

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; and to provide an expiration  
4 date.

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

6 **SECTION 1. Committee on medical assistance - Membership - Duties -**  
7 **Continuing appropriation.**

- 8 1. The legislative council shall appoint a medical assistance committee. Membership  
9 of the committee must include:
- 10 a. Five members of the house of representatives, three of whom must be  
11 selected by the leader representing the majority faction of the house of  
12 representatives and two of whom must be selected by the leader representing  
13 the minority faction of the house of representatives.
- 14 b. Five members of the senate, three of whom must be selected by the leader  
15 representing the majority faction of the senate and two of whom must be  
16 selected by the leader representing the minority faction of the senate.
- 17 c. Up to nine members who represent medical assistance providers and the  
18 department of human services, who serve in an ex officio nonvoting capacity,  
19 and who are selected by the chairman of the committee with the concurrence  
20 of the other legislative members of the committee.
- 21 2. The legislative council chairman shall designate the committee chairman and vice  
22 chairman from among the legislative members of the committee.
- 23 3. The committee shall operate according to the statutes and procedures governing  
24 the operation of other legislative council interim committees.

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

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

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

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

20          **SECTION 4. EXPIRATION DATE.** Section 1 of this Act is effective through  
21   December 31, 2008, and after that date is ineffective.