

TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

_____, 2022

H. B. 22- 100

A BILL FOR AN ACT

To further enable recruitment, retention, and appropriate classification and compensation of Medicaid personnel; and for other purposes.

**BE IT ENACTED BY THE 22ND NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** Medicaid is a federal and state/territory
2 program that provides needed health insurance for eligible individuals and families
3 with limited income and resources. In December 2019, the U.S. Congress amended
4 Title XIX to provide two-years of funding equivalent to amounts the
5 Commonwealth of the Northern Mariana (CNMI) would receive as a state.
6 Congress further increased the Federal Medical Assistance Percentage (FMAP)
7 based on the same per-capita income formula applied to all states, CNMI received
8 a fair percentage of 83% in federal financial participation permitted by Title XIX.
9 In doing so, the U.S. Congress established parity in the financing of the program
10 with all states.

11 At the same time, the U.S. Congress required the CNMI Medicaid program
12 to establish a Program Integrity Lead, make “reasonable and appropriate” progress

1 to submit data to the Transformed Medicaid Statistical Information System (T-
2 MSIS), establish a Medicaid Fraud Control Unit (MFCU), and submit reports
3 directly to the U.S. Congress. The conditions are not unique to the CNMI or other
4 U.S. territories and applicable to all states. The Legislature further understands that
5 there are other requirements that CNMI and other state territories must comply with
6 and further anticipates that should the Commonwealth continue to receive the
7 much-needed levels of funding as all other states, the CNMI will be held to the
8 same standards and requirements of accountability for program administration and
9 compliance applicable to all states.

10 The Legislature, in passing SB 21-28 HS1 on March 15, 2020, recognized
11 and anticipated the importance, need, and legal requirements of the Medicaid
12 program to comply, as all states are required, with the provisions of Title XIX of
13 the Social Security Act. The Legislature anticipated these requirements as
14 described in the findings of the bill which became Public Law 21-28 on May 22,
15 2020.

16 The Legislature further recognized, in passing the Fiscal Year 2021 Budget
17 and Appropriations Bill, HB 21-124, SD2, CCSI, on October 1, 2020 (PL 21-35),
18 the chronic financial conditions of the CNMI government and developed a plan to
19 meet the program and financial matching requirements for the Medicaid program.
20 To balance the program needs for administration and medical reimbursement with
21 the legal requirements of Title XIX, the Legislature established a new Business

1 Unit (BU) entitled Compliance and Medicaid Enterprise Systems (MES) and
2 deemed the three BUs, including the Medicaid Administration (1980) and Medicaid
3 Reimbursement (1951), including the new Compliance and Medicaid Enterprise
4 Systems BU (1981), as a single program budget.

5 The Legislature further provided the authority for the Director of the
6 Medicaid program, as the expending authority, to reallocate the funds appropriated
7 in the Act among the Medicaid BUs. The Legislature, in this bill, further clarifies
8 the authority of the Medicaid Director to reprogram funds among the three
9 Medicaid BU categories or any other BU the Legislature may establish.

10 The Legislature further finds that positions for MES personnel approved
11 and funded, at minimum, with 50% to 90% federal funds, as approved by the
12 Centers for Medicare and Medicaid Services (CMS), have yet to be recruited and/or
13 filled, resulting in delays to important project activities and timelines. The
14 Legislature further finds that specialized health information technology and
15 Medicaid data analytics personnel required by Medicaid are in short supply and are
16 in need to be established as Excepted Service Employment Contract personnel until
17 the Office of Personnel Management (OPM) is able to undertake a market-based
18 classification and compensation pricing study for Health Information Technology
19 and Data Analytics personnel that, at minimum, reflects the comparable
20 classification and compensation of like positions at the Commonwealth Healthcare
21 Corporation.

1 Accordingly, the purposes of this legislation are to: (a) codify the authority
 2 of the Medicaid Director to reprogram funding appropriated for the Medicaid
 3 program among the established BUs; (b) direct the OPM to undertake a repricing
 4 study for eligibility, enrollment, claims processing, and health information
 5 technology personnel recruitment and retention based on the classification and
 6 compensation of Commonwealth Healthcare Corporation; and (c) authorize the
 7 OPM to hire Medicaid Enterprise Systems, data analysis, program integrity, and
 8 auditing personnel under Excepted Service Employment Contracts until the
 9 market-based repricing classification and compensation study is completed.

10 **Section 2. Repeal and Re-Enactment. Method of Administration.** Title
 11 1 Government, Division 2 Executive Branch. Article 12, Commonwealth Medicaid
 12 Agency, Section 20201, Method of Administration is hereby repealed and the
 13 following is hereby enacted as sections **20201(a)** and **(b)** that shall read as follows:

14 **“20201 Method of Administration.**

15 **(a) Method of Administration.** The Commonwealth Medicaid
 16 Agency shall employ methods of administration, as described in the plan in
 17 this Article, that are necessary for the proper and efficient operation of the
 18 program.

19 **(b) Reprogramming Authority.** Notwithstanding 1 CMC § 7402,
 20 Reprogramming Authority, or any other provisions in Commonwealth law,
 21 the Director of the Commonwealth Medicaid Agency is the expenditure

1 authority for Medicaid funds and may reallocate and reprogram funds
2 appropriated by law among the Medicaid Program Business Units (BU),
3 including, but not limited to, the Medicaid Reimbursement – BU 1951,
4 Medicaid Administration BU 1980, Medicaid Enterprise Systems (MES) –
5 BU 1981, or any other Medicaid BU established by the Legislature or the
6 Secretary of Finance. Funds appropriated to the Medicaid program BUs
7 shall be deemed a single budget reserved for the purposes of the Medicaid
8 program, including Personnel Expenses.”

