April 13, 2021

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1492

That the Senate recede from its amendments as printed on pages 1316 and 1317 of the House Journal and pages 984 and 985 of the Senate Journal and that House Bill No. 1492 be amended as follows:

Page 1, line 1, after "to" insert "create and enact section 19-02.1-16.5 of the North Dakota Century Code, relating to limitations on pharmacy benefits managers; to"

Page 1, line 2, after the semicolon insert "to provide a penalty;"

Page 1, after line 4, insert:

"SECTION 1. Section 19-02.1-16.5 of the North Dakota Century Code is created and enacted as follows:

<u>Pharmacy benefits managers - Prohibition on discrimination - Penalty.</u>

- 1. As used in this section:
 - <u>a.</u> "Pharmacy" means a pharmacy licensed under the laws of this state.
 - b. "Pharmacy benefits manager" has the same meaning as in section 19-03.6-01.
- 2. A pharmacy benefits manager may not discriminate against or interfere with a covered entity participating under section 340B of the federal Public Health Service Act [42 U.S.C. 201 et seq.] or a pharmacy under contract with a covered entity under section 340B of the federal Public Health Service Act to provide pharmacy services on behalf of the covered entity. This includes refusing to contract with a pharmacy.
- 3. A pharmacy benefits manager may not modify, by contract, provider manual, or other means, the definition of pharmacy as defined in this section, reimburse a lower dollar amount for a drug purchased under 340B than if the drug had been purchased outside 340B, or interfere with any section 340B pharmacy service between the covered entity and the contracted pharmacy.
- 4. A pharmacy benefits manager may not directly or indirectly, on behalf of a pharmacy benefits manager, a carrier, or a health plan, charge or hold a pharmacy responsible for a fee for any step, component, or mechanism related to the claims adjudication processing network.
- 5. Contract and claim information between the covered entity and contracted pharmacy is confidential.
- 6. A pharmacy benefits manager that violates this section is guilty of a class B misdemeanor for each violation occurrence."

Renumber accordingly