

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1245

Page 1, line 2, remove "54-52.1-04.7, 54-52.1-04.8,"

Page 1, line 3, after "plans" insert "for health benefits"

Page 1, line 3, after the first semicolon insert "and"

Page 1, line 3, remove "; and to declare an"

Page 1, line 4, remove "emergency"

Page 1, remove lines 6 through 23

Page 2, replace lines 1 through 27 with:

**"SECTION 1. AMENDMENT.** Section 54-52.1-04 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.1-04. Board to contract for insurance - Budget section approval.**

1. The board shall receive bids for the providing of hospital benefits coverage, medical benefits coverage, life insurance benefits coverage for a specified term, and employee assistance program services; may receive bids separately for all or part of the prescription drug benefits coverage component of medical benefits coverage; and except as otherwise provided under this section shall accept one or more bids of and contract with the carriers the board determines best serve the interests of the state and the state's eligible employees. Solicitations must be made not later than ninety days before the expiration of an existing uniform group insurance contract. Bids must be solicited by advertisement in a manner selected by the board which will provide reasonable notice to prospective bidders. In preparing bid proposals and evaluating bids, the board may utilize the services of consultants on a contract basis in order that the bids received may be uniformly compared and properly evaluated. In determining which bid, if any, will best serve the interests of eligible employees and the state, the board shall give adequate consideration to the following factors:
  - a. The economy to be effected.
  - b. The ease of administration.
  - c. The adequacy of the coverages.
  - d. The financial position of the carrier, with special emphasis on the solvency of the carrier.
  - e. The reputation of the carrier and any other information available tending to show past experience with the carrier in matters of claim settlement, underwriting, and services.
  - f. The price and contract guarantees.

2. The board may reject any or all bids received under this section. If the board rejects all bids received, the board shall again solicit bids as provided in this section.
3. For a bid for hospital benefits coverage, medical benefits coverage, or prescription drug benefits coverage, the board may not accept one or more bids of a contract with the carriers unless the budget section has approved the bids.
  - a. Under this subsection, after the board identifies which bids of carriers, if any, the board determines best serve the interests of the state and the state's eligible employees, the board shall forward a recommendation and all the bids to the budget section. The board may recommend rejection of one or more bids received under this section. Upon receipt of the board's recommendation, the budget section shall determine which bid, if any, will best serve the interests of eligible employees and the state. In identifying and determining which bid, if any, will best serve the interests of eligible employees and the state, the budget section shall give adequate consideration to the following factors:
    - (1) The economy to be affected.
    - (2) The ease of administration.
    - (3) The adequacy of the coverages.
    - (4) The financial position of the carrier, with special emphasis on the solvency of the carrier.
    - (5) The reputation of the carrier and any other information available tending to show past experience with the carrier in matters of claim settlement, underwriting, and services.
    - (6) The price and contract guarantees.
  - b. The budget section may reject any or all bids received under this subsection. If the budget section rejects all bids received, the board again shall solicit bids as provided in this section. If the budget section does not reject all bids received, the board shall enter a contract with the bidder selected by the budget section under this section.
  - c. In preparing a bid proposal and evaluating a bid under this subsection, the budget section may use the services of a consultant on a contract basis so the bids received may be compared uniformly and evaluated properly.
4. Under sections 54-52.1-04.1 and 54-52.1-04.2, following approval by the budget section, the board may contract for health benefits coverage through a health maintenance organization or establish a self-insurance health plan."

Page 3, remove lines 27 through 31

Page 4, remove lines 1 through 12

Page 4, line 16, remove "approved by the"

Page 4, line 17, remove "budget section, must be"

Page 5, line 1, after "under" insert "subsection 3 of"

Page 5, line 12, remove "The board may not enter a contract for"

Page 5, remove lines 13 and 14

Page 5, line 23, overstrike "The" and insert immediately thereafter "Under this subsection, the"

Page 5, remove line 31

Renumber accordingly