

Introduced by

Legislative Management

(Health Care Committee)

1 A BILL for an Act to amend and reenact section 50-24.6-09 of the North Dakota Century Code,
2 relating to value-based purchasing for medical assistance; to provide for a department of health
3 and human services study of value-based purchasing for pharmaceuticals as a feasible option
4 for the state; and to provide for a legislative management report.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 50-24.6-09 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **50-24.6-09. Maximum allowable costs and use of edits - Report to legislative**
9 **management.**

- 10 1. To promote efficiency and savings in the department's service to eligible medical
11 assistance program recipients, the department shall create and implement the
12 broadest possible list of drugs that can be paid at the maximum allowable costs. To
13 further promote efficiency and savings, the department shall maximize use of edit
14 programs that pertain to payment of medical assistance program pharmaceutical
15 claims. Upon request of a member of the legislative assembly, the department shall
16 provide to that member a summary of edit programs available to the medical
17 assistance program and a description of the department's progress in implementing
18 the edit programs.
- 19 2. The department shall participate in current and future innovative rebate and other
20 program options, including value-based purchasing programs, as feasible, reasonable,
21 and cost-effective for the state. By April first of each even-numbered year, the
22 department shall provide a report to the legislative management regarding the
23 additional rebates that arise from these programs to a degree that does not

1 compromise the department's requirements for confidentiality in the contracts for the
2 programs.

3 **SECTION 2. STUDY OF VALUE-BASED PURCHASING - REPORT TO LEGISLATIVE**

4 **MANAGEMENT.** During the 2023-24 interim, the department of health and human services
5 shall study value-based purchasing to determine whether it is a feasible and cost-effective
6 option for the state, including whether and which consortium would be the most effective for the
7 state to join or whether the state should establish a value-based purchasing program. By
8 March 1, 2024, the department of health and human services shall report its findings and
9 recommendations to the legislative management, together with any legislation required to
10 implement the recommendations.