



**NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 287**

AMENDMENT NO. 1
(to be filled in by
Principal Clerk)

S287-ALN-19 [v.7]

Page 1 of 3

Comm. Sub. [YES]
Amends Title [NO]
Second Edition

Date 3-24, 2009

Senator Rand

- 1 moves to amend the bill on page 2, lines 3 through 6
- 2 by rewriting the lines to read:
- 3 "the State Health Plan in the Office of State Budget and Management the sum of one hundred
- 4 twenty-eight million four hundred ten thousand two hundred eight dollars (\$128,410,208) for
- 5 the 2009-2010 fiscal year and the sum of two hundred sixty-seven million nine hundred four
- 6 thousand one hundred fourteen dollars (\$267,904,114) for the 2010-2011 fiscal year. These";
- 7 and
- 8
- 9 further moves to amend the bill on page 2, lines 11 through 14,
- 10 by rewriting the lines to read:
- 11 for the State Health Plan in the Office of State Budget and Management the sum of five million
- 12 nine hundred ninety-two thousand four hundred seventy-six dollars (\$5,992,476) for the
- 13 2009-2010 fiscal year and the sum of twelve million five hundred two thousand one hundred
- 14 ninety-two dollars (\$12,502,192) for the 2010-2011 fiscal year. These funds shall be used to";
- 15 and
- 16
- 17 further moves to amend the bill on page 3, lines 6 and 7,
- 18 by deleting "medical provider" and substituting "physician"; and
- 19
- 20 further moves to amend the bill on page 3, line 20,
- 21 by deleting "and" and substituting "or"; and
- 22
- 23 further moves to amend the bill on page 4, lines 5 through 7,
- 24 by rewriting the lines to read:
- 25 "specialty pharmacy vendor. Specialty medications are covered biotech medications and other
- 26 medications designated and classified by the Plan as specialty medications that are typically
- 27 significantly more expensive than alternative drugs or therapies. Medications classified by the
- 28 Plan as specialty medications generally have unique uses for the treatment of complex diseases,
- 29 require special dosing or administration, require special handling, are typically prescribed by a
- 30 specialist provider, and exceed four hundred dollars (\$400.00) cost to the Plan per prescription.
- 31 The Plan shall impose a co-payment in the amount of"; and
- 32
- 33 further moves to amend the bill on page 4, lines 49 and 50, by rewriting the lines to read:



* S 2 8 7 - A L N - 1 9 - V - 7 *

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- 1 "Copayments"; and ✓ **G**
2 further moves to amend the bill on page 6, line 8 ✓
3 by deleting "and out-of-network"; and **G**
4
5 further moves to amend the bill on page 6, line 14,
6 by inserting between the words "co-payments" and "for" the words "and coinsurance"; and **G** ✓
7
8 further moves to amend the bill on page 6, lines 26 through 28, ✓
9 by rewriting the lines to read:
10 "established in accordance with G.S. 135-44.6 shall be increased to eight and six-tenths percent ✓
11 (8.6%) for contributory coverage for the 2009-2010 fiscal year and shall be increased by an ✓
12 additional eight and six-tenths percent (8.6%) over the premium rate for contributory"; and ✓
13
14 further moves to amend the bill on page 6, line 30 through page 7, line 2,
15 by rewriting the lines to read:
16 **"SECTION 2.(h) Pharmacy benefit savings. - The Plan shall direct its pharmacy **G****
17 benefit manager (PBM), within the terms of the Plan's PBM contract, to achieve the sum of
18 eighteen million dollars (\$18,000,000) in savings in pharmacy benefit costs in the 2009-2010
19 fiscal year, and the sum of twenty million dollars (\$20,000,000) in savings in pharmacy benefit
20 costs in the 2010-2011 fiscal year through reduced reimbursements paid to pharmacies for
21 prescription drugs. If the savings achieved in each six-month period of the fiscal year do not
22 exceed one hundred-five percent (105%) of the savings amount specified in this section for that
23 fiscal year, there shall be no further adjustment to reimbursements paid to pharmacies for that
24 six-month period. If the total savings achieved, by fiscal year, exceeds one hundred five ✓
25 percent (105%) of the specified savings amount in each six month period of the fiscal year, the
26 Plan shall adjust pharmacy reimbursement reductions accordingly. The Plan shall review
27 savings achieved twice annually to ensure compliance with this section. The Plan shall
28 calculate the savings to be achieved based on Plan enrollment and estimated cost and utilization
29 trends incorporated in the Plan's Financial Projections as of March 20, 2009. The total savings
30 by fiscal year achieved in this section may be increased or decreased without adjustment based
31 on a change in total enrollment provided that the rate of savings achieved on a per member per
32 month basis remains constant. Not later than 60 days immediately following each six-month
33 period, the Plan shall report the amount of savings achieved and any adjustments made for that
34 period to the Committee on Employee Hospital and Medical Benefits."
35
36 further moves to amend the bill on page 11, lines 36 through 38, ✓ **B**
37 by rewriting the lines to read:
38 "Medicare-eligible employees and retirees – three thousand four hundred thirty-eight dollars ✓
39 (\$3,438) and (ii) non-Medicare-eligible employees and retirees – four thousand five hundred ✓
40 fifteen dollars (\$4,515)."; and ✓
41
42 further moves to amend the bill on page 11, lines 42 through 44
43 by rewriting the lines to read:

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- 1 "Medicare-eligible employees and retirees – three thousand seven hundred thirty-five dollars
- 2 (\$3,735) and (ii) non-Medicare-eligible employees and retirees – four thousand nine hundred
- 3 five dollars (\$4,905)."; and
- 4
- 5 further moves to amend the bill on page 1, line 22, by
- 6 deleting "\$732.00" and substituting "\$2,445".

SIGNED


Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

43-3

FAILED

TABLED

put Pruitt

3-24-09

ADOPTED

KWB
JH-AN
3-24-09