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Sixty-second
Legislative Assembly
of North Dakota

FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1126

Introduced by

Representative Keiser

(At the request of the Insurance Commissioner)

A BILL for an Act to create and enact chapter 26.1-54 of the North Dakota Century Code, relating to the creation of a health insurance exchange; to provide reports to the legislative management; to provide an appropriation; to provide for application; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Chapter 26.1-54 of the North Dakota Century Code is created and enacted as follows:

26.1-54-01. American health benefit exchange.

To ensure that an American health benefit exchange is created in the state, the commissioner and department of human services, in consultation with the advisory committee established under section 26.1-54-05, shall:

1. Plan for the implementation of an American health benefit exchange for the state that facilitates the purchase of qualified health benefit plans, provides for the establishment of a small business health options program that is designed to assist qualified small employers in facilitating the enrollment of their employees in qualified health benefit plans offered in the small group market, and meets the requirements of the Patient Protection and Affordable Care Act of 2010 [Pub. L. 111-148] as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152]. The commissioner may consider establishing one exchange that will provide services to both qualified individuals and qualified small employers;
2. Plan for the implementation of an American health benefit exchange for the state which at a minimum provides for eligibility determination and enrollment of individuals in the state's medical assistance program and the state's children's health insurance program; simplification; and medical assistance and children's health insurance

program coordination with the state health insurance exchange in a manner that meets the requirements of the 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].

3. Subject to section 3 of this Act, take all actions necessary to ensure that the exchange is determined, not later than January 1, 2013, by the federal government to be ready to operate not later than January 1, 2014, and that the exchange is operating on or after January 1, 2014;

~~3.~~4. Subject to section 3 of this Act, consider whether to seek federal grant funds for the planning and implementation of the exchange and administer all funds appropriated or made available for the purpose of carrying out the provisions of this chapter; and

~~4.~~5. Subject to section 3 of this Act, contract with outside entities as necessary to provide services necessary to implement the exchange.

26.1-54-02. Rules.

The commissioner and department of human services may adopt rules necessary or desirable to carry out the provisions of this chapter.

26.1-54-03. Cooperation of state agencies.

State agencies shall cooperate with the commissioner and department of human services to ensure the success of the exchange.

26.1-54-04. Records.

Notwithstanding any provision of this code making records confidential, the department of human services and commissioner or the commissioner's designee may receive from and provide to federal and state agencies information gathered in the administration of the exchange, including social security numbers, if the disclosure is necessary for the department of human services, commissioner, or receiving entity to perform its duties and responsibilities.

26.1-54-05. Advisory committee.

An advisory committee is established to assist the commissioner and the department of human services in addressing the complexity and interdependence of the technology systems required by the health benefit exchange. The advisory committee membership is made up of the commissioner or the commissioner's designee, the executive director of the department of human services or the director's designee, the chief information officer or the chief information

officer's designee, the governor or the governor's designee, and two members of the legislative assembly appointed by the chairman of the legislative management.

SECTION 2. APPROPRIATION - FEDERAL FUNDS. There is appropriated the sum of $1,000,000, or so much of the sum as may be necessary, out of federal funds available under the Patient Protection and Affordable Care Act of 2010 [Pub. L. 111-148] as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152] to the insurance commissioner for the purpose of planning for implementation of an American health benefit exchange for the state, for the period beginning with the effective date of this Act and ending June 30, 2013.

SECTION 3. APPLICATION. In carrying out the requirements of this Act, the insurance commissioner, department of human services, and advisory committee shall provide regular updates to the legislative management during the 2011-12 interim. In determining, planning, and implementing an American health benefit exchange for the state, the commissioner and department of human services shall submit proposed legislation to the legislative management for consideration at a special legislative session if the commissioner or department of human services is required by federal law to take any action by January 1, 2013. For any plan, program, or requirement that must be implemented between January 1, 2013, and January 1, 2014, the commissioner or department of human services shall submit proposed legislation to the legislative management before October 15, 2012.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.