

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

SENATE BILL NO. 2118  
(Industry, Business and Labor Committee)  
(At the request of the Insurance Commissioner)

AN ACT to create and enact section 26.1-36-49 of the North Dakota Century Code, relating to short-term limited-duration health insurance plans; and to amend and reenact subsections 2 and 3 of section 26.1-36.4-02 of the North Dakota Century Code, relating to short-term limited-duration health insurance plans.

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

**SECTION 1.** Section 26.1-36-49 of the North Dakota Century Code is created and enacted as follows:

**26.1-36-49. Short-term limited-duration health insurance plans.**

1. As used in this section, "short-term limited-duration health insurance plan" means health insurance coverage provided pursuant to an insurance policy or group certificate of insurance that has an expiration date specified in the policy which is no longer than six months after the original effective date of the policy and, taking into account any renewals or extensions, has a duration of not more than twelve months in total.
2. To the extent other state laws do not conflict with this section, any policy or rider advertised, marketed, or offered as a short-term limited-duration health insurance plan must comply with this section and all other applicable state insurance laws.
3. An insurer issuing a policy or certificate under this chapter shall provide, at the insured's option, for renewal or continuation of coverage. The renewal or continuation of coverage period may not extend for more than twelve months from the original effective date of the policy.
4. An insured may not be subject to additional underwriting at renewal or continuation of coverage and shall remain within the same risk class as of the original effective date of the policy.
5. An insurer shall provide a notice of termination of the policy or certificate to the insured at least fifteen days before renewal or end of the policy term.
6. All marketing materials related to the offering or sale of a short-term limited-duration health insurance plan must be filed with and approved by the commissioner before the plan is offered for sale in this state.
7. Sale of a policy for short-term limited-duration health insurance plan is only allowed through a licensed and properly appointed insurance producer. An insurance producer's signature and identification number must be included on the prospective insured's application.
8. A phone call made to a prospective insured relating to the marketing or sale of a short-term limited-duration health insurance plan must be recorded and maintained by the producer or the insurer for a period of no less than one year after the termination date of the policy.

**SECTION 2. AMENDMENT.** Subsections 2 and 3 of section 26.1-36.4-02 of the North Dakota Century Code is amended and reenacted as follows:

2. "Policy" means any health benefit plan as defined in section 26.1-36.3-01, whether offered on a group or individual basis. The term does not include short-term ~~major medical policies~~limited-duration health insurance plans offered in the individual market.
3. "Short-term limited-duration health insurance plan", except as required by the Health Insurance Portability and Accountability Act of 1996, ~~means a policy or plan providing coverage for one hundred eighty-five days or less~~is defined by section 26.1-36-49.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
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. 2118.

Senate Vote:    Yeas 46            Nays 1            Absent 0

House Vote:    Yeas 89            Nays 2            Absent 3

\_\_\_\_\_  
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