

Sixty-second
Legislative Assembly
of North Dakota

REENGROSSED SENATE BILL NO. 2276

Introduced by

Senators J. Lee, Dever, Heckaman

Representatives Kaldor, Weisz

1 A BILL ~~for an Act to create and enact a new chapter to title 23 of the North Dakota Century~~
2 ~~Code, relating to creating a state vaccine fund and a North Dakota vaccine group purchasing~~
3 ~~board; to amend and reenact section 23-01-05.3 of the North Dakota Century Code, relating to~~
4 ~~reporting immunization data; and to provide a penalty.~~for an Act to create and enact a new
5 chapter to title 23 of the North Dakota Century Code, relating to the North Dakota immunization
6 program; to amend and reenact section 23-01-05.3 of the North Dakota Century Code, relating
7 to reporting immunization data; to provide for a legislative management study; and to provide an
8 effective date.

9 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

10 ~~SECTION 1. A new chapter to title 23 of the North Dakota Century Code is created and~~
11 ~~enacted as follows:~~

12 ~~Definitions:~~

13 ~~As used in this chapter:~~

14 ~~1. "Board" means the North Dakota vaccine group purchasing board.~~

15 ~~2. "Department" means the state department of health.~~

16 ~~3. "Director" means the director of the North Dakota vaccine group purchasing program.~~

17 ~~4. "Fund" means the North Dakota vaccine fund.~~

18 ~~5. "Health insurance coverage" means any hospital and medical expense-incurred policy,~~
19 ~~nonprofit health care service plan contract, health maintenance organization~~
20 ~~subscriber contract, or any other health care plan or arrangement that pays for or~~
21 ~~furnishes benefits that pay the costs of or provide medical, surgical, or hospital care or,~~
22 ~~if selected by the eligible individual, chiropractic care.~~

23 ~~a. Health insurance coverage does not include any one or more of the following:~~

- 1 ~~————— (1) Coverage only for accident, disability income insurance, or any combination~~
2 ~~of the two;~~
- 3 ~~————— (2) Coverage issued as a supplement to liability insurance;~~
- 4 ~~————— (3) Liability insurance, including general liability insurance and automobile~~
5 ~~liability insurance;~~
- 6 ~~————— (4) Workforce safety and insurance or similar insurance;~~
- 7 ~~————— (5) Automobile medical payment insurance;~~
- 8 ~~————— (6) Credit-only insurance;~~
- 9 ~~————— (7) Coverage for onsite medical clinics; and~~
- 10 ~~————— (8) Other similar insurance coverage, specified in federal regulations, under~~
11 ~~which benefits for medical care are secondary or incidental to other~~
12 ~~insurance benefits.~~
- 13 ~~————— b. Health insurance coverage does not include the following benefits if the benefits~~
14 ~~are provided under a separate policy, certificate, or contract of insurance or are~~
15 ~~otherwise not an integral part of the plan:~~
- 16 ~~————— (1) Limited scope dental or vision benefits;~~
- 17 ~~————— (2) Benefits for long-term care, nursing home care, home health care,~~
18 ~~community-based care, or any combination of this care; and~~
- 19 ~~————— (3) Other similar limited benefits specified under federal regulations issued~~
20 ~~under the Health Insurance Portability and Accountability Act of 1996~~
21 ~~[Pub. L. 104-191; 110 Stat. 1936; 29 U.S.C. 1181 et seq.].~~
- 22 ~~————— c. Health insurance coverage does not include any of the following benefits if the~~
23 ~~benefits are provided under a separate policy, certificate, or contract of insurance;~~
24 ~~there is no coordination between the provision of the benefits; any exclusion of~~
25 ~~benefits under any group health insurance coverage maintained by the same~~
26 ~~plan sponsor; and the benefits are paid with respect to an event without regard to~~
27 ~~whether benefits are provided with respect to such an event under any group~~
28 ~~health plan maintained by the same sponsor:~~
- 29 ~~————— (1) Coverage only for specified disease or illness; and~~
- 30 ~~————— (2) Hospital indemnity or other fixed indemnity insurance.~~

