

**FIRST ENGROSSMENT  
with Senate Amendments**

Sixtieth  
Legislative Assembly  
of North Dakota

**ENGROSSED HOUSE BILL NO. 1404**

Introduced by

Representatives Svedjan, Delzer, Price

Senators Fischer, Kilzer, J. Lee

1 A BILL for an Act to create and enact a new section to chapter 54-35 of the North Dakota  
2 Century Code, relating to creating a legislative council medical assistance committee; to  
3 provide a continuing appropriation; to provide an appropriation; to provide an expiration date;  
4 and to declare an emergency.

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

6 **SECTION 1.** A new section to chapter 54-35 of the North Dakota Century Code is  
7 created and enacted as follows:

8 **Committee on medical assistance - Membership - Duties - Continuing**  
9 **appropriation.**

- 10 1. The legislative council shall appoint a medical assistance committee. Membership  
11 of the committee must include:
- 12 a. Five members of the house of representatives, three of whom must be  
13 selected by the leader representing the majority faction of the house of  
14 representatives and two of whom must be selected by the leader representing  
15 the minority faction of the house of representatives.
- 16 b. Five members of the senate, three of whom must be selected by the leader  
17 representing the majority faction of the senate and two of whom must be  
18 selected by the leader representing the minority faction of the senate.
- 19 c. Up to six members who represent medical assistance providers, who serve in  
20 an ex officio nonvoting capacity, and who are selected by the chairman of the  
21 committee with the concurrence of the other legislative members of the  
22 committee.
- 23 d. Three members from the department of human services.
- 24 e. Two members from groups advocating for recipients.

- 1           2.   The legislative council chairman shall designate the committee chairman and vice  
2                   chairman from among the legislative members of the committee.
- 3           3.   The committee shall operate according to the statutes and procedures governing  
4                   the operation of other legislative council interim committees.
- 5           4.   The committee shall study the state's medical assistance program, including  
6                   options for benefit, management, and reimbursement reform. The committee shall  
7                   engage consultant services to undertake an actuarially based analysis of the  
8                   medical assistance program and reform options to ensure the future long-term  
9                   sustainability of the program. The analysis must:
  - 10               a.   Gather data regarding the current categories of medical assistance  
11                   beneficiaries;
  - 12               b.   Evaluate the current financial expenditures for medical assistance by county  
13                   and by category of aid and within those categories by type of service;
  - 14               c.   Evaluate the current medical assistance reimbursement system;
  - 15               d.   Evaluate issues related to beneficiary access to care in the medical  
16                   assistance program and patient access in the state's health care system,  
17                   including the uninsured and underinsured;
  - 18               e.   Evaluate the current commercial insurance market in conjunction with federal  
19                   opportunities to increase coverage options; and
  - 20               f.   Evaluate options for reform, including the implementation of risk-sharing  
21                   arrangements, preventive services and case management, a high-risk pool,  
22                   and a premium assistance program, and the potential use of pilot projects for  
23                   evaluating the effectiveness of reform options.
- 24           5.   The committee also shall engage consultant services to study the progress in the  
25                   implementation of the medical assistance program management initiatives,  
26                   including statewide targeted case management services, improvement of mental  
27                   health treatment services, including the use of prescription drugs, and the use of  
28                   medical assistance cards for beneficiary identification.
- 29           6.   The legislative council may accept gifts, grants, and donations from any source,  
30                   including federal or private sources, to assist the committee on medical assistance  
31                   in conducting its study and obtaining consultant services under this section. Any

1           gifts, grants, and donations received are appropriated to the legislative council on  
2           a continuing basis for the purpose of conducting the study of the state's medical  
3           assistance program and obtaining consultant services.

4           7. A state employee who is a member of the committee must receive that employee's  
5           regular salary and is entitled to mileage and expenses, to be paid by the employing  
6           agency. Members of the committee who are not members of the legislative  
7           assembly or state employees are not entitled to compensation or reimbursement of  
8           expenses for service on the committee.

9           **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the  
10          general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much  
11          of the sum as may be necessary, and from special funds derived from federal funds or other  
12          income, the sum of \$150,000, or so much of the sum as may be necessary, to the legislative  
13          council for the purpose of obtaining consultant services for the medical assistance program  
14          analysis described in section 1 of this Act, for the biennium beginning July 1, 2007, and ending  
15          June 30, 2009.

16          **SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the  
17          general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much  
18          of the sum as may be necessary, and from special funds derived from federal funds or other  
19          income, the sum of \$100,000, or so much the sum as may be necessary, to the legislative  
20          council for the purpose of obtaining consultant services for analyzing the implementation  
21          progress of the medical assistance program management initiatives described in section 1 of  
22          this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009.

23          **SECTION 4. EXPIRATION DATE.** Section 1 of this Act is effective through June 30,  
24          2009, and after that date is ineffective.

25          **SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure.