

Subject MA drug benefit
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Date March 11, 2021

Overview

This bill carves out the prescription drug benefit from MA managed care contracts, beginning January 1, 2023. The bill also increases the amount available for MA rate adjustments to certain disproportionate share hospitals with high levels of administration of high-cost drugs, including 340B drugs, under MA fee-for-service. The bill also requires the commissioner of human services to report recommendations to the legislature on expanding the managed care prescription drug benefit carve out to include MinnesotaCare, and on establishing a prescription drug program for private sector insurers.

Summary

Section	Description
1	<p>Disproportionate numbers of low-income patients served.</p> <p>Amends § 256.969, subd. 9. Increases from \$1.5 million to \$10 million the amount of a payment adjustment for disproportionate share hospitals with high levels of administering high-cost drugs to MA fee-for-service enrollees (the adjustment takes into account as one factor 340B drug payments). Requires the commissioner to calculate the aggregate difference in outpatient pharmacy managed care claims eligible to be reimbursed at the 340B rate compared to the non-340B rate, and requires annual reports to the legislature. States that the section is effective January 1, 2023.</p>
2	<p>Prescription drugs.</p> <p>Amends § 256B.69, subd. 6d. Requires the commissioner to exclude (carve out) outpatient drugs from MA managed care contracts. States that the section is effective January 1, 2023.</p>
3	<p>Expansion of outpatient drug carve out; prescription drug purchasing program.</p> <p>Requires the commissioner of human services, in consultation with the commissioners of commerce and health, to assess and develop recommendations related to: (1) expanding the managed care drug carve out to include MinnesotaCare;</p>

Section **Description**

and (2) establishing a prescription drug purchasing program to serve persons with private sector insurance coverage. Specifies criteria for the recommendations and requires a report to the legislature by December 15, 2023.



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