1 ~~_____ d. Health insurance coverage does not include the following if offered as a separate~~
2 ~~policy, certificate, or contract of insurance:~~

3 ~~_____ (1) Coverage supplemental to the coverage provided under chapter 55 of~~
4 ~~United States Code title 10 [10 U.S.C. 1071 et seq.] relating to armed forces~~
5 ~~medical and dental care; and~~

6 ~~_____ (2) Similar supplemental coverage provided under a group health plan.~~

7 ~~_____ 6. "Health officer" means the state health officer.~~

8 ~~_____ 7. "Insurer" means any insurance company, nonprofit health service organization,~~
9 ~~fraternal benefit society, health maintenance organization, and any other entity~~
10 ~~providing or selling health insurance coverage or health benefits that are subject to~~
11 ~~state insurance regulation.~~

12 ~~_____ 8. "North Dakota immunization advisory committee" means the group of private health-~~
13 ~~care providers, local public health units, department staff, and other applicable~~
14 ~~individuals which makes immunization and vaccine selection recommendations to the~~
15 ~~North Dakota immunization program.~~

16 ~~_____ 9. "North Dakota immunization information system" is the population-based~~
17 ~~computerized information system established under section 23-01-05.3.~~

18 ~~_____ 10. "North Dakota immunization program" means the program administered by the~~
19 ~~department to provide vaccinations to North Dakota children consistent with state and~~
20 ~~federal law.~~

21 ~~_____ 11. "Plan of operation" means the plan of operation of the fund as established by the~~
22 ~~board.~~

23 ~~_____ 12. "Program-eligible child" means any child, who is under nineteen years of age, whose~~
24 ~~custodial parent or legal guardian resides in this state, who receives vaccinations from~~
25 ~~a North Dakota provider, and who is not eligible for the federal vaccines for children~~
26 ~~program.~~

27 ~~_____ 13. "Third party administrator" means a person that administers payments for health care~~
28 ~~services on behalf of a client health plan in exchange for an administrative fee.~~

29 ~~_____ 14. "Vaccine" means any vaccine recommended by the federal advisory committee on~~
30 ~~immunization practices of the centers for disease control and prevention.~~

1 ~~15. "Vaccines for children program" is a federally funded program that provides vaccines~~
2 ~~at no cost to eligible children pursuant to section 1928 of the Social Security Act~~
3 ~~[42 U.S.C. 1396s].~~

4 ~~**State department of health – Duties.**~~

5 ~~1. There is established in the department a vaccine group purchasing program.~~

6 ~~2. The health officer shall appoint the director of the North Dakota vaccine group~~
7 ~~purchasing program who may be an employee of the department.~~

8 ~~3. The health officer, or the health officer's designee, in consultation with the North~~
9 ~~Dakota immunization advisory committee shall determine which brands of vaccines~~
10 ~~are purchased under this chapter.~~

11 ~~**North Dakota vaccine group purchasing board.**~~

12 ~~1. There is created in the department the North Dakota vaccine group purchasing board,~~
13 ~~which shall operate as a governmental authority as defined in subsection 7 of section~~
14 ~~32-12.2-01.~~

15 ~~2. The board consists of nine members:~~

16 ~~a. Six members must be appointed by the health officer and serve at the pleasure of~~
17 ~~the health officer. In selecting the members of the board, the health officer shall~~
18 ~~appoint:~~

19 ~~(1) Three members representing insurers, one of whom shall represent~~
20 ~~administrators or third-party administrators;~~

21 ~~(2) One member representing business managers of private health care~~
22 ~~practices;~~

23 ~~(3) One member representing local public health units; and~~

24 ~~(4) One member representing the North Dakota business community involved~~
25 ~~in biotechnology with an emphasis in immunization vaccine research;~~

26 ~~b. The department's immunization program manager;~~

27 ~~c. One member designated by the insurance commissioner; and~~

28 ~~d. The health officer, or the director as the health officer's designated~~
29 ~~representative, shall serve as an ex officio, nonvoting member of the board.~~

30 ~~3. Board members appointed by the health officer pursuant to subdivision a of~~
31 ~~subsection 2 shall serve for terms of three years, except the initial board members~~

1 ~~appointed by the health officer pursuant to subdivision a of subsection 2 must be~~
2 ~~appointed as follows:~~

3 ~~a. Two members, as determined by the health officer, shall serve an initial term of~~
4 ~~two years;~~

5 ~~b. Two members, as determined by the health officer, shall serve an initial term of~~
6 ~~three years; and~~

7 ~~c. Two members, as determined by the health officer, shall serve an initial term of~~
8 ~~four years.~~

9 ~~4. The health officer shall fill any vacancy on the board appointed by the health officer~~
10 ~~pursuant to subdivision a of subsection 2.~~

11 ~~5. Members of the board who are not state employees or employees of a political~~
12 ~~subdivision are entitled to receive reimbursement for their necessary mileage and~~
13 ~~travel expenses as provided in sections 44-08-04 and 54-06-09 while attending board~~
14 ~~meetings.~~

15 ~~**Plan of operation:**~~

16 ~~1. Annually, the board shall submit a plan of operation to the director. Amendments to the~~
17 ~~plan may be made as needed. The plan of operation, and any amendments to the~~
18 ~~plan, become effective upon board approval.~~

19 ~~2. The plan of operation must:~~

20 ~~a. Identify methodology and procedures for determining assessments that are fair~~
21 ~~and equitable for insurers and third-party administrators, including a third-party~~
22 ~~administrator for a self-insurance plan. The board may assess a subgroup of the~~
23 ~~insurers and third-party administrators to be assessed based on immunization~~
24 ~~volume or other factors as approved by the board;~~

25 ~~b. Establish and approve procedures for the director to collect assessments from~~
26 ~~insurers and third-party administrators as identified in the plan of operation to~~
27 ~~fund vaccine purchases by the state;~~

28 ~~c. Establish a policy for conducting a reconciliation process to ascertain that~~
29 ~~assessments were fair and equitable and to consider adjustments to future~~
30 ~~assessments;~~

31 ~~d. Identify the frequency of board meetings; and~~

- 1 ~~e. Provide for any additional matters necessary for the implementation and~~
2 ~~administration of the fund.~~
- 3 ~~3. Administrative costs associated with establishing and operating the fund must be paid~~
4 ~~out of the fund.~~
- 5 ~~**Power and liability of the board.**~~
- 6 ~~1. The board may:~~
- 7 ~~a. Enter contracts necessary or proper to carry out this chapter;~~
8 ~~b. Determine the method and frequency of assessment and assess insurers and~~
9 ~~third-party administrators in accordance with rules adopted by the board;~~
10 ~~c. Require insurers and third-party administrators to provide to the board all~~
11 ~~statements and reports the board considers necessary to fulfill the board's duties~~
12 ~~under this chapter; and~~
13 ~~d. Establish policies and procedures as necessary or proper for the implementation~~
14 ~~of this chapter and the collection and use of the assessments authorized by this~~
15 ~~chapter.~~
- 16 ~~2. Neither the board nor any member of the board is liable for any obligations of the~~
17 ~~vaccine assessments. A member or employee of the board is not liable, and a cause~~
18 ~~of action of any nature may not arise against the member or employee of the board,~~
19 ~~for any act or omission related to the performance of the member's or employee of the~~
20 ~~board's powers and duties under this chapter, unless the act or omission constitutes~~
21 ~~willful or wanton misconduct. Participation by an insurer or third-party administrator in~~
22 ~~the assessments authorized by this chapter or on the board under this chapter is not~~
23 ~~grounds for any legal action, criminal or civil liability, or penalty against the fund or any~~
24 ~~of its insurers, third-party administrators, or board members, either jointly or~~
25 ~~separately.~~
- 26 ~~3. The board is exempt from the requirements of chapter 28-32 if the board provides~~
27 ~~notice and the opportunity to comment to any health insurer or third-party~~
28 ~~administrator, subject to an assessment under this chapter, except that an insurer or~~
29 ~~third-party administrator may appeal any assessment or rule of the board as provided~~
30 ~~under section 28-32-47.~~

