

Introduced by

Representative Schauer

1 A BILL for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota  
2 Century Code, relating to public employees retirement system health benefits; and to amend  
3 and reenact section 54-52.1-06 of the North Dakota Century Code, relating to state employee  
4 contributions for enhanced coverage.

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

6 **SECTION 1.** A new section to chapter 54-52.1 of the North Dakota Century Code is created  
7 and enacted as follows:

8 **Enhanced coverage option - State employees.**

- 9 1. The board shall develop and implement, for eligible state employee members of the  
10 uniform group insurance program, an enhanced coverage option that meets the  
11 applicable requirements of 42 U.S.C. chapter 6A, subchapter XXV, without regard to  
12 42 U.S.C. 18011, and includes benefits provided under the uniform group insurance  
13 program's grandfathered preferred provider organization plan.
- 14 2. By January 1, 2028, the board shall make the enhanced coverage option available to  
15 eligible state employees.
- 16 3. For each biennium, the board shall determine the cost of the enhanced coverage  
17 option. The monthly cost assessed to an eligible state employee who elects to  
18 participate in the enhanced coverage option may not exceed the difference between  
19 the monthly premium amount of the enhanced coverage option and the monthly  
20 premium amount of the uniform group insurance program's grandfathered preferred  
21 provider organization plan. An eligible state employee who elects to participate in the  
22 enhanced coverage option shall pay the cost of the enhanced coverage in accordance  
23 with section 54-52.1-06.

1       **SECTION 2. AMENDMENT.** Section 54-52.1-06 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **54-52.1-06. State contribution - State employee contribution for enhanced coverage -**  
4 **Penalty.**

5       1. Each department, board, or agency shall pay to the board each month from its funds  
6 appropriated for payroll and salary amounts, and from applicable employee  
7 contributions under subsection 2, a state contribution in the amount as determined by  
8 the primary carrier of the group contract for the full single rate monthly premium for  
9 each of its eligible employees enrolled in the uniform group insurance program and the  
10 full rate monthly premium, in an amount equal to that contributed under the alternate  
11 family contract, including major medical coverage, for hospital and medical benefits  
12 coverage for spouses and dependent children of its eligible employees enrolled in the  
13 uniform group insurance program ~~pursuant to~~ under section 54-52.1-07. The board  
14 ~~then~~ shall pay the necessary and proper premium amount for the uniform group  
15 insurance program to the proper carrier or carriers on a monthly basis.

16       2. An eligible state employee who elects to participate in the enhanced coverage option  
17 under section 1 of this Act must be assessed and required to pay an amount  
18 determined by the board each month toward the monthly premium amount. The  
19 employer shall collect this amount and remit the amount to the board.

20       3. Any refund, rebate, dividend, experience rating allowance, discount, or other reduction  
21 of premium amount must be credited at least annually to a separate fund of the  
22 uniform group insurance program to be used by the board to reimburse the  
23 administrative expense and benefit fund of the public employees retirement program  
24 for the costs of administration of the uniform group insurance program.

25       ~~3.4.~~ If an enrolled eligible employee is not entitled to receive salary, wages, or other  
26 compensation for a particular calendar month, that employee may make direct  
27 payment of the required premium to the board to continue the employee's coverage,  
28 and the employing department, board, or agency shall provide for the giving of a timely  
29 notice to the employee of that employee's right to make such payment at the time the  
30 right arises.

Seventieth  
Legislative Assembly

- 1     ~~4.5.~~ A governmental unit that fails to pay the contributions by the board's established due
- 2             date is subject to a civil penalty of fifty dollars and, as interest, one percent of the
- 3             amount due for each month of delay or fraction of a month after the payment became
- 4             due.