2009 HOUSE HUMAN SERVICES

HB 1391

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1391

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: January 21, 2009

Recorder Job Number: 7424 17 min. 6 sec.

Committee Clerk Signature Vicky Crabtree

Minutes:

Chairman Weisz called hearing to order on HB 1391.

Representative Kasper: the intent of the bill is to find out what can be done to increase the number of insured in our state.

Representative Porter: Why not make it a legislative interim study?

Representative Kasper: My intent is that it will be studied. There's a possibility through legislative council that the interim would not be recommended to do this study.

Representative Conrad: Are there any funds in the budget to do this?

Representative Kasper: I'll let Commissioner Hamm speak to that.

Representative Conrad: Is that just for the people who don't have it or (inaudible) ?

Representative Kasper: That is exactly why this bill is written the way it is. We may not know why a lot of people in ND do not chose to own insurance. It could be cost, it could be family design, and it could be unavailability from insurance carriers.

Representative Conrad: (Inaudible) reason for unmet insurance.

Representative Kasper: If you want o change a word or two, feel free.

Chairman Weisz: Is there anything (inaudible) that would prohibit the insurance commissioner from consulting with consumer advocates, etc. to (inaudible)?

Representative Kasper: Probably not, but we want them to be directed to do that.

Representative Porter: Is there anywhere in this bill that specifically addresses mandate issue and getting back to a basic policy if there's an individual who doesn't want or can't afford the Cadillac version?

Representative Kasper: The intent would be that study would also remain and be as broad as possible. If you desire to add that as part of the study to study the mandates and basic policies, no objection to me.

Adam Hamm, ND Insurance Commissioner: testified in support of bill. Have tried to formulate a plan to use some of these things the study talks about and would address. If we can get good and reliable data, it could lead into proposals for the next legislative session.

Representative Potter: Do you think a bill is necessary to make you do this?

Adam Hamm: No, but if this bill goes through, it will give us a time table and makes it a priority and makes sure these things get done.

Representative Conrad: Do you have funds in your budget now for this?

Adam Hamm: We believe we do have funds in this and next biennium to cover the costs of this study. It's hard to give you a cost. It could be from $5,000 to $10,000 as an estimate.

Rod St. Aubyn representing Blue Cross Blue Shield of ND: testified in support of the study. We only suggest that really this is a policy decision and really needs the legislature to look at. New U.S. administration and there is a lot of changes coming. There is a big push to take away the state's rights as far as insurance and put it at the federal level.

(Inaudible) (something) macher representing Farmer's Union spoke in support of the bill.

No opposition to the bill.

Chairman Weisz closed the hearing.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1391

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: February 9, 2009

Recorder Job Number: 9032

Committee Clerk Signature	Vicky Crabtree

Minutes:

Chairman Weisz: Let's look at 1391.

Rep. Kilichowski: Motion for a DO NOT PASS.

Rep. Holman: Second.

Rep. Porter: I resist that motion. The Commissioner during testimony wants to go out and look at our underserved and unmet needs of the residents in the state and report to the Legislative Council in this study. Don't know why we wouldn't want to do it. There's no money attached.

Rep. Conrad: Can't they do that now?

Rep. Holman: I have a note about 20/20 group doing study. Maybe were recondite.

Rep. Hofstad: (Inaudible). I think he said he supported the insurance commissioner looking at this from a new perspective. I resist the motion.

Rep. Nathe: I have in my notes that BC/BS and Farmers Union is in favor of this study. I don't see what is so bad about it.

Roll Call Vote for a DO NOT PASS: 5 yes, 8 no 0 absent.

MOTION FAILED.

Rep. Hofstad: Motion for a DO PASS.

Rep. Frantsvog: Second.

Roll Call Vote for a DO PASS: 9 yes, 4 no, 0 absent.

MOTION CARRIED FOR A DO PASS.

BILL CARRIER: Rep. Frantsvog.

Date: 2-9-09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1391

House HUMAN SERVICES Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☐ Do Pass ☒ Do Not Pass ☐ Amended

Motion Made By Rep. Kilichowski Seconded By Rep. Holman

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN ROBIN WEISZ	✓		REP. TOM CONKLIN	✓	
VICE-CHAIR VONNIE PIETSCH		✓	REP. KARI L CONRAD	✓	
REP. CHUCK DAMSCHEN		✓	REP. RICHARD HOLMAN	✓	
REP. ROBERT FRANTSVOG		✓	REP. ROBERT KILICHOWSKI	✓	
REP. CURT HOFSTAD		✓	REP. LOUISE POTTER		✓
REP. MICHAEL R. NATHE		✓			
REP. TODD PORTER		✓			
REP. GERRY UGLEM		✓			

