

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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SENATE BILL 542

Short Title: SHP Combat Fraud and Abuse Incentives. (Public)

Sponsors: Senator Burgin (Primary Sponsor).

Referred to: Rules and Operations of the Senate

April 6, 2021

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE NORTH CAROLINA STATE HEALTH PLAN FOR TEACHERS
AND STATE EMPLOYEES TO ADOPT A PROGRAM TO INCENTIVIZE PLAN
MEMBERS TO REPORT ACTIVITIES SUCH AS FRAUD, WASTE, AND ABUSE BY
HEALTH CARE PROVIDERS PROVIDING SERVICES TO PLAN MEMBERS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 135-48.15 reads as rewritten:

"§ 135-48.15. **Whistle-blower protections related to the State Health Plan.**

(a) Statement of Public Policy. – It is the policy of this State that persons shall be encouraged to report verbally or in writing to the State Health Plan, Attorney General, or other appropriate authority evidence of activity related to the State Health Plan and involving the following:

- (1) A violation of State or federal law, rule, or regulation.
- (2) Fraud.
- (3) Misappropriation of State resources.
- (4) Gross mismanagement, a gross waste of monies, or gross abuse of authority.

Further, it is the policy of this State that persons shall be free of intimidation or harassment when reporting matters of public concern related to the State Health Plan, including offering testimony to or testifying before appropriate legislative panels.

(a1) Rules to Further Public Policy. – In accordance with G.S. 135-48.25, the State Treasurer may adopt rules to assist in the identification and investigation of activities described under subsection (a) of this section undertaken by a health care provider that provides services to Plan members. If the Plan adopts a program to encourage its members to report these activities, then the Plan is authorized to expend State funds in furtherance of the policy objectives of this section and may adopt rules to offer an incentive to Plan members of up to two percent (2%) of any net recovery made by the Plan resulting from the member report.

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SECTION 2. This act is effective when it becomes law.

