

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1022

In lieu of the amendments adopted by the Senate as printed on pages 1005 and 1006 of the Senate Journal, Engrossed House Bill No. 1022 is amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide an appropriation for defraying the expenses of various state retirement and investment agencies; to provide a transfer; to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to parity for public employees retirement system health insurance coverage of prosthetics; to require a report regarding coverage of prosthetics; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds derived from income, to the retirement and investment agencies listed in this section for the purpose of defraying their expenses, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

RETIREMENT AND INVESTMENT OFFICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$2,334,909	\$389,872	\$2,724,781
Operating expenses	935,999	(11,429)	924,570
Contingencies	82,000	0	82,000
Total special funds	\$3,352,908	\$378,443	\$3,731,351
Full-time equivalent positions	17.00	0.00	17.00

Subdivision 2.

PUBLIC EMPLOYEES RETIREMENT SYSTEM

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$3,746,283	\$555,854	\$4,302,137
Operating expenses	11,247,019	(9,587,020)	1,659,999
Contingencies	250,000	0	250,000
Total all funds	\$15,243,302	(\$9,031,166)	\$6,212,136
Less estimated income	<u>15,243,302</u>	<u>(9,044,166)</u>	<u>6,199,136</u>
Total general fund	\$0	\$13,000	\$13,000
Full-time equivalent positions	33.00	0.00	33.00

Subdivision 3.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$0	\$5,438,000	\$5,438,000
Grand total special funds	18,596,210	(8,665,723)	9,930,487
Grand total all funds	\$18,596,210	(\$3,227,723)	\$15,368,487
Full-time equivalent positions	50.00	0.00	50.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
Retirement and investment fund	\$0	\$5,425,000
Total general fund	\$0	\$5,425,000

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The retirement and investment office shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. APPROPRIATION LINE ITEM TRANSFERS. Upon approval of the respective boards, the retirement and investment office and the public employees retirement system may transfer from their respective contingencies line items in subdivisions 1 and 2 of section 1 of this Act to all other line items. The agencies shall notify the office of management and budget of each transfer made pursuant to this section.

SECTION 4. APPROPRIATION - TRANSFER - TEACHERS' FUND FOR RETIREMENT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,425,000, which the office of management and budget shall transfer on July 1, 2009, to the teachers' fund for retirement for the purpose of making supplemental retirement payments, based on years of service and years of retirement, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. A new section to chapter 54-52.1 of the North Dakota Century Code is created and enacted as follows:

Insurance to cover prosthetics.

1. As used in this section, "prosthetics" means artificial legs, arms, or eyes. The term includes prosthetic replacements if required because of a change in the covered individual's physical condition, as set forth under title 42, United States Code, section 1395x(s)(9).
2. For all contracts or plans for health insurance which become effective after June 30, 2009, and which do not extend past June 30, 2011, the board shall provide medical benefits coverage under a contract for insurance pursuant to section 54-52.1-04 or under a self-insurance plan pursuant to section 54-52.1-04.2 which provides coverage for prosthetics which at a minimum equals the coverage provided for under the federal medicare program under title 42, United States Code, sections 1395k, 1395l, and 1395m, and title 42, Code of Federal Regulations, sections 414.202, 414.210, 414.228, and 410.100, as applicable to this section.
3. The coverage required under this section:
 - a. May require prior authorization for prosthetics in the same manner that prior authorization is required for any other covered benefit.
 - b. May impose copayment and coinsurance amounts on prosthetics, not to exceed the copayment and coinsurance amounts imposed under part B of the federal medicare fee-for-service program, under title 42, United States Code, chapter 7, subchapter XVIII, part B.
 - c. Must reimburse for covered prosthetics at a rate that is no less than the fee schedule amount for such prosthetics under the federal medicare reimbursement schedule, under title 42, United States Code, chapter 7, subchapter XVIII.

- d. May not impose any lifetime dollar maximum on coverage for prosthetics other than a lifetime dollar maximum that applies in the aggregate to all terms and services covered under the policy, contract, or evidence of coverage.

SECTION 6. PUBLIC EMPLOYEES RETIREMENT SYSTEM - COVERAGE OF PROSTHETICS. Pursuant to section 54-03-28, the public employees retirement system shall prepare and submit for introduction a bill to the sixty-second legislative assembly to repeal the expiration date for section 5 of this Act and to extend the prosthetics coverage to apply to all group and individual health insurance policies. The public employees retirement system shall append to the bill a report regarding the effect of the prosthetics coverage requirement on the system's health insurance programs, information on the utilization and costs relating to the coverage, and a recommendation regarding whether the coverage should continue.

SECTION 7. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from other funds derived from federal funds and other income, to the following agencies for the purpose of defraying the cost of additional health insurance premiums necessary to provide the coverage under section 5 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

<u>Agency</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>Total</u>
Governor	\$121		\$121
Secretary of state	182	\$6	188
Office of management and budget	732	165	897
Information technology department	328	1,891	2,219
State auditor	262	86	348
State treasurer	47		47
Attorney general	1,067	267	1,334
Tax commissioner	894		894
Office of administrative hearings		54	54
Legislative assembly	840		840
Legislative council	222		222
Judicial branch	2,328	17	2,345
Commission on legal counsel for indigents	195	27	222
Retirement and investment office		114	114
Public employees retirement system		222	222
Department of public instruction	213	457	670
Land department		146	146
State library	176	24	200
School for the deaf	280	15	295
North Dakota vision services - School for the blind	165	23	188
Department of career and technical education	179	13	192
State department of health	902	1,407	2,309
Veterans' home	509	302	811
Indian affairs commission	27		27
Department of veterans' affairs	47		47
Department of human services	9,156	5,879	15,035
Protection and advocacy project	192		192
Job service North Dakota	9	1,899	1,908
Insurance commissioner		312	312
Industrial commission	347	57	404
Labor commissioner	74	7	81
Public service commission	194	101	295

Aeronautics commission		40	40
Department of financial institutions		195	195
Securities department	60		60
Bank of North Dakota		1,152	1,152
Housing finance agency		316	316
Mill and elevator association		880	880
Workforce safety and insurance		1,594	1,594
Highway patrol	1,044	273	1,317
Department of corrections and rehabilitation	4,732	263	4,995
Adjutant general	538	1,021	1,559
Department of commerce	347	110	457
Agriculture commissioner	250	223	473
State seed department		202	202
Upper great plains transportation institute	27	335	362
Branch research centers	478	164	642
NDSU extension service	1,007	790	1,797
Northern crops institute	51	24	75
Main research center	1,653	722	2,375
Agronomy seed farm		20	20
Racing commission	13		13
State historical society	371	46	417
Council on the arts	34		34
Game and fish department		1,055	1,055
Parks and recreation department	352	4	356
State water commission	494	84	578
Department of transportation		7,086	7,086
Bismarck state college	1,089		1,089
Lake region state college	323		323
Williston state college	343		343
University of North Dakota	4,451		4,451
University of North Dakota school of medicine and health sciences	827		827
North Dakota state university	3,843		3,843
State college of science	1,164		1,164
Dickinson state university	898		898
Mayville state university	400		400
Minot state university	1,302		1,302
Valley City state university	626		626
Minot state university - Bottineau	242		242
North Dakota university system office	805	173	978
North Dakota forest service	134		134
Total	\$47,586	\$30,263	\$77,849

SECTION 8. EXPIRATION DATE. Section 5 of this Act is effective through July 31, 2011, and after that date is ineffective."

Renumber accordingly