

Fifty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2029

Introduced by

Legislative Council

(Budget Committee on Health Care)

1 A BILL for an Act to amend and reenact section 54-03-28 of the North Dakota Century Code,
2 relating to requirements for a legislative measure mandating health insurance coverage.

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

4 **SECTION 1. AMENDMENT.** Section 54-03-28 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **54-03-28. Health insurance mandated coverage of services - Cost-benefit**
7 **analysis requirement - Public employee pilot project.**

- 8 1. A legislative measure mandating health insurance coverage of services or
9 payment for specified providers of services may not be acted on by any committee
10 of the legislative assembly unless the measure is accompanied by a cost-benefit
11 analysis provided by the legislative council. Factors to consider in this analysis
12 include:
- 13 a. The extent to which the proposed mandate would increase or decrease the
14 cost of the service.
 - 15 b. The extent to which the proposed mandate would increase the appropriate
16 use of the service.
 - 17 c. The extent to which the proposed mandate would increase or decrease the
18 administrative expenses of insurers and the premium and administrative
19 expenses of insureds.
 - 20 d. The impact of the proposed mandate on the total cost of health care.
- 21 2. A majority of the members of the committee, acting through the chairman, has sole
22 authority to determine whether a legislative measure mandates coverage of
23 services under this section.

- 1 3. Any amendment made during a legislative session to a measure which mandates
2 health insurance coverage of services may not be acted on by a committee of the
3 legislative assembly unless the amendment is accompanied by a cost-benefit
4 analysis provided by the legislative council.
- 5 4. The legislative council shall contract with a private entity, after receiving one or
6 more recommendations from the insurance commissioner, to provide the
7 cost-benefit analysis required by this section. The insurance commissioner shall
8 pay the cost of the contracted services to the entity providing the services.
- 9 5. A legislative measure mandating health insurance coverage of services or
10 payment for specified providers of services expires as of July first of the next
11 odd-numbered year following the year in which the legislative assembly enacted
12 the measure.
- 13 6. A legislative measure mandating health insurance coverage of services or
14 payment for specified providers of services applies only to the public employees
15 health insurance program and the public employee retiree health insurance
16 program during the first biennium following the legislative session during which the
17 measure is enacted. The public employees retirement system shall include the
18 mandated coverage or payment in any contract for health insurance which
19 becomes effective after the adjournment of the legislative session during which the
20 mandated coverage or payment was enacted regardless of whether the measure
21 becomes effective after the effective date of the contract. The public employees
22 retirement system shall report to the appropriate standing committees of the
23 Legislative Assembly during the next regular session of the Legislative Assembly
24 on the effect of the mandated coverage or payment on the system's health
25 insurance programs. The report must include information on the utilization and
26 costs relating to the mandated coverage or payment and a recommendation on
27 whether the coverage or payment shall continue. The public employees retirement
28 system shall prepare and request introduction of a bill to exempt the mandated
29 coverage or payment from the expiration requirement of subsection 5.