

FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1248

Introduced by

Representatives Weisz, Frelich, McLeod, M. Ruby

Senators Lee, Dever

1 A BILL for an Act to amend and reenact sections 26.1-36-09.12 and 54-35-02.4 of the North
2 Dakota Century Code, relating to medical services related to suicide and the powers and duties
3 of the employee benefits programs committee; and to repeal section 54-03-28 of the North
4 Dakota Century Code, relating to the cost-benefit analysis requirement for health insurance
5 mandated coverage of services.

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

7 **SECTION 1. AMENDMENT.** Section 26.1-36-09.12 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **26.1-36-09.12. Medical services related to suicide.**

10 An insurance company, nonprofit health service corporation, or health maintenance
11 organization may not deliver, issue, execute, or renew any hospital, surgical, medical, or major
12 medical benefit policy on an individual, group, blanket, franchise, or association basis unless
13 the policy, contract, or evidence of coverage provides benefits, of the same type offered under
14 the policy or contract for illnesses, for health services to any individual covered under the policy
15 or contract for injury or illness resulting from suicide, attempted suicide, or self-inflicted injury.
16 The medical benefits provided for in this section are exempt from section 54-03-28.

~~17 **SECTION 2. AMENDMENT.** Section 54-35-02.4 of the North Dakota Century Code is~~
~~18 amended and reenacted as follows:~~

~~19 **54-35-02.4. Employee benefits programs committee Powers and duties.**~~

~~20 1. During each interim, the employee benefits programs committee shall consider:~~

~~21 a. Consider and report on the legislative proposals over which the committee takes~~
~~22 jurisdiction and which fiscally impact the retirement programs of state employees~~

1 ~~or employees of any political subdivision, and health and retiree health plans of~~
2 ~~state employees or employees of any political subdivision. A majority of the~~
3 ~~members of the committee has sole authority to determine whether a legislative~~
4 ~~proposal affects a program. The committee shall make~~

5 ~~b. Make a thorough review of each proposal the committee takes under its~~
6 ~~jurisdiction, including an actuarial report. The committee shall take~~

7 ~~c. Take jurisdiction over a proposal that authorizes an automatic increase or other~~
8 ~~change in benefits beyond the ensuing biennium which would not require~~
9 ~~legislative approval. The committee shall include~~

10 ~~d. Include in the report of the committee a statement that the proposal would allow~~
11 ~~future changes without legislative involvement. The committee shall report~~

12 ~~e. Report the findings and recommendations of the committee, along with any~~
13 ~~necessary legislation, to the legislative management and to the legislative~~
14 ~~assembly.~~

15 ~~2. To carry out the responsibilities of the committee, the committee, or the designee of~~
16 ~~the committee, may:~~

17 ~~a. Enter contracts, including retainer agreements, with an actuary or actuarial firm~~
18 ~~for expert assistance and consultation. Each retirement, insurance, or retiree~~
19 ~~insurance program shall pay, from the program's retirement, insurance, or retiree~~
20 ~~health benefits fund, as appropriate, and without the need for a prior~~
21 ~~appropriation, the cost of an actuarial report required under this section which~~
22 ~~relates to that program.~~

23 ~~b. Call on personnel from state agencies or political subdivisions to furnish such~~
24 ~~information and render such assistance as the committee from time to time may~~
25 ~~request.~~

26 ~~c. Establish rules for the operation of the committee, including the submission and~~
27 ~~review of proposals and the establishing of standards for actuarial reports.~~

28 ~~3. The committee may solicit draft measures and proposals from interested persons~~
29 ~~during the interim between legislative sessions, and also may study measures and~~
30 ~~proposals referred to the committee by the legislative assembly or the legislative~~
31 ~~management.~~

1 ——— 4. ~~A copy of the committee's report concerning a legislative measure, if that measure is~~
2 ——— ~~introduced for consideration by a legislative assembly, must be appended to the copy~~
3 ——— ~~of that measure.~~

4 ——— 5. ~~If a legislative measure affecting a public employees retirement program, public~~
5 ——— ~~employees health insurance program, or public employee retiree health insurance~~
6 ——— ~~program is introduced in either house without a report from the committee, the~~
7 ——— ~~chairman and vice chairman of the employee benefits programs committee shall~~
8 ——— ~~request an actuarial report from the program affected and shall provide the report to~~
9 ——— ~~the standing committee to which the measure is referred. During the legislative~~
10 ——— ~~session, the employee benefits programs committee chairman and vice chairman,~~
11 ——— ~~working together, have sole authority to determine whether a legislative measure or~~
12 ——— ~~amendment affects a program under this subsection and subsection 6.~~

13 ——— 6. ~~During a legislative session, if an amendment is made to a legislative measure which~~
14 ——— ~~fiscally impacts a public employees retirement program, public employees health~~
15 ——— ~~insurance program, or public employee retiree health insurance program, the~~
16 ——— ~~employee benefits programs committee chairman and vice chairman shall request~~
17 ——— ~~from the affected program an actuarial report on the amendment and shall provide the~~
18 ——— ~~report to the standing committee to which the bill is referred.~~

