

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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SENATE BILL 487

Short Title: Health Choice Technical Revisions.-AB (Public)

Sponsors: Senators Pate (Primary Sponsor); and Hise.

Referred to: Rules and Operations of the Senate.

March 26, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO UPDATE OUTDATED AND OBSOLETE PROVISIONS IN CHAPTER 108A  
3 OF THE GENERAL STATUTES ON THE NC HEALTH CHOICE PROGRAM IN  
4 ORDER TO AVOID CONFUSION BY STAKEHOLDERS AND TO INCREASE  
5 EFFICIENCIES IN THE ADMINISTRATION OF THE PROGRAM.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 108A-70.18 reads as rewritten:

8 "§ 108A-70.18. Definitions.

9 As used in this Part, unless the context clearly requires otherwise, the term:

- 10 (1) "Comprehensive health coverage" means creditable health coverage as  
11 defined under Title XXI.  
12 (2) "Family income" has the same meaning as used in determining eligibility for  
13 the Medical Assistance Program.  
14 (3) "FPL" or "federal poverty level" means the federal poverty guidelines  
15 established by the United States Department of Health and Human Services,  
16 as revised each April 1.  
17 (4) "Medical Assistance Program" means the State Medical Assistance Program  
18 established under Part 6 of Article 2 of Chapter 108A of the General  
19 Statutes.  
20 (4a) ~~"Predecessor Plan" means the North Carolina Teachers' and State~~  
21 ~~Employees' Comprehensive Major Medical Plan in effect prior to July 1,~~  
22 ~~2008.~~  
23 (5) "Program" means The Health Insurance Program for Children established in  
24 this Part.  
25 (6) "State Plan" means the State Child Health Plan for the State Children's  
26 Health Insurance Program established under Title XXI.  
27 (7) "Title XXI" means Title XXI of the Social Security Act, as added by Pub. L.  
28 105-33, 111 Stat. 552, codified in scattered sections of 42 U.S.C.  
29 (8) "Uninsured" means the applicant for Program benefits is not covered under  
30 any private or employer-sponsored comprehensive health insurance plan on  
31 the date of enrollment."

32 SECTION 2. G.S. 108A-70.20 reads as rewritten:

33 "§ 108A-70.20. Program established.

34 The Health Insurance Program for Children is established. The Program shall be known as  
35 North Carolina Health Choice for Children, and it shall be administered by the Department of  
36 Health and Human Services in accordance with this Part and as required under Title XXI and



1 related federal rules and regulations. Administration of ~~Program benefits and claims processing~~  
2 shall be as ~~provided under Part 5 of Article 3 of Chapter 135 of the General Statutes described~~  
3 ~~in 42 C.F.R. 447.45(d)(1).~~

4 **SECTION 3.** G.S. 108A-70.20A is repealed.

5 **SECTION 4.** G.S. 108A-70.21 reads as rewritten:

6 "**§ 108A-70.21. Program eligibility; benefits; enrollment fee and other cost-sharing;**  
7 **coverage from private plans; purchase of extended coverage.**

8 (b1) Payments. – Prescription drug providers shall accept as payment in full, for  
9 outpatient prescriptions filled, amounts allowable for prescription drugs under Medicaid. For  
10 all other providers, services provided to children enrolled in the Program shall be provided at  
11 rates equivalent to one hundred percent (100%) of Medicaid rates, less any co-payments  
12 assessed to enrollees under this Part. Payments to NC Health Choice Program providers under  
13 this Part shall be paid in full and shall not be subject to cost settlement."

14 **SECTION 5.** G.S. 108A-70.27 reads as rewritten:

15 "**§ 108A-70.27. Data collection; reporting.**

16 (a) The Department shall ensure that the following data are collected, analyzed, and  
17 reported in a manner that will most effectively and expeditiously enable the State to evaluate  
18 Program goals, objectives, operations, and health outcomes for children:

- 19 (1) Number of applicants for coverage under the Program;
- 20 (2) Number of Program applicants deemed eligible for Medicaid;
- 21 (3) Number of applicants deemed eligible for the Program, by income level, age,  
22 and family size;
- 23 (4) Number of applicants deemed ineligible for the Program and the basis for  
24 ineligibility;
- 25 (5) Number of applications made at county departments of social services,  
26 public health departments, and by mail;
- 27 (6) Total number of children enrolled in the Program to date and for the  
28 immediately preceding fiscal year;
- 29 (7) Total number of children enrolled in Medicaid through the Program  
30 application process;
- 31 (8) Trends showing the Program's impact on hospital utilization, immunization  
32 rates, and other indicators of quality of care, and cost-effectiveness and  
33 efficiency;
- 34 (9) Trends relating to the health status of children;
- 35 (10) Other data that would be useful in carrying out the purposes of this Part.

36 (b) Repealed by Session Laws 2013-360, s. 12A.8(e), effective July 1, 2013.

37 (c) The Division of Medical Assistance shall provide to the Department data required  
38 under this section that are collected by ~~the Plan~~ this Division. Data shall be reported by ~~the Plan~~  
39 the Division of Medical Assistance in sufficient detail to meet federal reporting requirements  
40 under Title XXI. ~~The Plan shall report periodically to the Joint Legislative Oversight~~  
41 ~~Committee on Health and Human Services claims processing data for the Program and any~~  
42 ~~other information the Plan or the Committee deems appropriate and relevant to assist the~~  
43 ~~Committee in its review of the Program."~~

44 **SECTION 6.** This act is effective when it becomes law.