additional full-time equivalent positions.