

**SENATE BILL NO. 2396  
with House Amendments**

Fifty-sixth  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2396**

Introduced by

Senators Traynor, Krebsbach, Solberg

Representatives N. Johnson, Mickelson, Nicholas

1 A BILL for an Act to provide for nonprofit mutual insurance companies to evaluate hospital  
2 reimbursement rates; and to provide an expiration date.

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

4 **SECTION 1. Nonprofit mutual insurance companies - Evaluation of hospital**  
5 **reimbursement rates - Report.** Before December 1, 1999, every nonprofit mutual insurance  
6 company domiciled in this state, in cooperation with every nonprofit hospital in this state, shall  
7 evaluate the company's reimbursement rates for health care services provided by the hospitals.  
8 The evaluation must include a review of the financial impact the reimbursement rates have on  
9 each nonprofit hospital. The evaluation must also include consideration of premium rates and  
10 the financial condition of the nonprofit mutual insurance company. Each nonprofit hospital shall  
11 provide audited financial statements to the nonprofit mutual insurance company directly or  
12 through a third party. Each nonprofit mutual insurance company subject to this section shall file  
13 a report of the findings of the evaluation with the legislative council before December 1, 1999.

14 **SECTION 2. EXPIRATION DATE.** This Act is effective through June 30, 2000, and  
15 after that date is ineffective.