

Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Ray Holmberg, Chairman
January 17, 2019

PROPOSED AMENDMENTS TO SENATE BILL NO. 2012
MEDICAL SERVICES DIVISION

Page 1, line 2, after the semicolon insert “to provide targeted case management for serious emotional disturbance and serious mental illness; to amend and reenact section 50-24.1-37 of the North Dakota Century Code, relating to Medicaid expansion; to provide for exemptions;”

Page 1, line 2, remove “and”

Page 1, line 2, after “transfers” insert “; to provide an effective date; and to provide an expiration date”

Page 4, after line 2, insert:

SECTION 7. EXEMPTION. The amount appropriated for the replacement of the Medicaid management information system and related projects in chapter 50 of the 2007 Session Laws and chapter 38 of the 2011 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from these appropriations approved under section 54-44.1-11 for continuation into the 2009-11 biennium and then the 2011-13 biennium and then the 2013-15 biennium and then the 2015-17 biennium and then the 2017-19 biennium are available for the completion of the Medicaid management information system and related projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. TARGETED CASE MANAGEMENT – SERIOUS EMOTIONAL DISTURBANCE. The department of human services, medical services division, shall expand the types of providers recognized as Medicaid providers of targeted case management for individuals with a serious emotional disturbance beginning on or after dates of service October 1, 2019. Should this expansion result in expenditures that exceed the amount appropriated to the department of human services for this service, and the department of human service certifies such to the sixty-seventh legislative assembly, the department shall request emergency funding for the purpose of expanding the types of providers recognized as Medicaid providers of targeted case management services for individuals with severe emotional disturbance, for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. TARGETED CASE MANAGEMENT – SERIOUS MENTAL

ILLNESS The department of human services, medical services division, shall expand the types of providers recognized as Medicaid providers of targeted case management for individuals with a serious mental illness beginning on or after dates of service October 1, 2019. Should this expansion result in expenditures that exceed the amount appropriated to the department of human service for this service, and the department of human service certifies such to the sixty-seventh legislative assembly, the department shall request emergency funding for the purpose of expanding the types of providers recognized as Medicaid providers of targeted case management services for individuals with severe mental illness, for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 10. AMENDMENT. Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-37. Medicaid expansion - Legislative management report. (Effective ~~January 1, 2014, through July 31, 2019~~ – Contingent repeal - See note)

1. The department of ~~human services~~ shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111 152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty level, ~~based on modified adjusted gross income~~ line published by the federal office of management and budget applicable to the household size.
2. The department of ~~human services~~ shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.
3. The department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.
4. The contract between the department and the private carrier must:
 - a. Provide a reimbursement methodology for all medications and dispensing fees which identifies the minimum amount paid to pharmacy providers for each medication. The reimbursement methodology, at a minimum, must:
 - (1) Be available on the department's website; and

- (2) Encompass all types of pharmacy providers regardless of whether the pharmacy benefits are being paid through the private carrier or contractor or subcontractor of the private carrier under this section.
 - b. Provide full transparency of all costs and all rebates in aggregate.
 - c. Allow an individual to obtain medication from a pharmacy that provides mail order service; however, the contract may not require mail order to be the sole method of service and must allow for all contracted pharmacy providers to dispense any and all drugs included in the benefit plan and allowed under the pharmacy provider's license.
 - d. Ensure that pharmacy services obtained in jurisdictions other than this state and its three contiguous states are subject to prior authorization and reporting to the department for eligibility verification.
 - e. Ensure the payments to pharmacy providers do not include a required payback amount to the private carrier or one of the private carrier's contractors or subcontractors which is not representative of the amounts allowed under the reimbursement methodology provided in subdivision a.
5. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.
 6. Provider reimbursement rate information received by the department under this section and any information provided to the department ~~of human services~~ or any audit firm by a pharmacy benefit manager under this section is confidential, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section.

SECTION 11. AMENDMENT. Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-37. Medicaid expansion –~~Legislative management report. (Effective January 1, 2014, through July 31, 2019 – Contingent repeal - See note)~~

1. The department of ~~human services~~ shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111 152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty level, ~~based on modified adjusted gross income~~ line published by the federal office of management and budget applicable to the household size.
2. The department of ~~human services~~ shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.
3. ~~The department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.~~
4. ~~The contract between the department and the private carrier must:~~
 - a. ~~Provide a reimbursement methodology for all medications and dispensing fees which identifies the minimum amount paid to pharmacy providers for each medication. The reimbursement methodology, at a minimum, must:~~
 - (1) ~~Be available on the department's website; and~~
 - (2) ~~Encompass all types of pharmacy providers regardless of whether the pharmacy benefits are being paid through the private carrier or contractor or subcontractor of the private carrier under this section.~~
 - b. ~~Provide full transparency of all costs and all rebates in aggregate.~~
 - c. ~~Allow an individual to obtain medication from a pharmacy that provides mail order service; however, the contract may not require mail order to be the sole method of service and must allow for all contracted pharmacy providers to dispense any and all drugs included in the benefit plan and allowed under the pharmacy provider's license.~~

- d. ~~Ensure that pharmacy services obtained in jurisdictions other than this state and its three contiguous states are subject to prior authorization and reporting to the department for eligibility verification.~~
 - e. ~~Ensure the payments to pharmacy providers do not include a required payback amount to the private carrier or one of the private carrier's contractors or subcontractors which is not representative of the amounts allowed under the reimbursement methodology provided in subdivision a.~~
5. ~~The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.~~
6. ~~Provider reimbursement rate information received by the department under this section and any information provided to the department of human services or any audit firm by a pharmacy benefit manager under this section is confidential, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section.~~

SECTION 12. EFFECTIVE DATE. Section 11 of this Act becomes effective on January 1, 2020.

SECTION 13. EXPIRATION DATE. Section 10 of this Act is effective through December 31, 2019, and after that date is ineffective.”

Renumber accordingly