

**FIRST ENGROSSMENT
with Conference Committee Amendments**

ENGROSSED SENATE BILL NO. 2029

Introduced by

Legislative Council

(Budget Committee on Health Care)

1 A BILL for an Act to create and enact a new subsection to section 26.1-08-01, a new
2 subdivision to subsection 4 of section 26.1-08-12, a new subdivision to subsection 10 of section
3 26.1-08-12, and a new subdivision to subsection 11 of section 26.1-08-12 of the North Dakota
4 Century Code, relating to health insurance coverage through the comprehensive health
5 association of North Dakota; and to amend and reenact subdivision e of subsection 12 of
6 section 26.1-08-12 and section 54-03-28 of the North Dakota Century Code, relating to health
7 insurance coverage through the comprehensive health association of North Dakota and
8 legislative measures mandating health insurance coverage of services.

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

10 **SECTION 1.** A new subsection to section 26.1-08-01 of the North Dakota Century
11 Code is created and enacted as follows:

12 "Trade adjustment assistance, pension benefit guarantee corporation individual"
13 means an individual who is certified as eligible for federal trade adjustment
14 assistance or federal pension benefit guarantee corporation assistance as
15 provided by the federal Trade Adjustment Assistance Reform Act of 2002 [Pub. L.
16 107-210; 116 Stat. 933], the spouse of such an individual, or a dependent of such
17 an individual as provided under the federal Internal Revenue Code.

18 **SECTION 2.** A new subdivision to subsection 4 of section 26.1-08-12 of the North
19 Dakota Century Code as amended in section 14 of Senate Bill No. 2195, as approved by the
20 fifty-eighth legislative assembly, is created and enacted as follows:

21 A Trade Adjustment Assistance Reform Act of 2002 applicant:
22 (1) A trade adjustment assistance, pension benefit guarantee corporation
23 individual applicant who:

- 1 (a) Has three or more months of previous health insurance coverage
2 at the time of application;
- 3 (b) Has applied for coverage within sixty-three days of the
4 termination of the individual's previous health insurance
5 coverage;
- 6 (c) Is and continues to be a resident of the state;
- 7 (d) Is not enrolled in the state's medical assistance program;
- 8 (e) Is not an inmate or a resident of a public institution; and
- 9 (f) Does not have health insurance coverage through:
- 10 [1] The spouse's employer if the coverage provides for
11 employer contribution of fifty percent or more of the cost of
12 coverage of the spouse, the eligible individual, and the
13 dependents or the coverage is in lieu of an employer's
14 cash or other benefit under a cafeteria plan.
- 15 [2] A state's children's health insurance program, as defined
16 under section 50-29-01.
- 17 [3] A government plan.
- 18 [4] Chapter 55 of United States Code title 10 [10 U.S.C. 1071
19 et seq.] relating to armed forces medical and dental care.
- 20 [5] Part A or part B of title XVIII of the federal Social Security
21 Act [42 U.S.C. 1395 et seq.] relating to health insurance for
22 the aged and disabled.
- 23 (2) Coverage under this subdivision may be provided to an individual who
24 is eligible for health insurance coverage through the federal
25 Consolidated Omnibus Budget Reconciliation Act of 1985 [Pub. L.
26 99-272; 100 Stat. 82]; a spouse's employer plan in which the employer
27 contribution is less than fifty percent; or the individual marketplace,
28 including continuation or guaranteed issue, but who elects to obtain
29 coverage under this subdivision.

1 **SECTION 3.** A new subdivision to subsection 10 of section 26.1-08-12 of the North
2 Dakota Century Code as amended in section 14 of Senate Bill No. 2195, as approved by the
3 fifty-eighth legislative assembly, is created and enacted as follows:

4 A preexisting condition may not be imposed on an individual who is eligible
5 under section 2 of this Act.

6 **SECTION 4.** A new subdivision to subsection 11 of section 26.1-08-12 of the North
7 Dakota Century Code as amended in section 14 of Senate Bill No. 2195, as approved by the
8 fifty-eighth legislative assembly, is created and enacted as follows:

9 Has obtained coverage as an eligible individual under section 2 of this Act.

10 **SECTION 5. AMENDMENT.** Subdivision e of subsection 12 of section 26.1-08-12 of
11 the North Dakota Century Code as amended in section 14 of Senate Bill No. 2195, as approved
12 by the fifty-eighth legislative assembly, is amended and reenacted as follows:

13 e. The individual's premiums are paid for or reimbursed under any
14 government-sponsored program, government agency, health care provider,
15 nonprofit charitable organization, or the individual's employer. However, this
16 subdivision does not apply if the individual's premiums are paid for or
17 reimbursed under a program established under the federal Trade Adjustment
18 Assistance Reform Act of 2002 [Pub. L. 107-210; 116 Stat. 933].

19 **SECTION 6. AMENDMENT.** Section 54-03-28 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **54-03-28. Health insurance mandated coverage of services - Cost-benefit**
22 **analysis requirement.**

23 1. A legislative measure mandating health insurance coverage of services or
24 payment for specified providers of services may not be acted on by any committee
25 of the legislative assembly unless the measure is accompanied by a cost-benefit
26 analysis provided by the legislative council. Factors to consider in this analysis
27 include:

28 a. The extent to which the proposed mandate would increase or decrease the
29 cost of the service.

30 b. The extent to which the proposed mandate would increase the appropriate
31 use of the service.

- 1 c. The extent to which the proposed mandate would increase or decrease the
2 administrative expenses of insurers and the premium and administrative
3 expenses of insureds.
- 4 d. The impact of the proposed mandate on the total cost of health care.
- 5 2. A legislative measure mandating health insurance coverage of services or
6 payment for specified providers of services may not be acted on by any committee
7 of the legislative assembly unless the measure as recommended by the committee
8 provides:
- 9 a. The measure is effective through June thirtieth of the next odd-numbered
10 year following the year in which the legislative assembly enacted the
11 measure, and after that date the measure is ineffective.
- 12 b. The application of the mandate is limited to the public employees health
13 insurance program and the public employee retiree health insurance program.
14 The application of such mandate begins with every contract for health
15 insurance which becomes effective after June thirtieth of the year in which the
16 measure becomes effective.
- 17 c. That for the next legislative assembly, the public employees retirement
18 system shall prepare and request introduction of a bill to repeal the expiration
19 date and to extend the mandated coverage or payment to apply to accident
20 and health insurance policies. The public employees retirement system shall
21 append to the bill a report regarding the effect of the mandated coverage or
22 payment on the system's health insurance programs. The report must include
23 information on the utilization and costs relating to the mandated coverage or
24 payment and a recommendation on whether the coverage or payment should
25 continue. For purposes of this section, the bill is not a legislative measure
26 mandating health insurance coverage of services or payment for specified
27 providers of services, unless the bill is amended following introduction so as
28 to change the bill's mandate.
- 29 3. A majority of the members of the committee, acting through the chairman, has sole
30 authority to determine whether a legislative measure mandates coverage of
31 services under this section.

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- 1 ~~3.~~ 4. 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.~~ 5. 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.