

February 2, 2009

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1037

Page 1, line 1, replace "section" with "sections 65-02-23 and"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Section 65-02-23 of the North Dakota Century Code is amended and reenacted as follows:

**65-02-23. Workforce safety and insurance fraud unit - Continuing appropriation.** The organization shall establish a workforce safety and insurance fraud unit. The organization may employ investigators and licensed attorneys, or contract with a private investigator whenever feasible or cost-effective, to investigate and review any alleged case of fraud against the fund by employers, injured workers, or providers of medical or other services, including activities described under section 65-04-33 or 65-05-33. The unit shall refer cases of fraud to the organization for the imposition of administrative penalties and may refer them to the appropriate authorities for prosecution. Money in the workforce safety and insurance fund is appropriated on a continuing basis for payment of costs associated with identifying, preventing, and investigating employer or provider fraud. ~~The biennial independent performance evaluation of the organization must evaluate and report on the effectiveness of these expenditures.~~ The organization may establish a process to charge investigative costs against the rate class of an employer being investigated and to credit any recoveries to that rate class."

Page 1, line 18, after "director" insert "or the director's designee"

Page 1, line 19, after "board" insert "or the chairman's designee"

Page 1, line 20, overstrike "legislative audit and fiscal" and insert immediately thereafter "workers' compensation"

Page 1, overstrike line 21

Page 1, line 22, overstrike "session of the legislative session following the performance evaluation" and insert immediately thereafter "the governor"

Page 1, line 23, overstrike "The organization shall"

Page 1, line 24, overstrike "develop and maintain comprehensive, objective performance measurements" and remove ", including a"

Page 2, remove lines 1 through 6

Page 2, line 7, remove "premiums are appropriate and reserve levels are adequate" and overstrike ". These measurements must be"

Page 2, line 8, overstrike "evaluated as part of the independent performance evaluation performed under this section" and insert immediately thereafter "Except as otherwise provided in this section, the workers' compensation review committee may select no more than four elements to be evaluated in the performance evaluation and shall inform the state auditor of the selected items to be evaluated. The state auditor shall include"

the elements selected by the committee in the performance evaluation, but the state auditor may select additional elements to be evaluated. The total number of elements, including those selected by the workers' compensation review committee, may not exceed eight. In exceptional circumstances, the state auditor may include more than eight elements for evaluation. If more than eight elements are selected, the state auditor shall report to the workers' compensation review committee the additional elements selected and the exceptional circumstances to support the inclusion of the additional elements"

Page 2, line 10, after the period insert "The organization shall develop and maintain comprehensive, objective performance measurements. These measurements may be evaluated as part of the independent performance evaluation under this section."

Renumber accordingly