

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SEN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1365

2001 HOUSE HUMAN SERVICES

HB 1365

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1365

House Human Services Committee

Conference Committee

Hearing Date January 30, 2001

Tape Number	Side A	Side B	Meter #
Tape 3	X		1125 to end
Tape 3		X	0 to 360
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Doseh, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig

Chairman Price: Open hearing on HB 1365.

Rep. Nottestad: Presented Bill. Changes in this bill are the same problems other states are having. I will turn this over to the experts in this field.

Galen Jordre: Executive Vice President, N.D. Pharmaceutical Association. (See written testimony.) The Association strongly supports HB 1365 in an attempt to provide for uniform prescription cards. HB 1365 is based on model legislation developed by a coalition of national pharmacy organizations and allows the greatest degree of flexibility for insurers and other entities to meet its requirements. I ask your support and a yes vote on HB 1365.

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House Human Services Committee

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Rep. Winick: Cosponsored Bill. I want to express my support of this bill as a cosponsor. It is a real problem that pharmacists face and I hope you will give consideration to this bill.

Rep. Weisz: How ill HIPPA affect this bill?

Galen Jordre: We feel that HIPPA will incorporate into the regulations.

Rep. Weisz: You don't anticipate having to change this format?

Galen Jordre: I would not anticipate any significant change. This should ease the claim process.

Rep. Sandvig: Could you explain what the RX's numbers are?

Galen Jordre: The Processor Control Number, if we have a company that is a national claims processor known as PCS, they probably program over a 1,000 different types of companies, so that's what they use the RXBIN for. The RXBIN will get the claims to PCS. Then you have a company who may have different plans in different states. Then the Process Control Number would be used to separate those particular elements. Same as RX Group would be another divider if you had multiple types of plans that designate your RX group. They all may be needed to transmit the prescription.

Chairman Price: This isn't going to require any new cards until a change in coverage or a change in enrollment?

Galen Jordre: No. It does not require change unless they change their claims processor.

Tony Welder: Part Owner of Dakota Pharmacy. This bill is a common sense bill that is a win, win solution for the processor, for the pharmacist, and most of all for the patient. This is such a common sense, low cost thing to do, that I urge your support of this bill.

Howard Anderson: Executive Director, Board of Pharmacy. (See support of HB 1365 in written testimony.) We would like you to support this bill, not because it is a regulatory issue, but

because we see pharmacists time being taken away from the patient's care unnecessarily. Thank you for your consideration.

Rep. Cleary: Do Florida and Arizona have these cards yet?

Howard Anderson: I don't know that.

Rep. Weiler: If I'm one of those people that have to wait another nine or ten years before I get my new card, does that mean that over the next nine or ten years I have to go through all of this trouble before I get a new card?

Howard Anderson: I would encourage you to stay with the same pharmacy that already knows how to process your card.

Rep. Porter: How will requirements work with magnetic strip technology?

Howard Anderson: If insurance cards were like credit cards it would be great, but if credit cards were like insurance cards are now we could never buy anything.

Rod St. Aubyn: Government Relations, Blue Cross/Blue Shield. (See support of bill in written testimony.) Two parts of this bill make it more favorable for us, you don't have to issue cards right away and this bill allows cards to be combined (medical and prescription.)

Rep. Sandvig: Is there any attempt to get rid of Social Security numbers on the card for privacy issues?

Rod St. Aubyn: You can request that.

Dan Ulmer: BC/BS. We are looking at that issue right now. It is a security issue.

David DeBuhr: Bismarck Pharmacist. I am in favor of HB 1365. Frankly, it is very irritating not to spend quality time with our patients because we're spending too much time on the telephone.

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Brenda Blazer: Health Insurance Association of America. (See written testimony.) There are significant operational costs associated with a mandated benefits card with no increase in benefits. We respectfully ask for a DO NOT PASS.

Rep. Dosch: Putting policy numbers and group numbers on cards - what is the problem with that? Why is that such a big obstacle??

Brenda Blazer: It isn't a problem, and it won't be a problem. Our objection is state by state enactment of prescription drug card legislation results in anything but "uniform" drug cards.

Chairman Price: Close hearing on HB 1365.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1365 A

House Human Services Committee

Conference Committee

Hearing Date January 31, 2001

Tape Number	Side A	Side B	Meter #
Tape 3	X		1225 to 2400
Committee Clerk Signature <i>Cornelia Easton</i>			

Minutes:

COMMITTEE WORK:

CHAIRMAN PRICE: 1365. Mr. Jordre, since you're in the room may I ask you a couple of questions. There was discussion about HIAA and the fact that there is not a uniform standard yet. Should we take a look at that in delaying this for HIPAA?

GALEN JORDRE: Executive Vice President, N.D. Pharmaceutical Association. When they talked about the lack of standards, I think they were saying that in some states where legislation has passed then language about this particular area has been put in. Some of those cases they added additional data elements that we're not talking about. The NCPDP standards since they have been developed have been barely In other words they have three versions of this that have come out.

CHAIRMAN PRICE: Of the seven states that have passed it, are their cards going to look like the samples that you gave us.

GALEN JORDRE: I know for sure that at least three or four of them are going to it. A couple of the states have passed, such as Texas, passed their insurance cards regulation out side of this current effort that we're involved in. It was a uniform legislation that was part of a health care reform package - a privacy package they instituted in Texas. In that case they have additional requirements - all of the states that are working off of the same model language are adopting these standards. I do have a personal interest in this. My wife is a pharmacist and a lot of the time she works longer than I do. So it is my job to cook dinner, and I can tell you there have been a lot of times that I've been home fuming because I'm wondering where she is. She comes home and says we were all ready to leave, and somebody came in with a new card prescription and we couldn't get it to work.

REP. POLLERT: I know that BCBS testified in favor. This shouldn't be a problem for other companies to accept this standard card?

GALEN JORDRE: In time it may cause these other companies a problem.

CHAIRMAN PRICE: It doesn't say anything - if I'm a company licensed to do business in the State of North Dakota this applies to me. If I insure someone who technically lives in Minnesota and bought insurance in Minnesota and they happen to be working in Fargo, they want to buy their drugs at a Fargo pharmacy - that doesn't put any requirements on them?

GALEN JORDRE: The Insurance Commissioner would have the ability to regulate it. It is my understanding that that regulation comes through their power to review the policies for policies that are sold and delivered in North Dakota. If it was used for someone from out side the state than it would not. Part of that is the reason why the Minnesota Pharmaceutical Association is doing the same thing as we are.

REP. SANDVIG: I have a question on the insurance number that is developed as part of HIPPA.

How are you going to know what number to give them when HIPPA hasn't even come out with the numbers yet?

GALEN JORDRE: HIPPA is a very big mystery at the present time, but at some point in time there will be developed a universal provider numbers for those insurance companies. Those will be the numbers that will be used in that case. It will be a national number.

REP. SANDVIG: How are you going to make the cards and have that number on there if it isn't already developed by HIPPA, and if they are made out will you have to make new cards?

GALEN JORDRE: The insurance companies at the time when HIPPA goes into place - if a number is required, they will be placing them on. If they are using a card for medical information the same as with a prescription card, they would be using that HIPPA number.

REP. CLEARY: So you're saying that when that happens you will have to issue a new card.

GALEN JORDRE: They would not have to issue a new card, because they would have the information in place already that we would need to transmit the prescription. If they would change over their system, then they would have to replace it. But as long as they had their existing methods so we knew the data, then they wouldn't have to replace it.

CHAIRMAN PRICE: Okay committee, we have a bill in front of us. What would you like to do?

REP. NIEMEIER: DO PASS.

REP. KLEIN: Second.

CHAIRMAN PRICE: Further discussion. Seeing none the clerk will take the roll on a **DO PASS.**

14 YES 0 NO 0 ABSENT REP. TIEMAN

FISCAL NOTE
 Requested by Legislative Council
 01/22/2001

Bill/Resolution No.: HB 1365

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill is not anticipated to have any fiscal effect on PERS.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Sparb Collins	Agency:	Public Employees Retirement System
Phone Number:	328-3901	Date Prepared:	01/25/2001

Date: 1-31-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1365

House Human Services Committee

Subcommittee _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By Rep. Niemeier Seconded By Rep. Klein

Representatives	Yes	No	Representatives	Yes	No
Rep. Clara Sue Price, Chairman	✓		Rep. Audrey Cleary	✓	
Rep. William Devlin, V, Chairman	✓		Rep. Ralph Metcalf	✓	
Rep. Mark Dosch	✓		Rep. Carol Niemeier	✓	
Rep. Pat Galvin	✓		Rep. Sally Sandvig	✓	
Rep. Frank Klein	✓				
Rep. Chet Pollert	✓				
Rep. Todd Porter	✓				
Rep. Wayne Tieman	✓				
Rep. Dave Weiler	✓				
Rep. Robin Weisz	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Rep. Tieman

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 1, 2001 10:39 a.m.

Module No: HR-18-2086
Carrier: Tieman
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1365: Human Services Committee (Rep. Price, Chairman) recommends DO PASS
(14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1365 was placed on the
Eleventh order on the calendar.

2001 SENATE HUMAN SERVICES

HB 1365

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1365

Senate Human Services Committee

Conference Committee

Hearing Date February 20, 2001

Tape Number	Side A	Side B	Meter #
2	X		15.3
February 21, 2001 1	X		21.2
Committee Clerk Signature <i>Paul Holmbeck</i>			

Minutes:

The hearing was opened on HB 1365.

REPRESENTATIVE NOTTESTAD, sponsor, supports bill. Pharmacist daughter asked to have work on prescription cards.

GALEN JORDRE, JR., R.Ph. Executive Vice Pres., explained and supports bill with written testimony.

ROD ST. AUBYN, BCBS, supports bill. They will not have trouble with being able to conform to the card description.

HOWARD ANDERSON, JR., Executive Director of ND State Board of Pharmacy, supports bill with written testimony.

Opposition:

BRENDA BLAZER, Health Insurance Association of America, opposes bill. It is unnecessary to put this into statute. The Feds will have a law in a short time.. (Written testimony)

