

HOUSE BILL NO. 1300

Introduced by

Representatives Kasper, Beadle, Rick C. Becker, Dosch, Owens, Rohr, Ruby

Senators Burckhard, Campbell, Larsen, Luick

1 A BILL for an Act to amend and reenact section 54-52.1-04 of the North Dakota Century Code,
2 relating to provider networks for the public employees uniform group insurance program.

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

4 **SECTION 1. AMENDMENT.** Section 54-52.1-04 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **54-52.1-04. Board to contract for insurance.**

7 1. The board shall receive bids for the providing of hospital benefits coverage, medical
8 benefits coverage, life insurance benefits coverage for a specified term, and employee
9 assistance program services; may receive bids separately for prescription drug
10 coverage; and shall accept one or more bids of and contract with the carriers that in
11 the judgment of the board best serves the interests of the state and its eligible
12 employees. Solicitations must be made not later than ninety days before the expiration
13 of an existing uniform group insurance contract. Bids must be solicited by
14 advertisement in a manner selected by the board that will provide reasonable notice to
15 prospective bidders. In preparing bid proposals and evaluating bids, the board may
16 utilize the services of consultants on a contract basis in order that the bids received
17 may be uniformly compared and properly evaluated. In determining which bid, if any,
18 will best serve the interests of eligible employees and the state, the board shall give
19 adequate consideration to the following factors:

20 1-a. The economy to be effected.

21 2-b. The ease of administration.

22 3-c. The adequacy of the coverages.

23 4-d. The financial position of the carrier, with special emphasis as to its solvency.

- 1 5-e. The reputation of the carrier and any other information that is available tending to
2 show past experience with the carrier in matters of claim settlement,
3 underwriting, and services.
- 4 2. The board may reject any or all bids and, in the event it does so, shall again solicit
5 bids as provided in this section. The board may establish a plan of self-insurance for
6 providing health insurance benefits coverage only under an administrative services
7 only (ASO) contract or a third-party administrator (TPA) contract.
- 8 3. Regardless of whether the board chooses to self-insure, the board may develop a
9 provider network by negotiating and contracting with health care providers and
10 associations. A provider network developed under this subsection may only be used
11 by the board, or an insurance company contracting with the board, to provide health
12 insurance coverage pursuant to this chapter.