NORTH Dakota | Management and Budget
Be Legendary.

Testimony in Support of
Senate Bill No. 2171
House Industry, Business and Labor Committee
March 13, 2023

TESTIMONY OF
Molly Herrington, Chief People Officer, Human Resource Management Service

Chairman Louser and committee members, I am Molly Herrington, Chief People Officer and Director of the Human Resource Management Services Division (HRMS) of the Office of Management and Budget (OMB). I am here today to ask your support for SB 2171.

First, I would like to thank Chairman Roers and Senator Dever for introducing this bill. It was introduced at the request of OMB.

OMB has worked collaboratively with the Public Employees Retirement System (PERS) to develop a proposed additional health insurance plan offering for state employees. Currently, state employees can choose between the state High Deductible Health Plan, which also provides a state-paid contribution to a Health Savings Account, or the main state uniform group insurance plan under NDCC Section 54-52.1-02. The main state plan is a grandfathered plan under the Affordable Care Act (ACA), meaning certain mandated coverages and benefits are not required to be offered in this plan. Under both plan options, the state pays the entire family or individual premium.

SB 2171 would direct PERS to develop a new plan offering with enhanced coverages. The new plan offering would be a non-grandfathered plan under the ACA. Due to the added coverages, there would be an additional cost to this plan. That cost would be paid by employees who value the added coverages and choose to pay the nominal cost to participate in the new plan. The current estimate of cost is an increase of 3.56% over the main state plan. Based on the current contract for the flat rate premium for the main state plan, the added cost would be $58.42 per month, to be paid as a payroll deduction by any state employee opting to participate.

The array of benefits and services that would be 100% covered under this plan, compared to being partially covered or subject to a cost share under the current main plan, is detailed on the table on the second page of my testimony.

The ability to offer an array of health plan choices improves the state's total rewards package and helps attract and retain great employees. As proposed in this bill, there would be no cost to the state to offer this additional health plan.

Chairman Louser and committee members, this concludes my testimony. I ask your support for Senate Bill 2171. I would be happy to answer any questions.

