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Testimony
Senate Bill No. 2156
Senate Human Services Committee
Senator Judy Lee, Chairman
January 16, 2023

Chairman Lee, and members of the Senate Human Services Committee, I am Brendan Joyce, PharmD, Clinical Services Director with the Department of Health and Human Services (Department). I appear before you in support of Senate Bill No. 2156.

Many of the changes within Senate Bill No. 2156 are to address updates to names or issues that became apparent during the change to remote meetings. On page 2, Line 7, the name for the association that represents generic manufacturers has changed to the Association for Accessible Medicines. Also on page 2, there are 3 references to chairman that are being changed to presiding officer.

On page 2, line 18, the definition of quorum for the purposes of the Drug Use Review (DUR) Board is being proposed to ensure the meetings can continue when there are times of significant vacancies. We have had several meetings either cancelled or delayed due to not meeting the attendance needed. Vacant positions have been the primary cause, with some no-shows as is anticipated with clinicians trying to fit public service into their already tight schedules. Specifically defining a quorum for the purposes of the DUR Board will ensure meetings can still proceed and will prevent wasted clinician time.

Page 2, lines 19-21 address the necessary ability for remote attendance of meetings. Page 2, lines 21-23 provides clarification that the allowed

per diem compensation for qualifying DUR Board members can be paid by the department's vendor.

Page 2, lines 26-27 are being added to allow the two manufacturer appointees on the board to not have to meet the state resident requirements that exist for boards within section 44-03-04 of the North Dakota Century Code.

The remaining changes in Senate Bill No. 2156 are to align the Medicaid program with Medicare Part D formulary requirements. This includes all changes on pages 3 through 5.

The changes on page 4, lines 1 through 6, 19, and 20, involves removing restrictions on the prior authorization of stimulants and replacing that with immunosuppressants. This change would align Medicaid restricted drug classes with Medicare restricted drug classes. It is important to remember that many of our most vulnerable transition to Medicare coverage and aligning these policies with Part D will assist with changes that occur with the transition.

Page 3, line 31, and page 4 line 18 are changes to match the language to the Part D language. The other changes on page 3, line 26, page 4, line 13, and page 5, lines 5 through 12, are all related to the definition of "substantially all," which is also from the law covering Part D formulary requirements. This can be better understood with some examples. Please note that no products would ever be prior authorized without the proposals first going through the DUR Board review process. Also, just because state law allows the Department to prior authorize a drug class or a specific drug doesn't mean that the Department would implement

prior authorization for them. For instance, in the 20 years of the Department's drug prior authorization program, no immunosuppressants have been subject to prior authorization.

Multisource brands of the identical molecular structure: this would allow the Department to prior authorize a brand drug when a generic is available, or vice versa. Not all equivalent products would have to be offered without prior authorization.

Extended-release products when the immediate-release product is included: this would allow the Department to prior authorize extended-release products provided the original immediate release product was offered without prior authorization.

Products that have the same active ingredient or moiety: this would allow the Department to prior authorize different marketed products that perhaps only differ in their salt form (e.g. paroxetine HCl and paroxetine mesylate) or strength (e.g. venlafaxine ER 225 mg capsules).

Dosage forms that do not provide a unique route of administration: this would allow the Department to prior authorize follow-on products that are marketed in a different form for a different price (e.g. venlafaxine ER tablets).

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.