

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. "Poverty line" means the official income poverty line as defined by the United
13 States office of management and budget and revised annually in accordance with
14 42 U.S.C. 9902(2), applicable to a family of the size involved.

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

- 16 1. Prepare, submit, and implement a state plan for a children's health insurance
17 program in this state, including:
 - 18 a. Coverage for mental health services at levels comparable to physical health
19 services coverage; substance abuse services, including residential treatment
20 if necessary; well-child care, including all services provided during a well-baby
21 or well-child visit that includes screening and diagnostic services; vision and
22 dental services; medical nutrition therapy; and coverage for primary care
23 services offered by a variety of health care professionals, including
24 pediatricians, family physicians, and nurse practitioners;

- 1 b. Community-based eligibility outreach services;
- 2 c. Provisions allowing a crowd-out exception to be granted if loss of insurance
- 3 coverage is beyond the control of the applicant;
- 4 d. Twelve-month continuous eligibility for children enrolled in the children's
- 5 health insurance program;
- 6 e. Eligibility determinations for self-employed applicants based on the average
- 7 of the previous three years of adjusted gross income, which means the
- 8 adjusted gross income as computed for an individual for federal income tax
- 9 purposes under the Internal Revenue Code; and
- 10 f. Monitoring and evaluating the appropriateness and quality of the children's
- 11 health insurance program;
- 12 2. Supervise the administration of the children's health insurance program throughout
- 13 this state;
- 14 3. Take action, give directions, and adopt rules as may be necessary or desirable to
- 15 carry out the provisions of this chapter, including:
- 16 a. Requiring no premium payment or asset test for eligibility;
- 17 b. Setting an income eligibility limit of one hundred fifty percent of the poverty
- 18 line;
- 19 c. Imposing copayment requirements for each pharmaceutical prescription and
- 20 for each emergency room hospital visit;
- 21 d. Imposing a deductible for each inpatient hospital visit; and
- 22 e. Imposing a premium for families with incomes over one hundred fifty percent
- 23 of the poverty line which does not exceed five percent of the total family
- 24 income;
- 25 4. Apply for a federal waiver allowing twelve months of plan eligibility for a family
- 26 whose income does not exceed one hundred seventy-five percent of the poverty
- 27 line, is no longer eligible for temporary assistance for needy families because of
- 28 increased earnings, and has exhausted transitional medical assistance;
- 29 5. Apply for a federal waiver allowing plan coverage for a family through an
- 30 employer-based insurance policy if an employer-based family insurance policy is
- 31 more cost-effective than the traditional plan coverage for the children;

1 6. Reimburse counties for expenses incurred in the administration of the children's
2 health insurance program at rates based upon all counties' total administrative
3 costs; and

4 7. Administer all funds appropriated or made available to the department for the
5 purpose of carrying out the provisions of this chapter.

6 **Duties of county agency.** In the administration of the children's health insurance
7 program, unless the department otherwise establishes eligibility, the county agency shall:

8 1. Administer the children's health insurance program under the direction and
9 supervision of the department; and

10 2. Make an investigation and record the circumstances of each applicant, obtaining
11 information as may be required by the department.

12 **Limitations of chapter.** Health assistance provided under this chapter is not an
13 entitlement. A person does not have a property interest in any health assistance sought or
14 provided under this chapter. If the department estimates that available funds are insufficient to
15 allow participation by additional applicants, the department may take any action appropriate to
16 avoid commitment of funds in excess of available funds, including denying applications and
17 establishing waiting lists, that is not forbidden by title XXI of the federal Social Security Act [42
18 U.S.C. 1397aa, et seq.] or regulations adopted thereunder. If the department estimates that
19 demand for health assistance is insufficient to draw down available federal funds, the
20 department may take any action appropriate to maximize drawdown of federal funds,
21 notwithstanding any other provisions of this chapter.