

**ENGROSSED SENATE BILL NO. 2074**

**Presented by:**       **Jon Godfread**  
                              **Insurance Commissioner**  
                              **North Dakota Insurance Department**

**Before:**               **House Industry, Business and Labor**  
                              **Representative Mike Lefor, Chairman**

**Date:**                 **March 9<sup>th</sup>, 2021**

**TESTIMONY**

Good Morning, Chairman Lefor and members of the committee. My name is Jon Godfread and I am the North Dakota Insurance Commissioner. I appear before you to introduce Senate Bill No. 2074.

This bill is intended to amend a section of the insurance title to allow for consumers in the group market more access to their claims data when shopping for new health insurance policies for their companies. The department worked with the four health insurance companies of the state and this is the agreed upon verbiage.

The current section of code only allows for employers with fifty-one or more eligible employees, which is being removed on line 6 to allow for smaller groups to get their data. Lines 14 through 22, which are being added at the suggestion of the insurance carriers, will create consistency of this data across the market, which will make shopping easier for consumers.

As this bill was introduced, it removed the fifty-one or more language on line 6. Effectively meaning that once per calendar year any employer would be entitled to this report. The Senate IBL Committee amended this bill to change fifty-one to twenty-six, in a sense splitting the difference between the Insurance Departments request and the industries proposal. I am happy to talk more about this portion if you would like, but as it was amended we did support the bill with the twenty-six language as it does make these records available to more small business owners.

I believe Senator Davison is going to also offer some information regarding this portion and I am happy to defer to his experience in this area.

I also wanted to make you aware that we submitted an amendment to the bill, which was supported and brought to us by the industry, we also support this amendment as it addresses concerns with individuals who receive this report and their requirement to follow the HIPPA privacy regulations as these reports will contain personal health information about in employees. This amendment was not adopted by the Senate Committee, I believe this was an oversight, as much of the discussion we had was with regard to the number on line 6 of the bill and its my opinion this amendment simply got lost in the shuffle of the other discussions that were going on at the time. I would humbly request that this committee adopt our proposed amendment as it does provide some clarification that the employers receiving these reports do have a duty to maintain compliance with HIPPA.

In conclusion, I respectfully request a “do pass” recommendation from this committee on Engrossed Senate Bill No. 2074, with our proposed amendment. I am happy to take any questions.

Prepared by the North Dakota  
Insurance Department  
January 12, 2021

PROPOSED AMENDMENTS TO SENATE BILL NO. 2074

Page 1, after line 22, insert:

“d. Any person that obtains a report under this section must treat the data in compliance with the federal Health Insurance Portability and Accountability Act of 1996 [Pub. L. 104-191; 110 Stat. 1936; 29 U.S.C. 1181 et seq.]”

Renumber accordingly