1 ~~Assessments.~~

2 ~~1. Annually, the department shall report to the board the total number of program-eligible~~
3 ~~children in the North Dakota immunization information system who received vaccines,~~
4 ~~the doses administered, and the total cost of vaccines purchased through the North~~
5 ~~Dakota vaccine fund for the previous state fiscal year.~~

6 ~~2. Each insurer's or third party administrator's proportion of the assessment and the~~
7 ~~dates upon which the insurer or third party administrator must pay the assessment into~~
8 ~~the fund must be determined by the board based on annual statements and other~~
9 ~~reports considered necessary by the board. In making the assessment determination,~~
10 ~~the board also shall consider such factors as the number of vaccine doses~~
11 ~~administered in the pertinent time period and the number of program-eligible children~~
12 ~~in the pertinent time period, as well as any necessary costs and expenses to~~
13 ~~administer the fund and discharge the duties of the board.~~

14 ~~3. Each insurer or third party administrator shall pay the insurer's or third party~~
15 ~~administrator's annual assessment in at a minimum of quarterly installments on the~~
16 ~~date specified by the board.~~

17 ~~4. An insurer or third party administrator shall pay an assessment made by the board~~
18 ~~within sixty days of the notice of assessment being sent to the insurer or third party~~
19 ~~administrator.~~

20 ~~5. For late or nonpayment of assessments by an insurer or third party administrator, the~~
21 ~~board shall impose interest at the rate of one percent of the unpaid assessment due~~
22 ~~for each month or fraction of a month during which the assessment remains unpaid,~~
23 ~~computed from the due date of the assessment to the date paid, excepting the month~~
24 ~~in which the assessment was required to be paid or the assessment became due. If an~~
25 ~~insurer's or third party administrator's assessment remains partly or fully unpaid for~~
26 ~~more than ninety days from the due date, the board may impose a penalty of up to two~~
27 ~~times the amount of the unpaid assessment. In addition, the board may refer the~~
28 ~~insurer or third party administrator to the insurance commissioner who may use any~~
29 ~~sanctions available to penalize for nonpayment of the assessment.~~

30 ~~6. For good cause, an insurer or third party administrator may seek from the board a~~
31 ~~deferral from all or part of an assessment imposed by the board. The board may~~

1 ~~defer all or part of the assessment if the board determines that the payment of the~~
2 ~~assessment would place the insurer or third party administrator in a financially~~
3 ~~impaired condition, as provided in title 26.1. If all or part of an assessment against an~~
4 ~~insurer or third party administrator is deferred, the amount deferred may be assessed~~
5 ~~against the other insurers and third party administrators in a manner consistent with~~
6 ~~the basis for assessment provided under this section. The insurer or third party~~
7 ~~administrator receiving the deferment remains liable to the fund for the amount~~
8 ~~deferred and may be referred to the insurance commissioner who may use any~~
9 ~~sanctions available.~~

10 ~~7. The initial assessments as determined by the board must be paid to the fund before~~
11 ~~October 1, 2011.~~

12 ~~8. The moneys raised by the assessment authorized in this section must be used solely~~
13 ~~for the purposes expressly authorized by this chapter.~~

