

2025 SENATE INDUSTRY AND BUSINESS

SB 2091

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

SB 2091
1/22/2025

A bill relating to requirements for reinsurance association of ND claims; and to declare an emergency.

10:30 a.m. Chairman Barta called the meeting to order.

Members present: Chairman Barta, Vice-Chairman Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Board of directors' makeup, meeting frequency, and flexibility
- Coinsurance percentage adjustments and limit
- Emergency clause explanation
- Carrier assessment funding
- Invisible insurance pool
- Individual health insurance premium reduction
- Number of individual plans within the state
- Impact, collaboration, and premium reduction

10:31 a.m. Matt Fischer, Division Director of Company Licensing and Examinations for the ND Insurance Department, testified in favor and submitted testimony #30574

10:46 a.m. Megan Hruby, Blue Cross Blue Shield, testified in favor.

10:48 a.m. Dylan Wheeler, Head of Government Affairs for Sanford Health Plan, testified in favor and submitted testimony #30616.

10:48 a.m. Chairman Barta closed the hearing.

10:49 a.m. Senator Kessel moved a Do Pass.

10:49 a.m. Senator Enget seconded the motion.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

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Senator Barta will carry the bill.

10:50 a.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
SB 2091 ([25.8130.01000](#))

Industry and Business Committee (Sen. Barta, Chairman) recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). SB 2091 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.



NORTH DAKOTA
Insurance Department

TESTIMONY

Matt Fischer, Division Director, Company Licensing & Examinations

Senate Industry and Business Committee

January 22, 2025

Good morning, Chairman Barta and members of the committee. My name is Matt Fischer and I am the Division Director of Company Licensing & Examinations with the North Dakota Insurance Department. I am here today in support of SB 2091.

During the 66th Legislative Assembly the Reinsurance Association of North Dakota (RAND) was created as an “invisible” reinsurance pool that was allowed under Section 1332 of the Affordable Care Act. RAND has been in effect for five years and the Insurance Department just renewed RAND for another five years. The RAND Board of Directors is made up of one Senator, one representative, the state health officer, one representative from each of the 4 largest health writers in North Dakota and two nonvoting members from the Department.

RAND is a reinsurance pool that is designed to assist insurance companies and share in some of the risk of higher claims. When a claim on an individual health insurance policy is over \$100,000 the insurance company is allowed to submit the claim to the Insurance Department and RAND will cover 75%, or the coinsurance, of the claim over this \$100,000 attachment point, but this reinsurance coverage stops if the claim exceeds \$1,000,000. Any claim that exceeds \$1,000,000 qualifies for a separate payment from the federal government.

RAND has been in effect for 5 years and in those 5 years, we have found some best practices that we feel will serve the consumers of ND, the health insurers and the Department better. The changes in this bill allow for some flexibility to the amounts allowed under RAND.

Section 1 of the bill provides flexibility to the RAND board to annually set the attachment point in which health insurers are able to submit for reimbursement from RAND but does not allow for the attachment point to go below the current \$100,000 or above \$1,000,000. This section would also provide the RAND Board with the flexibility to change the coinsurance percentage but does not allow for the coinsurance limit to exceed 75%.

This bill does include an Emergency Clause. The reason for this is that that health insurers need to begin the process of setting rates for the 2026 plan year during April/May timeframe. Therefore, it would potentially allow the RAND Board the opportunity to change these limits in time for the 2026 plan year.

I respectfully request a “do pass” recommendation from the committee on SB2091 and I am happy to take any questions.



Chairman Barta and Members of the Committee –

Good Morning, my name is Dylan Wheeler – Head of Government Affairs for Sanford Health Plan; testifying today in speaking in strong support of SB2091. We appreciate the Insurance Department bringing this bill forward to empower the Reinsurance Association of North Dakota (RAND) to be more flexible in setting parameters within the North Dakota reinsurance program. The reinsurance program has brought premium relief to North Dakotans and is a program that should be maintained. As the market is ever evolving and changing, granting the RAND board additional authority to adjust parameters is a needed adjustment. Today, the RAND board is locked in regarding the thresholds for claim eligibility for participation in the reinsurance program. The changes brought forward by the North Dakota Insurance Department will allow the RAND board to adopt to a shifting health care financial climate and allow North Dakota to fully utilize the reinsurance program to its full potential.

Again – we appreciate the Insurance Department in bringing this adjustment.

I would be happy to help answer any question that you might have.

Dylan C. Wheeler

Head of Government Affairs

Sanford Health Plan

2025 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2091

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2091
3/10/2025

A BILL for an Act to amend and reenact section 26.1-36.7-08 of the North Dakota Century Code, relating to requirements for reinsurance association of North Dakota claims; and to declare an emergency.

9:03 a. m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Bahl, Finley-DeVille, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer

Member Absent: Representative Brown

Discussion Topics:

- Reinsurance Association of North Dakota (RAND)
- Affordable Care Act, Section 1332
- Emergency clause
- 2026 plan year

9:03 a.m. Matt Fischer, Division Director, Company Licensing & Examinations, testified in favor and submitted testimony #39924.

9:14 p.m. Representative D. Ruby moved Do Pass

9:14 a.m. Representative Schauer seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	Y
Representative Jorin Johnson	Y
Representative Landon Bahl	Y
Representative Collette Brown	AB
Representative Lisa Finley-DeVille	Y
Representative Karen Grindberg	Y
Representative Jim Kasper	AB
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Mike Schatz	Y
Representative Austin Schauer	Y
Representative Daniel R. Vollmer	Y

Motion passed 11-0-2

House Industry, Business and Labor Committee

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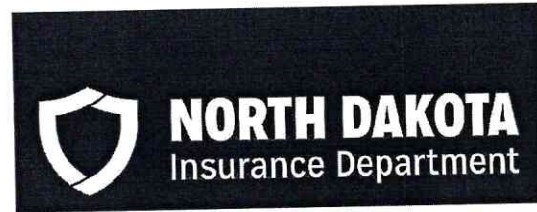
9:15 a.m. Representative Johnson will carry the bill.

9:15 a.m. Chairman Warrey closed the meeting.

Diane Lillis, Committee Clerk

REPORT OF STANDING COMMITTEE
SB 2091 ([25.8130.01000](#))

Industry, Business and Labor Committee (Rep. Warrey, Chairman) recommends **DO PASS** (11 YEAS, 0 NAYS, 2 ABSENT OR EXCUSED AND NOT VOTING). SB 2091 was placed on the Fourteenth order on the calendar.



TESTIMONY

Matt Fischer, Division Director, Company Licensing & Examinations

House Industry, Business and Labor Committee

March 10, 2025

Good morning, Chairman Warrey and members of the committee. My name is Matt Fischer and I am the Division Director of Company Licensing & Examinations with the North Dakota Insurance Department. I am here today in support of SB 2091.

During the 66th Legislative Assembly the Reinsurance Association of North Dakota (RAND) was created as an "invisible" reinsurance pool that was allowed under Section 1332 of the Affordable Care Act. RAND has been in effect for five years and the Insurance Department just renewed RAND for another five years. The RAND Board of Directors is made up of one Senator, one representative, the state health officer, one representative from each of the 4 largest health writers in North Dakota and two nonvoting members from the Department.

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