

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1126**

Introduced by

Representative Keiser

(At the request of the Insurance Commissioner)

1 A BILL for an Act to create and enact chapter 26.1-54 of the North Dakota Century Code,
2 relating to the creation of a health insurance exchange; to provide reports to the legislative
3 management; to provide an appropriation; to provide for application; and to declare an
4 emergency.

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

6 **SECTION 1.** Chapter 26.1-54 of the North Dakota Century Code is created and enacted as
7 follows:

8 **26.1-54-01. American health benefit exchange.**

9 To ensure that an American health benefit exchange is created in the state, the
10 commissioner and department of human services, in consultation with the advisory committee
11 established under section 26.1-54-05, shall:

- 12 1. Plan for the implementation of an American health benefit exchange for the state that
13 facilitates the purchase of qualified health benefit plans, provides for the establishment
14 of a small business health options program that is designed to assist qualified small
15 employers in facilitating the enrollment of their employees in qualified health benefit
16 plans offered in the small group market, and meets the requirements of the Patient
17 Protection and Affordable Care Act of 2010 [Pub. L. 111-148] as amended by the
18 Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152]. The
19 commissioner may consider establishing one exchange that will provide services to
20 both qualified individuals and qualified small employers;
- 21 2. Plan for the implementation of an American health benefit exchange for the state
22 which at a minimum provides for eligibility determination and enrollment of individuals
23 in the state's medical assistance program and the state's children's health insurance
24 program; simplification; and medical assistance and children's health insurance

1 program coordination with the state health insurance exchange in a manner that
2 meets the requirements of the Patient Protection and Affordable Care Act
3 [Pub. L. 111-148] as amended by the Health Care and Education Reconciliation Act of
4 2010 [Pub. L. 111-152].

5 3. Subject to section 3 of this Act, take all actions necessary to ensure that the exchange
6 is determined, not later than January 1, 2013, by the federal government to be ready
7 to operate not later than January 1, 2014, and that the exchange is operating on or
8 after January 1, 2014;

9 4. Subject to section 3 of this Act, consider whether to seek federal grant funds for the
10 planning and implementation of the exchange and administer all funds appropriated or
11 made available for the purpose of carrying out the provisions of this chapter; and

12 5. Subject to section 3 of this Act, contract with outside entities as necessary to provide
13 services necessary to implement the exchange.

14 **26.1-54-02. Rules.**

15 The commissioner and department of human services may adopt rules necessary or
16 desirable to carry out the provisions of this chapter.

17 **26.1-54-03. Cooperation of state agencies.**

18 State agencies shall cooperate with the commissioner and department of human services to
19 ensure the success of the exchange.

20 **26.1-54-04. Records.**

21 Notwithstanding any provision of this code making records confidential, the department of
22 human services and commissioner or the commissioner's designee may receive from and
23 provide to federal and state agencies information gathered in the administration of the
24 exchange, including social security numbers, if the disclosure is necessary for the department
25 of human services, commissioner, or receiving entity to perform its duties and responsibilities.

26 **26.1-54-05. Advisory committee.**

27 An advisory committee is established to assist the commissioner and the department of
28 human services in addressing the complexity and interdependence of the technology systems
29 required by the health benefit exchange. The advisory committee membership is made up of the
30 commissioner or the commissioner's designee, the executive director of the department of
31 human services or the director's designee, the chief information officer or the chief information

1 officer's designee, the governor or the governor's designee, and two members of the legislative
2 assembly appointed by the chairman of the legislative management.

3 **SECTION 2. APPROPRIATION - FEDERAL FUNDS.** There is appropriated the sum of
4 \$1,000,000, or so much of the sum as may be necessary, out of federal funds available under
5 the Patient Protection and Affordable Care Act of 2010 [Pub. L. 111-148] as amended by the
6 Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152] to the insurance
7 commissioner for the purpose of planning for implementation of an American health benefit
8 exchange for the state, for the period beginning with the effective date of this Act and ending
9 June 30, 2013.

10 **SECTION 3. APPLICATION.** In carrying out the requirements of this Act, the insurance
11 commissioner, department of human services, and advisory committee shall provide regular
12 updates to the legislative management during the 2011-12 interim. In determining, planning, and
13 implementing an American health benefit exchange for the state, the commissioner and
14 department of human services shall submit proposed legislation to the legislative management
15 for consideration at a special legislative session if the commissioner or department of human
16 services is required by federal law to take any action by January 1, 2013. For any plan,
17 program, or requirement that must be implemented between January 1, 2013, and January 1,
18 2014, the commissioner or department of human services shall submit proposed legislation to
19 the legislative management before October 15, 2012.

20 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.