

2023 SENATE STATE AND LOCAL GOVERNMENT

SB 2171

2023 SENATE STANDING COMMITTEE MINUTES

State and Local Government Committee
Room JW216, State Capitol

SB 2171
1/19/2023

Relating to public Employees retirement system health benefits.

10:04 AM Chair Roers opened the hearing. Present: Chair Roers, Vice Chair Barta, Sen Cleary, Sen Estenson, Sen J Lee, and Sen Braunberger.

Discussion Topics:

- New plan
- Team members
- Payroll deduction
- Non-grandfathered plan
- Survey

Molly Herrington, Chief People Officer/Director of OMB (Office Management Budget) Resource Management Services testified in support. #13771.

Scott Miller, Director ND Public Employees Retirement System (NDPERS), testified in a neutral position. #14390, #14389

10:28 AM Chair Roers closed the hearing.

Pam Dever, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

State and Local Government Committee
Room JW216, State Capitol

SB 2171
1/19/2023

Relating to public employees retirement system health benefits.

11:08 AM Chair Roers opened the meeting. Present: Chair Roers, Vice Chair Barta, Sen Cleary, Sen Estenson, Sen J Lee, and Sen Braunberger.

Discussion Topics:

- Bill review

Chair Roers said we need to wait for fiscal note before voting by law.

11:09 AM Chair Roers adjourned the meeting.

Pam Dever, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

State and Local Government Committee
Room JW216, State Capitol

SB 2171
2/3/2023

Relating to public employees retirement system health benefits.

10:25 AM Chair Roers opened committee work. Present: Chair Roers, Vice Chair Barta, Sen Cleary, Sen Estenson, Sen J Lee, and Sen Braunberger.

Discussion Topics:

- Committee action

Sen Estenson moved a DO PASS.

Sen Braunberger seconded.

Senators	Vote
Senator Kristin Roers	Y
Senator Jeff Barta	Y
Senator Ryan Braunberger	Y
Senator Sean Cleary	Y
Senator Judy Estenson	Y
Senator Judy Lee	Y

VOTE: YES – 6 NO – 0 Absent – 0 Motion PASSED

Sen Braunberger will carry the bill.

10:27 AM Chair Roers adjourned the meeting.

Pam Dever, Committee Clerk

REPORT OF STANDING COMMITTEE

SB 2171: State and Local Government Committee (Sen. K. Roers, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2171 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.

2023 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2171

2023 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee
Room JW327C, State Capitol

SB 2171
3/13/2023

Relating to public employees retirement system health benefits.

Chairman Louser called meeting to order 9:01 AM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner.

Members absent: Representatives Christy and Warrey.

Discussion Topics:

- Cost share
- Increase margin
- Co-payments
- Grandfathered status
- Annual choice
- Supplemental plans

In Favor:

Molly Herrington, Chief People Officer, Human Resource Management Services, ND Office of Management and Budget, #24133

Neutral:

Rebecca Fricke, Chief Benefits Officer, NDPERS, #23648, #23649

Chairman Louser adjourned the meeting 9:26 AM

Diane Lillis, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2171
3/13/2023

Relating to public employees retirement system health benefits.

Chairman Louser called meeting to order 11:06 AM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner.

Members absent: Representatives Christy and Warrey.

Discussion Topics:

- Committee action

Representative Johnson moved a do pass.
Representative Wagner seconded.

Roll call vote:

Representatives	Vote
Representative Scott Louser	N
Representative Mitch Ostlie	N
Representative Josh Boschee	AB
Representative Josh Christy	AB
Representative Hamida Dakane	N
Representative Jorin Johnson	Y
Representative Jim Kasper	N
Representative Ben Koppelman	N
Representative Dan Ruby	N
Representative Austen Schauer	N
Representative Paul J. Thomas	AB
Representative Bill Tveit	N
Representative Scott Wagner	Y
Representative Jonathan Warrey	AB

Motion failed 3-7-4

Representative Koppelman moved a do not pass.
Representative Kasper seconded.

Roll call vote:

Representatives	Vote
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Representative Scott Louser	Y
Representative Mitch Ostlie	Y
Representative Josh Boschee	AB
Representative Josh Christy	AB
Representative Hamida Dakane	Y
Representative Jorin Johnson	N
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	N
Representative Paul J. Thomas	AB
Representative Bill Tveit	Y
Representative Scott Wagner	N
Representative Jonathan Warrey	AB

Motion passed 7-3-4

Representative Ostlie will carry the bill.

