

**Sixty-first Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 6, 2009**

HOUSE BILL NO. 1577

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

(Approved by the Delayed Bills Committee)

AN ACT to provide for a legislative council study of factors impacting the cost of health insurance and health insurance company reserves.

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

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

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

- b. The impact of health insurance company board member compensation and employee salaries, benefits, and severance packages on health insurance rates and health insurance company reserves.
- 2. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.