

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

233 /

2001 SENATE HUMAN SERVICES

SB 2331

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2330-2331

Senate Human Services Committee

Conference Committee

Hearing Date February 5, 2001

Tape Number	Side A	Side B	Meter #
1	X	X	
2	X		
February 7, 2001 2	X		35.3
February 7, 2001 2		X	
Committee Clerk Signature <i>Barat Holodyschuk</i>			

Minutes:

The committee was called to order by SENATOR LEE with all Senators present.

The hearing was opened on SB 2330 and 2331. The bills were heard together.

SENATOR MATHERN, sponsor of SB2330, introduced the bill with written testimony.

SENATOR MATHERN, sponsor of SB2331, introduced the bill with written testimony and presented proposed amendments.

DEB ISSACSON, speech pathologist, supports the bill. SENATOR LEE: What is the difference of evaluating the devices as medical or school. The physician recommends and prescribes. It is a team setting. Devices are used in schools and in community. Most school districts are good about allowing the device home at night or on the weekend. I can only speak for the school districts I am familiar with. If the device is covered by insurance it will be the child's. It goes with the child at all times.

SADY PAULSON, student using voice device, spoke through the device to the committee.

(Written testimony).

KATHY SCHULTE presented a letter from DR. KERSTIN SOBUS, Altru Health Services, Grand Forks, supports bill.

CONNIE LILLIARD presented testimony from parents in Wimbleton, who have a daughter using a device. They support the bill. DAVE and BARB BURSTEAD. (Written testimony)

SENATOR MATHERN: When someone has a device only at certain times, how does this affect the child? MS. LILLIARD: In school devices are used; they are not available at home and they must change communication patterns. It is potentially harmful.

ANNE ALBRIGHT, Anne Carlson Center, Jamestown, supports bill. The earlier you can get the child a device, the better. If only in school, the social, more motivating situations are outside of school and they don't have the communicating ability. What the children get is what they have on their shelves already and it is not the proper device for that child. The device should fit the child rather than the device fits the child's needs. Therapists do not know exactly what is out there and further assessment is needed. SENATOR ERBELE: What cost is there involved. How many people need this in ND. MS. ALBRIGHT: The cost ranges from \$400-600 for low tech devices. We are trying to get a device funded just for our evaluation and that device is about \$9400. I'm not sure what the numbers are.

Opposition:

MICHELLE RAGAN, occupational therapist, urges amendments to include occupational therapists. (Written testimony)

This ended testimony specifically on 2330.

The chairperson called for testimony in favor of SB 2331.

SENATOR KILZER took the Chair position.

ERICA PELISHEK supports the bill (Written testimony)

JODI PELISHEK, mother, supports bill, (Written testimony)

ANNETTE KAIP, parent of a son with Cerebral Palsy, supports bill. (Written testimony)

Presented pictures to the committee.

HEATHER PHILLIPS, licensed physical therapist, supports bill. (Written testimony)

SENATOR KILZER: How long have you been practicing? MS. PHILLIPS: 2 years.

DEB HOUDEK, PA-C, Medcenter One, supports both bills. Written testimony on 2330 and 2331.

DR. KEVIN MURPHY supports bill in written testimony.

KEVIN VAN ECK, parent, supports bill. His family was denied several physical helps. My son needs to be strapped in chairs, walkers, standers.

MJ AJLOUNY, RN, BSN, supports bill, (Written testimony)

DR. MYRA QUANRUD, MD FAAP, supports bill (Written testimony).

LEON KELLER, Director of Rehabilitation Services at Medcenter One, supports bill. (Written testimony)

KAREN HIPSAK, supports bill in written testimony.

KATHY SCHMIDT read testimony from DONENE FEIST. (Written testimony)

COLLEEN STOCKERT, parent and employee of Dept. Of Human Services, supports bill.
(Written testimony)

DARLENE WEIGEL supports bill in written testimony.

KEVIN OLSON, parent, supports bill in written testimony.

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RICK PELISHEK, Executive Director of the ND Disabilities Advocacy Consortium (NDDAC), supports bill. (Written testimony)

GRANT WILZ, Jordan's father, supports bill. Gave example of son's progress without therapy.

JON RICE, BCBS medical doctor, supports both bills with written testimony.

SENATOR LEE: How many children are covered in ND? DR. RICE: About 40% or 1.2

million per year. SENATOR KILZER: How long has language been in policy? DR. RICE: It

is an exclusion; the procedure is not denied. SENATOR MATHERN: Please explain. DR.

RICE: We will not cover because of it being an exclusion which means it is not medically

necessary. SENATOR KILZER: Does the Board at BCBS have any activity on the issue?

DR. RICE: No, I am not aware of any. SENATOR MATHERN: Is BCBS willing to cover part

of costs if the school board will cover part or what is meshing? DR. RICE: We are open to

considering that; there is some legal obligation to the school system to provide these devices. If

there is an opportunity to share these, what happens to the child who is uninsured, or the child

covered by Medicaid, who covers these devices better than we do at BCBS. SENATOR

MATHERN: Have you considered the possibility that schools might contract with you and the

families to provide this by each of you putting in part of it. DR. RICE: It may be considered. It

has not been a discussed item in the past.

