

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to create and enact section 26.1-36-49 of the North Dakota Century Code,
2 relating to short-term limited-duration health insurance plans; and to amend and reenact
3 subsections 2 and 3 of section 26.1-36.4-02 of the North Dakota Century Code, relating to
4 short-term limited-duration health insurance plans.

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

6 **SECTION 1.** Section 26.1-36-49 of the North Dakota Century Code is created and enacted
7 as follows:

8 **26.1-36-49. Short-term limited-duration health insurance plans.**

- 9 1. As used in this section, "short-term limited-duration health insurance plan" means
10 health insurance coverage provided pursuant to an insurance policy or group
11 certificate of insurance that has an expiration date specified in the policy which is no
12 longer than six months after the original effective date of the policy and, taking into
13 account any renewals or extensions, has a duration of not more than twelve months in
14 total.
- 15 2. To the extent other state laws do not conflict with this section, any policy or rider
16 advertised, marketed, or offered as a short-term limited-duration health insurance plan
17 must comply with this section and all other applicable state insurance laws.
- 18 3. An insurer issuing a policy or certificate under this chapter shall provide, at the
19 insured's option, for renewal or continuation of coverage. The renewal or continuation
20 of coverage period may not extend for more than twelve months from the original
21 effective date of the policy.
- 22 4. An insured may not be subject to additional underwriting at renewal or continuation of
23 coverage and shall remain within the same risk class as of the original effective date of
24 the policy.

- 1 5. An insurer shall provide a notice of termination of the policy or certificate to the insured
2 at least fifteen days before renewal or end of the policy term.
- 3 6. All marketing materials related to the offering or sale of a short-term limited-duration
4 health insurance plan must be filed with and approved by the commissioner before the
5 plan is offered for sale in this state.
- 6 7. Sale of a policy for short-term limited-duration health insurance plan is only allowed
7 through a licensed and properly appointed insurance producer. An insurance
8 producer's signature and identification number must be included on the prospective
9 insured's application.
- 10 8. A phone call made to a prospective insured relating to the marketing or sale of a
11 short-term limited-duration health insurance plan must be recorded and maintained by
12 the producer or the insurer for a period of no less than one year after the termination
13 date of the policy.

14 **SECTION 2. AMENDMENT.** Subsections 2 and 3 of section 26.1-36.4-02 of the North
15 Dakota Century Code is amended and reenacted as follows:

- 16 2. "Policy" means any health benefit plan as defined in section 26.1-36.3-01, whether
17 offered on a group or individual basis. The term does not include short-term ~~major-~~
18 ~~medical policies~~limited-duration health insurance plans offered in the individual
19 market.
- 20 3. "Short-term limited-duration health insurance plan", except as required by the Health
21 Insurance Portability and Accountability Act of 1996, ~~means a policy or plan providing~~
22 ~~coverage for one hundred eighty-five days or less~~is defined by section 26.1-36-49.