

Committee: Senate Health and Human Services Wednesday, February 16, 2022 10:00 AM

Roll Call

Present: Sen. Bolin, Sen. Curd, Sen. Foster, Sen. Rusch, Sen. V. J. Smith, Sen. Tobin,
 and Sen. Steinhauer

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Senator Steinhauer

MOTION: TO APPROVE THE MINUTES OF MONDAY, FEBRUARY 14TH

Moved by: Rusch
Second by: Bolin
Action: Prevailed by voice vote

SB 163 : address transparency in prescription drug pricing.

Presented by: Senator Michael Diedrich, District 34

Proponents: Eric Grocott, South Dakota Pharmacists Association, Pierre
 Dana Darger, South Dakota Pharmacist's Association, Pierre
 Kristen Carter, South Dakota Pharmacists Association, Pierre
 Jennifer Stalley, Community Health of the Dakotas
 Deb Fischer-Clemens, Avera Health, Sioux Falls
 Melissa Goff, Avera Health, Sioux Falls
 Mitchell Rave, Sanford Health, Sioux Falls
 Dean Krogman, State Medical Association SD, Sioux Falls

Opponents: Richard Tieszen, Pharmaceutical Care Management Association, Washington
 (Handout(s) #1)
 Darla Pollman Rogers, Wellmark Blue Cross and Blue Shield, Des Moines, IA
 Randy Moses, Independent Insurance Agents of SD, Fort Pierre (Handout(s)
 #2)
 Jessica Filler, Associated School Boards of South Dakota, Pierre
 Mallori Barnett, Bureau of Human Resources
 Michael Held, South Dakota Farm Bureau Federation, Huron

MOTION: AMEND SB 163

163C

On page 2, line 29, of the Introduced bill, after "to " delete "covered "
On page 2, line 31, of the Introduced bill, after "of " delete "covered "
On page 3, line 9, of the Introduced bill, after "management" delete ". The term includes"
On page 3, line 9, of the Introduced bill, after "includesa " delete the colon
On page 3, line 10, of the Introduced bill, after ":" delete "(a) A person "
On page 3, line 10, of the Introduced bill, after "entity " delete "acting for a pharmacy "
On page 3, line 10, of the Introduced bill, after "benefits " delete "benefit manager, in a contractual or
 employment relationship, in the performance of pharmacy "
On page 3, line 12, of the Introduced bill, after "benefits " delete "benefit management for a "
On page 3, line 12, of the Introduced bill, after "includes " delete "mailthird- party payor; and
(b) A mail service pharmacy"
On page 3, line 14, of the Introduced bill, remove the overstrikes from the period

On page 3, line 15, of the Introduced bill, remove the overstrikes from "The term does not include a health carrier"

On page 3, line 15, of the Introduced bill, after "carrier" insert " that is"

On page 3, line 15, of the Introduced bill, remove the overstrikes from " licensed pursuant to Title 58"

On page 3, line 15, of the Introduced bill, delete "when the health carrier or its subsidiary is providing" and insert " and relies on its own employees to provide"

On page 3, line 15, of the Introduced bill, remove the overstrikes from "when the health carrier or its subsidiary is providing pharmacy benefits "

On page 3, line 16, of the Introduced bill, after "pharmacy " delete "benefits "

On page 3, line 16, of the Introduced bill, after "benefits " insert "benefit "

On page 3, line 16, of the Introduced bill, remove the overstrikes from "management to its own insureds; or a public self-funded pool or a private single employer self-funded plan that provides such benefits or services directly to its beneficiaries"

On page 3, line 16, of the Introduced bill, delete " to its own insureds; or a public self-funded pool or a private single employer self-funded plan that provides such benefits or services directly to its beneficiaries" and insert " services and does not rely on the services of an affiliate, subsidiary, or any unrelated entity that otherwise qualifies as a pharmacy benefit manager through the performance of pharmacy benefit management services"

On page 4, line 1, of the Introduced bill, after "provider; " delete "or"

On page 4, line 3, of the Introduced bill, after "2022;" insert " or

(d) A plan administered by South Dakota Medicaid;"

On page 4, line 19, of the Introduced bill, delete "pharmaceutical " and insert "pharmacy "

On page 4, line 21, of the Introduced bill, delete "pharmaceutical " and insert "pharmacy "

On page 7, line 3, of the Introduced bill, after "product." delete "Section 10. That chapter 58-29E be amended with a NEW SECTION:

"

On page 7, line 4, of the Introduced bill, after "SECTION:" delete "A pharmacy benefit manager shall pay a pharmacy a professional dispensing fee at a rate not less than that paid in accordance with the current South Dakota Medicaid pharmacy dispensing fee schedule, for each prescription pharmaceutical product that is dispensed to the patient, by the pharmacy, on a per-unit basis, based on the same generic product identifier or generic code number.

