

TWELFTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SECOND SPECIAL SESSION, 2000

PUBLIC LAW NO. 12-21

SENATE BILL

NO. 12-65

AN ACT

To establish a Task Force on Medical and Health Insurance; and for other purposes.

**BE IT ENACTED BY THE TWELFTH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

Section 1. Short Title. This Act shall be known and may be cited as the "Commonwealth Medical and Health Insurance Task Force."

Section 2. Purpose. To create a task force on medical and health insurance to study all aspects of medical and health coverage that is reasonable and affordable to the people of the Commonwealth.

Section 3. Findings. The Legislature makes the following findings:

(a) A Task Force on Medical and Health Insurance is necessary to assist the legislature in formulating a comprehensive policy on medical and health insurance that is equitable, fair, reasonable and affordable to the people;

(b) There is a need to formulate a universal coverage to cover those citizen of the CNMI who cannot afford to buy medical and health insurance policy;

(c) There are health maintenance carrier that makes it mandatory for their clients to use only their own clinic or make referral to another clinic of their preference leaving no choice to their client;

(d) It appears that selection to insure a person premise on the age, the requirement for physical examination and the medical history of the person. Because of this, some person are rejected from being covered specially if the carrier considered the person a liability and high risk;

(e) The rising cost of hospital and clinic both within and outside the Commonwealth can cost a person an arm and a leg without some form of coverage;

(f) That an insured patient should have the right to be treated at a hospital or clinic both within and outside of the Commonwealth of his or her choice.

Section 4. Establishment of Task Force.

(a) There is hereby established the Task Force on Medical and Health Insurance (hereinafter referred to as "the Task Force"), which shall consist of nine members as follows:

(1) The Insurance Commissioner of the Commonwealth established in 4 CMC § 7104 who shall serve as chair person of the Task Force; and

(2) The Secretary of Public Health or his designee who shall serve as vice chair of the Task Force; and

(3) The manager or administrator of the government health insurance program of the retirement fund; and

(4) Two House appointees of the Speaker of the House of Representatives which shall be made from insurance carriers; and

(5) Two Senate appointees of the President of the Senate which shall be made from private clinic; and

(6) Two appointees of the governor as follows:

- (a) one from the Chamber of Commerce; and
- (b) one from health maintenance carriers.

The Chairperson designated in section 3 (a) (1) of this act shall schedule and preside over meetings of the Task Force. The Task Force may adopt rules and operating procedures in order to facilitate its work without regard to the provisions of 1 CMC Division 9, Chapter 1, the administrative procedure act. The Task Force may solicit written comments upon its proposals, and may hold public hearings upon its draft legislation.

Section 4. Quorum. Five members shall constitute a quorum for the transaction of all business of the Task Force, and all matters shall be decided by a majority of those present and voting, except that the concurrence of at least five members shall be necessary for the adoption of any report required to be transmitted pursuant to Section 7 of this act. Voting by proxy shall not be permitted.

Section 5. Compensation. Members of the Task Force shall serve without compensation, but shall be reimbursed for reasonable and necessary expenses incurred in the performance of their duties. Cost of such reimbursement may be decided equally among the House of Representatives, the Senate, and the Executive Branch upon request of the Task Force.

Section 6. Removal and Vacancies. Persons appointed as members of the Task Force shall serve at the pleasure of the appointing authority. Vacancies on the Task Force shall be filled in the same manner as the original appointment.

Section 7. Duties of the Task Force. The Task Force shall make a comprehensive review regarding medical and health insurance programs in the CNMI and shall recommend and draft legislation necessary to implement a local system of medical and health insurance

and shall report its findings and recommendations to the legislature within six months after the appointment of all nine (9) members. If the Task Force finds that additional time is necessary or required to submit its findings and recommendations to the legislature, the legislature may extend the time by joint resolution upon request of the Task Force.

Section 8. Staffing. Reasonable staff support shall be provided by the House of Representatives, the Senate, the Department of Commerce, the Department of Public Health, and the Office of the Governor, upon request of the Task Force. The Task Force shall work with any federal officials or other professionals, who may provide the Commonwealth with the technical assistance in the area of medical and health insurance. In the event technical assistance grants, or other funding becomes available for purposes related to this act, the Task Force may contract with the private vendors for staff and consulting services as it deems necessary. The contracting officer and expenditure authority of the Task Force shall be its chair person.

Section 9. Tenure. This Task Force shall come into existence on the enactment of this Act, and shall cease to exist after submitting its final report, recommendations and draft legislation to the legislature.

Section 10. Severability. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Section 11. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior

