

**Sixty-first Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 6, 2009**

HOUSE BILL NO. 1577

(Representatives Keiser, Carlson, Boucher, Kasper, Monson, Onstad)

(Approved by the Delayed Bills Committee)

AN ACT to provide for a legislative council study of factors impacting the cost of health insurance and health insurance company reserves.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. LEGISLATIVE COUNCIL STUDY - HEALTH INSURANCE COST.**

1. During the 2009-10 interim, the legislative council shall consider studying:
  - a. The factors impacting the cost of health insurance. The factors considered in the study must include:
    - (1) Minimum loss ratio;
    - (2) Three tier rating bands;
    - (3) The effect of the federal Employee Retirement Income Security Act, Medicare, Medicaid, and the state children's health insurance program on individual and small group pricing;
    - (4) Options for self-funding, fully insured funding, and combinations of these two methods of funding;
    - (5) Prepaid coverage versus risk coverage;
    - (6) Corporate structure of health insurance companies;
    - (7) Health insurance company subsidiaries;
    - (8) Rate, form, and reserve approval requirements;
    - (9) Statutory barriers to competition and lower costs;
    - (10) The role of health promotion versus risk coverage;
    - (11) Transparency requirements based on tax incentive benefits;
    - (12) Plan design or coverage options;
    - (13) Health service mandates;
    - (14) Uninsured and underinsured North Dakotans;
    - (15) Proposed federal changes in health care coverage;
    - (16) The business organization and tax status of health insurance companies and the impact this has on premium rates and reserves; and
    - (17) Other health insurance cost and competition factors.

- b. The impact of health insurance company board member compensation and employee salaries, benefits, and severance packages on health insurance rates and health insurance company reserves.
2. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.