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## HEALTH CARE COMMITTEE

Wednesday, October 2, 2024  
Roughrider Room, State Capitol  
Bismarck, North Dakota

Senator Kyle Davison, Chairman, called the meeting to order at 9:00 a.m.

**Members present:** Senators Kyle Davison, Sean Cleary, Tim Mathern, Kristin Roers; Representatives Gretchen Dobervich\*, Clayton Fegley, LaurieBeth Hager, Dawson Holle, Carrie McLeod, Jon O. Nelson, Emily O'Brien, Karen M. Rohr, Greg Stemen, Michelle Strinden\*

**Members absent:** Representatives Mary Schneider, Robin Weisz

**Others present:** Sarah Aker, Department of Health and Human Services; Jason Gerling and Jeffrey Moor, Guidehouse; Dennis Lutz, University of North Dakota School of Medicine and Health Sciences; Beth Waldman, Bailit Health Purchasing; and Dylan Wheeler, Sanford Health Plan

See [Appendix A](#) for additional persons present.

*\*Attended remotely*

**It was moved by Representative Nelson, seconded by Senator Roers, and carried on a voice vote that the minutes of the May 30, 2024, meeting be approved as distributed.**

## HEALTH INSURANCE MANDATES

Mr. John Arnold, Deputy Commissioner, Insurance Department, provided information ([Appendix B](#)) regarding the request for proposal recommendations for health insurance mandate cost-benefit analyses as provided under North Dakota Century Code Section 54-03-28. He noted the department recommends the Legislative Management contract with NovaRest, Inc., Actuarial Consulting.

**It was moved by Senator Mathern, seconded by Senator Roers, and carried on a roll call vote that the committee accept the cost-benefit analysis consultant recommendation of the Insurance Department, and recommend the Legislative Management contract with NovaRest Inc., Actuarial Consulting to perform the health insurance mandate cost-benefit analyses for the 2025 legislative session.** Senators Davison, Cleary, Mathern, and Roers and Representatives Dobervich, Fegley, Hager, Holle, McLeod, Nelson, O'Brien, Rohr, Stemen, and Strinden voted "aye." No negative votes were cast.

## REPORTS

### Health Care Task Force

Ms. Beth Waldman, Senior Managing Director, Bailit Health Purchasing, presented a report (Appendices [C](#) and [D](#)) from the Health Care Task Force regarding its activities and recommendations to improve health care in North Dakota. She noted:

- Task force activities included meeting to discuss issues affecting health care delivery and spending in the state, researching and analyzing data, conducting stakeholder interviews, and creating subcommittees to more deeply explore priority issues.
- In 2020, North Dakota ranked 14<sup>th</sup> highest in the nation in health care spending per person.
- Growth in health care spending is outpacing growth in other economic indicators of well-being, including median income and inflation.

Ms. Waldman noted the task force recommends:

- Collecting data biennially to allow for ongoing understanding and monitoring of health care expenditures and utilization, and use of the Medicaid Expansion fact sheet to provide consistent baseline data and understanding of the program.
- Establishing a statewide quality collaborative focused on identifying core measures to be used across payers to allow for ongoing understanding of health care quality and outcomes, and alignment of measures for value-based payment models.
- Developing initiatives aimed at improving access to and use of wellness visits and cancer screenings.

### **Maternal Mortality Review Committee**

Dr. Dennis Lutz, Professor and Chair, Department of Obstetrics and Gynecology, University of North Dakota School of Medicine and Health Sciences, presented the Maternal Mortality Review Committee's annual report ([Appendix E](#)) regarding the identification of patterns, trends, and policy issues related to maternal mortality pursuant to Section 23-51-08.

### **Study of Basic Care**

Ms. Sarah Aker, Executive Director, Medical Services, Department of Health and Human Services, and Mr. Jason Gerling, Director of Healthcare, and Jeffrey Moor, Director and Project Director, Guidehouse, presented a report ([Appendix F](#)) regarding the study of basic care.

Ms. Aker, Mr. Gerling, and Mr. Moor noted the study timeline and activities included:

- Developing a work plan and conducting comparative state research, including a policy scan of five comparison states across 25 points of comparison.
- Engaging a diverse group of stakeholders, including residents, resident family members, administrators, and associations across the state.
- Reviewing critical incident and complaint data and analyzing reimbursement and rate data.

Ms. Aker, Mr. Gerling, and Mr. Moor made nine recommendations to strengthen and modernize the basic care program, including:

- Creating a single licensure type to cover both assisted living and basic care facilities.
- Strengthening existing policy and developing additional policy to reflect current requirements within the program, incorporate best practices, and align with state and federal requirements.
- Updating regulations to use publicly available indexes for cost trending to align more consistently with observed trends in provider costs.
- Implementing a fair rental value methodology to reimburse basic care provider property costs.
- Implementing tiered add-on payments for residents with increased activities of daily living service need and aligning reimbursement methodologies.

Ms. Nikki Wegner, President, North Dakota Long Term Care Association, presented testimony ([Appendix G](#)) regarding the study and expressed concern the report falls short in fully addressing payment mechanisms.

### **PRIOR AUTHORIZATION STUDY**

Mr. Andy Askew, Vice President, Public Policy, Essentia Health, presented information ([Appendix H](#)) on Minnesota's prior authorization reform. He noted:

- Key aspects of Minnesota's prior authorization reform in 2020 included decision timelines for standard and urgent requests; a prohibition on retroactive revocation of prior authorization; the same or similar specialty review requirements; and transparency mandates.
- Additional reform in 2024 included expanding prior authorization for non-medication treatment for certain services, no expiration of prior authorization for chronic conditions, and additional transparency mandates.
- Essentia Health urges a balanced approach to reforming prior authorization in North Dakota, which considers population health, patient experience, well-being of the health care workforce, and cost effectiveness.
- Proposed reforms in North Dakota include imposing decision timelines; auto-authorization for noncompliance of timelines; a prohibition on prior authorization for certain conditions; the same or similar specialty review requirements; and transparency and reporting requirements.

**CONTRACT NURSING STUDY**

Ms. Beth Dittus, Counsel, Legislative Council, presented a bill draft [\[25.0241.02000\]](#) relating to nursing services agencies.

**It was moved by Representative Nelson, seconded by Senator Mathern, and carried on a roll call vote that the bill draft [\[25.0241.02000\]](#) relating to nursing services agencies be approved and recommended to the Legislative Management.** Senators Davison, Cleary, Mathern, and Roers and Representatives Dobervich, Fegley, McLeod, Nelson, O'Brien, Stemen and Strinden voted "aye." Representatives Holle and Rohr voted "nay."

**It was moved by Senator Roers, seconded by Representative O'Brien, and carried on a voice vote that the Chairman and the Legislative Council staff be requested to prepare a report and the bill draft recommended by the committee and to present the report and recommended bill draft to the Legislative Management.**

**It was moved by Senator Roers, seconded by Representative Stemen, and carried on a voice vote that the committee be adjourned sine die.**

No further business appearing, Chairman Davison adjourned the committee sine die at 1:53 p.m.

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Beth Dittus  
Counsel

ATTACH:8