

**SENATE BILL NO. 2106
with House Amendments
SENATE BILL NO. 2106**

Sixty-sixth
Legislative Assembly
of North Dakota

Introduced by

Human Services Committee

(At the request of the Department of Human Services)

1 A BILL for an Act to amend and reenact sections 50-29-01, 50-29-02, 50-29-03, 50-29-04, and
2 50-29-05 of the North Dakota Century Code, relating to the children's health insurance program;
3 to repeal section 50-29-06 of the North Dakota Century Code, relating to grants and donations
4 for the children's health insurance program; to provide a statement of legislative intent; and to
5 provide an effective date.

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

7 **SECTION 1. AMENDMENT.** Section 50-29-01 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **50-29-01. Definitions.**

10 As used in this chapter:

- 11 1. "Children eligible for medical assistance" means the population eligible for Medicaid
12 before the expansion of medical assistance as authorized by the federal Patient
13 Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care
14 and Education Reconciliation Act of 2010 [Pub. L. 111-152].
- 15 2. "Children's health insurance program" means a program to provide health assistance
16 to low-income children funded through title XXI of the federal Social Security Act
17 [42 U.S.C. 1397aa et seq.].
- 18 ~~2-3.~~ "County agency" means the county social service board.
- 19 ~~3-4.~~ "Department" means the department of human services.
- 20 ~~4-5.~~ "Plan" means the children's health insurance program state plan.
- 21 ~~5-6.~~ "Poverty line" means the official income poverty line as defined by the United States
22 office of management and budget and revised annually in accordance with 42 U.S.C.
23 9902(2), applicable to a family of the size involved.

1 **SECTION 2. AMENDMENT.** Section 50-29-02 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **50-29-02. Duties of the department.**

4 1. The department shall ~~prepare~~:

5 a. ~~Prepare~~, submit, and implement the plan that includes determinations of
6 eligibility, based on modified adjusted gross income methodologies as required in
7 42 U.S.C. 1396a(e)(14);

8 2. ~~b.~~ Supervise the administration of the children's health insurance program
9 throughout ~~this state~~;

10 3. ~~c.~~ ~~Take action, give directions, and adopt~~ Adopt rules and regulations as may be
11 necessary or desirable to carry out the provisions of to qualify for any federal
12 funds available under this chapter;

13 4. ~~After federal approval of the plan, apply for a federal waiver allowing plan coverage for~~
14 ~~a family through an employer-based insurance policy if an employer-based family~~
15 ~~insurance policy is more cost-effective than the traditional plan coverage for the~~
16 ~~children~~;

17 5. ~~d.~~ Report annually to the legislative council and describe to the legislative
18 management, as requested, regarding enrollment statistics and program costs
19 associated with the plan, and any operational updates;

20 6. ~~e.~~ Reimburse counties for expenses incurred in the administration of the children's
21 health insurance program at rates based upon all counties' total administrative
22 costs; and

23 7. ~~f.~~ Administer all funds appropriated or made available to the department for the
24 purpose of carrying out the provisions of this chapter.

25 2. Within the limits of legislative appropriation, the department may submit state plans
26 and may seek appropriate waivers of the requirements of the federal statutes or
27 regulations as authorized by federal law.

28 **SECTION 3. AMENDMENT.** Section 50-29-03 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **50-29-03. Duties of county agency.**

2 In the administration of the plan, ~~unless the department otherwise establishes eligibility,~~
3 ~~the~~ county agency shall:

- 4 1. ~~Administer the plan under the direction and supervision of the department; and~~
- 5 2. ~~Make an investigation and record the circumstances of each applicant, obtaining~~
6 investigate and record the circumstances of each applicant or recipient of assistance,
7 in order to ascertain the facts supporting the application, or the granting of assistance,
8 and obtain such other information as may be required by the rules and regulations of
9 the department.

10 **SECTION 4. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **50-29-04. Plan requirements.**

13 The plan:

- 14 1. ~~Must be provided through private contracts with insurance carriers;~~consistent with
15 coverage provided to children eligible for medical assistance in the state; and
- 16 2. ~~Must allow conversion to another health insurance policy;~~
- 17 3. ~~Must be based on an actuarial equivalent of a benchmark plan;~~
- 18 4. ~~Must incorporate every state required waiver approved by the federal government;~~
- 19 5. ~~Must include community-based eligibility outreach services; and~~
- 20 6. Must provide:
 - 21 a. ~~A modified adjusted gross income eligibility limit based on a net income eligibility-~~
22 equivalent of one hundred sixtyseventy-five percent of the poverty line; and
 - 23 b. ~~A copayment requirement for each pharmaceutical prescription and for each-~~
24 emergency room visit;
 - 25 e. ~~A deductible for each inpatient hospital visit;~~
 - 26 d. Coverage for:
 - 27 (1) ~~Inpatient hospital, medical, and surgical services;~~
 - 28 (2) ~~Outpatient hospital and medical services;~~
 - 29 (3) ~~Psychiatric and substance abuse services;~~
 - 30 (4) ~~Prescription medications;~~
 - 31 (5) ~~Preventive screening services;~~

1 (6) Preventive dental and vision services; and

2 (7) Prenatal services; and

3 e. ~~A coverage effective date that is~~Current eligibility may be established from the
4 first day of the month, ~~following the date of~~ in which the application and
5 ~~determination of eligibility was received.~~ Retroactive eligibility may be established
6 for the three calendar months that immediately preceded the month in which the
7 application was received even if there is no eligibility in the month of application.
8 Eligibility can be established if all factors of eligibility are met during each month.

9 **SECTION 5. AMENDMENT.** Section 50-29-05 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **50-29-05. Limitations of chapter.**

12 Health assistance provided under this chapter is not an entitlement. A person does not have
13 a property interest in any health assistance sought or provided under this chapter. If the
14 department estimates that available funds are insufficient to allow participation by additional
15 applicants, the department may take any action appropriate to avoid commitment of funds in
16 excess of available funds, including denying applications and establishing waiting lists, that is
17 not forbidden by title XXI of the federal Social Security Act [42 U.S.C. 1397aa et seq.] or
18 regulations adopted thereunder. ~~If~~Notwithstanding any other provisions of this chapter, the
19 department may not expend funds for purposes of this chapter which exceed the federal funds
20 available and the corresponding nonfederal share, and if federal children's health insurance
21 program funding decreases, or if federal funding expires, the department may decrease the
22 income eligibility limit to ~~accommodate the decrease in~~operate within the federal funding,
23 ~~notwithstanding any other provisions of this chapter~~ available or may terminate the program if
24 federal funding expires.

25 **SECTION 6. REPEAL.** Section 50-29-06 of the North Dakota Century Code is repealed.

26 **SECTION 7. EFFECTIVE DATE.** This Act becomes effective on January 1, 2020.

27 **SECTION 8. LEGISLATIVE INTENT - MEDICAID REIMBURSEMENT.** It is the intent of the
28 sixty-sixth legislative assembly that any general fund savings gained through decreasing the
29 children's health insurance program federal match participation rate, be appropriated to
30 increase Medicaid reimbursement rates to providers.