The dispensing fee must be in addition to any amount that the pharmacy benefit manager reimburses a pharmacy, consistent with this chapter, for the cost of the pharmaceutical product dispensed to the patient."

On page 12, line 8, of the Introduced bill, delete "11" and insert "10"

Moved by: Tobin

Second by: Rusch

Action: Prevailed by voice vote

MOTION: DO PASS SB 163 AS AMENDED

Moved by: Tobin

Second by: V. J. Smith

Action: Prevailed by Majority Members Elect (5-2-0-0)

Voting Yes: Foster, Rusch, V. J. Smith, Tobin, and Steinhauer

Voting No: Bolin and Curd

SB 177 : revise provisions regarding medical cannabis.

Presented by: Senator Troy Heinert, District 26 (Handout(s) #3)

Proponents: Seth Pearman, Flandreau Santee Sioux Tribe, Flandreau
Deb Peters, Cannabis Chem Lab, Dell Rapids

Opponents: Lynne Valenti, Department of Health

MOTION: AMEND SB 177

177A

On page 3, line 34, of the Introduced bill, after "state" insert ", is an enrolled member of the tribe,"

On page 5, line 3, of the Introduced bill, delete "jurisdiction pursuant to subdivision 34-20G-1(19)" and insert " state, tribe, district, territory, commonwealth, insular possession of the United States, or country recognized by United States that allows the person to use cannabis for medical purposes in the jurisdiction of issuance"

On page 5, line 19, of the Introduced bill, after "SECTION:" delete "A tribe has a right to develop the tribe's cannabis programs under tribal law. The state does not have jurisdiction over cannabis cultivation, distribution, sale, or use within the territory of a tribe. A tribe regulates all cannabis activities within the territory of the tribe. A tribe is not required to be licensed in this state for the tribe's activities within the territory of the tribe."

On page 5, line 25, of the Introduced bill, delete "A " and insert "As provided in this Act, a "

On page 5, line 29, of the Introduced bill, after "tribe;" delete " and"

On page 5, line 31, of the Introduced bill, delete the period and insert "; and

(4) The state may not request, access, or audit the records of the tribes beyond what is required pursuant to this section."

Moved by: Rusch

Second by: Tobin

Action: Prevailed by voice vote

MOTION: AMEND SB 177

177B

On the previously adopted amendment (177A), On page 6, line 7, after "section." delete "The state may request, access, or audit the records of the tribes beyond what is required pursuant to this section."

Moved by: Curd

Second by: Bolin

Action: Prevailed by voice vote

MOTION: DO PASS SB 177 AS AMENDED

Moved by: Foster

Second by: Rusch

Action: Failed by Majority Members Elect (3-3-1-0)

Voting Yes: Curd, Foster, and Rusch

Voting No: Bolin, Tobin, and Steinhauer

Excused: V. J. Smith

MOTION: WITHOUT RECOMMENDATION SB 177 AS AMENDED

Moved by: Steinhauer

Second by: Bolin

Action: Prevailed by Majority Members Elect (4-2-1-0)

Voting Yes: Bolin, Rusch, Tobin, and Steinhauer

Voting No: Curd and Foster

Excused: V. J. Smith

HB 1097 : clarify conduct that is not required related to medical cannabis.

Presented by: Representative Rhonda Milstead, District 9

MOTION: DO PASS HB 1097

Moved by: Steinhauer

Second by: Curd

Action: Prevailed by Majority Members Elect (6-0-1-0)

Voting Yes: Bolin, Curd, Foster, Rusch, Tobin, and Steinhauer

Excused: V. J. Smith

HAVING PASSED UNANIMOUSLY, THE CHAIR CERTIFIED HB 1097 AS UNCONTESTED AND AS SUCH BE PLACED ON THE CONSENT CALENDAR.

THE CHAIR DEFERRED HB 1098 UNTIL ANOTHER DAY

MOTION: ADJOURN

Moved by: Curd

Second by: Steinhauer

Action: Prevailed by voice vote

Doug Mortenson, Committee Secretary

/s/ WAYNE H. STEINHAUER
Wayne H. Steinhauer, Chair