Opposition:

DR. RICE, BCBS, opposes bill. (Written testimony on 2331). SENATOR MATHERN: Do you

make similar decisions about coverage as in the care of the heart? DR. RICE: Yes, we make

decisions. Adult medicine is different from kids. There are instances that are unallowable.

SENATOR MATHERN: Are these experimental? DR. RICE: There are not good studies and

that is one of the difficulties we have. How much therapy does a child need or how many

changes will take place. A lot of these things revolve around how often, how frequent, how long should we continue the therapy. What is maintenance and what is progress. Children change all the time. How much is due to the therapy or the growing and developing. SENATOR MATHERN: You talked about working together with groups. If you are able to offer more payment for more therapy; how would that impact your place in the market. Would it be useful in the Century Code so all insurance companies are treated the same. DR. RICE: You make a good point. Will it get financially out of hand? Employers would not be able to handle it. ARISA would not be affected. It is out of state, high risk.

ROD ST. AUBYN, BCBS, continues discussion. BCBS is providing for children. We need to go back. 92 cents goes for claims, 8 cents for administration. Expanded services are not objectionable. Subscribers are saying we can't afford it. We have to keep in mind 2331 would be millions of dollars. SENATOR LEE: What time frame do we need for working on problems. MR. ST. AUBYN: You have established a 4 month time frame for a task force to work on this. DPI indicated they may do something about the speech devices to be with the child at home. BRENDA BLAZER, Health Insurance Association of America, opposes 2330 and 2331 in written testimony.

The hearing was closed on SB 2330 and SB 2331.

February 7, 2001, Tape 2, Side A, Meter 35.4

The Human Services committee was called back to order. SENATOR MATHERN presented amendments to SB 2331. He explained these amendments are to correct the problem as to how these issues are dealt with by the Insurance Commissioners Office, and to eliminate the 70% issue of providers and narrow down the physical and speech therapy. Discussion followed. It was decided that the amendments would not make this a good bill.

2-7-01

SENATOR MATHERN moved to accept the amendments. SENATOR POLOVITZ seconded the motion. Roll call vote carried 6-0. SENATOR FISCHER moved a DO NOT PASS. SENATOR KILZER seconded the motion. Roll call vote carried 6-0. SENATOR LEE will carry the bill.

Discussion continued on SB 2330. SENATOR FISCHER present some amendments.

MR. GRONBERG, Dept of Education, explained the department's involvement with assistive technology devices or service. These serve communication as well as physical. The conjunction of school board and insurance would certainly contribute help to the parent needing the device for the child. A task force of the Department, insurance payer, insurance company, and not-for-profit organizations could come together to finance these devices. SENATOR FISCHER moved the amendments. SENATOR MATHERN seconded the motion. Roll call vote carried 6-0. SENATOR FISCHER moved a DO PASS AS AMENDED. SENATOR MATHERN seconded it. Roll call vote carried 6-0. SENATOR FISCHER will carry the bill.

FISCAL NOTE
 Requested by Legislative Council
 01/24/2001

Bill/Resolution No.: SB 2331

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

PERS referred this bill to our actuaries Deloitte and Touche. They indicated that it would not be possible to do a traditional actuarial analysis on the bill due to its scope in terms of waiving plan limits and not having any historical demographic information on potential utilization. However they did indicate that the bill would clearly increase costs to the plan as a result of waiving plan limits. Depending on the resulting utilization that cost could add several dollars or more per contract per month to the projected premiums. PERS presently has about 22,000 contracts on the plan. A one dollar increase applied across all contacts would increase costs by \$22,000 per month or about \$528,000 per biennium.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the*

executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Sparb Collins	Agency:	Public Employees Retirement System
Phone Number:	328-3901	Date Prepared:	02/01/2001

PROPOSED AMENDMENTS TO SENATE BILL NO. 2331

Page 1, line 3, replace "twenty-one" with "twenty-two, and to amend and reenact section 26.1-26.4-02, relating to the definition of "medically necessary""

Page 1, after line 4, insert:

"SECTION 1. Section 26.1-26.4-02 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

26.1-26.4-02. Definitions. For purposes of this chapter, unless the context requires otherwise:

1. "Commissioner" means the insurance commissioner.
2. "Emergency medical condition" means a medical condition of recent onset and severity, including severe pain, that would lead a prudent layperson acting reasonably and possessing an average knowledge of health and medicine to believe that the absence of immediate medical attention could reasonably be expected to result in serious impairment to bodily function, serious dysfunction of any bodily organ or part, or would place the person's health, or with respect to a pregnant woman the health of the woman or her unborn child, in serious jeopardy.
3. "Emergency services" means health care services, supplies, or treatments furnished or required to screen, evaluate, and treat an emergency medical condition.
4. "Enrollee" means an individual who has contracted for or who participates in coverage under an insurance policy, a health maintenance organization contract, a health service corporation contract, an employee welfare benefit plan, a hospital or medical services plan, or any other benefit program providing payment, reimbursement, or indemnification for health care costs for the individual or the individual's eligible dependents.
5. "Health care insurer" includes an insurance company as defined in section 26.1-02-01, a health service corporation as defined in section 26.1-17-01, a health maintenance organization as defined in section 26.1-18.1-01, and a fraternal benefit society as defined in section 26.1-15.1-02.

