



## *I. Evaluation of Proposed Mandated Health Insurance Services*

The North Dakota Legislative Council (NDLC) was asked to perform a cost-benefit analysis of Draft Bill 25.0075.02000<sup>1</sup> for the 69th Legislative Assembly pursuant to the North Dakota Century Code (NDCC) 54-03-28. The Draft Bill creates and enacts a new section to 54-52.1 of the NDCC, provides for a report, provides for an application, and provides an expiration date. The Draft Bill, as proposed, states that “the board may not impose a deductible, copayment, coinsurance, or other cost-sharing requirement that causes out-of-pocket costs for a diagnostic breast examination or a supplemental breast examination provided to an individual enrolled under the plan.”

NovaRest, Inc., has been contracted as the NDLC’s consulting actuary and has prepared the following evaluation of diagnostic and supplemental breast exams with limited cost sharing.

This report includes information from several sources to provide more than one perspective on the proposed mandate and provide an unbiased report. As a result, there may be some conflicting information within the contents. Although we only used sources that we considered credible, we do not offer any opinions regarding whether one source is more credible than another.

NovaRest was asked to provide estimates for the North Dakota Public Employee Retirement System (NDPERS), as well as the impact if the Draft Bill was expanded to the commercial market. We were provided information on four plans administered by NDPERS, 1. Grandfathered PPO/Basic Plan, 2. Non-Grandfathered PPO/Basic Plan, 3. High Deductible Health Plan (HDHP), and 4. Dakota Retiree Plan. For the commercial market we used information from the National Association of Insurance Commissioners Supplemental Health Care Exhibit (SHCE) for individual, small group, and large group markets. Generally, when considering benefits for the individual and small group we considered the Affordable Care Act (ACA) single-risk pool plans, and for large group we considered a sample of plans from the largest three insurers in the North Dakota market.

NovaRest estimates the additional impact of eliminating cost-sharing for diagnostic and supplemental breast exams on health care costs and premiums, which range from 0.2% to 0.5% of premium and \$1.10 to \$2.40 per member per month (PMPM) for NDPERS. The variation reflects the range of costs associated with breast examinations, the number of breast examinations that would be prescribed, and differences in plan deductibles and cost sharing

If similar language is implemented in the commercial market, we estimate the premium impact to be \$0.70 PMPM to \$2.30 PMPM, or 0.1% to 0.5% of premium. The variation reflects the range of costs associated with breast examination, the number of breast examinations that would be prescribed, and differences in plan deductibles and cost sharing