

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1010

That the Senate recede from its amendments as printed on page 1628 of the House Journal and page 1344 of the Senate Journal and that Engrossed House Bill No. 1010 be amended as follows:

Page 1, line 3, after the semicolon insert "to provide for a legislative council study;"

Page 1, line 21, replace "361,269" with "355,279"

Page 1, line 22, replace "331,876" with "381,876"

Page 2, line 1, replace "2,116,000" with "1,116,000"

Page 2, line 2, replace "2,702,245" with "1,746,255"

Page 2, line 3, replace "2,802,245" with "1,846,255"

Page 2, line 10, replace "5,059,647" with "5,053,657"

Page 2, line 11, replace "2,113,377" with "2,163,377"

Page 2, line 12, replace "7,420,000" with "6,420,000"

Page 2, line 13, replace "14,593,024" with "13,637,034"

Page 2, line 15, replace "\$7,420,000" with "\$6,420,000"

Page 2, line 16, replace "\$7,200,000" with "\$6,200,000"

Page 3, after line 9, insert:

"SECTION 10. CRITICAL METHAMPHETAMINE-USE ZONE ADDITION.

Notwithstanding rules adopted by the commissioner identifying a critical methamphetamine-use zone, the commissioner shall designate the counties of Walsh, Cavalier, and Pembina as a critical methamphetamine-use zone subject to section 19-20.2-11 and rules adopted pursuant to that section. Section 3 of this Act includes the sum of \$50,000 from the insurance regulatory trust fund, or so much of the sum as is necessary, to implement security measures established by the commissioner, including the purchase and distribution of locking devices, in the counties of Walsh, Cavalier, and Pembina, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 11. LEGISLATIVE COUNCIL STUDY - HEALTH CARE AND HEALTH INSURANCE STUDY PROPOSAL. During the 2005-06 interim, the legislative council shall consider studying the desirability of proposing a comprehensive health care and health insurance study to be performed during the 2007-08 interim. The 2005-06 interim study must include consideration of whether there is a need for a comprehensive, long-range study of the state's current and future health care needs in order to address issues such as the aging population of the state, the phenomenon of

health care cost-shifting to the private sector, the trend of uncompensated health care services, shortages in the number of health care professionals, duplication of technology and facilities, and any other factors that might affect the health care system in North Dakota in the year 2020. If the study results in a proposal for a comprehensive health care and health insurance study, the proposal must address the parameters of the proposed study and how the proposed study will be designed in order to allow for significant consumer input. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly.

SECTION 12. LEGISLATIVE COUNCIL STUDY - ACCIDENT AND HEALTH INSURANCE LOSS RATIOS. During the 2005-06 interim, the legislative council shall study the appropriate minimum standard of loss ratio for accident and health insurers and whether that loss ratio is more appropriately set by statute or by rule. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1010 - Insurance Department - Conference Committee Action

| | EXECUTIVE BUDGET | HOUSE VERSION | CONFERENCE COMMITTEE CHANGES | CONFERENCE COMMITTEE VERSION | SENATE VERSION | COMPARISON TO SENATE |
|---------------------------------|-------------------|-------------------|------------------------------|------------------------------|-------------------|----------------------|
| Salaries and wages | \$5,080,549 | \$5,059,647 | (\$5,990) | \$5,053,657 | \$5,053,657 | |
| Operating expenses | 2,113,377 | 2,113,377 | 50,000 | 2,163,377 | 2,163,377 | |
| Grants | 5,304,000 | 7,420,000 | (1,000,000) | 6,420,000 | 6,395,000 | \$25,000 |
| Health care and insurance study | | | | | | |
| Total all funds | \$12,497,926 | \$14,593,024 | (\$955,990) | \$13,637,034 | \$13,612,034 | \$25,000 |
| Less estimated income | <u>12,497,926</u> | <u>14,593,024</u> | <u>(955,990)</u> | <u>13,637,034</u> | <u>13,612,034</u> | <u>25,000</u> |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTE | 46.50 | 46.50 | 0.00 | 46.50 | 46.50 | 0.00 |

Dept. 401 - Insurance Department - Detail of Conference Committee Changes

| | REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1 | PROVIDES FUNDING FOR IMPLEMENTING METHAMPHETAMINE SECURITY MEASURES 2 | REDUCES FUNDING FOR PAYMENTS TO FIRE DEPARTMENTS 3 | TOTAL CONFERENCE COMMITTEE CHANGES |
|---------------------------------|--|---|--|------------------------------------|
| Salaries and wages | (\$5,990) | | | (\$5,990) |
| Operating expenses | | \$50,000 | | 50,000 |
| Grants | | | (\$1,000,000) | (1,000,000) |
| Health care and insurance study | | | | |
| Total all funds | (\$5,990) | \$50,000 | (\$1,000,000) | (\$955,990) |
| Less estimated income | <u>(5,990)</u> | <u>50,000</u> | <u>(1,000,000)</u> | <u>(955,990)</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

1 This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

2 The conference committee agreed with the Senate amendment to provide a \$50,000 special funds appropriation from the insurance regulatory trust fund for implementing methamphetamine security measures, including the purchase and distribution of locking devices. The conference committee also agreed with the Senate amendment to add a new section to the bill allowing the commissioner to designate the counties of Walsh, Cavalier, and Pembina as a critical methamphetamine-use zone.

3 The conference committee agree with the Senate amendment to reduce funding provided from the insurance premium tax collections for payments to fire departments by \$1 million, from \$7.2 million as provided by the House to \$6.2 million. Funding of \$6.2 million represents an increase in funding of \$1 million from the \$5.2 million provided in the 2003-05 biennium.

The conference committee agreed to provide funding of \$100,000 from insurance premium tax collections for a grant to the North Dakota Association of Oil and Gas Producing Counties, the same level as provided by the House. The Senate had reduced funding for the grant by \$25,000, from \$100,000 to \$75,000.

The conference committee agreed with the Senate amendment to add a section to the bill to provide for a Legislative Council study of accident and health insurance loss ratios.

The conference committee also agreed to add a section to the bill to provide for a Legislative Council study of health care and health insurance. This study was not included in either the House or Senate version of the bill.