19 ——— 7. ~~A committee of the legislative assembly may not act on a legislative measure the~~
20 ——— ~~legislative management or committee determines mandates health insurance~~
21 ——— ~~coverage of services or payment for specified providers of services for the health and~~
22 ——— ~~retiree health plans of state employees or employees of any political subdivision~~
23 ——— ~~unless the measure as recommended by the committee provides:~~

24 ——— a. ~~The measure is effective through June thirtieth of the second odd-numbered year~~
25 ——— ~~following the year in which the legislative assembly enacted the measure, and~~
26 ——— ~~after that date the measure is ineffective.~~

27 ——— b. ~~The application of the mandate begins with the contract for health insurance~~
28 ——— ~~which becomes effective after June thirtieth of the year in which the measure~~
29 ——— ~~becomes effective.~~

30 ——— c. ~~For the second legislative assembly following the year in which the legislative~~
31 ——— ~~assembly enacted the measure, the public employees retirement system may~~

- 1 ~~prepare and request introduction of a bill to repeal the expiration date and to~~
2 ~~extend the mandated coverage or payment on the system's health insurance~~
3 ~~programs.~~
4 ~~d. If the public employees retirement system introduces a bill to repeal the~~
5 ~~expiration date under subdivision c, the public employees retirement system shall~~
6 ~~append to the bill a report regarding the effect of the mandated coverage or~~
7 ~~payment on the system's health insurance programs. The report must include~~
8 ~~information on the utilization and costs relating to the mandated coverage or~~
9 ~~payment.~~
10 ~~8. Legislation enacted in contravention of this section is invalid, and any benefits~~
11 ~~provided under the legislation must be reduced to the level current before enactment~~
12 ~~of the legislation.~~
13 ~~**SECTION 3. REPEAL.** Section 54-03-28 of the North Dakota Century Code is repealed.~~

Section 2. Section 54-03-28 of the North Dakota Century Code is amended and reenacted as follows

- 54-03-28. Health insurance mandated coverage of services - Cost-benefit analysis requirement.**
1. If the legislative management determines a legislative measure mandates health insurance coverage of services or payment for specified providers of services, the measure may not be referred to a committee of the legislative assembly unless a cost-benefit analysis provided by the legislative management is appended to that measure.
 - a. If a committee of the legislative assembly determines a measure mandating health insurance coverage of services or payment of specified providers was referred to committee without a cost-benefit analysis, the committee shall request the legislative management provide a cost-benefit analysis. The committee may not act on the measure unless the measure is accompanied by the cost-benefit analysis.
 - b. If a committee of the legislative assembly determines a proposed amendment to a measure mandates health insurance coverage of services or payment of specified providers, the committee may not act on the proposed amendment unless the amendment is accompanied by a cost-benefit analysis or amended cost-benefit analysis provided by the legislative management.
 2. Factors considered in the cost-benefit analysis must include:
 - a. The extent to which the proposed mandate would increase or decrease the cost of the service.
 - b. The extent to which the proposed mandate would increase the appropriate use of the service.
 - c. The extent to which the proposed mandate would increase or decrease the administrative expenses of insurers and the premium and administrative expenses of insureds.
 - d. The impact of the proposed mandate on the total cost of health care.
 3. A committee of the legislative assembly may not act on a legislative measure that the legislative management or committee determines mandates health insurance coverage of services or payment for specified providers of services unless the measure as recommended by the committee provides:

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- a. The measure is effective through June thirtieth of the next odd-numbered year following the year in which the legislative assembly enacted the measure, and after that date the measure is ineffective.
 - b. The application of the mandate is limited to the public employees health insurance program and the public employee retiree health insurance program. The application of such mandate begins with every contract for health insurance which becomes effective after June thirtieth of the year in which the measure becomes effective.
 - c. ~~That for the next legislative assembly, the public employees retirement system shall prepare and request introduction of a bill to repeal the expiration date and to extend the mandated coverage or payment to apply to accident and health insurance policies. At the conclusion of the process set forth in this section,~~ the public employees retirement system shall ~~append to the bill a~~ submit a report regarding the effect of the mandated coverage or payment on the system's health insurance programs. The report must include information on the utilization and costs relating to the mandated coverage or payment and a recommendation on whether the coverage or payment should continue. ~~For purposes of this section, the bill is not a legislative measure mandating health insurance coverage of services or payment for specified providers of services, unless the bill is amended following introduction so as to change the bill's mandate.~~
4. The legislative management shall adopt a procedure for identifying measures and proposed measures mandating health insurance coverage of services or payment for specified providers of services. The procedure must include solicitation of draft measures and proposals during the interim between legislative sessions from legislators and agencies with bill introduction privileges and must include deadlines for identification of the measures or proposals.
 5. The legislative council shall contract with a private entity, ~~after receiving one or more recommendations from the insurance commissioner,~~ to provide the legislative management the cost-benefit analysis required by this section ~~at the conclusion of the process set forth in 54-03-28(3) The insurance commissioner shall pay the cost of the contracted services to the entity providing the services.~~