14 ~~**North Dakota vaccine fund.**~~

15 ~~There is created in the state treasury the North Dakota vaccine fund. Moneys in the fund~~
16 ~~must be appropriated by the legislative assembly solely for purposes established by this~~
17 ~~chapter. All interest and earnings of the fund must be retained in the fund. Any entity subject to~~
18 ~~this assessment is not entitled to a credit for this assessment against tax due under section~~
19 ~~26.1-03-17.~~

20 ~~**SECTION 2. AMENDMENT.** Section 23-01-05.3 of the North Dakota Century Code is~~
21 ~~amended and reenacted as follows:~~

22 ~~**23-01-05.3. Immunization data.**~~

23 ~~1. The state department of health may establish an immunization information system and~~
24 ~~may require the childhood immunizations specified in subsection 1 of section~~
25 ~~23-07-17.1 and other information be reported to the department. The state department~~
26 ~~of health may only require the reporting of childhood immunizations and other data~~
27 ~~upon completion of the immunization information reporting system. A health care~~
28 ~~provider who administers a childhood immunization shall report the patient's~~
29 ~~identifying information, the immunization that is administered, and other required~~
30 ~~information to the department. The report must be submitted using electronic media,~~

1 and must contain the data content and use the format and codes specified by the
2 department.

3 ~~2. A health care provider that fails to submit a required immunization report within four
4 weeks of vaccination may not order or receive any vaccines from the North Dakota
5 immunization program until the provider submits all reports required by this section.~~

6 ~~3. Notwithstanding any other provision of law, a health care provider, elementary or
7 secondary school, early childhood facility, public or private postsecondary educational
8 institution, city or county board of health, district health unit, and the state health officer
9 may exchange immunization data in any manner with one another. Immunization data
10 that may be exchanged under this section is limited to the date and type of
11 immunization administered to a patient and may be exchanged regardless of the date
12 of the immunization.~~

13 **SECTION 1. AMENDMENT.** Section 23-01-05.3 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **23-01-05.3. Immunization data.**

16 1. The state department of health may establish an immunization information system and
17 may require the childhood immunizations specified in subsection 1 of section
18 23-07-17.1 and other information be reported to the department. The state department
19 of health may only require the reporting of childhood immunizations and other data
20 upon completion of the immunization information reporting system. A health care
21 provider who administers a childhood immunization shall report the patient's
22 identifying information, the immunization that is administered, and other required
23 information to the department. The report must be submitted using electronic media,
24 and must contain the data content and use the format and codes specified by the
25 department.

26 2. If a health care provider fails to submit an immunization report required under this
27 section within four weeks of vaccination:
28 a. That health care provider may not order or receive any vaccine from the North
29 Dakota immunization program until that provider submits all reports required
30 under this section.

1 b. The state department of health shall make a report to that health care provider's
2 occupational licensing entity outlining that provider's failure to comply with the
3 reporting requirements under this section.

4 3. Notwithstanding any other provision of law, a health care provider, elementary or
5 secondary school, early childhood facility, public or private postsecondary educational
6 institution, city or county board of health, district health unit, and the state health officer
7 may exchange immunization data in any manner with one another. Immunization data
8 that may be exchanged under this section is limited to the date and type of
9 immunization administered to a patient and may be exchanged regardless of the date
10 of the immunization.

11 **SECTION 2.** A new chapter to title 23 of the North Dakota Century Code is created and
12 enacted as follows:

13 **Definitions.**

14 As used in this chapter:

- 15 1. "Department" means the state department of health.
16 2. "Health insurance coverage" means any hospital and medical expense-incurred policy,
17 nonprofit health care service plan contract, health maintenance organization
18 subscriber contract, or any other health care plan or arrangement that pays for or
19 furnishes benefits that pay the costs of or provide medical, surgical, or hospital care or,
20 if selected by the eligible individual, chiropractic care.

