

Subject Value-based MA Drug Purchasing

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Overview

This bill authorizes DHS to enter into value-based purchasing arrangements with manufacturers for outpatient drugs, under the MA and MinnesotaCare programs.

Summary

Section	Description
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1	Value-based purchasing arrangements.
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Amends § 256B.0625, by adding subd. 13k.

(a) Allows the commissioner to enter into value-based purchasing arrangements for the MA and MinnesotaCare programs with drug manufacturers, based upon metrics that the commissioner and manufacturer agree to in writing. Allows the commissioner to contract with a vendor to participate in the arrangement. States that a value-based purchasing arrangement may include a rebate, discount, price reduction, risk-sharing, reimbursement, guarantee, shared savings payment, withhold, bonus, or any other thing of value.

(b) Requires a value-based purchasing arrangement for covered outpatient drugs to be executed in an agreement that is separate from the Medicaid drug rebate agreement.

(c) States that drug manufacturers and the commissioner are not required to enter into value-based purchasing arrangements.

(d) States that this subdivision shall not be construed to alter or modify MA coverage requirements for covered outpatient drugs.

(e) Requires the commissioner to submit a state plan amendment to implement the value-based purchasing arrangement to the Centers for Medicare and Medicaid Services, if the commissioner determines a state plan amendment is necessary. Requires the commissioner to delay implementation until the amendment is approved. Allows the commissioner to request proposals from manufacturers for

Section	Description
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	value-based purchasing arrangements while the amendment request is being reviewed.
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States that the section is effective the day following final enactment.



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