

Sixty-third  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1059**

Introduced by

Government and Veterans Affairs Committee

(At the request of the Public Employees Retirement System Board)

1 A BILL for an Act to amend and reenact sections 54-52.1-03.4 and 54-52.1-18 of the North  
2 Dakota Century Code, relating to the definition of an eligible employee, payment of the cost of  
3 uniform group insurance premiums for temporary employees, and the health savings account  
4 option offered to political subdivisions as part of the high-deductible health plan alternative  
5 under the uniform group insurance program.

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

7 **SECTION 1. AMENDMENT.** Section 54-52.1-03.4 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **54-52.1-03.4. Temporary employees and employees on unpaid leave of absence.**

10 A temporary employee employed before August 1, 2007, may elect to participate in the  
11 uniform group insurance program by completing the necessary enrollment forms and qualifying  
12 under the medical underwriting requirements of the program. A temporary employee employed  
13 on or after August 1, 2007, is only eligible to participate in the uniform group insurance program  
14 if the employee is employed at least twenty hours per week and at least twenty weeks each  
15 year of employment. A temporary employee first employed after December 31, 2013, is eligible  
16 to participate in the uniform group insurance program only if the employee meets the definition  
17 of a full-time employee under section 4980H(c)(4) of the Internal Revenue Code [26 U.S.C.  
18 4980H(c)(4)]. The temporary employee or the temporary employee's employer shall pay  
19 monthly to the board the premiums in effect for the coverage being provided. In the case of a  
20 temporary employee who is an applicable taxpayer as defined in section 36B(c)(1)(A) of the  
21 Internal Revenue Code [26 U.S.C. 36B(c)(1)(A)], the temporary employee's required  
22 contribution for self-only coverage may not exceed the maximum employee required  
23 contribution specified under section 36B(c)(2)(C) of the Internal Revenue Code  
24 [26 U.S.C. 36B(c)(2)(C)], and the employer shall pay any difference between the maximum

1 employee required contribution for self-only coverage and the cost of the premiums in effect for  
2 the coverage being provided. An employer may pay health or life insurance premiums for a  
3 permanent employee on an unpaid leave of absence. A political subdivision, department, board,  
4 or agency may make a contribution for coverage under this section.

5 **SECTION 2. AMENDMENT.** Section 54-52.1-18 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **54-52.1-18. High-deductible health plan alternative with health savings account**  
8 **option.**

9 The board shall develop and implement a high-deductible health plan ~~with a health savings~~  
10 ~~account~~ as an alternative to the plan under section 54-52.1-06. The high-deductible health plan  
11 alternative with a health savings account must be made available to state employees by  
12 January 1, 2012; ~~and. The high-deductible health plan alternative~~ may be offered, at the  
13 discretion of the board, to political subdivisions after June 30, 2013. Health savings account  
14 fees for participating state employees must be paid by the employer. ~~The~~Subject to the limits of  
15 section 223(b) of the Internal Revenue Code [26 U.S.C. 233(b)], the difference between the cost  
16 of the single and family premium for eligible state employees under section 54-52.1-06 and the  
17 premium for those employees electing to participate under the high-deductible health plan  
18 under this section must be deposited in a health savings account for the benefit of each  
19 participating employee. ~~For political subdivision employees, the board shall deposit into a health~~  
20 ~~savings account for the benefit of the participating political subdivision employee, an amount~~  
21 ~~equal to the difference between the primary plan premium as established by the board and the~~  
22 ~~premium for the high-deductible health plan under this section.~~ Each new employee of a  
23 participating employer under this section must be provided the opportunity to elect the  
24 high-deductible health plan alternative. At least once each biennium, the board shall have an  
25 open enrollment period allowing existing employees of a participating employer under this  
26 section to change their coverage.