FIRST ENGROSSMENT - MAJORITY REPORT
with House Amendments

Fifty-sixth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2182

Introduced by

Human Services Committee

(At the request of the Department of Human Services)

1   A BILL for an Act to create and enact a new chapter to title 50 of the North Dakota Century

2   Code, relating to implementing a children's health insurance program.

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

4   **SECTION 1.** A new chapter to title 50 of the North Dakota Century Code is created and

5   enacted as follows:

6   **Definitions.** As used in this chapter:

7   1.   "Children's health insurance program" means a program to provide health

8   assistance to low-income children funded through title XXI of the federal Social

9   Security Act [42 U.S.C. 1397aa, et seq.].

10   2.   "County agency" means the county social service board.

11   3.   "Department" means the department of human services.

12   4.   "Plan" means the North Dakota student plan, which is the children's health

13   insurance program state plan.

14   5.   "Poverty line" means the official income poverty line as defined by the United

15   States office of management and budget and revised annually in accordance with

16   42 U.S.C. 9902(2), applicable to a family of the size involved.

17   **Duties of the department.** The department shall:

18   1.   Prepare, submit, and implement the plan that includes eligibility determinations for

19   self-employed applicants based on the average of the previous three years of

20   adjusted gross income, which means the adjusted gross income as computed for

21   an individual for federal income tax purposes under the Internal Revenue Code;

22   2.   Supervise the administration of the children's health insurance program throughout

23   this state;

1   3.   Take action, give directions, and adopt rules as may be necessary or desirable to

2   carry out the provisions of this chapter;

3   4.   Apply for a federal waiver allowing twelve months of plan eligibility for a family

4   whose income does not exceed one hundred seventy-five percent of the poverty

5   line, is no longer eligible for temporary assistance for needy families because of

6   increased earnings, and has exhausted transitional medical assistance;

7   5.   Apply for a federal waiver allowing plan coverage for a family through an

8   employer-based insurance policy if an employer-based family insurance policy is

9   more cost-effective than the traditional plan coverage for the children;

10   6.   Report annually to the legislative council and describe enrollment statistics and

11   costs associated with the plan;

12   7.   Reimburse counties for expenses incurred in the administration of the children's

13   health insurance program at rates based upon all counties' total administrative

14   costs; and

15   8.   Administer all funds appropriated or made available to the department for the

16   purpose of carrying out the provisions of this chapter.

17   **Duties of county agency.** In the administration of the plan, unless the department

18 otherwise establishes eligibility, the county agency shall:

19   1.   Administer the plan under the direction and supervision of the department; and

20   2.   Make an investigation and record the circumstances of each applicant, obtaining

21   information as may be required by the department.

22   **North Dakota student plan requirements.** The plan:

23   1.   Must be provided through private contracts with insurance carriers;

24   2.   Must allow conversion to another health insurance policy;

25   3.   Must be based on an actuarial equivalent of a benchmark plan;

26   4.   Must incorporate every state-required waiver approved by the federal government;

27   5.   Must include community-based eligibility outreach services;

28   6.   Must provide:

29   a.   An income eligibility limit of one hundred forty percent of the poverty line;

30   b.   A copayment requirement for each pharmaceutical prescription and for each

31   emergency room visit;

1   c.   A deductible for each inpatient hospital visit;

2   d.   A deductible for each emergency room visit;

3   e.   Coverage for:

4   (1)   Inpatient hospital, medical, and surgical services;

5   (2)   Outpatient hospital and medical services;

6   (3)   Psychiatric and substance abuse services;

7   (4)   Prescription medications;

8   (5)   Preventive screening services; and

9   (6)   Preventive dental and vision services; and

10   f.   A coverage effective date:

11   (1)   That is either the first or fifteenth day of the month, whichever next

12   succeeds the date of application; or

13   (2)   In the case of a newborn, that is either the first or fifteenth day of the

14   month, whichever next succeeds the later of the date of application or

15   the date the newborn is discharged from the hospital; and

16   7.   May not provide maternity services coverage.

17   **Limitations of chapter.** Health assistance provided under this chapter is not an

18 entitlement. A person does not have a property interest in any health assistance sought or

19 provided under this chapter. If the department estimates that available funds are insufficient to

20 allow participation by additional applicants, the department may take any action appropriate to

21 avoid commitment of funds in excess of available funds, including denying applications and

22 establishing waiting lists, that is not forbidden by title XXI of the federal Social Security Act [42

23 U.S.C. 1397aa, et seq.] or regulations adopted thereunder. If federal children's health

24 insurance program funding decreases, the department may decrease the income eligibility limit

25 to accommodate the decrease in federal funding, notwithstanding any other provisions of this

26 chapter.