

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

HOUSE BILL NO. 1248
(Representatives Weisz, Frelich, McLeod, M. Ruby)
(Senators Lee, Dever)

AN ACT to amend and reenact section 54-03-28 of the North Dakota Century Code, relating to the cost-benefit analysis requirement for health insurance mandated coverage of services.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-03-28 of the North Dakota Century Code is amended and reenacted as follows:

54-03-28. Health insurance mandated coverage of services - Cost-benefit analysis requirement.

1. ~~If the legislative management determines a legislative measure mandates health insurance coverage of services or payment for specified providers of services, the measure may not be referred to a committee of the legislative assembly unless a cost-benefit analysis provided by the legislative management is appended to that measure.~~
 - a. ~~If a committee of the legislative assembly determines a measure mandating health insurance coverage of services or payment of specified providers was referred to committee without a cost-benefit analysis, the committee shall request the legislative management provide a cost-benefit analysis. The committee may not act on the measure unless the measure is accompanied by the cost-benefit analysis.~~
 - b. ~~If a committee of the legislative assembly determines a proposed amendment to a measure mandates health insurance coverage of services or payment of specified providers, the committee may not act on the proposed amendment unless the amendment is accompanied by a cost-benefit analysis or amended cost-benefit analysis provided by the legislative management.~~
2. ~~Factors considered in the cost-benefit analysis must include:~~
 - a. ~~The extent to which the proposed mandate would increase or decrease the cost of the service.~~
 - b. ~~The extent to which the proposed mandate would increase the appropriate use of the service.~~
 - c. ~~The extent to which the proposed mandate would increase or decrease the administrative expenses of insurers and the premium and administrative expenses of insureds.~~
 - d. ~~The impact of the proposed mandate on the total cost of health care.~~
3. AThe legislative management shall adopt a procedure for identifying measures and proposed measures mandating health insurance coverage of services or payment for specified providers of services. The procedure must include solicitation of draft measures and proposals during the interim between legislative sessions from legislators and agencies with bill introduction privileges and must include deadlines for identification of the measures or proposals.
2. Except as provided in subsection 3, a committee of the legislative assembly may not act on a legislative measure that the legislative management or committee determines mandates

health insurance coverage of services or payment for specified providers of services unless the measure as recommended by the committee provides:

- a. The measure is effective through June thirtieth of the next odd-numbered year following the year in which the legislative assembly enacted the measure, and after that date the measure is ineffective.
 - b. The application of the mandate is limited to the public employees health insurance program and the public employee retiree health insurance program. The application of ~~such~~the mandate begins with every contract for health insurance which becomes effective after June thirtieth of the year in which the measure becomes effective.
 - c. ~~That for the next legislative assembly, the public employees retirement system shall prepare and request introduction of a bill to repeal the expiration date and to extend the mandated coverage or payment to apply to accident and health insurance policies. The public employees retirement system shall append to the bill provide to the employee benefits programs committee a report regarding the effect of the mandated coverage or payment on the system's health insurance programs. The report must include information on the utilization and costs relating to the mandated coverage or payment and a recommendation on whether the coverage or payment should continue for the system's health insurance programs. For purposes of this section, the bill is not a legislative measure mandating health insurance coverage of services or payment for specified providers of services, unless the bill is amended following introduction so as to change the bill's mandate.~~
4. ~~The legislative management shall adopt a procedure for identifying measures and proposed measures mandating health insurance coverage of services or payment for specified providers of services. The procedure must include solicitation of draft measures and proposals during the interim between legislative sessions from legislators and agencies with bill introduction privileges and must include deadlines for identification of the measures or proposals.~~
3. If the legislative management determines a legislative measure mandating health insurance coverage of services or payment for specified providers of services has completed the process under subsection 2, the measure may not be referred to a committee of the legislative assembly unless a cost-benefit analysis provided by the legislative management is appended to the measure.
 - a. If a committee of the legislative assembly determines a measure or a proposed amendment to the measure mandating health insurance coverage of services or payment of specified providers of services was referred to committee without a cost-benefit analysis, the committee shall request the legislative management provide a cost-benefit analysis.
 - b. The committee may not act on the measure unless the measure is accompanied by the cost-benefit analysis.
4. Factors considered in the cost-benefit analysis must include:
 - a. The extent to which the proposed mandate would increase or decrease the cost of the service.
 - b. The extent to which the proposed mandate would increase the appropriate use of the service.
 - c. The extent to which the proposed mandate would increase or decrease the administrative expenses of insurers and the premium and administrative expenses of insureds.

- d. The impact of the proposed mandate on the total cost of health care.
- 5. The legislative council shall contract with a private entity, ~~after receiving one or more recommendations from the insurance commissioner,~~ to provide the legislative management the cost-benefit analysis required by this section. ~~The insurance commissioner shall pay the cost of the contracted services to the entity providing the services.~~

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1248.

House Vote: Yeas 94 Nays 0 Absent 0

Senate Vote: Yeas 45 Nays 2 Absent 0

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State