

**Sixty-sixth Legislative Assembly of North Dakota  
In Regular Session Commencing Thursday, January 3, 2019**

SENATE BILL NO. 2106  
(Human Services Committee)  
(At the request of the Department of Human Services)

AN ACT to amend and reenact sections 50-29-01, 50-29-02, 50-29-03, 50-29-04, and 50-29-05 of the North Dakota Century Code, relating to the children's health insurance program; to repeal section 50-29-06 of the North Dakota Century Code, relating to a continuing appropriation for grants and donations received for the children's health insurance program; and to provide an effective date.

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

**SECTION 1. AMENDMENT.** Section 50-29-01 of the North Dakota Century Code is amended and reenacted as follows:

**50-29-01. Definitions.**

As used in this chapter:

1. "Children eligible for medical assistance" means the population eligible for Medicaid before the expansion of medical assistance as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152].
2. "Children's health insurance program" means a program to provide health assistance to low-income children funded through title XXI of the federal Social Security Act [42 U.S.C. 1397aa et seq.].
- ~~2-3.~~ "County agency" means the county social service board.
- ~~3-4.~~ "Department" means the department of human services.
- ~~4-5.~~ "Plan" means the children's health insurance program state plan.
- ~~5-6.~~ "Poverty line" means the official income poverty line as defined by the United States office of management and budget and revised annually in accordance with 42 U.S.C. 9902(2), applicable to a family of the size involved.

**SECTION 2. AMENDMENT.** Section 50-29-02 of the North Dakota Century Code is amended and reenacted as follows:

**50-29-02. Duties of the department.**

1. The department shall ~~prepare~~:
  - ~~a.~~ Prepare, submit, and implement the plan that includes determinations of eligibility, based on modified adjusted gross income methodologies as required in 42 U.S.C. 1396a(e) (14);
  2. ~~b.~~ Supervise the administration of the children's health insurance program ~~throughout this state~~;
  3. ~~c.~~ Take action, give directions, and adopt Adopt rules and regulations as may be necessary or desirable to carry out the provisions of to qualify for any federal funds available under this chapter;

- ~~4. After federal approval of the plan, apply for a federal waiver allowing plan coverage for a family through an employer-based insurance policy if an employer-based family insurance policy is more cost effective than the traditional plan coverage for the children;~~
- ~~5. d. Report annually to the legislative council and describe to the legislative management, as requested, regarding enrollment statistics and, program costs associated with the plan, and any operational updates;~~
- ~~6. e. Reimburse counties for expenses incurred in the administration of the children's health insurance program at rates based upon all counties' total administrative costs; and~~
- ~~7. f. Administer all funds appropriated or made available to the department for the purpose of carrying out the provisions of this chapter.~~
2. Within the limits of legislative appropriation, the department may submit state plans and may seek appropriate waivers of the requirements of the federal statutes or regulations as authorized by federal law.

**SECTION 3. AMENDMENT.** Section 50-29-03 of the North Dakota Century Code is amended and reenacted as follows:

**50-29-03. Duties of county agency.**

In the administration of the plan, ~~unless the department otherwise establishes eligibility, the~~ county agency shall:

- ~~1. Administer the plan under the direction and supervision of the department; and~~
- ~~2. Make an investigation and record the circumstances of each applicant, obtaining investigate and record the circumstances of each applicant or recipient of assistance, in order to ascertain the facts supporting the application, or the granting of assistance, and obtain such other information as may be required by the rules and regulations of the department.~~

**SECTION 4. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is amended and reenacted as follows:

**50-29-04. Plan requirements.**

The plan:

- ~~1. Must be provided through private contracts with insurance carriers; consistent with coverage provided to children eligible for medical assistance in the state; and~~
- ~~2. Must allow conversion to another health insurance policy;~~
- ~~3. Must be based on an actuarial equivalent of a benchmark plan;~~
- ~~4. Must incorporate every state-required waiver approved by the federal government;~~
- ~~5. Must include community-based eligibility outreach services; and~~
- ~~6. Must provide:~~
  - ~~a. A modified adjusted gross income eligibility limit based on a net income eligibility equivalent of one hundred sixtyseventy-five percent of the poverty line; and~~
  - ~~b. A copayment requirement for each pharmaceutical prescription and for each emergency room visit;~~
  - ~~e. A deductible for each inpatient hospital visit;~~

d. Coverage for:

- (1) ~~Inpatient hospital, medical, and surgical services;~~
- (2) ~~Outpatient hospital and medical services;~~
- (3) ~~Psychiatric and substance abuse services;~~
- (4) ~~Prescription medications;~~
- (5) ~~Preventive screening services;~~
- (6) ~~Preventive dental and vision services; and~~
- (7) ~~Prenatal services; and~~

- e. ~~A coverage effective date that is~~Current eligibility may be established from the first day of the month, following the date of in which the application and determination of eligibility was received. Retroactive eligibility may be established for the three calendar months that immediately preceded the month in which the application was received even if there is no eligibility in the month of application. Eligibility can be established if all factors of eligibility are met during each month.

**SECTION 5. AMENDMENT.** Section 50-29-05 of the North Dakota Century Code is amended and reenacted as follows:

**50-29-05. Limitations of chapter.**

Health assistance provided under this chapter is not an entitlement. A person does not have a property interest in any health assistance sought or provided under this chapter. If the department estimates that available funds are insufficient to allow participation by additional applicants, the department may take any action appropriate to avoid commitment of funds in excess of available funds, including denying applications and establishing waiting lists, that is not forbidden by title XXI of the federal Social Security Act [42 U.S.C. 1397aa et seq.] or regulations adopted thereunder. If notwithstanding any other provisions of this chapter, the department may not expend funds for purposes of this chapter which exceed the federal funds available and the corresponding nonfederal share, and if federal children's health insurance program funding decreases, or if federal funding expires, the department may decrease the income eligibility limit to accommodate the decrease in operate within the federal funding, notwithstanding any other provisions of this chapter available or may terminate the program if federal funding expires.

**SECTION 6. REPEAL.** Section 50-29-06 of the North Dakota Century Code is repealed.

**SECTION 7. EFFECTIVE DATE.** This Act becomes effective on January 1, 2020.

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President of the Senate

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Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-sixth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2106.

Senate Vote:    Yeas 42            Nays 4            Absent 1

House Vote:    Yeas 81            Nays 10           Absent 3

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Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2019.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2019.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2019,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State