

Fifty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2034

Introduced by

Legislative Council

(Employee Benefits Programs Committee)

(Senators Krebsbach, C. Nelson)  
(Representatives Wardner, Sabby)

1 A BILL for an Act to amend and reenact sections 54-52.1-04 and 54-52.1-04.9 of the North  
2 Dakota Century Code, relating to employee assistance program benefits coverage under the  
3 uniform group insurance program; to provide for transition; to provide an effective date; to  
4 provide an expiration date; and to declare an emergency.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 54-52.1-04 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **54-52.1-04. Board to contract for insurance.** The board shall receive bids for the  
9 providing of hospital benefits coverage, medical benefits coverage, ~~and~~ life insurance benefits  
10 coverage for a specified term, and employee assistance program services, and shall accept the  
11 bid of and contract with the carrier that in the judgment of the board ~~shall best serve~~ serves the  
12 interests of the state and its eligible employees. ~~A solicitation for bids must be made within~~  
13 ~~ninety days of July 1, 1971. Subsequent solicitations~~ Solicitations must be made not later than  
14 ninety days ~~prior to~~ before the expiration of an existing uniform group insurance contract. Bids  
15 must be solicited by advertisement in ~~such a manner as~~ a manner selected by the board that will provide  
16 reasonable notice to prospective bidders. In preparing bid proposals and evaluating bids, the  
17 board may utilize the services of consultants on a contract basis in order that the bids received  
18 ~~can~~ may be uniformly compared and properly evaluated. In determining which bid, if any, will  
19 best serve the interests of eligible employees and the state, the board shall give adequate  
20 consideration to the following factors:

- 21 1. The economy to be effected.  
22 2. The ease of administration.  
23 3. The adequacy of the coverages.  
24 4. The financial position of the carrier, with special emphasis as to its solvency.

1           5.    The reputation of the carrier and ~~such~~ any other information ~~as~~ that is available  
2                    tending to show past experience with the carrier in matters of claim settlement,  
3                    underwriting, and services.

4   The board may reject any or all bids and, in the event it does so, shall again solicit bids as  
5   provided in this section. The board may establish a plan of self-insurance for providing health  
6   insurance benefits coverage only under an administrative services only (ASO) contract or a  
7   third party administrator (TPA) contract.

8           **SECTION 2. AMENDMENT.** Section 54-52.1-04.9 of the 1995 Supplement to the  
9   North Dakota Century Code is amended and reenacted as follows:

10           **54-52.1-04.9. Uniform group insurance program - Employee assistance program.**

11   The board ~~may~~ shall establish an employee assistance program available to persons in the  
12   medical and hospital benefits coverage group. The premium for this coverage must be paid as  
13   provided by section 54-52.1-06. The board shall receive bids for this program under section  
14   54-52.1-04. Each department, board, or agency shall obtain employee assistance program  
15   services through the board for eligible employees and may not enter into any agreement to  
16   obtain employee assistance program services with a third-party provider except that a  
17   department, board, or agency may use its own employee assistance program services to the  
18   extent such services are provided by personnel of that department, board, or agency. As used  
19   in this section, "employee assistance program" means an employer-sponsored service for  
20   employees under which a professional employee assistance program staff assists employees  
21   and their families in finding help for emotional, drug, alcohol, family, health, and other personal  
22   or job-related problems that may be affecting their work performance.

23           **SECTION 3. TRANSITION.** To provide for a transitional employee assistance  
24   program, the public employees retirement system board may establish employee assistance  
25   program plans for participating employers who have not contracted for employee assistance  
26   program services and shall assume contractual authority for those participating state employers  
27   who have already contracted for employee assistance program services. All contracts entered  
28   into or extended during the transitional period are exempt from the requirements of sections  
29   54-52.1-04 and 54-52.1-06.

1           **SECTION 4. EFFECTIVE DATE - EXPIRATION DATE.** Sections 1 and 2 of this Act  
2 become effective on July 1, 1999. Section 3 of this Act is effective through June 30, 1999, and  
3 after that date is ineffective.

4           **SECTION 5. EMERGENCY.** Section 3 of this Act is declared to be an emergency  
5 measure.