

**16B.94 NONGOVERNMENTAL PHARMACEUTICAL CONTRACTING ALLIANCE.**

Subdivision 1. **Establishment and administration.** The commissioner, in consultation with appropriate experts on pharmaceutical pricing, shall establish and administer a Nongovernmental Pharmaceutical Contracting Alliance. The Nongovernmental Alliance shall negotiate contracts for prescription drugs with manufacturers and sellers and shall make the contract prices negotiated available to purchasers. The commissioner shall select the prescription drugs for which price contracts are negotiated. The commissioner shall, to the greatest extent feasible, operate the alliance using the administrative and contracting procedures of the Minnesota Multistate Governmental Contracting Alliance for Pharmaceuticals administered by the commissioner under the authority granted in section 471.59. The commissioner may negotiate a price differential based on volume purchasing and may also grant multiple awards.

Subd. 2. **Use of contractor.** The commissioner may contract with an individual, business entity, or other private organization to serve as a contractor to negotiate and administer the price contracts for prescription drugs. In developing requirements for the contractor, the commissioner shall consult with appropriate experts on pharmaceutical pricing.

Subd. 3. **Administrative costs.** The commissioner may charge manufacturers and sellers that enter into prescription drug price contracts with the commissioner under subdivision 1 a fee to cover the commissioner's expenses in negotiating and administering the price contracts. The fee established shall have the force and effect of law if the requirements of section 14.386, paragraph (a), are met. Section 14.386, paragraph (b), does not apply. Fees collected by the commissioner under this subdivision must be deposited in the state treasury and credited to a special account. Money in the account is appropriated to the commissioner to pay the costs of negotiating and administering price contracts under this section.

Subd. 4. **Expansion to other states.** The commissioner may expand the Nongovernmental Alliance to other states and make the contract prices negotiated available to non-Minnesota purchasers.

**History:** 1997 c 202 art 2 s 28