

1.1 Senator moves to amend S.F. No. 4058 as follows:

1.2 Page 1, line 9, after "(a)" insert "Effective July 1, 2024," and delete "may" and insert
1.3 "shall"

1.4 Page 1, line 12, delete "in addition to" and insert "separate from"

1.5 Page 1, line 18, delete everything after "(c)" and insert "Upon necessary federal approval
1.6 of documentation required to enter into a value-based arrangement under section 256B.0625,
1.7 subdivision 13k, a drug manufacturer must enter into a value-based arrangement with the
1.8 commissioner in order for a biological product provided in the inpatient hospital setting as
1.9 part of cell or gene therapy to treat rare diseases to remain paid under paragraph (a). Any
1.10 such value-based arrangement that replaces the payment in paragraph (a) will be effective
1.11 120 days after the date of the necessary federal approval required to enter into the value-based
1.12 arrangement under section 256B.0625, subdivision 13k."

1.13 Page 1, delete lines 19 to 21

1.14 Page 1, line 22, delete "January 1, 2025" and insert "July 1, 2024"

1.15 Page 1, after line 22, insert:

1.16 "Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13k, is
1.17 amended to read:

1.18 Subd. 13k. **Value-based purchasing arrangements.** (a) The commissioner may enter
1.19 into a value-based purchasing arrangement under medical assistance or MinnesotaCare, by
1.20 written arrangement with a drug manufacturer based on agreed-upon metrics. The
1.21 commissioner may contract with a vendor to implement and administer the value-based
1.22 purchasing arrangement. A value-based purchasing arrangement may include but is not
1.23 limited to rebates, discounts, price reductions, risk sharing, reimbursements, guarantees,
1.24 shared savings payments, withholds, or bonuses. A value-based purchasing arrangement
1.25 must provide at least the same value or discount in the aggregate as would claiming the
1.26 mandatory federal drug rebate under the Federal Social Security Act, section 1927.

1.27 (b) Nothing in this section shall be interpreted as requiring a drug manufacturer or the
1.28 commissioner to enter into an arrangement as described in paragraph (a).

1.29 (c) Nothing in this section shall be interpreted as altering or modifying medical assistance
1.30 coverage requirements under the federal Social Security Act, section 1927.

(d) If the commissioner determines that a state plan amendment is necessary before implementing a value-based purchasing arrangement, the commissioner shall request the amendment and may delay implementing this provision until the amendment is approved.

(e) The commissioner may provide separate reimbursement to hospitals for drugs provided in the inpatient hospital setting as part of a value-based purchasing arrangement. This payment must be separate from the diagnostic related group reimbursement for the inpatient admission or discharge associated with a stay during which the patient received a drug under this section. For payments made under this section, the hospital shall not be reimbursed for the drug under the payment methodology in section 256.969. The commissioner shall establish the separate reimbursement rate for drugs provided under this section based on the methodology used for drugs administered in an outpatient setting under section 256B.0625, subdivision 13e, paragraph (e).

EFFECTIVE DATE. This section is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained."

Amend the title accordingly