21 a. Health insurance coverage does not include any one or more of the following:

- 22 (1) Coverage only for accident or disability income insurance, or any
23 combination of the two;
24 (2) Coverage issued as a supplement to liability insurance;
25 (3) Liability insurance, including general liability insurance and automobile
26 liability insurance;
27 (4) Workers' compensation coverage or insurance;
28 (5) Automobile medical payment insurance;
29 (6) Credit-only insurance;
30 (7) Coverage for onsite medical clinics; and

1 (8) Other similar insurance coverage, specified in federal regulations, under
2 which benefits for medical care are secondary or incidental to other
3 insurance benefits.

4 b. Health insurance coverage does not include the following benefits if the benefits
5 are provided under a separate policy, certificate, or contract of insurance or are
6 otherwise not an integral part of the plan:

7 (1) Limited scope dental or vision benefits;

8 (2) Benefits for long-term care, nursing home care, home health care,
9 community-based care, or any combination of this care; and

10 (3) Other similar limited benefits specified under federal regulations issued
11 under the Health Insurance Portability and Accountability Act of 1996
12 [Pub. L. 104-191; 110 Stat. 1936; 29 U.S.C. 1181 et seq.].

13 c. Health insurance coverage does not include any of the following benefits if the
14 benefits are provided under a separate policy, certificate, or contract of insurance;
15 there is no coordination between the provision of the benefits; there is any
16 exclusion of benefits under any group health insurance coverage maintained by
17 the same plan sponsor; and the benefits are paid with respect to an event without
18 regard to whether benefits are provided with respect to such an event under any
19 group health plan maintained by the same sponsor:

20 (1) Coverage only for specified disease or illness; and

21 (2) Hospital indemnity or other fixed indemnity insurance.

22 d. Health insurance coverage does not include the following if offered as a separate
23 policy, certificate, or contract of insurance:

24 (1) Coverage supplemental to the coverage provided under chapter 55 of
25 United States Code title 10 [10 U.S.C. 1071 et seq.] relating to armed forces
26 medical and dental care; and

27 (2) Similar supplemental coverage provided under a group health plan.

28 3. "Insurer" means any insurance company, nonprofit health service organization,
29 fraternal benefit society, and health maintenance organization and any other entity
30 providing or selling health insurance coverage or health benefits that are subject to
31 state insurance regulation.

1 4. "North Dakota immunization program" means the program administered by the
2 department to provide vaccinations to North Dakota children consistent with state and
3 federal law.

4 5. "Program-eligible child" means any child who is under nineteen years of age, whose
5 custodial parent or legal guardian resides in this state, who receives vaccinations from
6 a North Dakota provider, and who is not eligible for the vaccines for children program.

7 6. "Third-party administrator" means a person that administers payments for health care
8 services on behalf of a client health plan in exchange for an administrative fee.

9 7. "Vaccine" means any vaccine recommended by the federal advisory committee on
10 immunization practices of the centers for disease control and prevention.

11 8. "Vaccines for children program" is a federally funded program that provides vaccines
12 at no cost to eligible children pursuant to section 1928 of the Social Security Act
13 [42 U.S.C. 1396S].

14 **Immunization program - Provider choice.**

15 As part of the North Dakota immunization program the department shall implement a provider
16 choice system as part of the state's implementation of the vaccines for children program. This
17 provider choice system must provide a health care provider participating in the state's vaccines
18 for children program or in any other immunization program for children, adolescents, or adults
19 which is administered through the state using federal or state funds may select any licensed
20 vaccine, including combination vaccines, and any dosage forms that have in effect a
21 recommendation from the federal advisory committee on immunization practices. This section
22 does not apply in the event of a disaster, public health emergency, terrorist attack, hostile
23 military or paramilitary action, or extraordinary law enforcement emergency.

24 **Immunization program - Vaccine ordering program - Funding - Limitations.**

25 1. As part of the North Dakota immunization program the department shall establish a
26 program through which the department orders vaccines through the federal
27 government.

28 a. The department shall supply all providers with the ordered vaccines. A provider
29 that receives vaccines under this vaccine ordering program shall administer the
30 vaccines to program-eligible children.