SANFORD HEALTH PLAN

Benefit	GF PPO	NGF PPO	NGF HDHP
Artificial Limbs	**Subject to Cost Share:** Prosthetic limbs, sockets and supplies, and prosthetic eyes limited to one (1) per lifetime unless medically necessary due to growth for Members under 19.	**Subject to Cost Share**: Prosthetic limbs, sockets and supplies, and prosthetic eyes limited to one (1) per lifetime unless medically necessary; Prior authorization required to attest to medical necessity beyond 1 limb.	**Subject to Cost Share**: Prosthetic limbs, sockets and supplies, and prosthetic eyes limited to one (1) per lifetime unless medically necessary; Prior authorization required to attest to medical necessity beyond 1 limb.
Breat pumps, Supplies, Lactation Counseling	**Purchase is noncovered**. **Rental covered** with Prior Authorization due to speration of mother and child. Lactation Counseling is not covered; Subject to Cost Shares:	**Paid at 100%**: Allow one breast pump (electric or manual, non-Hospital grade) per pregnancy. • Replacement tubing, breast shields, and splash protectors are also covered. • Bottles, breast milk storage bags and supplies related to bottles are NOT covered. • Pumps and supplies are covered only when obtained from a Participating durable medical equipment Provider. This does NOT include drugstores or department stores. • Consultation with a lactation (breastfeeding) specialist is also covered.	**Paid at 100%:** Allow one breast pump (electric or manual, non-Hospital grade) per pregnancy. • Replacement tubing, breast shields, and splash protectors are also covered. • Bottles, breast milk storage bags and supplies related to bottles are NOT covered. • Pumps and supplies are covered only when obtained from a Participating durable medical equipment Provider. This does NOT include drugstores or department stores. • Consultation with a lactation (breastfeeding) specialist is also covered.
Contraceptives	**Subject to Cost Share**	**Paid at 100%**	**Paid at 100%**
Infertility $20k Lifetime Maximum	**Subject to $500 DED and COINS**. Benefits are subject to a $500 Lifetime Infertility Services Deductible Amount and a $20,000 Lifetime Benefit Maximum Amount per Member. The Infertility Services Deductible Amount and any Member-paid coinsurance for infertility services do not apply toward the Out-of-Pocket Maximum Amount.	**Subject to Lifetime $500 DED and COINS**: Neither the Infertility Services Lifetime Deductible Amount nor any Member-paid Copays or Coinsurance for infertility services apply toward the Medical Deductible or Out-of-Pocket Maximum Amounts. Infertility services are limited to a lifetime benefit maximum, per Member, of $20,000.	**Subject to annual DED, then apply 80% to 20k maximum:** Benefits are subject to a $20,000 Lifetime Benefit Maximum Amount per Member. Any Member-paid coinsurance for infertility services does not apply toward the Out-of-Pocket Maximum Amount.
Medical Nutrition Therapy	**Subject to Copay:** Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. **Nutritional Counseling for Wellness services - No coverage.**	**Subject to Copay:** Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. **Paid at 100%:** **Nutritional Counseling** coverage is limited to 12 visits per calendar year. Wellness nutritional counseling services coverage is as follows: Benefits are available for the following medical conditions: - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hypertension – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Obesity – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period	**Subject to COIN:** Benefits are available for the following medical conditions: - Anorexia Nervosa – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Bulimia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. Chronic Renal Failure – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. PKU – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. **Paid at 100%:** **Nutritional Counseling** coverage is limited to 12 visits per calendar year. Wellness nutritional counseling services coverage is as follows: Benefits are available for the following medical conditions: - Diabetes Mellitus – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Gestational Diabetes – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hyperlipidemia – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period. - Hypertension – Maximum Benefit Allowance of two (2) Office Visits per Member per Benefit Period. - Obesity – Maximum Benefit Allowance of four (4) Office Visits per Member per Benefit Period
OB Services	**Subject to COINS**	**Paid at 100%**	**Paid at 100%**
OB Services - Ultrasound	**DED waived, subject to COINS:** 2 routine ultrasounds allowed	**Paid at 100%:** 4 routine ultrasounds allowed	**Paid at 100%:** 4 routine ultrasounds allowed
Preventative Services	**$30.00 Copay/ Visit, DED waived**; Eligible for $200 Wellness Benefits.	**Expanded list of Preventive Services paid at 100%;** Evidence-based items or services that have, in effect, a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force. See Preventive Health Guidelines (ACA)	**Expanded list of Preventive Services paid at 100%;** Evidence-based items or services that have, in effect, a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force. See Preventive Health Guidelines (ACA)
Sterlization - Female	**Subject to Cost Share**	**Covered at 100%:** Cover sterilizations, including voluntary tubal ligations and vasectomies: o Medical – Occlusion of the fallopian tubes by use of permanent implants (e.g. Essure). Surgical – Tubal ligation covered at 100% of allowed only when performed as the primary procedure. When performed as part of a maternity delivery or for any other medical reason, it will be covered as a medical benefit with the applicable cost-share applied.	**Covered at 100%:** Cover sterilizations, including voluntary tubal ligations and vasectomies: o Medical – Occlusion of the fallopian tubes by use of permanent implants (e.g. Essure). Surgical – Tubal ligation covered at 100% of allowed only when performed as the primary procedure. When performed as part of a maternity delivery or for any other medical reason, it will be covered as a medical benefit with the applicable cost-share applied.
Tobacco Cessation	Not covered.* *Previous coverage under Tabacco Cessation program funded by the state.	**Paid at 100%:** Tobacco Cessation services include screening for tobacco use and at least two (2) tobacco cessation attempts per year (for Members who use tobacco products). Covering a cessation attempt is defined to include coverage for: • Four (4) tobacco cessation counseling sessions of at least ten (10) minutes each (including telephone counseling, group counseling and individual counseling) without Preauthorization/Prior Approval; and • All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a health care provider without Preauthorization/Prior Approval.	**Paid at 100%:** Tobacco Cessation services include screening for tobacco use and at least two (2) tobacco cessation attempts per year (for Members who use tobacco products). Covering a cessation attempt is defined to include coverage for: • Four (4) tobacco cessation counseling sessions of at least ten (10) minutes each (including telephone counseling, group counseling and individual counseling) without Preauthorization/Prior Approval; and • All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a health care provider without Preauthorization/Prior Approval.
COST SHARING - COPAY's	**Copays do not apply to Out-of-Pocket Maximums (MOOP)**	**Copay's apply to MOOP**	**No Copay's; DED/COINS apply to MOOP**