

**Sixty-fifth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2017**

SENATE BILL NO. 2301
(Senators Anderson, Dever, J. Lee)
(Representatives Kasper, Seibel, Weisz)

AN ACT to create and enact a new section to chapter 19-02.1 of the North Dakota Century Code, relating to specialty pharmacy services; to provide a penalty; and to provide for application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 19-02.1 of the North Dakota Century Code is created and enacted as follows:

Specialty pharmacy services and patient access to pharmaceuticals - Pharmacy benefits managers - Penalty.

1. As used in this section:
 - a. "Pharmacy benefits manager" has the same meaning as in section 19-03.6-01.
 - b. "Plan sponsor" has the same meaning as in section 19-03.6-01.
 - c. "Specialty drug" means a prescription drug that:
 - (1) Is not available for order or purchase by a retail community pharmacy and long-term care pharmacy, regardless of whether the drug is meant to be self-administered; and
 - (2) Requires special storage and has distribution or inventory limitations not available at a retail community pharmacy or long-term care pharmacy.
 - d. "Third-party payer" has the same meaning as in section 19-03.6-01.
2. If requested by a plan sponsor contracted payer, a pharmacy benefits manager or third-party payer that has an ownership interest, either directly or through an affiliate or subsidiary, in a pharmacy shall disclose to the plan sponsor contracted payer any difference between the amount paid to a pharmacy and the amount charged to the plan sponsor contracted payer.
3. A pharmacy benefits manager or a pharmacy benefits manager's affiliates or subsidiaries may not own or have an ownership interest in a patient assistance program and a mail order specialty pharmacy, unless the pharmacy benefits manager, affiliate, or subsidiary agrees to not participate in a transaction that benefits the pharmacy benefits manager, affiliate, or subsidiary instead of another person owed a fiduciary duty.
4. A pharmacy benefits manager or third-party payer may not require pharmacy accreditation standards or recertification requirements to participate in a network which are inconsistent with, more stringent than, or in addition to the federal and state requirements for licensure as a pharmacy in this state.
5. A licensed pharmacy or pharmacist may dispense any and all drugs allowed under that license.
6. A pharmacy benefits manager or other third-party payer that violates this section is guilty of a class B misdemeanor for each violation occurrence.

SECTION 2. APPLICATION. This Act applies to contracts and agreements in effect on and after the effective date of this Act.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-fifth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2301.

Senate Vote: Yeas 44 Nays 0 Absent 3

House Vote: Yeas 83 Nays 9 Absent 2

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2017.

Approved at _____ M. on _____, 2017.

Governor

Filed in this office this _____ day of _____, 2017,

at _____ o'clock _____ M.

Secretary of State