

**Engrossed House Bill 1422 – Department of Human Services
Senate Industry, Business & Labor Committee
Senator Klein, Chairman
March 9, 2011**

Chairman Klein, members of the Industry, Business & Labor committee, I am Dr. Brendan Joyce, Administrator of Pharmacy Services for the Medical Services Division of the Department of Human Services, providing information regarding House Bill 1422.

As it is currently written, Section 1.1 of engrossed HB 1422 will require group purchasers (we assume this includes Medicaid) to accept electronic drug prior authorization requests. There is no current national standard, and if a state standard is developed and used, Medicaid would have to comply with two different standards once a national standard is developed (as would all providers that serve North Dakota Medicaid patients). Changes to the Medicaid claims payment system would be necessary to comply with this portion of HB 1422, but estimates of costs are not possible without any standard in existence.

I would be happy to answer any questions you may have.