Chairman Louser adjourned the meeting 11:16 AM

Diane Lillis, Committee Clerk

REPORT OF STANDING COMMITTEE

SB 2171: Industry, Business and Labor Committee (Rep. Louser, Chairman)
recommends **DO NOT PASS** (7 YEAS, 3 NAYS, 4 ABSENT AND NOT VOTING). SB
2171 was placed on the Fourteenth order on the calendar.

TESTIMONY

SB 2171



Management
and Budget

Testimony in Support of
Senate Bill No. 2171
Senate State and Local Government Committee
January 19, 2023

TESTIMONY OF

Molly Herrington, Chief People Officer, HRMS Division - OMB

Chairman Roers and committee members, I am Molly Herrington, Chief People Officer and Director of the Human Resource Management Services Division of the Office of Management and Budget. I am here today to ask your support for SB2171.

First, I would like to thank you, Chairman Roers, and Senator Dever, for introducing this bill. It was introduced at the request of OMB.

OMB has worked collaboratively with the Public Employees Retirement System (PERS) to develop a proposed additional health insurance plan offering for state team members. Currently, state team members can choose between the state High Deductible Health Plan, which also provides a state-paid contribution to a Health Savings Account, or the main state uniform group insurance plan under NDCC Section 54-52.1-02. The main state plan is a grandfathered plan under the Affordable Care Act (ACA), meaning certain mandated coverages and benefits are not required to be offered in this plan. Under both plan options, the state pays the entire family or individual premium.

SB2171 would direct PERS to develop a new plan offering with enhanced coverages. The new plan offering would be a non-grandfathered plan under the ACA. Due to the added coverages, there would be an additional cost to this plan. That cost would be paid by team members who valued the added coverages and chose to pay the nominal cost to participate in the new plan. The current estimate of cost is an increase of 3.56% over the main state plan. Based on the current contract for the flat rate premium for the main state plan, the added cost would be \$50.80 per month, to be paid as a payroll deduction by any state team member opting to participate.

The array of benefits and services that would be 100% covered under this plan, compared to being partially covered or subject to a cost share under the current main plan, is detailed on the table on the second page of my testimony.

The ability to offer an array of health plan choices improves the state's total rewards package and helps attract and retain great team members. As proposed in this bill, there would be no cost to the state to offer this additional health plan.

Chairman Roers and committee members, this concludes my testimony. I ask your support for Senate Bill 2171. I would be happy to answer any questions.

