

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1137

2001 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1137

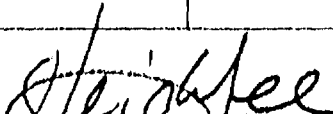
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1137

House Industry, Business and Labor Committee

Conference Committee

Hearing Date Feb.5 2001

Tape Number	Side A	Side B	Meter #
1	X		0-4,43
2		X	42,3-44,6
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Sue Anderson: *Legal Counsel ND Insurance Dept.* **Written testimony.**

Rep M. Klein: I move a do pass.

Rep Pietsch: I second.

14 yea, 0 nay, 1 absent

Carrier Rep Pietsch

Date: ~~1-1-01~~ 2-5-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ~~Click here to type Bill/Resolution No. 1088~~ 1137

House Industry, Business and Labor Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By M. Klein Seconded By Pietsch

Representatives	Yes	No	Representatives	Yes	No
Chairman- Rick Berg	✓		Rep. Jim Kasper	✓	
Vice-Chairman George Keiser	✓		Rep. Matthew M. Klein	✓	
Rep. Mary Ekstorm	✓		Rep. Myron Koppang	✓	
Rep. Rod Froelich	✓		Rep. Doug Lemieux	✓	
Rep. Glen Froseth	✓		Rep. Bill Pietsch	✓	
Rep. Roxanne Jensen	✓		Rep. Dan Ruby	✓	
Rep. Nancy Johnson	✓		Rep. Dale C. Severson	✓	
			Rep. Elwood Thorpe	✓	

Total (Yes) 14 No 0

Absent 1

Floor Assignment Rep ~~Nancy Johnson~~ Pietsch

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 6, 2001 8:06 a.m.

Module No: HR-21-2436
Carrier: Pietsch
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1137: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends
DO PASS (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1137 was placed
on the Eleventh order on the calendar.

2001 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1137

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1137

Senate Industry, Business and Labor Committee

Conference Committee

Hearing Date March 12, 2001

Tape Number	Side A	Side B	Meter #
1		x	0 to 4.2
2	x		15.5 to 17.0
Committee Clerk Signature <i>Doris C. Perez</i>			

Minutes:

The meeting was called to order. All committee members present. Hearing was opened on HB 1137 relating to minimum benefits and Medicare supplement plans of a qualified comprehensive health plan.

Susan Anderson, Legal Counsel, ND Insurance Dept. In favor. Written testimony attached.

Intent of this bill is to clarify and to provide consistency.

Senator Mutch: Does this affect any other insurers besides Blue Cross/Blue Shield?

S Anderson: This applies to the CHAND program and the administrator of the program is Blue Cross/Blue Shield. This is already being done. Our regulations say that all providers have to carry plan A, all we are saying here is that CHAND has to.

No opposing testimony. Hearing closed.

Tape 2-A-15.5 to 17.2

Discussion held.

Page 2

Senate Industry, Business and Labor Committee

Bill/Resolution Number HB 1137

Hearing Date March 12, 2001.

Senator Klein: Motion: do pass. **Senator Tollefson:** Second

Roll call vote: 7 yes; 0 no. Motion carried. Floor assignment: **Senator Mutch.**

Date: 3/12/01
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1137

Senate Industry, Business and Labor Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Sen Klein Seconded By Sen Tollefson

Senators	Yes	No	Senators	Yes	No
Senator Mutch - Chairman	✓		Senator Every	✓	
Senator Klein - Vice Chairman	✓		Senator Mathem	✓	
Senator Espegard	✓				
Senator Krebsbach	✓				
Senator Tollefson	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Sen Mutch

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 12, 2001 4:18 p.m.

Module No: SR-42-5412
Carrier: Mutch
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1137: Industry, Business and Labor Committee (Sen. Mutch, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1137 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

HB 1137

HOUSE BILL NO. 1137

Presented by: Susan J. Anderson
Legal Counsel
North Dakota Insurance Department

Before: Industry, Business and Labor Committee
Representative Rick Berg, Chairman

Date: February 5, 2001

TESTIMONY

Good morning, Mr. Chairman and members of the committee:

My name is Susan Anderson , Legal Counsel for the North Dakota Insurance Department. I am here today to support HB 1137.

This bill makes two small modifications to the Comprehensive Health Association of North Dakota or CHAND chapter. CHAND is a high risk pool for those individuals who are unable to obtain health insurance in the marketplace. At present, Noridian d/b/a Blue Cross Blue Shield of North Dakota (BCBSND) is the lead carrier or administrator of the CHAND program.

Section 1 adds a citation to Chapter 26.1-36.4. The effect of this addition is to clarify that the guaranteed renewability HIPAA provisions found in Chapter 26.1-36.4 would apply to individual plans issued by BCBSND for the CHAND program. This is already occurring in practice but for clarification purposes we are proposing this amendment.