Total (Yes) 5 No 8

Absent

Bill Carrier

If the vote is on an amendment, briefly indicate intent:

Motion Failed for a Do Not pass

Date: 2-9-09

Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1391

House HUMAN SERVICES Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Hofstad Seconded By Rep Frantsvog

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN ROBIN WEISZ		✓	REP. TOM CONKLIN	✓	
VICE-CHAIR VONNIE PIETSCH	✓		REP. KARI L CONRAD		✓
REP. CHUCK DAMSCHEN	✓		REP. RICHARD HOLMAN		✓
REP. ROBERT FRANTSVOG	✓		REP. ROBERT KILICHOWSKI		✓
REP. CURT HOFSTAD	✓		REP. LOUISE POTTER	✓	
REP. MICHAEL R. NATHE	✓				
REP. TODD PORTER	✓				
REP. GERRY UGLEM	✓				

Total (Yes) 9 No 4

Absent

Bill Carrier Rep. Frantsvog

If the vote is on an amendment, briefly indicate intent:

DO PASS

Motion carried

REPORT OF STANDING COMMITTEE

HB 1391: Human Services Committee (Rep. Weisz, Chairman) recommends **DO PASS** (9 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). HB 1391 was placed on the Eleventh order on the calendar.

2009 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1391

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1391

Senate Industry, Business, and Labor Committee

☐ Check here for Conference Committee

Hearing Date: March 9, 2009

Recorder Job Number: 10496, 10498, 10635

Committee Clerk Signature

Tray Schuchard

Minutes:

Chairman Klein: Opened the hearing on HB 1391, all members present.

Jim Kasper: Representative District 46, introduced HB 1391 and it requires the Insurance Commissioner study the reasons the state of North Dakota has uninsured and unmet health needs.

Adam Hamm: Insurance Commissioner for North Dakota testified in support of HB 1391. To me this is a useful idea and has the potential to find out some valuable information as we move forward and deal with these issues. The challenge for the Dept. is a resource issue, in terms of human, time, and money. We do have enough money in or budget to do this without an appropriation, which might be a challenge given what happened on the House side with reference to a $39K reduction in our operating expense line.

Senator Horne: Don't we already have a good idea now why people don't have insurance and who they are? Is this something we should be doing? I mean I understand the need, but...

Adam Hamm: The numbers of uninsured in North Dakota is roughly 8-10%, that's a total of around 50K uninsured. This study would look at whether it is an issue of price or product and plan design; these questions can be looked at in this study as well as the underinsured population in this state. I believe this could be a valuable tool. At a minimum this study would

give us a better picture of where we are at on all these issues, and give us a perspective from all the different stakeholders.

Chairman Klein: The debate is in the 20-30 age groups and whether or not they buy the new boat or buy health care, is there any way to figure that out? Who is opting for more stuff rather than important health insurance?

Adam Hamm: That is a valid starting point to gather data, gather information, and talk to these folks and find out how much of that "bulletproof attitude" actually exists and how much of it might be other issues; cost, product, or plan design.

Senator Potter: Don't you believe you already have the authority to conduct this kind of study?

Adam Hamm: Yes. We have talked about this in the Dept. Does that mean I think this is not a good idea? No, I think it is still a good idea. It gives us a timeframe, timetable, and requires an expected result.

Senator Potter: The number of uninsured in North Dakota has always confused me because nationally the statistics show that about 15% of the population is uninsured. Then you look at the demographics of uninsured and its almost like you just said North Dakota because its people in rural areas such as farmers, low-wage jobs, non-union states, it's our demographics; so how did we only have half the number of uninsured as the national average?

Adam Hamm: I don't have a good answer for that, but obviously it's good. When you look at NAIC meetings and talk to other Ins. Comm. Around the country, this is literally at the top of their agendas'.

Senator Potter: Where did you get the 8-10%?

Adam Hamm: Nationally. It comes to us from the Federal Government.

Chairman Klein: Is there a reason we are not doing a Legislative Council Study? Generally when we have a study, they propose it, spend the money, and work with the people involved.

Senator Wanzek: The major concern of the study would be accessibility and how to make insurance more accessible?

Adam Hamm: That would be an accurate statement.

Senator Nodland: You said in your testimony that you have the funding?

Adam Hamm: Based on what we anticipate doing within the dept. should this bill go through the Senate, yes we believe we currently have the funding to do an accurate and worthwhile assessment.

Senator Nodland: And your staff, will they be stretched?

Adam Hamm: We are not going to be able to do it with just our staff, we are going to have to partner with some volunteers to get this done across the state.

Senator Potter: Would you have objections to this being a Legislative Council study?

