




DEPARTMENT OF INSURANCE  
STATE OF NORTH DAKOTA

Glenn Pomeroy  
Commissioner of Insurance

**BULLETIN 99-3**

TO: All Companies Licensed to Market Accident and Health Insurance in  
North Dakota

FROM: Glenn Pomeroy, Commissioner 

DATE: November 12, 1999

SUBJECT: 48/96 Hour Maternity Mandate

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**SCOPE AND APPLICABILITY**

This bulletin pertains to all insurance companies authorized to sell individual and group health insurance in this state. The purpose of this bulletin is to clarify N.D. Cent. Code § 26.1-36-09.8. All future individual and group health filings must comply with this bulletin. Under N.D. Cent. Code § 26.1-36-39, existing policies or certificates with conflicting provisions must be interpreted to comply with this bulletin effective August 1, 1997. The requirements stated below do not apply to a limited benefit policy.

**N.D. CENT. CODE § 26.1-36-09.8**

N.D. Cent. Code § 26.1-36-09.8, effective August 1, 1997, mandates 48 hours of coverage for a normal vaginal delivery and 96 hours of coverage for an uncomplicated C-section when maternity coverage is provided as a benefit under the policy or certificate. This statute also has the additional impact of prohibiting two industry practices: the application of different cost sharing mechanisms to maternity coverage and the refusal to cover dependent pregnancies. It also places restrictions on the practice of capping maternity benefits.

**Cost Sharing**

This statute does allow for the use of deductibles, coinsurance, and any other cost sharing mechanism for the maternity benefits required under the statute. However, it also requires the

coverage offered provide benefits of the same type provided for any other illness. Therefore, it is permissible to apply the cost sharing mechanisms that are applied to other hospitalizations but it is not permissible to apply additional or different mechanisms to maternity hospitalization.

For example, if there is a \$1000 deductible applied to other hospitalizations, this deductible would also apply to maternity hospitalizations, but the carrier could not apply an additional, separate deductible for maternity. In the case of coinsurance, if an 80/20 coinsurance is applied to any hospitalization, then the coinsurance for the maternity hospitalization must be paid at 80/20. Policies may not apply graded coinsurances (0% year one, 50% year two, 80% year three).

N.D. Cent. Code § 26.1-36-09.8 further prohibits a precertification penalty for failure of an individual who falls under the above-mentioned maternity benefits to provide advance notice of delivery.

### **Caps**

A cap may be placed on maternity coverage only if caps are applied to other benefits. Maternity caps, if used, may not be unreasonably low. If caps are used, they must at least provide maternity coverage for the cost of the 48/96 hour maternity period.

### **Dependent Coverage**

This statute requires the prescribed 48/96 hour maternity coverage for any person covered under the policy or certificate. Therefore, if dependent coverage is provided for any other services under the policy, dependent maternity hospitalizations must also be covered as described above.

GP/njb