

Introduced by

Representative Owens

1 A BILL for an Act to amend and reenact section 54-52.1-18 of the North Dakota Century Code,
2 relating to public employee high-deductible health plans; to provide for application; to provide an
3 effective date; and to declare an emergency.

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

5 **SECTION 1. AMENDMENT.** Section 54-52.1-18 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **54-52.1-18. High-deductible health plan alternative with health savings account**
8 **option.**

- 9 1. The board shall develop and implement a high-deductible health plan as an alternative
10 to the plan under section 54-52.1-02. ~~The high-deductible health plan alternative with~~
11 ~~a health savings account must be made available to state employees by January 1,~~
12 ~~2012. After June 30, 2015, at~~At the board's discretion, the high-deductible health plan
13 alternative may be offered to political subdivisions for coverage of political subdivision
14 employees. If a political subdivision elects this high-deductible option the political
15 subdivision may not offer the plan under section 54-52.1-02.
- 16 2. Health savings account fees for participating state employees must be paid by the
17 employer.
- 18 a. Except as provided in subdivision b, subject to the limits of section 223(b) of the
19 Internal Revenue Code [26 U.S.C. 233(b)], an amount equal to eighty-five
20 percent of the difference between the cost of the single and family premium for
21 eligible state employees under section 54-52.1-06 and the premium for those
22 employees electing to participate under the high-deductible health plan under this
23 section must be deposited in a health savings account for the benefit of each
24 participating employee. If a political subdivision elects to participate in the

1 high-deductible plan under this section, the political subdivision's health savings
2 account contribution may not be less than eighty-five percent of the difference.

3 b. If the public employees retirement system is unable to establish a health savings
4 account due to the employee's ineligibility under federal or state law or due to
5 failure of the employee to provide necessary information in order to establish the
6 account, the system is not responsible for depositing the health savings account
7 contribution. The member will remain a participant in the high-deductible health
8 plan regardless of whether a health savings account is established.

9 c. If a member closes the health savings account established for that member
10 under this section, the system is not responsible for depositing the health savings
11 account contribution after that closure.

12 3. Each new state employee must be provided the opportunity to elect the
13 high-deductible health plan alternative. At least once each biennium, the board shall
14 provide an open enrollment period allowing existing state employees or a political
15 subdivision to change their coverage.

16 **SECTION 2. APPLICATION.** Section 1 of this Act applies to health benefits plans that
17 become effective after June 30, 2019.

18 **SECTION 3. EFFECTIVE DATE.** This Act becomes effective on July 1, 2019.

19 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.