

Introduced by

Legislative Council

(Budget Committee on Health Care)

1 A BILL for an Act to amend and reenact section 54-03-28 of the North Dakota Century Code,
2 relating to requirements for a legislative measure mandating health insurance coverage; and to
3 declare an emergency.

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

5 **SECTION 1. AMENDMENT.** Section 54-03-28 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **54-03-28. Health insurance mandated coverage of services - Cost-benefit analysis**
8 **requirement - Public employee pilot project.**

- 9 1. A legislative measure mandating health insurance coverage of services or payment
10 for specified providers of services may not be acted on by any committee of the
11 legislative assembly unless the measure is accompanied by a cost-benefit analysis
12 provided by the legislative council. Factors to consider in this analysis include:
- 13 a. The extent to which the proposed mandate would increase or decrease the
14 cost of the service.
 - 15 b. The extent to which the proposed mandate would increase the appropriate
16 use of the service.
 - 17 c. The extent to which the proposed mandate would increase or decrease the
18 administrative expenses of insurers and the premium and administrative
19 expenses of insureds.
 - 20 d. The impact of the proposed mandate on the total cost of health care.
- 21 2. A majority of the members of the committee, acting through the chairman, has sole
22 authority to determine whether a legislative measure mandates coverage of
23 services under this section.

- 1 3. Any amendment made during a legislative session to a measure which mandates
2 health insurance coverage of services may not be acted on by a committee of the
3 legislative assembly unless the amendment is accompanied by a cost-benefit
4 analysis provided by the legislative council.
- 5 4. The legislative council shall contract with a private entity, after receiving one or
6 more recommendations from the insurance commissioner, to provide the
7 cost-benefit analysis required by this section. The insurance commissioner shall
8 pay the cost of the contracted services to the entity providing the services.
- 9 5. A legislative measure mandating health insurance coverage of services or payment
10 for specified providers of services expires as of July first of the next odd-numbered
11 year following the year in which the legislative assembly enacted the measure.
- 12 6. A legislative measure mandating health insurance coverage of services or payment
13 for specified providers of services applies only to the public employees health
14 insurance program and the public employee retiree health insurance program
15 during the first biennium following the legislative session during which the measure
16 is enacted. The public employees retirement system shall include the mandated
17 coverage or payment in any contract for health insurance which becomes effective
18 after the adjournment of the legislative session during which the mandated
19 coverage or payment was enacted regardless of whether the measure becomes
20 effective after the effective date of the contract. The public employees retirement
21 system shall report to the appropriate standing committees of the Legislative
22 Assembly during the next regular session of the Legislative Assembly on the effect
23 of the mandated coverage or payment on the system's health insurance programs.
24 The report must include information on the utilization and costs relating to the
25 mandated coverage or payment and a recommendation on whether the coverage
26 or payment shall continue. The public employees retirement system shall prepare
27 and request introduction of a bill to exempt the mandated coverage or payment
28 from the expiration requirement of subsection 5.

29 **SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.