

## MINUTES

### HOUSE APPROPRIATIONS SUBCOMMITTEE ON **HEALTH AND HUMAN SERVICES**

DATE: Thursday, March 21, 2019

#### Call to Order

Representative Mary Whiteford, Chair, called the meeting to order at 1:30 p.m.

#### Attendance

Members Present: Representatives Whiteford, Green, Inman, Allor, Yaroch, Huizenga, VanWoerkom, Hammoud, Hoadley, Love, Brixie, and Cherry.

Members Excused: Representative Glenn.

#### Approval of the March 20, 2019 Minutes

Representative Love made a motion to approve the March 20, 2019 meeting minutes. There being no objection, the minutes were adopted.

#### Department of Health and Human Services (DHHS) Presentation on Pharmaceutical Costs

Kathy Stiffler and Trish Bouck from DHHS presented on pharmacy benefit management and rebates for Medicaid fee-for-service and Medicaid managed care. DHHS also provided written testimony and answered questions from Subcommittee members.

DHHS agreed to provide information to the Subcommittee on the following issues:

- Documentation on the calculation of the pharmaceutical administrative savings included in the FY 2019-20 Executive Recommendation.

#### Presentation by Michigan Pharmacists Association

Larry Wagenknecht and John Gross from the Michigan Pharmacists Association and Representative Jason Wentworth presented on Medicaid reimbursement differences between Medicaid fee-for-service dispensing fees and Medicaid managed care reimbursements. Mr. Wagenknecht and Mr. Gross also provided written testimony and answered questions from Subcommittee members.

#### Presentation by Michigan Association of Health Plans

Dominick Pallone from the Michigan Association of Health Plans presented on Medicaid managed care pharmaceutical costs and historic trends. Mr. Pallone also provided written testimony and answered questions from Subcommittee members.

### Presentation by PhRMA

Peter Fotos from PhRMA presented on pharmaceutical costs as part of total Medicaid spending and Medicaid price controls through rebates. Mr. Fotos also provided written testimony and answered questions from Subcommittee members.

### Motion to Excuse Absent Members

Representative Whiteford made a motion to excuse Representative Glenn. There being no objection, Representative Glenn was excused.

### Adjournment

There being no further business before the Subcommittee, the meeting was adjourned by Chair Whiteford at 2:59 p.m.