Adam Hamm: No

Rod St. Augmen: Representing BC/BS and are in support of the concept of this study. We believe it should go beyond this scope and the reason being is we are seeing some significant things that could change down the line that really should be addressed and looked at. If they do make those changes, we are going to see some potentially significant changes in our State law. We really think the Legislature should get involved in this. To address a question raised earlier regarding the uninsured: About 6 years ago, they commissioned a study to find out who the uninsured are across the country and from that analysis they determined 1/3 to be truly uninsured, 1/3 are the young people who could potentially afford it and have other priorities in life, 1/3 are people who are eligible for other programs such as S-chips and Medicaid, they

also found this group to be too proud to get government support sometimes. A true estimate of the uninsured is probably 1/3 of that actual number.

Senator Potter: You were a State Senator and a State Representative and wouldn't you say that one of the reasons for a Legislative Study as opposed to a study by the Executive branch is it creates a buy-in from the Legislature's who are part of the process.

Rod St. Augmen: Theoretically yes, but I have seen many interim studies that have gone down in flames as well.

Senator Potter: One of the questions I have had is when we ask people if they are uninsured, a lot of people say they are not. I believe there are 2 categories of people within those people; 1) the people who are ashamed to admit because they know they ought to be, and 2) those people who bought something that covers them but not with much protection, such as those people who purchase hospital indemnity or accidental death and dismemberment policy.

Rod St. Augmen: I would agree and those people would fall into the "underinsured", or else you have limited benefit plans where they think they have coverage but it's limited.

Chairman Klein: Closed hearing on HB 1391

Chairman Klein: Opened discussion on HB 1391

During discussion, they debated what the focus of the study should be, the insurance or insured and uninsured.

Chairman Klein: Closed discussion on HB 1391

Chairman Klein: Reopened the discussion on HB 1391

Senator Andrist: explained the amendment to HB 1391and its language with regards to assuring the intent of the original bill is still the focus of the study.

Senator Potter: I think adding the italicized portion has some effect because it directs the study to come up with the recommendations.

Senator Andrist: Made motion for a move of the amendment to HB 1391.

Senator Wanzek: Seconded

Chairman Klein: Motion to adopt amendment proposed by Senator Andrist is approved 7-0.

Senator Andrist: Motion for a Do Pass on the amended version of HB 1391.

Senator Potter: Seconded

Chairman Klein: Motion for a Do Pass on the amended HB 1391 is approved 7-0, Senator Andrist to carry

90177.0202
Title.

Prepared by the Legislative Council staff for
Senator J. Lee
March 9, 2009

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1391

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a legislative council study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE COUNCIL STUDY - HEALTH CARE. During the 2009-10 interim, the legislative council shall consider conducting a comprehensive study of unmet health care needs in the state. In addition to considering federal health care initiatives, the study must include consultation with the state department of health, insurance commissioner, and department of human services. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly."

Renumber accordingly

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Date: 3/10/09
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1391

Senate Committee

Industry, Business and Labor

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☑ **Pass** ☐ **Do Not Pass** ☑ **Amended**

Motion Made By Senator Andrist Seconded By Senator Wanzek

Senator	Yes	No	Senator	Yes	No
Senator Jerry Klein - Chairman	✓		Senator Arthur H. Behm	✓	
Senator Terry Wanzek – V.Chair	✓		Senator Robert M. Horne	✓	
Senator John M. Andrist	✓		Senator Tracy Potter	✓	
Senator George Nodland	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

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Date: 3/10/09
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1391

Senate Committee

Industry, Business and Labor

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☑ **Pass** ☐ **Do Not Pass** ☐ **Amended**

Motion Made By Senator Andrist Seconded By Senator Potter

Senator	Yes	No	Senator	Yes	No
Senator Jerry Klein - Chairman			Senator Arthur H. Behm		
Senator Terry Wanzek – V.Chair			Senator Robert M. Horne		
Senator John M. Andrist			Senator Tracy Potter		
Senator George Nodland					

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Andrist

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1391: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1391 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a legislative council study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE COUNCIL STUDY - HEALTH INSURANCE NEEDS - REPORT. During the 2009-10 interim, the legislative council shall conduct a comprehensive study of unmet health care needs in the state. The study must include an assessment of the needs of underinsured and uninsured individuals and families. In addition to considering the federal health care initiatives, the study must include consultation with the state department of health, the insurance commissioner, and the department of human services. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly."

Renumber accordingly

2009 TESTIMONY

HB 1391

SECTION 1. LEGISLATIVE COUNCIL STUDY -- HEALTH INSURANCE NEEDS -- REPORT.

The legislative council shall conduct a comprehensive study of unmet health care needs in the state. The study shall include an assessment of *(and recommendations for meeting)* the needs of underinsured and uninsured persons and families. In addition to considering federal health care initiatives, the study shall include consultation with the state department of health, insurance commissioner, and department of human services. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.