

HOUSE BILL NO. 1404

Introduced by

Representatives Svedjan, Delzer, Price

Senators Fischer, Kilzer, J. Lee

1 A BILL for an Act to create and enact a new section to chapter 54-35 of the North Dakota
2 Century Code, relating to creating a legislative council medical assistance committee; to
3 provide a continuing appropriation; to provide an appropriation; and to provide an expiration
4 date.

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

6 **SECTION 1. Committee on medical assistance - Membership - Duties -**
7 **Continuing appropriation.**

- 8 1. The legislative council shall appoint a medical assistance committee. Membership
9 of the committee must include:
- 10 a. Three members of the house of representatives, two of whom must be
11 selected by the leader representing the majority fraction of the house of
12 representatives and one of whom must be selected by the leader representing
13 the minority faction of the house of representatives.
- 14 b. Three members of the senate, two of whom must be selected by the leader
15 representing the majority faction of the senate and one of whom must be
16 selected by the leader representing the minority faction of the senate.
- 17 c. Up to nine members who represent medical assistance providers and the
18 department of human services, who serve in an ex officio nonvoting capacity,
19 and who are selected by the chairman of the committee with the concurrence
20 of the other legislative members of the committee.
- 21 2. The legislative council chairman shall designate the committee chairman and vice
22 chairman from among the legislative members of the committee.
- 23 3. The committee shall operate according to the statutes and procedures governing
24 the operation of other legislative council interim committees.

- 1 4. The committee shall study the state's medical assistance program, including
2 options for benefit, management, and reimbursement reform. The committee shall
3 engage consultant services to undertake an actuarially based analysis of the
4 medical assistance program and reform options to ensure the future long-term
5 subtainability of the program. The analysis must:
- 6 a. Gather data regarding the current categories of medical assistance
7 beneficiaries;
- 8 b. Evaluate the current financial expenditures for medical assistance by county
9 and by category of aid and within those categories by type of service;
- 10 c. Evaluate the current medical assistance reimbursement system;
- 11 d. Evaluate issues related to beneficiary access to care in the medical
12 assistance program and patient access in the state's health care system,
13 including the uninsured and underinsured;
- 14 e. Evaluate the current commercial insurance market in conjunction with federal
15 opportunities to increase coverage options; and
- 16 f. Evaluate options for reform, including the implementation of risk-sharing
17 arrangements, preventive services and case management, a high-risk pool,
18 and a premium assistance program, and the potential use of pilot projects for
19 evaluating the effectiveness of reform options.
- 20 5. The committee also shall engage consultant services to study the progress in the
21 implementation of the medical assistance program management initiatives,
22 including statewide targeted case management services, improvement of mental
23 health treatment services, including the use of prescription drugs, and the use of
24 medical assistance cards for beneficiary identification.
- 25 6. The legislative council may accept gifts, grants, and donations from any source,
26 including federal or private sources, to assist the committee on medical assistance
27 in conducting its study and obtaining consultant services under this section. Any
28 gifts, grants, and donations received are appropriated to the legislative council on a
29 continuing basis for the purpose of conducting the study of the state's medical
30 assistance program and obtaining consultant services.

1 7. A state employee who is a member of the committee must receive that employee's
2 regular salary and is entitled to mileage and expenses, to be paid by the employing
3 agency. Members of the committee who are not members of the legislative
4 assembly or state employees are not entitled to compensation or reimbursement of
5 expenses for service on the committee.

6 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the
7 general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much
8 of the sum as may be necessary, and from special funds derived from federal funds or other
9 income, the sum of \$150,000, or so much of the sum as may be necessary, to the legislative
10 council for the purpose of obtaining consultant services for the medical assistance program
11 analysis described in section 1 of this Act, for the biennium beginning July 1, 2007, and ending
12 June 30, 2009.

13 **SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the
14 general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much
15 of the sum as may be necessary, and from special funds derived from federal funds or other
16 income, the sum of \$100,000, or so much the sum as may be necessary, to the legislative
17 council for the purpose of obtaining consultant services for analyzing the implementation
18 progress of the medical assistance program management initiatives described in section 1 of
19 this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009.

20 **SECTION 4. EXPIRATION DATE.** Section 1 of this Act is effective through
21 December 31, 2008, and after that date is ineffective.