

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1010

That the Senate recede from its amendments as printed on pages 1054-1059 of the Senate Journal and pages 1354-1359 of the House Journal and that Engrossed House Bill No. 1010 be amended as follows:

Page 1, line 3, after the semicolon insert "to create and enact a new section to chapter 26.1-36 of the North Dakota Century Code, relating to examinations of health carriers;"

Page 1, line 4, after the semicolon insert "to provide for a legislative management study;"

Page 1, replace lines 13 through 16 with:

"Salaries and wages	\$8,149,998	(\$73,717)	\$8,076,281
Operating expenses	1,566,675	802,684	2,369,359
Capital assets	<u>0</u>	<u>100,000</u>	<u>100,000</u>
Total special funds	\$9,716,673	\$828,967	\$10,545,640"

Page 2, replace lines 1 and 2 with:

"State flexibility to stabilize the market grant	0	662,000
Coal and fossil fuel industry insurance study	0	200,000
Health care analysis	<u>200,000</u>	<u>0</u>
Total special funds	\$200,000	\$962,000"

Page 2, line 8, replace "\$18,818,030" with "\$20,728,540"

Page 2, line 11, replace "\$17,989,505" with "\$19,588,470"

Page 2, line 12, replace "\$828,525" with "\$1,140,070"

Page 2, line 14, replace "\$26,344" with "\$26,610"

Page 2, after line 16, insert:

**"SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - COAL AND FOSSIL FUEL INDUSTRY INSURANCE STUDY.** The appropriation in section 1 of this Act includes the sum of \$200,000 from the strategic investment and improvements fund for the insurance commissioner to study the availability, cost, and risks associated with insurance coverage in the lignite coal industry.

Page 2, line 22, remove "one"

Page 2, line 23, replace "hundred thirteen thousand nine hundred twenty-five" with "one hundred fourteen thousand four hundred eighty-six"

Page 2, after line 23, insert:

**"SECTION 7.** A new section to chapter 26.1-36 of the North Dakota Century Code is created and enacted as follows:

**Examinations.**

1. As used in this section, the terms "health carrier" and "health benefit plan" have the same meaning as provided under section 26.1-36.3-01.
2. Whenever the commissioner, in the commissioner's sole discretion, deems it appropriate, but at least once every five years, the commissioner or any of the commissioner's examiners shall conduct a comprehensive examination of a health carrier with a market share of twenty-five percent or more of health benefit plan covered lives in this state. The examination must be conducted in accordance with an examination conducted under chapter 26.1-03. In determining the scope of the comprehensive examination, the commissioner shall consider the criteria set forth in the market conduct handbook adopted by the national association of insurance commissioners and adopted by the commissioner which is in effect when the examination is initiated and any other matters deemed appropriate by the commissioner.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - MEDICATION**

**OPTIMIZATION.** During the 2021-22 interim, the legislative management shall consider studying medication optimization. The study must include a review of the implementation of clinical pharmacist-led medication optimization programs in individual, large group, and small group plans, including provider credentialing, billing standards and procedures, providing standards of care, patient monitoring, consistent documentation of outcomes and efforts related to de-prescribing, and structuring an outcome reporting system for medication optimization programs. The study also must include a review of changes necessary to state laws and administrative rules to implement effective medication optimization. The insurance commissioner shall assist the legislative management with the study and identify and request the participation of stakeholders needed to complete this study. The insurance commissioner shall collect and provide to the legislative management the data needed to complete the study. The data provided by stakeholders, not otherwise publicly disclosed, must be considered confidential pursuant to section 44-04-18.4. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 9. LEGISLATIVE MANAGEMENT STUDY - FIRE-RELATED**

**INSURANCE LINES.** During the 2021-22 interim, the legislative management shall consider studying fire-related lines of insurance, including the insurance premium tax revenue generated from fire-related lines of insurance and the appropriate amounts to be distributed to fire departments and the North Dakota firefighter's association pursuant to section 18-04-05. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1010 - Insurance Department - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$8,149,998	\$7,816,841	\$259,440	\$8,076,281	\$8,010,678	\$65,603
Operating expenses	1,566,675	1,507,359	862,000	2,369,359	2,414,359	(45,000)
Capital assets		100,000		100,000	100,000	

Fire department grants	<u>18,818,030</u>	<u>18,818,030</u>	<u>1,910,510</u>	<u>20,728,540</u>		<u>20,728,540</u>
Total all funds	\$28,534,703	\$28,242,230	\$3,031,950	\$31,274,180	\$10,525,037	\$20,749,143
Less estimated income	<u>28,534,703</u>	<u>28,242,230</u>	<u>3,031,950</u>	<u>31,274,180</u>	<u>10,525,037</u>	<u>20,749,143</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	41.00	38.00	0.00	38.00	38.00	0.00

**Department 401 - Insurance Department - Detail of Conference Committee Changes**

	Adjusts Funding for Salary Increases <sup>1</sup>	Adds Funding for Salaries <sup>2</sup>	Increases Funding for Fire District Payments <sup>3</sup>	Adds One- Time Funding for a Study <sup>4</sup>	Adds Funding for the State Flexibility to Stabilize the Market Grant <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	\$6,633	\$252,807				\$259,440
Operating expenses				\$200,000	\$662,000	862,000
Capital assets						
Fire department grants			<u>\$1,910,510</u>			1,910,510
Total all funds	\$6,633	\$252,807	\$1,910,510	\$200,000	\$662,000	\$3,031,950
Less estimated income	<u>6,633</u>	<u>252,807</u>	<u>1,910,510</u>	<u>200,000</u>	<u>662,000</u>	<u>3,031,950</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary increases of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

<sup>2</sup> Funding of \$252,807 from other funds is added for salary equity and workload adjustments. Neither the House version nor the Senate version included this funding. The Senate version added \$79,204 to convert a position to an attorney, \$108,000 for temporary salaries, and \$45,000 for travel. Those increases are not included in this amendment.

<sup>3</sup> Funding of \$1,910,510 is added from the insurance tax distribution fund to provide a total of \$20,728,540 for payments to fire departments (\$19,588,470) and the North Dakota Firefighter's Association (\$1,140,070). The House provided \$18,818,030 for payments to fire departments and the North Dakota Firefighter's Association and the Senate provided continuing appropriation authority for the payments. This increase will result in a general fund revenue reduction of \$1,910,510.

<sup>4</sup> One-time funding of \$200,000 from the strategic investment and improvements fund is added for the Insurance Commissioner to conduct a study of the availability, cost, and risks associated with insurance coverage in the lignite coal industry, as provided in Senate Bill No. 2287. The Senate also added \$200,000 from other funds for the study, but did not specify the source of funds.

<sup>5</sup> One-time funding of \$662,000 from federal funds is added for the state flexibility to stabilize the market grant program, which is intended to provide added flexibility in the private health insurance market through the implementation of market reforms, the same as provided by the Senate. The House did not provide funding for this purpose.

This amendment also:

- Adds a section to provide for examinations of health carriers by the Insurance Commissioner or any of the Insurance Commissioner's examiners, the same as the Senate version.
- Changes the section adjusting the Insurance Commissioner's annual salary to provide for a 1.5 percent increase on July 1, 2021, and a 2 percent increase on July 1, 2022, the same as the Senate version. The House had increased the Insurance Commissioner's salary by 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and maximum monthly increase of \$250.
- Adds a section to provide for a Legislative Management study of medication optimization, the same as the Senate version.
- Adds a section to provide for a Legislative Management study of fire-related insurance lines. The Senate did not include this section.