Benefit	GF PPO	NGF PPO	NGF HDHP
Artificial Limbs	Subject to Cost Share: Prosthetic limbs, sockets and supplies, and prosthetic eyes limited to one (1) per lifetime unless medically necessary due to growth for Members under 19.	Subject to Cost Share: Prosthetic limbs, sockets and supplies, and prosthetic eyes limited to one (1) per lifetime unless medically necessary; Prior authorization required to attest to medical necessity beyond 1 limb.	Subject to Cost Share: Prosthetic limbs, sockets and supplies, and prosthetic eyes limited to one (1) per lifetime unless medically necessary; Prior authorization required to attest to medical necessity beyond 1 limb.
Breat pumps, Supplies, Lactation Counseling	Purchase is noncovered. Rental covered with Prior Authorization due to separation of mother and child. Lactation Counseling is not covered; Subject to Cost Shares:	Paid at 100%: Allow one breast pump (electric or manual, non-Hospital grade) per pregnancy. • Replacement tubing, breast shields, and splash protectors are also covered. • Bottles, breast milk storage bags and supplies related to bottles are NOT covered. • Pumps and supplies are covered only when obtained from a Participating durable medical equipment Provider. This does NOT include drugstores or department stores. • Consultation with a lactation (breastfeeding) specialist is also covered.	Paid at 100%: Allow one breast pump (electric or manual, non-Hospital grade) per pregnancy. • Replacement tubing, breast shields, and splash protectors are also covered. • Bottles, breast milk storage bags and supplies related to bottles are NOT covered. • Pumps and supplies are covered only when obtained from a Participating durable medical equipment Provider. This does NOT include drugstores or department stores. • Consultation with a lactation (breastfeeding) specialist is also covered.
Contraceptives	Subject to Cost Share	Paid at 100%	Paid at 100%
Infertility \$20k Lifetime Maximum	Subject to \$500 DED and COINS. Benefits are subject to a \$500 Lifetime Infertility Services Deductible Amount and a \$20,000 Lifetime Benefit Maximum Amount per Member. The Infertility Services Deductible Amount and any Member-paid coinsurance for infertility services do not apply toward the Out-of-Pocket Maximum Amount.	Subject to Lifetime \$500 DED and COINS: Neither the Infertility Services Lifetime Deductible Amount nor any Member-paid Copays or Coinsurance for infertility services apply toward the Medical Deductible or Out-of-Pocket Maximum Amounts. Infertility services are limited to a lifetime benefit maximum, per Member, of \$20,000.	Subject to annual DED, then apply 80% to 20k maximum: Benefits are subject to a \$20,000 Lifetime Benefit Maximum Amount per Member. Any Member-paid coinsurance for infertility services does not apply toward the Out-of-Pocket Maximum Amount.
Medical Nutrition Therapy	Subject to Copay: Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Nutritional Counseling for Wellness services - No coverage.	Subject to Copay: Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Paid at 100%: Nutritional Counseling coverage is limited to 12 visits per calendar year. Wellness nutritional counseling services coverage is as follows: Benefits are available for the following medical conditions: - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hypertension – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Obesity – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period	Subject to COIN: Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Paid at 100%: Nutritional Counseling coverage is limited to 12 visits per calendar year. Wellness nutritional counseling services coverage is as follows: Benefits are available for the following medical conditions: - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hypertension – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Obesity – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period
OB Services	Subject to COINS	Paid at 100%	Paid at 100%
OB Services - Ultrasound	DED waived, subject to COINS: 2 routine ultrasounds allowed	Paid at 100%: 4 routine ultrasounds allowed	Paid at 100%: 4 routine ultrasounds allowed
Preventative Services	\$30.00 Copay/ Visit, DED waived; Eligible for \$200 Wellness Benefits.	Expanded list of Preventive Services paid at 100%; Evidence-based items or services that have, in effect, a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force. See Preventive Health Guidelines (ACA)	Expanded list of Preventive Services paid at 100%; Evidence-based items or services that have, in effect, a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force. See Preventive Health Guidelines (ACA)
Sterilization - Female	Subject to Cost Share	Covered at 100%: Cover sterilizations, including voluntary tubal ligations and vasectomies: o Medical – Occlusion of the fallopian tubes by use of permanent implants (e.g. Essure). Surgical – Tubal ligation covered at 100% of allowed only when performed as the primary procedure. When performed as part of a maternity delivery or for any other medical reason, it will be covered as a medical benefit with the applicable cost-share applied.	Covered at 100%: Cover sterilizations, including voluntary tubal ligations and vasectomies: o Medical – Occlusion of the fallopian tubes by use of permanent implants (e.g. Essure). Surgical – Tubal ligation covered at 100% of allowed only when performed as the primary procedure. When performed as part of a maternity delivery or for any other medical reason, it will be covered as a medical benefit with the applicable cost-share applied.
Tobacco Cessation	Not covered.* *Previous coverage under Tobacco Cessation program funded by the state.	Paid at 100%: Tobacco Cessation services include screening for tobacco use and at least two (2) tobacco cessation attempts per year (for Members who use tobacco products). Covering a cessation attempt is defined to include coverage for: • Four (4) tobacco cessation counseling sessions of at least ten (10) minutes each (including telephone counseling, group counseling and individual counseling) without Preauthorization/Prior Approval; and • All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a health care provider without Preauthorization/Prior Approval.	Paid at 100%: Tobacco Cessation services include screening for tobacco use and at least two (2) tobacco cessation attempts per year (for Members who use tobacco products). Covering a cessation attempt is defined to include coverage for: • Four (4) tobacco cessation counseling sessions of at least ten (10) minutes each (including telephone counseling, group counseling and individual counseling) without Preauthorization/Prior Approval; and • All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a health care provider without Preauthorization/Prior Approval.
COST SHARING - COPAY'S	Copays do not apply to Out-of-Pocket Maximums (MOOP)	Copay's apply to MOOP	No Copay's; DED/COINS apply to MOOP



Estimate for Cost of NGF PPO Product

Financial Impact: NDPERS currently offers a Grandfatherd (GF) PPO plan that includes portions of the ACA mandated benefits. An illustration of the major benefit additions from the Affordable Care Act (ACA) is found on page 2. These additional ACA benefits add an estimated **3.56%** cost increase to produce a NGF PPO plan for State Employees.

Pricing for Benefits Change: The table below reflects the adjusted rates based on the additional ACA benefit and utilization impact.

