

**Sixty-second Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 4, 2011**

HOUSE BILL NO. 1126
(Representative Keiser)
(At the request of the Insurance Commissioner)

AN ACT to create and enact chapter 26.1-54 of the North Dakota Century Code, relating to the creation of an American health benefit exchange; to provide reports to the legislative management; to provide an appropriation; and to provide for application.

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 the department of human services 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; implements eligibility determination and enrollment of individuals in the state's medical assistance program and the state's children's health insurance program; provides simplification; provides coordination among medical assistance, the children's health insurance program, and the state health insurance exchange; 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 legislative assembly may consider establishing one exchange that will provide services to both qualified individuals and qualified small employers;
2. 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. 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;
4. Subject to section 3 of this Act, contract with outside entities as necessary to provide services necessary to implement the exchange; and
5. Collaborate with the information technology department as necessary and appropriate in completing the responsibilities set forth in this section.

26.1-54-02. Rules.

The commissioner and the 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 the 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 commissioner or the commissioner's designee and the department of human services 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 commissioner, the department of human services, or the receiving entity to perform its duties and responsibilities.

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 and the department of human services 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, collectively the commissioner and the department of human services shall submit proposed legislation to the legislative management for consideration at a special legislative session if the state 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, collectively the commissioner and the department of human services shall submit proposed legislation to the legislative management before October 15, 2012.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-second Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1126.

House Vote: Yeas 90 Nays 0 Absent 4

Senate Vote: Yeas 31 Nays 15 Absent 1

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2011.

Approved at _____ M. on _____, 2011.

Governor

Filed in this office this _____ day of _____, 2011,

at _____ o'clock _____ M.

Secretary of State