

March 27, 2017

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1403

Page 1, line 2, remove "; and to provide an"

Page 1, line 3, remove "exemption"

Page 1, line 9, replace the second "the" with "a"

Page 1, line 9, after the second "coverage" insert "contract received in response to a request for bids under section 54-52.1-04"

Page 1, line 10, replace the second "the" with "either contracted directly with a pharmacy benefits manager or indirectly through the health insurer, in addition to the factors set forth under section 54-52.1-04 the board shall consider and give preference to an"

Page 1, line 10, remove "with the"

Page 1, line 11, replace "board must include the following terms" with "that"

Page 1, line 12, remove "The insurer shall provide the board with a copy of the insurer's current contract"

Page 1, replace lines 13 through 15 with "Provides the board or the board's auditor with a copy of the insurer's current contract with the pharmacy benefit management company which controls the prescriptions drug coverage offered as part of the health insurance benefits coverage, and if the contract is revised or a new contract is entered, requires the insurer to provide the board with the revision or new contract within thirty days of the change."

Page 1, line 16, remove "The health insurer or pharmacy benefit manager shall provide with each invoice"

Page 1, replace lines 17 through 19 with "Provides the board with monthly claims data and information on all programs being implemented or modified, including prior authorization, step therapy, mandatory use of generic drugs, or quantity limits"

Page 1, line 20, remove "The health insurer shall provide the board a list of all programs that will be"

Page 1, replace lines 21 through 23 with "Describes the extent to which the board may customize the benefit plan design, including copayments, coinsurance, deductibles, and out of pocket limits; the drugs that are covered; the formulary; and the member programs implemented"

Page 2, line 1, remove "(1) The board may retain an auditor of the board's choice which is not a"

Page 2, replace lines 2 through 12 with "Describes the audit rights of the board.

2. The board may conduct annual audits to the extent permitted under the contract terms agreed to under subsection 1. The audits must include:

- a. A review of a complete set of electronic prescription coverage claims data reflecting all submitted claims, including information fields identified by the board.
- b. A review of a list of all programs that have been implemented or modified during the audit period under subsection 1, and in connection with each program the auditor shall report on the cost, the cost savings or avoidance, member disruption, the process for and number of overrides or approvals and disapprovals, and clinical outcomes.
- c. Recommendations for proposed changes to the prescription drug benefit programs to decrease costs and improve plan beneficiaries' health care treatment."

Page 2, line 13, replace "2." with "3."

Page 2, after line 16 insert:

- "4. The board may retain an auditor of the board's choice which is not a competitor of the pharmacy benefit manager, a pharmaceutical manufacturer representative, or any retail, mail, or specialty drug pharmacy representative or vendor."

Page 2, remove lines 17 and 18

Renumber accordingly