

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2130**

Introduced by

Senators Lee, Anderson, Dever

Representatives Keiser, Meier, Weisz

1 A BILL for an Act to create and enact section 26.1-36-01.1 of the North Dakota Century Code,
2 relating to the scope of health insurance mandates; and to amend and reenact section 54-03-28
3 of the North Dakota Century Code, relating to a cost-benefit analysis for mandated health
4 insurance coverage measures.

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

6 **SECTION 1.** Section 26.1-36-01.1 of the North Dakota Century Code is created and
7 enacted as follows:

8 **26.1-36-01.1. Scope - Accident and health insurance policy mandates.**

9 Unless expressly provided otherwise, an accident and health insurance policy health
10 coverage mandate under this chapter does not apply to an accident and health insurance policy
11 that is a high-deductible health plan under 26 U.S.C. 223 if the mandate would cause the policy
12 to fail to qualify as a high-deductible health plan under this federal law.

13 **SECTION 2. AMENDMENT.** Section 54-03-28 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **54-03-28. Health insurance mandated coverage of services - Cost-benefit analysis**
16 **requirement.**

17 1. Alf the legislative management determines a legislative measure mandating mandates
18 health insurance coverage of services or payment for specified providers of services,
19 the measure may not be acted on by any committee of the legislative assembly unless
20 the measure is accompanied by a cost-benefit analysis provided by the legislative
21 council referred to a committee of the legislative assembly unless a cost-benefit
22 analysis provided by the legislative management is appended to that measure.

23 a. If a committee of the legislative assembly determines a measure mandating
24 health insurance coverage of services or payment of specified providers was

1 referred to committee without a cost-benefit analysis, the committee shall request
2 the legislative management provide a cost-benefit analysis. The committee may
3 not act on the measure unless the measure is accompanied by the cost-benefit
4 analysis.

5 b. If a committee of the legislative assembly determines a proposed amendment to
6 a measure mandates health insurance coverage of services or payment of
7 specified providers, the committee may not act on the proposed amendment
8 unless the amendment is accompanied by a cost-benefit analysis or amended
9 cost-benefit analysis provided by the legislative management.

10 2. Factors to consider in this~~considered in the cost-benefit analysis~~ must include:

- 11 a. The extent to which the proposed mandate would increase or decrease the cost
12 of the service.
- 13 b. The extent to which the proposed mandate would increase the appropriate use of
14 the service.
- 15 c. The extent to which the proposed mandate would increase or decrease the
16 administrative expenses of insurers and the premium and administrative
17 expenses of insureds.
- 18 d. The impact of the proposed mandate on the total cost of health care.

19 2-3. A committee of the legislative assembly may not act on a legislative measure
20 ~~mandating that the legislative management or committee determines mandates~~ health
21 insurance coverage of services or payment for specified providers of services may not
22 ~~be acted on by any committee of the legislative assembly~~ unless the measure as
23 recommended by the committee provides:

- 24 a. The measure is effective through June thirtieth of the next odd-numbered year
25 following the year in which the legislative assembly enacted the measure, and
26 after that date the measure is ineffective.
- 27 b. The application of the mandate is limited to the public employees health
28 insurance program and the public employee retiree health insurance program.
29 The application of such mandate begins with every contract for health insurance
30 which becomes effective after June thirtieth of the year in which the measure
31 becomes effective.

1 c. That for the next legislative assembly, the public employees retirement system
2 shall prepare and request introduction of a bill to repeal the expiration date and to
3 extend the mandated coverage or payment to apply to accident and health
4 insurance policies. The public employees retirement system shall append to the
5 bill a report regarding the effect of the mandated coverage or payment on the
6 system's health insurance programs. The report must include information on the
7 utilization and costs relating to the mandated coverage or payment and a
8 recommendation on whether the coverage or payment should continue. For
9 purposes of this section, the bill is not a legislative measure mandating health
10 insurance coverage of services or payment for specified providers of services,
11 unless the bill is amended following introduction so as to change the bill's
12 mandate.

- 13 ~~3. A majority of the members of the committee, acting through the chairman, has sole~~
14 ~~authority to determine whether a legislative measure mandates coverage of services~~
15 ~~under this section.~~
- 16 4. ~~Any amendment made during a legislative session to a measure which mandates~~
17 ~~health insurance coverage of services may not be acted on by a committee of the~~
18 ~~legislative assembly unless the amendment is accompanied by a cost-benefit analysis~~
19 ~~provided by the legislative council.~~The legislative management shall adopt a procedure
20 for identifying measures and proposed measures mandating health insurance
21 coverage of services or payment for specified providers of services. The procedure
22 must include solicitation of draft measures and proposals during the interim between
23 legislative sessions from legislators and agencies with bill introduction privileges and
24 must include deadlines for identification of the measures or proposals.
- 25 5. The legislative council shall contract with a private entity, after receiving one or more
26 recommendations from the insurance commissioner, to provide the legislative
27 management the cost-benefit analysis required by this section. The insurance
28 commissioner shall pay the cost of the contracted services to the entity providing the
29 services.