

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 190

Short Title: State Health Plan Modifications.-AB (Public)

Sponsors: Representative Pendleton (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: State Personnel, if favorable, Appropriations.

March 11, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE MODIFICATIONS TO THE STATE HEALTH PLAN FOR PUBLIC  
3 EMPLOYEES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 135-48.42(e) reads as rewritten:

6 "(e) ~~Eligible~~ Except as otherwise provided in this subsection, eligible employees and  
7 retirees may only change their elections, including adding or removing dependents, during the  
8 Plan year due to a qualifying event as defined under federal law. Retirees and surviving spouses  
9 may disenroll from the Plan during the Plan year without a qualifying event. Retirees and  
10 surviving spouses may also disenroll their dependents from the Plan during the Plan year  
11 without a qualifying event."

12 **SECTION 2.** G.S. 135-48.44(a) reads as rewritten:

13 "(a) Coverage under this Plan of an employee and his or her surviving spouse or eligible  
14 dependent children or of a retired employee and his or her surviving spouse or eligible  
15 dependent children shall cease on the earliest of the following dates:

16 ...

17 (4) The last day of the ~~month~~ month, or as soon thereafter as administratively  
18 feasible, in which the Plan approves cancellation of coverage for an  
19 employee or retired employee requests cancellation of coverage.  
20 employee.

21 ...."

22 **SECTION 3.** G.S. 135-48.40(b) reads as rewritten:

23 "(b) Partially Contributory Coverage. – The following persons are eligible for coverage  
24 under the Plan, on a partially contributory basis, subject to the provisions of G.S. 135-48.43:

25 ...

26 (8) Notwithstanding the provisions of G.S. 135-48.44, employees formerly  
27 covered by the provisions of this section, other than retired  
28 ~~employees,~~ employees eligible for coverage on a noncontributory basis, who  
29 have been employed for 12 or more months by an employing unit, or who  
30 have completed a contract term of employment of 10 or 11 months and  
31 whose employing unit is a local school administrative unit, and whose jobs  
32 are eliminated because of a reduction, in total or in part, in the funds used to  
33 support the job or its responsibilities, provided the employees were covered  
34 by the Plan at the time of separation from service resulting from a job  
35 elimination. Employees covered by this subsection shall be covered for a  
period of up to 12 months following a separation from service because of a



1 job elimination. An employee formerly covered by the provisions of this  
2 section shall not be eligible for coverage under this subdivision if the  
3 employee is provided health benefit coverage on a non-contributory basis by  
4 a subsequent employer.

5 ...."

6 **SECTION 4.(a)** G.S. 135-48.40(d) reads as rewritten:

7 "(d) Fully Contributory Coverage. – The following persons shall be eligible for coverage  
8 under the Plan, on a fully contributory basis, subject to the provisions of G.S. 135-48.43:

9 ...

10 (9) Surviving spouses of deceased retirees and surviving spouses of deceased  
11 teachers, State employees, Disability Income Plan beneficiaries, and  
12 members of the General Assembly provided the death of the former Plan  
13 member occurred after September 30, 1986, and the surviving spouse was  
14 covered under the Plan at the time of death.

15 ...."

16 **SECTION 4.(b)** G.S. 135-48.41(g) reads as rewritten:

17 "(g) An eligible surviving spouse and any eligible surviving dependent child of a  
18 deceased retiree, teacher, State employee, member of the General Assembly, former member of  
19 the General Assembly, or Disability Income Plan beneficiary shall be eligible for group  
20 benefits under this section ~~without waiting periods for preexisting conditions~~ provided  
21 coverage is elected within 90 days after the death of the former plan member. Coverage may be  
22 elected at a later ~~time,time~~ during an annual enrollment period, ~~but members 19 years of age~~  
23 ~~and older may be subject to the 12-month waiting period for preexisting conditions and will be~~  
24 ~~effective the first day of the month following receipt of the application period."~~

25 **SECTION 5.** This act becomes effective July 1, 2015.