1 b. A provider that receives vaccines under this vaccine ordering program may not
2 bill an insurer for the cost of the vaccine but may charge an administration fee.

3 2. The department shall fund this vaccine ordering program first through participation in
4 the vaccines for children program and the federal section 317 immunization grant
5 program and then through assessments collected from insurers and third-party
6 administrators. The department shall identify methodology and procedures for
7 determining assessments that are fair and equitable for insurers and third-party
8 administrators, including a third-party administrator for a self-insurance plan. The
9 department may assess a subgroup of insurers and third-party administrators based
10 on immunization volume or other factors as approved by the department. The
11 department shall provide for any additional matters necessary for the implementation
12 and administration of the fund.

13 3. In addition to the vaccines supplied to providers under the vaccines for children
14 program and the federal section 317 immunization grant program under the federal
15 vaccine purchasing contract, no more than ten percent of the remaining vaccines the
16 department supplies under this section may be purchased under the federal vaccine
17 purchasing contract.

18 **Vaccine ordering program - Assessment.**

19 1. An insurer or third-party administrator shall pay the insurer's or third-party
20 administrator's annual assessment on the dates specified by the department. The
21 department shall establish payment dates that are at least quarterly but which may be
22 more frequent.

23 2. Within sixty days of the department sending the notice of assessment to the insurer or
24 third-party administrator, that insurer or third-party administrator shall pay the
25 department the assessment.

26 3. For late or nonpayment of an assessment by an insurer or third-party administrator,
27 the department shall impose interest at the rate of one percent of the unpaid
28 assessment due for each month or fraction of a month during which the assessment
29 remains unpaid, computed from the due date of the assessment to the date paid,
30 excepting the month in which the assessment was required to be paid or the
31 assessment became due. If an insurer's or third-party administrator's assessment

1 remains partly or fully unpaid for more than ninety days from the due date, the
2 department may impose a penalty not to exceed two times the amount of the unpaid
3 assessment. In addition, the department may refer the insurer or third-party
4 administrator to the insurance commissioner who may use any sanctions available to
5 penalize for nonpayment of the assessment.

6 4. For good cause, an insurer or third-party administrator may request that the
7 department grant a deferment from all or part of an assessment. The department may
8 defer all or part of the assessment if the department determines the payment of the
9 assessment would place the insurer or third-party administrator in a financially
10 impaired condition, as provided under title 26.1. If all or part of an assessment against
11 an insurer or third-party administrator is deferred, the amount deferred may be
12 assessed against the other insurers and third-party administrators in a manner
13 consistent with the basis for assessment provided under this section. The insurer or
14 third-party administrator receiving the deferment remains liable to the North Dakota
15 vaccine fund for the amount deferred and may be referred to the insurance
16 commissioner who may use any sanctions available.

17 5. The department shall use all funds received through these assessments for the
18 purposes expressly authorized by this chapter. The department may not use these
19 assessment funds for any purpose that is not expressly authorized under this chapter.

20 **North Dakota vaccine fund.**

21 There is created in the state treasury the North Dakota vaccine fund. Moneys in the North
22 Dakota vaccine fund must be appropriated by the legislative assembly solely for purposes
23 established by this chapter. All interest and earnings of the North Dakota vaccine fund must be
24 retained in the fund. Any entity subject to this assessment is not entitled to a credit for this
25 assessment against tax due under section 26.1-03-17. Administrative costs associated with
26 establishing and operating the North Dakota vaccine fund must be paid out of the fund.

27 **SECTION 3. LEGISLATIVE MANAGEMENT IMMUNIZATION STUDY.** During the 2011-12
28 interim, the legislative management shall consider studying the North Dakota immunization
29 program. The legislative management shall report its findings and recommendations, together
30 with any legislation required to implement the recommendations, to the sixty-third legislative
31 assembly.

1 **SECTION 4. EFFECTIVE DATE.** Sections 1 and 2 of this Act become effective October 1,
2 2011.