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TESTIMONY OF SCOTT MILLER

Senate Bill 2171 – Third Health Plan Option

Good Morning, my name is Scott Miller. I am the Executive Director of the North Dakota Public Employees Retirement System, or NDPERS. I am here to testify in a neutral position regarding Senate Bill 2171.

SB 2171 would add a third health plan into which state employees could elect to participate. Right now there are two health plans from which they can choose, our grandfathered PPO plan and a non-grandfathered High Deductible Health Plan (HDHP). This third plan would be a non-grandfathered PPO plan that would provide increased benefits for a higher cost. That additional cost would be paid by the employee. The relative costs between the grandfathered PPO and the non-grandfathered PPO are provided below, based on the 2021-2023 premiums (not including the proposed premium increase for 2023-2025):

Pricing for Benefits Change: The table below reflects the adjusted rates based on the additional ACA benefit and utilization impact.

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Flat Single/Family Rate	\$ 1,428.76	\$ 1,479.56

The percentage increase is 3.56%.

I have also uploaded Sanford Health Plan’s estimate of costs and comparison of plans.

TESTIMONY OF REBECCA FRICKE

Senate Bill 2171 – Third Health Plan Option

Good Morning, my name is Rebecca Fricke. I am the Chief Benefits Officer of the North Dakota Public Employees Retirement System, or NDPERS. I am here to testify in a neutral position regarding Senate Bill 2171.

SB 2171 would add a third health plan into which state employees could elect to participate. Right now there are two health plans from which they can choose, our grandfathered PPO plan and a non-grandfathered High Deductible Health Plan (HDHP). This third plan would be a non-grandfathered PPO plan that would provide increased benefits for a higher cost. That additional cost would be paid by the employee. The relative costs between the grandfathered PPO and the non-grandfathered PPO are provided below, based on the 2021-2023 premiums (not including the proposed premium increase for 2023-2025):

