

**FIRST ENGROSSMENT  
with Conference Committee Amendments  
ENGROSSED HOUSE BILL NO. 1010**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance  
2 commissioner; to provide an appropriation for the distribution of funds from the insurance tax  
3 distribution fund; to create and enact a new section to chapter 26.1-36 of the North Dakota  
4 Century Code, relating to examinations of health carriers; to amend and reenact section  
5 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance  
6 commissioner; to provide for a legislative management study; and to provide for a report.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
9 as may be necessary, are appropriated from special funds derived from federal funds and other  
10 income, to the insurance commissioner for the purpose of defraying the expenses of the  
11 insurance commissioner, for the biennium beginning July 1, 2021, and ending June 30, 2023,  
12 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
15 Salaries and wages	\$8,149,998	(\$73,717)	\$8,076,281
16 Operating expenses	1,566,675	802,684	2,369,359
17 Capital assets	<u>0</u>	<u>100,000</u>	<u>100,000</u>
18 Total special funds	\$9,716,673	\$828,967	\$10,545,640
19 Full-time equivalent positions	41.00	(3.00)	38.00

20 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**  
21 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect one-time funding  
22 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the  
23 one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
1			
2	Office remodel	\$0	\$100,000
3	State flexibility to stabilize the market grant	0	662,000
4	Coal and fossil fuel industry insurance study	0	200,000
5	Health care analysis	<u>200,000</u>	<u>0</u>
6	Total special funds	\$200,000	\$962,000

7 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget  
8 for the 2023-25 biennium. The insurance commissioner shall report to the appropriations  
9 committees of the sixty-eighth legislative assembly on the use of this one-time funding for the  
10 biennium beginning July 1, 2021, and ending June 30, 2023.

11 **SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the insurance  
12 tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$20,728,540 or  
13 so much of the sum as may be necessary, to the insurance commissioner for the purpose of  
14 providing payments, in accordance with provisions of section 18-04-05, to North Dakota fire  
15 departments in the amount of \$19,588,470 and payments to the North Dakota firefighter's  
16 association in the amount of \$1,140,070 for the biennium beginning July 1, 2021, and ending  
17 June 30, 2023.

18 **SECTION 4. UNSATISFIED JUDGMENT FUND.** Section 1 of this Act includes \$26,610  
19 from the state unsatisfied judgment fund to pay unsatisfied judgment fund administrative  
20 expenses for the biennium beginning July 1, 2021, and ending June 30, 2023.

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

26 **SECTION 6. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28 **26.1-01-09. Salary of commissioner.**

29 The annual salary of the commissioner is ~~one hundred seven thousand eight hundred~~  
30 ~~eighty five dollars through June 30, 2020~~ one hundred twelve thousand two hundred forty-one

1 dollars through June 30, 2022, and one hundred ten thousand five hundred eighty-two one  
2 hundred fourteen thousand four hundred eighty-six dollars thereafter.

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

5 **Examinations.**

6 1. As used in this section, the terms "health carrier" and "health benefit plan" have the  
7 same meaning as provided under section 26.1-36.3-01.

8 2. Whenever the commissioner, in the commissioner's sole discretion, deems it  
9 appropriate, but at least once every five years, the commissioner or any of the  
10 commissioner's examiners shall conduct a comprehensive examination of a health  
11 carrier with a market share of twenty-five percent or more of health benefit plan  
12 covered lives in this state. The examination must be conducted in accordance with an  
13 examination conducted under chapter 26.1-03. In determining the scope of the  
14 comprehensive examination, the commissioner shall consider the criteria set forth in  
15 the market conduct handbook adopted by the national association of insurance  
16 commissioners and adopted by the commissioner which is in effect when the  
17 examination is initiated and any other matters deemed appropriate by the  
18 commissioner.

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

20 During the 2021-22 interim, the legislative management shall consider studying medication  
21 optimization. The study must include a review of the implementation of clinical pharmacist-led  
22 medication optimization programs in individual, large group, and small group plans, including  
23 provider credentialing, billing standards and procedures, providing standards of care, patient  
24 monitoring, consistent documentation of outcomes and efforts related to de-prescribing, and  
25 structuring an outcome reporting system for medication optimization programs. The study also  
26 must include a review of changes necessary to state laws and administrative rules to implement  
27 effective medication optimization. The insurance commissioner shall assist the legislative  
28 management with the study and identify and request the participation of stakeholders needed to  
29 complete this study. The insurance commissioner shall collect and provide to the legislative  
30 management the data needed to complete the study. The data provided by stakeholders, not  
31 otherwise publicly disclosed, must be considered confidential pursuant to section 44-04-18.4.

1 The legislative management shall report its findings and recommendations, together with any  
2 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

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

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