

**FIRST ENGROSSMENT
with Senate Amendments**

ENGROSSED HOUSE BILL NO. 1248

Introduced by

Representatives Weisz, Frelich, McLeod, M. Ruby

Senators Lee, Dever

1 A BILL for an Act to amend and reenact section 54-03-28 of the North Dakota Century Code,
2 relating to the cost-benefit analysis requirement for health insurance mandated coverage of
3 services.

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

5 **SECTION 1. AMENDMENT.** Section 54-03-28 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **54-03-28. Health insurance mandated coverage of services - Cost-benefit analysis**
8 **requirement.**

- 9 1. If the legislative management determines a legislative measure mandates health
10 insurance coverage of services or payment for specified providers of services, the
11 measure may not be referred to a committee of the legislative assembly unless a
12 cost-benefit analysis provided by the legislative management is appended to that
13 measure.
- 14 a. If a committee of the legislative assembly determines a measure mandating
15 health insurance coverage of services or payment of specified providers was
16 referred to committee without a cost-benefit analysis, the committee shall request
17 the legislative management provide a cost-benefit analysis. The committee may
18 not act on the measure unless the measure is accompanied by the cost-benefit
19 analysis.
- 20 b. If a committee of the legislative assembly determines a proposed amendment to
21 a measure mandates health insurance coverage of services or payment of
22 specified providers, the committee may not act on the proposed amendment

- 1 unless the amendment is accompanied by a cost-benefit analysis or amended
2 cost-benefit analysis provided by the legislative management.
- 3 2. Factors considered in the cost-benefit analysis must include:
- 4 a. The extent to which the proposed mandate would increase or decrease the cost
5 of the service.
- 6 b. The extent to which the proposed mandate would increase the appropriate use of
7 the service.
- 8 c. The extent to which the proposed mandate would increase or decrease the
9 administrative expenses of insurers and the premium and administrative
10 expenses of insureds.
- 11 d. The impact of the proposed mandate on the total cost of health care.
- 12 3. A committee of the legislative assembly may not act on a legislative measure that the
13 legislative management or committee determines mandates health insurance
14 coverage of services or payment for specified providers of services unless the
15 measure as recommended by the committee provides:
- 16 a. The measure is effective through June thirtieth of the next odd-numbered year
17 following the year in which the legislative assembly enacted the measure, and
18 after that date the measure is ineffective.
- 19 b. The application of the mandate is limited to the public employees health
20 insurance program and the public employee retiree health insurance program.
21 The application of such mandate begins with every contract for health insurance
22 which becomes effective after June thirtieth of the year in which the measure
23 becomes effective.
- 24 ~~That for the next legislative assembly, the public employees retirement system~~
25 ~~shall prepare and request introduction of a bill to repeal the expiration date and to~~
26 ~~extend the mandated coverage or payment to apply to accident and health~~
27 ~~insurance policies. The~~At the conclusion of the process in this section, the public
28 employees retirement system shall append to the bill~~submit~~ a report regarding
29 the effect of the mandated coverage or payment on the system's health
30 insurance programs. The report must include information on the utilization and
31 costs relating to the mandated coverage or payment and a recommendation on

1 whether the coverage or payment should continue. ~~For purposes of this section,~~
2 ~~the bill is not a legislative measure mandating health insurance coverage of~~
3 ~~services or payment for specified providers of services, unless the bill is~~
4 ~~amended following introduction so as to change the bill's mandate.~~

5 4. The legislative management shall adopt a procedure for identifying measures and
6 proposed measures mandating health insurance coverage of services or payment for
7 specified providers of services. The procedure must include solicitation of draft
8 measures and proposals during the interim between legislative sessions from
9 legislators and agencies with bill introduction privileges and must include deadlines for
10 identification of the measures or proposals.

11 5. The legislative council shall contract with a private entity, after receiving one or more
12 recommendations from the insurance commissioner, to provide the legislative
13 management the cost-benefit analysis required by this section at the conclusion of the
14 process in subsection 3 of this section. The insurance commissioner shall pay the cost
15 of the contracted services to the entity providing the services.