The second modification is to Section 26.1-08-06.1. This section defines a qualified Medicare supplement plan under the CHAND program to be a Medicare Supplement Plan F. There is a present inconsistency in our law. The Department has a regulation that requires Medicare Supplement providers to make available a "basic core plan" to prospective insureds. A basic core plan is defined by law as the Medicare Supplement Plan A. I have attached to my testimony a chart that shows the different Medicare Supplement Plans

offered in North Dakota for your reference. As you can see, Plan A provides the least amount of benefits. The requirement that a Plan A be offered to prospective insureds is so that these insureds can compare a basic plan to a Plan F, which contains more comprehensive benefits. Therefore, as Section 26.1-08-06.1 reads presently, only Plan F has to be offered. This is inconsistent with the Department's regulation. Therefore, the Department is proposing the addition of the term "Plan A" to the definition of qualified plan in the CHAND chapter to have all laws be consistent.

BCBSND presently has Medicare Supplement Plan A filed and approved and should not be burdensome for BCBSND to comply with this proposal.

That completes my formal testimony and I would be happy to answer any questions the committee may have. I would urge a "do pass" on HB 1137.

MEDICARE SUPPLEMENT STANDARDIZED PLANS

Medicare supplement insurance can be sold in only ten standard plans plus two high deductible plans. This chart shows the benefits included in each plan. Every company must make available Plan "A". Some plans may not be available in your state.

Basic Benefits: Included in All Plans.

Hospitalization: Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.

Medical Expenses: Part B coinsurance (generally 20% of Medicare-approved expenses).

Blood: First three pints of blood each year.

A	B	C	D	E	F	F*	G	H	I	J	J*
Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits	Basic Benefits
		Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance	Skilled Nursing Co-Insurance
	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible
		Part B Deductible			Part B Deductible					Part B Deductible	Part B Deductible
					Part B Excess (100%)		Part B Excess (80%)		Part B Excess (100%)	Part B Excess (100%)	Part B Excess (100%)
		Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency
			At-Home Recovery				At-Home Recovery		At-Home Recovery	At-Home Recovery	At-Home Recovery
								Basic Drugs (\$1,250 Limit)	Basic Drugs (\$1,250 Limit)	Extended Drugs (\$3,000 Limit)	
				Preventive Care						Preventive Care	Preventive Care

*Plans F and J may also be offered with a high deductible option. These high deductible plans offer the same benefits as Plans F and J after one has paid a calendar year \$1,580 deductible. Benefits from high deductible plans F and J will not begin until out-of-pocket expenses are \$1,580. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include, in plan J, the plan's separate prescription drug deductible or, in Plans F and J, the plan's separate foreign travel emergency deductible.

HOUSE BILL NO. 1137

Presented by: Susan J. Anderson
Legal Counsel
North Dakota Insurance Department

Before: Industry, Business and Labor Committee
Senator Duane Mutch, Chairman

Date: March 12, 2001

TESTIMONY

Good morning, Mr. Chairman and members of the committee:

My name is Susan Anderson, Legal Counsel for the North Dakota Insurance Department. I am here today to support HB 1137.

This bill makes two small modifications to the Comprehensive Health Association of North Dakota or CHAND chapter. CHAND is a high risk pool for those individuals who are unable to obtain health insurance in the marketplace. At present, Noridian d/b/a Blue Cross Blue Shield of North Dakota (BCBSND) is the lead carrier or administrator of the CHAND program.

Section 1 adds a citation to Chapter 26.1-36.4. The effect of this addition is to clarify that the guaranteed renewability HIPAA provisions found in Chapter 26.1-36.4 would apply to individual plans issued by BCBSND for the CHAND program. This is already occurring in practice but for clarification purposes we are proposing this amendment.

The second modification is to Section 26.1-08-06.1. This section defines a qualified Medicare supplement plan under the CHAND program to be a Medicare Supplement Plan F. There is a present inconsistency in our law. The Department has a regulation that requires Medicare Supplement providers to make available a "basic core plan" to prospective insureds. A basic core plan is defined by law as the Medicare Supplement Plan A. I have attached to my testimony a chart that shows the different Medicare Supplement Plans

offered in North Dakota for your reference. As you can see, Plan A provides the least amount of benefits. The requirement that a Plan A be offered to prospective insureds is so that these insureds can compare a basic plan to a Plan F, which contains more comprehensive benefits. Therefore, as Section 26.1-08-06.1 reads presently, only Plan F has to be offered. This is inconsistent with the Department's regulation. Therefore, the Department is proposing the addition of the term "Plan A" to the definition of qualified plan in the CHAND chapter to have all laws be consistent.

BCBSND presently has Medicare Supplement Plan A filed and approved and should not be burdensome for BCBSND to comply with this proposal.

That completes my formal testimony and I would be happy to answer any questions the committee may have. I would urge a "do pass" on HB 1137.