

TESTIMONY

Presented by: Rebecca L. Ternes
Deputy Commissioner
North Dakota Insurance Department

Before: Budget Section
Senator Tony Grindberg, Chairman

Date: December 13, 2011

Good afternoon, Chairman Grindberg and members of the Budget Section. My name is Rebecca Ternes and I am the Deputy Insurance Commissioner.

After passage of House Bill No. 1476 during the 2011 Special Legislative Session, the Department has requested a redetermination of the U.S. Department of Health and Human Services (HHS) external appeals determination which said that North Dakota did not meet the federal standards. We are currently waiting for the redetermination.

During the Special Session you also passed House Bill No. 1475 which funded the upgrade to Medicaid and provided four FTEs to the Insurance Department. We have begun advertising for the Actuary position and expect to advertise for additional positions soon.

The Department continues to work with HHS to comply with various aspects of the Patient Protection and Affordable Care Act (PPACA). We have made several changes to our website including adding a required link to rate review information. Our State Electronic Rate and Form Filing system, SERFF, which is provided through the National Association of Insurance Commissioners, is also being enhanced to meet the rate review reporting requirements of PPACA.

HHS announced the Level I Establishment grant deadline has been extended six months and is now June 30, 2012. This grant is for funding related to establishing a Health Benefit Exchange. North Dakota has not applied for this grant.

The Department recently issued Bulletin 2011-3 to health insurance carriers to clarify the application of the PPACA coverage for dependents under the age of 26. The bulletin says that if the state dependent coverage law is more generous, it must also be considered in an effort to allow dependents to remain covered.

Thank you and I would be happy to take any questions.