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Benefit	GF PPO	NGF PPO	NGF HDHP
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Breat pumps, Supplies, Lactation Counseling	Purchase is noncovered. Rental covered with Prior Authorization due to separation of mother and child. Lactation Counseling is not covered; Subject to Cost Shares:	Paid at 100%: Allow one breast pump (electric or manual, non-Hospital grade) per pregnancy. • Replacement tubing, breast shields, and splash protectors are also covered. • Bottles, breast milk storage bags and supplies related to bottles are NOT covered. • Pumps and supplies are covered only when obtained from a Participating durable medical equipment Provider. This does NOT include drugstores or department stores. • Consultation with a lactation (breastfeeding) specialist is also covered.	Paid at 100%: Allow one breast pump (electric or manual, non-Hospital grade) per pregnancy. • Replacement tubing, breast shields, and splash protectors are also covered. • Bottles, breast milk storage bags and supplies related to bottles are NOT covered. • Pumps and supplies are covered only when obtained from a Participating durable medical equipment Provider. This does NOT include drugstores or department stores. • Consultation with a lactation (breastfeeding) specialist is also covered.
Contraceptives	Subject to Cost Share	Paid at 100%	Paid at 100%
Infertility \$20k Lifetime Maximum	Subject to \$500 DED and COINS. Benefits are subject to a \$500 Lifetime Infertility Services Deductible Amount and a \$20,000 Lifetime Benefit Maximum Amount per Member. The Infertility Services Deductible Amount and any Member-paid coinsurance for infertility services do not apply toward the Out-of-Pocket Maximum Amount.	Subject to Lifetime \$500 DED and COINS: Neither the Infertility Services Lifetime Deductible Amount nor any Member-paid Copays or Coinsurance for infertility services apply toward the Medical Deductible or Out-of-Pocket Maximum Amounts. Infertility services are limited to a lifetime benefit maximum, per Member, of \$20,000.	Subject to annual DED, then apply 80% to 20k maximum: Benefits are subject to a \$20,000 Lifetime Benefit Maximum Amount per Member. Any Member-paid coinsurance for infertility services does not apply toward the Out-of-Pocket Maximum Amount.
Medical Nutrition Therapy	Subject to Copay: Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Nutritional Counseling for Wellness services - No coverage.	Subject to Copay: Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Paid at 100%: Nutritional Counseling coverage is limited to 12 visits per calendar year. Wellness nutritional counseling services coverage is as follows: Benefits are available for the following medical conditions: - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hypertension – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Obesity – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period	Subject to COIN: Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Paid at 100%: Nutritional Counseling coverage is limited to 12 visits per calendar year. Wellness nutritional counseling services coverage is as follows: Benefits are available for the following medical conditions: - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hypertension – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Obesity – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period
OB Services	Subject to COINS	Paid at 100%	Paid at 100%
OB Services - Ultrasound	DED waived, subject to COINS: 2 routine ultrasounds allowed	Paid at 100%: 4 routine ultrasounds allowed	Paid at 100%: 4 routine ultrasounds allowed
Preventative Services	\$30.00 Copay/ Visit, DED waived; Eligible for \$200 Wellness Benefits.	Expanded list of Preventive Services paid at 100%; Evidence-based items or services that have, in effect, a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force. See Preventive Health Guidelines (ACA)	Expanded list of Preventive Services paid at 100%; Evidence-based items or services that have, in effect, a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force. See Preventive Health Guidelines (ACA)
Sterilization - Female	Subject to Cost Share	Covered at 100%: Cover sterilizations, including voluntary tubal ligations and vasectomies: o Medical – Occlusion of the fallopian tubes by use of permanent implants (e.g. Essure). Surgical – Tubal ligation covered at 100% of allowed only when performed as the primary procedure. When performed as part of a maternity delivery or for any other medical reason, it will be covered as a medical benefit with the applicable cost-share applied.	Covered at 100%: Cover sterilizations, including voluntary tubal ligations and vasectomies: o Medical – Occlusion of the fallopian tubes by use of permanent implants (e.g. Essure). Surgical – Tubal ligation covered at 100% of allowed only when performed as the primary procedure. When performed as part of a maternity delivery or for any other medical reason, it will be covered as a medical benefit with the applicable cost-share applied.
Tobacco Cessation	Not covered.* *Previous coverage under Tobacco Cessation program funded by the state.	Paid at 100%: Tobacco Cessation services include screening for tobacco use and at least two (2) tobacco cessation attempts per year (for Members who use tobacco products). Covering a cessation attempt is defined to include coverage for: • Four (4) tobacco cessation counseling sessions of at least ten (10) minutes each (including telephone counseling, group counseling and individual counseling) without Preauthorization/Prior Approval; and • All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a health care provider without Preauthorization/Prior Approval.	Paid at 100%: Tobacco Cessation services include screening for tobacco use and at least two (2) tobacco cessation attempts per year (for Members who use tobacco products). Covering a cessation attempt is defined to include coverage for: • Four (4) tobacco cessation counseling sessions of at least ten (10) minutes each (including telephone counseling, group counseling and individual counseling) without Preauthorization/Prior Approval; and • All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a health care provider without Preauthorization/Prior Approval.
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TESTIMONY OF

Molly Herrington, Chief People Officer, Human Resource Management Service

Chairman Louser and committee members, I am Molly Herrington, Chief People Officer and Director of the Human Resource Management Services Division (HRMS) of the Office of Management and Budget (OMB). I am here today to ask your support for SB 2171.

First, I would like to thank Chairman Roers and Senator Dever for introducing this bill. It was introduced at the request of OMB.

OMB has worked collaboratively with the Public Employees Retirement System (PERS) to develop a proposed additional health insurance plan offering for state employees. Currently, state employees can choose between the state High Deductible Health Plan, which also provides a state-paid contribution to a Health Savings Account, or the main state uniform group insurance plan under NDCC Section 54-52.1-02. The main state plan is a grandfathered plan under the Affordable Care Act (ACA), meaning certain mandated coverages and benefits are not required to be offered in this plan. Under both plan options, the state pays the entire family or individual premium.

SB 2171 would direct PERS to develop a new plan offering with enhanced coverages. The new plan offering would be a non-grandfathered plan under the ACA. Due to the added coverages, there would be an additional cost to this plan. That cost would be paid by employees who value the added coverages and choose to pay the nominal cost to participate in the new plan. The current estimate of cost is an increase of 3.56% over the main state plan. Based on the current contract for the flat rate premium for the main state plan, the added cost would be \$58.42 per month, to be paid as a payroll deduction by any state employee opting to participate.

The array of benefits and services that would be 100% covered under this plan, compared to being partially covered or subject to a cost share under the current main plan, is detailed on the table on the second page of my testimony.

The ability to offer an array of health plan choices improves the state's total rewards package and helps attract and retain great employees. As proposed in this bill, there would be no cost to the state to offer this additional health plan.

Chairman Louser and committee members, this concludes my testimony. I ask your support for Senate Bill 2171. I would be happy to answer any questions.

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