

## HOUSE BILL NO. 1577

Introduced by

Representatives Keiser, Carlson, Boucher, Kasper, Monson, Onstad

(Approved by the Delayed Bills Committee)

1 A BILL for an Act to provide for a legislative council study of factors impacting the cost of health  
2 insurance and health insurance company reserves.

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

4 **SECTION 1. LEGISLATIVE COUNCIL STUDY - HEALTH INSURANCE COST.**

- 5 1. During the 2009-10 interim, the legislative council shall consider studying:
- 6 a. The factors impacting the cost of health insurance. The factors considered in  
7 the study must include:
- 8 (1) Minimum loss ratio;
  - 9 (2) Three tier rating bands;
  - 10 (3) The effect of the federal Employee Retirement Income Security Act,  
11 Medicare, Medicaid, and the state children's health insurance program  
12 on individual and small group pricing;
  - 13 (4) Options for self-funding, fully insured funding, and combinations of  
14 these two methods of funding;
  - 15 (5) Prepaid coverage versus risk coverage;
  - 16 (6) Corporate structure of health insurance companies;
  - 17 (7) Health insurance company subsidiaries;
  - 18 (8) Rate, form, and reserve approval requirements;
  - 19 (9) Statutory barriers to competition and lower costs;
  - 20 (10) The role of health promotion versus risk coverage;
  - 21 (11) Transparency requirements based on tax incentive benefits;
  - 22 (12) Plan design or coverage options;
  - 23 (13) Health service mandates;
  - 24 (14) Uninsured and underinsured North Dakotans;

Sixty-first  
Legislative Assembly

- 1                   (15)   Proposed federal changes in health care coverage;
- 2                   (16)   The business organization and tax status of health insurance
- 3                         companies and the impact this has on premium rates and reserves; and
- 4                   (17)   Other health insurance cost and competition factors.
- 5               b.   The impact of health insurance company board member compensation and
- 6                         employee salaries, benefits, and severance packages on health insurance
- 7                         rates and health insurance company reserves.
- 8               2.   The legislative council shall report its findings and recommendations, together with
- 9                         any legislation required to implement the recommendations, to the sixty-second
- 10                        legislative assembly.