9 **Section 3. Amendment.** Title 1 of the Commonwealth Code, Government
10 Division 8 Public Employment, Part 1 Civil Service Act, Chapter 2 The Office of
11 Personnel Management, is hereby amended by creating new sections 8126, 8127,
12 and 8128 that shall read as follows:

13 **“8126. Establishment of Personnel Positions.** Notwithstanding
14 any other provision in Commonwealth law, the Director of the Office of
15 Personnel Management will establish personnel positions required by the
16 Commonwealth Medicaid Agency for Medicaid Enterprise Systems
17 (“MES”) approved by the Centers for Medicare and Medicaid Services. The
18 MES positions shall be based on comparable classification and
19 compensation rates of the Commonwealth Healthcare Corporation to ensure
20 recruitment and retention of qualified MES personnel and shall be exempt
21 from Government Salary Ceiling in Title 1 Section 8248 of the

1 Commonwealth Code. Notwithstanding any Executive Orders,
2 Commonwealth laws, or other provisions to the contrary, personnel of the
3 Commonwealth Medicaid Agency shall work and remain at the
4 Commonwealth Medicaid Agency and shall not be transferred or assigned
5 to any other agencies, entities or departments.

6 **8127. Classification and Compensation Review.** Notwithstanding
7 any other provision in Commonwealth law, the Office of Personnel
8 Management shall undertake a classification and compensation review for
9 classes of personnel required by the Medicaid program, including eligibility
10 and enrollment, medical claims examiners, health information technology,
11 health data analytics, and compliance and program management personnel
12 positions required by the Commonwealth Medicaid Agency and for
13 Medicaid Enterprise System positions approved by the Centers for
14 Medicare and Medicaid Services. The classification and compensation for
15 Medicaid positions shall be based on comparable classification and
16 compensation rates of the Commonwealth Healthcare Corporation and
17 private insurers and providers such as federally qualified and funded
18 community health centers.

19 **8128. Development and Application of Related Work**
20 **Equivalencies.** In determining the qualifications of applicants and
21 personnel, the Office of Personnel Management (“OPM”) will recruit

1 applicants that have demonstrable and specific knowledge, skills,
2 experience, training and abilities, as applicable, in the classification classes
3 and areas of Medicaid, Medicare or Children’s Health Insurance Program
4 administration, health care systems financial operations, health information
5 systems and technologies, and health care data analytics and program
6 management. The OPM will develop and apply related work equivalencies
7 and training with undergraduate academic credit and use structured and
8 graded interviews by qualified individuals to assess applicant substantive
9 knowledge, skills, experience, training, and abilities for positions of
10 Medicaid, Medicare and health insurance.”

11 **Section 4. Repeal and Re-enactment.** Title 1 Government, Division 2
12 Executive Branch, Part 1. Organization of the Executive Branch, Chapter 1 Office
13 of the Governor, Article 12 Commonwealth Medicaid Agency, Section 20211,
14 titled, “Standards of Personnel Administration” is hereby repealed and re-enacted
15 to read as follows:

16 **“§ 20211. Standards of Personnel Administration.** The
17 Commonwealth Medicaid Agency and its employees shall be covered by
18 the Civil Service Act, except that employees under Medicaid Enterprise
19 System (MES) shall be covered under Excepted Service Employment
20 Contracts. MES employees may elect to convert to civil service when a
21 classification and a compensation study is completed by the Office of

1 Personnel Management and approved or modified by the Medicaid
2 Director.

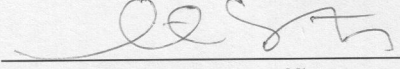
3 **Section 5. Severability.** If any provisions of this Act or the application of
4 any such provision to any person or circumstance should be held invalid by a court
5 of competent jurisdiction,

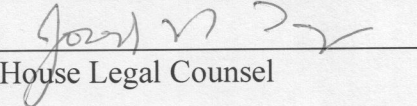
6 **Section 6. Severability.** If any provisions of this Act or the application of
7 any such provision to any person or circumstance should be held invalid by a court
8 of competent jurisdiction, the remainder of this Act or the application of its
9 provisions to persons or circumstances other than those to which it is held invalid
10 shall not be affected thereby.

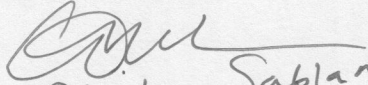
11 **Section 7. Savings Clause.** This Act and any repealer contained herein
12 shall not be construed as affecting any existing right acquired under contract or
13 acquired under statutes repealed or under any rule, regulation, or order adopted
14 under the statutes. Repealers contained in this Act shall not affect any proceeding
15 instituted under or pursuant to prior law. The enactment of the Act shall not have
16 the effect of terminating, or in any way modifying, any liability, civil or criminal,
17 which shall already be in existence on the date this Act becomes effective.

18 **Section 8. Effective Date.** This Act shall take effect upon its approval by
19 the Governor, or its becoming law without such approval.

Prefiled: 4/22/2022

Date: 4/22/2022 Introduced by: 
Rep. Leila H.F.C. Staffler

Reviewed for Legal Sufficiency by:

House Legal Counsel


Christina Sablan
R-TMMW

