

SENATE BILL NO. 2158

Presented by: **Chrystal Bartuska**
 Life/Health/Medicare Director
 North Dakota Insurance Department

Before: **House Human Services Committee**
 Representative Weisz, Chairman

Date: **March 15, 2023**

Good morning, Chairman Weisz and members of the committee. My name is Chrystal Bartuska and I am the Life/Health/Medicare Division Director with the North Dakota Insurance Department. I am here today in support of Senate Bill 2158.

The Insurance Department was awarded a federal grant to review North Dakota's insurance market and as a result we hired consultants to review and evaluate the Comprehensive Health Association of North Dakota (CHAND) program. This program was originally created and designed to assist individuals that could not obtain health insurance due to their preexisting conditions. However, under the Affordable Care Act (ACA) preexisting conditions can no longer be used to deny coverage and so all individuals are guaranteed the ability to purchase insurance on the individual market.

The consultant's study did an extensive comparison between the CHAND plan and other plans in the market and found that due to the low enrollment, CHAND has become a program that we could potentially discontinue. Based on this study the CHAND board voted to start the process of dissolving CHAND.

A study is needed to determine the best way to achieve the goal of dissolving CHAND. The insurance plans under CHAND insures consumers that were once considered uninsurable in the traditional market, so we want to ensure that the transition for these consumers is clearly communicated and has as little disruption as possible to their lives. This is not something that should be done hastily, and given we are outside of any kind of open enrollment window there is ample time to methodically consider the process so

that enrollees maintain the access to health care that they need after CHAND is dissolved.

When the ACA went into effect, states were given the option to dissolve their high risk pools, but we as a state chose to continue CHAND due to the many unknowns surrounding the ACA at that time. However, we are twelve years into ACA, and the time has come to determine next steps with CHAND. Enrollment in CHAND is low since ACA provisions prohibit new members, but the current statute does not give the state or the board the authority to effectively discontinue the plans. We also have the challenge of the plan requirements and guaranteed issue of the Med Supp block of plans. Therefore, we see this study as living us the options available for consumers and then during the 69th Legislative Assembly we will be prepared to propose legislation to change statute to allow for those changes.

We want to evaluate all options for the consumers; therefore we envision working with the CHAND board, DHHS and even ND pers to determine next steps.

Thank you, Chairman Weisz and members of the committee, happy to take questions.