

**Office of Consumer Information and Insurance Oversight**

**State Planning and Establishment Grants for the  
Affordable Care Act's Exchanges**

**Quarterly Project Report**

**Date:** October 10, 2011

**State:** North Dakota

**Project Title:** State Planning and Establishment Grants for the Affordable Care Act's Exchanges

**Project Quarter Reporting Period:** Quarter 4 (7/1/2011–9/30/2011)

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**Project Summary**

North Dakota was awarded a \$1 million grant Sept. 30, 2010. The North Dakota Legislative Assembly passed [House Bill 1126](#), granting the Insurance Department permission to spend the grant funds beginning July 1, 2011.

The Insurance Department issued a Request for Proposal (RFP) July 18 to hire a consultant to provide Exchange research and planning services for the State of North Dakota. The intent of the contract is to provide research and analysis on Exchange governance options, the state's uninsured population, the state's insurance marketplace, Exchange financial modeling, and communication and outreach, with the ultimate goal of recommending a viable plan for developing and sustaining a Health Benefit Exchange in North Dakota. Five proposals were received. The contract was awarded to HTMS, an Emdeon company based out of Indianapolis, on Aug. 19, 2011.

HTMS provided its initial research findings to the Department on Sept. 30. An interim report is due Oct. 31, and the final report is due Dec. 2, 2011.

The North Dakota Legislative Assembly is holding a special session beginning Nov. 7 to determine whether the state will run its own Exchange and, if so, how it will be governed. The Oct. 31 interim report from HTMS will be provided to the legislature.

The North Dakota Insurance Department, North Dakota Department of Human Services and North Dakota Information Technology Department continue to meet regularly to discuss Health Benefit Exchange planning. Representatives from the Governor's office and the Office of Management and Budget recently joined the committee.

Stakeholder meetings were held in September to gather input from North Dakotans regarding the development of an Exchange in North Dakota. Two hundred people attended 11 meetings broken into four stakeholder groups: health care providers, insurance agents/producers, insurance company representatives, and a mixed group of consumers, government representatives and employers. A report of the findings was provided to the Department in September.

The Insurance Department continues to present information to the interim health care reform review legislative committee. On Sept. 20, Melissa Hauer, Insurance Department general counsel, talked about recently-released federal regulations, provided an update on the work HTMS is doing, provided an update on HHS' disapproval of North Dakota's claims, appeals and external review law, and provided comments on the committee's bill draft regarding the development of an Exchange in North Dakota. Meeting minutes are not available at this time, but will be [posted online](#).

Another interim health care reform review legislative committee meeting was held Oct. 6. Melissa Hauer gave an update on the status of other states' implementation of the Exchange and provided follow-up information requested at the previous meeting. HTMS also gave a presentation at the Oct. 6 meeting to inform the committee about the work it is doing for North Dakota. Meeting minutes are not available at this time, but will be [posted online](#). An additional committee meeting has been scheduled for Oct. 20.

HTMS has been to North Dakota twice during the term of the contract, with the majority of its time on-site spent conducting face-to-face interviews with various agency representatives and other stakeholders and conducting research.

The Insurance Department recently reached out to Native American leaders to discuss the Exchange and its impact on the state's Native American population. Rebecca Ternes gave a brief overview of the Exchange to the Tribal and State Relations committee on Sept. 26 and also recently met with Scott Davis, North Dakota Indian Affairs Commission executive director, and a group of tribal leaders from around the state to discuss the Exchange.

The Insurance Department has allocated \$10,000 of its Exchange planning grant funds to a staff member of the North Dakota Information Technology Department to research the cost of building and some ongoing costs to run an Exchange in the state. The report summarizing that research is expected to be complete in October.