

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 legislative measures mandating health insurance coverage of services.

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

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

6 **54-03-28. Health insurance mandated coverage of services - Cost-benefit**
7 **analysis requirement.**

- 8 1. A legislative measure mandating health insurance coverage of services or
9 payment for specified providers of services may not be acted on by any committee
10 of the legislative assembly unless the measure is accompanied by a cost-benefit
11 analysis provided by the legislative council. Factors to consider in this analysis
12 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 legislative measure mandating health insurance coverage of services or
22 payment for specified providers of services may not be acted on by any committee
23 of the legislative assembly unless the measure as recommended by the committee
24 provides:

- 1 a. The measure is effective through June thirtieth of the next odd-numbered
2 year following the year in which the legislative assembly enacted the
3 measure, and after that date the measure is ineffective.
- 4 b. The application of the mandate is limited to the public employees health
5 insurance program and the public employee retiree health insurance program.
6 The application of such mandate begins with every contract for health
7 insurance which becomes effective after June thirtieth of the year in which the
8 measure becomes effective.
- 9 c. That for the next legislative assembly, the public employees retirement
10 system shall prepare and request introduction of a bill to repeal the expiration
11 date and to extend the mandated coverage or payment to apply to accident
12 and health insurance policies. The public employees retirement system shall
13 append to the bill a report regarding the effect of the mandated coverage or
14 payment on the system's health insurance programs. The report must include
15 information on the utilization and costs relating to the mandated coverage or
16 payment and a recommendation on whether the coverage or payment should
17 continue. For purposes of this section, the bill is not a legislative measure
18 mandating health insurance coverage of services or payment for specified
19 providers of services, unless the bill is amended following introduction so as
20 to change the bill's mandate.
- 21 3. 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.
- 24 ~~3.~~ 4. Any amendment made during a legislative session to a measure which mandates
25 health insurance coverage of services may not be acted on by a committee of the
26 legislative assembly unless the amendment is accompanied by a cost-benefit
27 analysis provided by the legislative council.
- 28 ~~4.~~ 5. The legislative council shall contract with a private entity, after receiving one or
29 more recommendations from the insurance commissioner, to provide the
30 cost-benefit analysis required by this section. The insurance commissioner shall
31 pay the cost of the contracted services to the entity providing the services.