

**Subject** Prescription Drug Purchasing Program

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### Overview

This bill directs the commissioner of human services to develop and administer a prescription drug purchasing program for MA and MinnesotaCare enrollees. The bill also requires the commissioner to develop and present to the legislature recommendations to expand the program to include private sector enrollees of participating health plan companies.

## Summary

Section	Description
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1	<b>Prescription drug purchasing program.</b>
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Adds § 256B.86.

**Subd. 1. Establishment of program.** (a) Directs the commissioner of human services to administer and oversee a Minnesota prescription drug purchasing program for prescription drugs provided to program participants.

(b) Defines “program participants” as MA and MinnesotaCare enrollees served under fee-for-service and managed care.

**Subd. 2. Duties of commissioner.** Requires the commissioner, through the program, to:

(1) make prescription drugs available at the lowest possible cost to program participants;

(2) promote health through the purchase and provision of discounted drugs and coordination of comprehensive drug benefit services;

(3) maintain a list of prescription drugs recommended as the most effective prescription drugs available at the best possible prices;

(4) administer prescription drug benefits for MA and MinnesotaCare; and

(5) adjudicate pharmacy claims and transmit program prices and other information to pharmacies.

Section	Description
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**Subd. 3. Program authority.** (a) Provides that the commissioner, in consultation with the formulary committee, has the authority to:

- (1) adopt or develop a preferred drug list;
- (2) engage in price negotiations with manufacturers, wholesalers, or group purchasing organizations to obtain price discounts and rebates for prescription drugs; and
- (3) develop and manage a drug formulary for the program.

(b) Allows the commissioner to contract with one or more entities to perform these functions.

**Subd. 4. Pharmacies.** Requires the commissioner to set terms and conditions for pharmacies to participate in the program. All pharmacies participating in MA, and any other licensed pharmacy willing to accept the terms and conditions, shall be enrolled in the program.

**Subd. 5. Federal approval.** Directs the commissioner to seek any necessary federal approvals to implement this section.

States that this section is effective January 1, 2023, or upon federal approval, whichever is later.

2 **Expansion of prescription drug purchasing program.**

Requires the commissioner of human services, in consultation with the commissioners of commerce and health, to develop recommendations to expand the prescription drug purchasing program to include enrollees who have purchased individual coverage from a health plan company that has contracted with the commissioner to participate in the program. Requires the recommendations to address the process and terms by which the commissioner would contract with health plan companies to administer prescription drug benefits and develop and manage a formulary. Requires the commissioner to present recommendations to the legislature by December 15, 2023.



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