

**FIRST ENGROSSMENT
with Senate Amendments**

Sixtieth
Legislative Assembly
of North Dakota

ENGROSSED 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; to provide an expiration date;
4 and to declare an emergency.

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

6 **SECTION 1.** A new section to chapter 54-35 of the North Dakota Century Code is
7 created and enacted as follows:

8 **Committee on medical assistance - Membership - Duties - Continuing**
9 **appropriation.**

- 10 1. The legislative council shall appoint a medical assistance committee. Membership
11 of the committee must include:
- 12 a. Five members of the house of representatives, three of whom must be
13 selected by the leader representing the majority faction of the house of
14 representatives and two of whom must be selected by the leader representing
15 the minority faction of the house of representatives.
- 16 b. Five members of the senate, three of whom must be selected by the leader
17 representing the majority faction of the senate and two of whom must be
18 selected by the leader representing the minority faction of the senate.
- 19 c. Up to six members who represent medical assistance providers, who serve in
20 an ex officio nonvoting capacity, and who are selected by the chairman of the
21 committee with the concurrence of the other legislative members of the
22 committee.
- 23 d. Three members from the department of human services.
- 24 e. Two members from groups advocating for recipients.

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

1 gifts, grants, and donations received are appropriated to the legislative council on
2 a continuing basis for the purpose of conducting the study of the state's medical
3 assistance program and obtaining consultant services.

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

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

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

23 **SECTION 4. EXPIRATION DATE.** Section 1 of this Act is effective through June 30,
24 2009, and after that date is ineffective.

25 **SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure.