

HOUSE RESEARCH

Bill Summary

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Section

1 Pharmacy payment reform advisory committee.

Subd. 1. Definitions. Defines terms used in this section.

Subd. 2. Advisory committee. Creates a Pharmacy Payment Reform Advisory Committee to be convened by the commissioner of human services. The committee will advise the commissioner and make recommendations to the legislature on implementation of pharmacy reforms contained in the federal 2005 deficit reduction act. Specifies membership, provides the members serve without compensation, and provides that the committee expires January 31, 2008.

Subd. 3. Cost of dispensing study. Requires Department of Human Services to conduct a prescription drug cost of dispensing study to determine the average cost of dispensing Medicaid prescriptions in Minnesota. Requires contracting with an independent third-party, who must report to the department and the advisory committee by October 1, 2006.

Subd. 4. Content of study. Specifies topics to be covered in the study required by subdivision 3.

Subd. 5. Methodology. Requires disclosure of the study's methodology and required collected data to be published in a manner that doesn't identify the source.

Subd. 6. Recommendations. Requires the advisory committee to use the information from the study to make recommendations. Requires the commissioner to report the findings of the cost of dispensing study and the recommendations of the advisory committee to the legislature by January 15, 2007. Requires the department to conduct

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a cost of dispensing study every three years. Requires the commissioner, in consultation with the advisory committee, to make recommendations to the legislature on how to adjust reimbursement rates to pharmacies to cover pharmacy costs, and to meet other requirements specified in this subdivision.

Provides an immediate effective date.