

July 23, 2021

Submission of Comments: CMS-9905-NC

Sanford Health appreciates the opportunity to respond to the Request for Information (RFI) issues on reporting pharmacy benefits and prescription drug costs as required by the No Surprises Act, File Code CMS-9905-NC.

Sanford is a non-profit integrated health system headquartered in the Dakotas. The majority of our facilities are located in South Dakota and North Dakota, where more than 50% and 40% of the total population, respectively, live and work in rural areas. Sanford's health care facilities and teams also serve a wide swath of Western Minnesota which consists of primarily rural communities. As one of the largest health systems in the nation with 46 hospitals, 1,400 physicians, and more than 200 Good Samaritan Society senior care locations in 26 states we are at the forefront of rural health care. Sanford's 48,000 employees make it the largest employer in the Dakotas.

Sanford Health supports the goal to better understand the impact of high cost prescription drugs and how they directly affect health care coverage, as well as costs for both patients and payers. Our health insurance plan is committed to transparency and already is working with states within our footprint to assess and develop policies to address prescription drug costs. We will be participating in a study authorized by the North Dakota Legislature over the next few months which will study prescription drug pricing, importation, reference pricing, and the role pharmacy benefit managers play in drug pricing. The study will include input from the Public Employees Retirement System, Workforce Safety and Insurance, the Insurance Commissioner, the State Board of Pharmacy, prescription drug wholesalers in Canada, and the public.

We would like to offer the following comments in response to the RFI:

1. Sanford is both committed to and an advocate for transparency in prescription drug pricing. We fully anticipate our health plan to comply with reporting requirements for all members and groups we represent, including our TPA business.
2. Sanford is currently subject to prescription drug reporting in Minnesota and suggest that the current structure could serve as an example for the Federal government and urge that the state and Federal requirements align and are not in conflict.
3. Sanford, along with other organizations, suggest a delay in the implementation date in order to ensure that once technical specifications are finalized, there is adequate time to develop the processes required for data reporting. While we fully support this effort, as a small regional health plan, we are also working on compliance with other aspects of the No Surprises Act, along with Price Transparency and Interoperability during a relative similar timeframe.
4. Sanford supports reporting requirements be collected on a calendar year basis, by plan year. Also we note that there is typically a 6 to 8 month lag to obtain rebate data. We are highlighting this as an operational issue to ensure that data aligns to the dispensing history of that year and

ask the Department to recognize this in establishing reporting deadlines. To better standardize and align data sets, we suggest rebate data lag by one year to ensure accurate and comprehensive data that is better correlated with the prescription claims incurred.

5. Sanford recommends to help provide specific and accumulated data that reports contain both National Drug Codes (NDCs) along with a categorical code from USP-DC or RxNORM so data can be rolled up to category. Overall, we believe this is a more user friendly approach.

Thank you in advance for consideration of Sanford's comments. We welcome opportunities to elaborate on our comments and will continue our efforts to address the high costs of prescription drugs for our members.

Respectfully,

A handwritten signature in blue ink that reads "Corey Brown". The signature is written in a cursive, flowing style.

Corey Brown
System Vice President

