

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 46

Short Title: Make Healthcare Affordable. (Public)

Sponsors: Representatives K. Hall, Lambeth, Paré, and Chesser (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Rules, Calendar, and Operations of the House

February 5, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO DISCLOSE THE COST OF STATE GOVERNMENT HEALTH INSURANCE
3 MANDATES ON NORTH CAROLINA'S EMPLOYERS AND TAXPAYERS.

4 Whereas, the rising healthcare costs in North Carolina place a significant financial
5 burden on individuals, families, employers, and taxpayers, greatly contribute to inflation, and
6 make it increasingly difficult for residents to access essential healthcare services; and

7 Whereas, North Carolina has intolerably high healthcare costs, with recent studies
8 ranking the state 50th out of 50 in the United States; and

9 Whereas, government-mandated health insurance requirements for employers in
10 North Carolina lead to higher premiums, placing undue financial strain on employers,
11 particularly small businesses; and

12 Whereas, health insurance mandates on the North Carolina State Health Plan for
13 Teachers and State Employees carry a cost that is ultimately paid for by taxpayers and divert
14 resources away from other critical public services and economic investments; and

15 Whereas, many consumers in North Carolina are forced to pay for health insurance
16 coverage they neither need nor use as a result of government-mandated benefits that do not align
17 with their personal healthcare needs or preference; and

18 Whereas, the continued escalation of healthcare costs driven by government mandates
19 exacerbates the rising cost of living, as individuals and families struggle to afford both premiums
20 and out-of-pocket expenses for necessary care, and the rising cost of doing business, as employers
21 struggle to continue offering health insurance to employees; Now, therefore,
22 The General Assembly of North Carolina enacts:
23

24 **PART I. HEALTH BENEFIT MANDATE LEGISLATION**

25 **SECTION 1.** Article 31 of Chapter 120 of the General Statutes is amended by adding
26 a new section to read:

27 **"§ 120-272. Legislation containing health benefit mandates.**

28 (a) Definitions. – The following definitions apply in this section:

29 (1) Health benefit mandate. – A regulation impacting a health benefit plan or the
30 State Health Plan that meets any of the following criteria:

31 a. Mandates that a health benefit plan or the State Health Plan provide
32 coverage of any healthcare service, any specific treatment or set of
33 treatments, or any prescription drug used for the treatment of any
34 health, physical, mental, or behavioral condition.



- 1 b. Requires that a health benefit plan or the State Health Plan include
- 2 coverage for any healthcare service or treatment by a provider or group
- 3 of providers other than a physician licensed in this State.
- 4 c. Places requirements on any cost-sharing mechanism utilized by a
- 5 health benefit plan or the State Health Plan, such as a copayment or
- 6 deductible.
- 7 d. Regulates any health benefit plan or the State Health Plan cost-control
- 8 process, including those that necessitate a healthcare provider obtain
- 9 advance approval from an insurer before a specific service, treatment,
- 10 or prescription benefit is delivered to the patient or utilized by the
- 11 patient in order to qualify for coverage under the applicable plan.
- 12 e. Places a limit or requirement on a pharmacy benefits manager under
- 13 Article 56A of Chapter 58 of the General Statutes.
- 14 f. Regulates the manner in which a health benefit plan or the State Health
- 15 Plan provides coverage for a healthcare service, treatment, or
- 16 prescription drug, regardless of whether the regulation is imposed
- 17 upon a covered service that is provided by a healthcare provider that
- 18 participates in the provider network of the health benefit plan.
- 19 (2) Health benefit plan. – As defined in G.S. 58-3-167.
- 20 (3) Piece of legislation. – Any introduced bill, any bill or proposed committee
- 21 substitute considered by a committee, or any bill, conference committee
- 22 report, or proposed conference committee substitute considered by either
- 23 chamber of the General Assembly.
- 24 (4) State Health Plan. – The North Carolina State Health Plan for Teachers and
- 25 State Employees.
- 26 (b) Required Additional Statutory Repeals. – Any piece of legislation containing one or
- 27 more new health benefit mandates is required to also contain at least one provision that repeals
- 28 at least the same number of health benefit mandates that are already in effect as of the date of the
- 29 consideration of that piece of legislation prior to ratification of that legislation.
- 30 (c) Appropriation Required. – Any piece of legislation containing one or more health
- 31 benefit mandates is required to also contain a provision appropriating recurring funds in the
- 32 amount of the cost of that mandate to the Department of the State Treasurer and the State Health
- 33 Plan or to any other relevant State agency prior to ratification. If any repeal of an existing health
- 34 benefit mandate required to be contained in the legislation under subsection (b) of this section
- 35 results in cost-savings to the State, then that cost-savings shall have no impact on the amount
- 36 required to be appropriated under this subsection."

PART II. IMPACT ON NORTH CAROLINA STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES

SECTION 2. G.S. 135-48.51 reads as rewritten:

"§ 135-48.51. Coverage and operational mandates related to Chapter 58 of the General Statutes.

(a) The following provisions of Chapter 58 of the General Statutes apply to the State Health Plan:

- 45 (1) G.S. 58-3-191, Managed care reporting and disclosure requirements.
- 46 (2) G.S. 58-3-221, Access to nonformulary and restricted access prescription drugs.
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- 48 (3) G.S. 58-3-223, Managed care access to specialist care.
- 49 (4) G.S. 58-3-225, Prompt claim payments under health benefit plans.
- 50 (5) G.S. 58-3-235, Selection of specialist as primary care provider.
- 51 (6) G.S. 58-3-240, Direct access to pediatrician for minors.

- 1 (7) G.S. 58-3-245, Provider directories.
- 2 (7a) G.S. 58-3-247, Insurance identification card.
- 3 (8) G.S. 58-3-250, Payment obligations for covered services.
- 4 (9) G.S. 58-3-265, Prohibition on managed care provider incentives.
- 5 (10) G.S. 58-3-280, Coverage for the diagnosis and treatment of lymphedema.
- 6 (11) G.S. 58-3-285, Coverage for hearing aids.
- 7 (12) G.S. 58-50-30, Right to choose services of certain providers.
- 8 (13) G.S. 58-67-88, Continuity of care.

9 (b) A provision of Chapter 58 of the General Statutes containing a health benefit mandate,
10 as defined in G.S. 120-272, that first becomes effective on or after July 1, 2025, shall apply to
11 the State Health Plan as of the start of the next Plan year following the effective date of the health
12 benefit mandate."

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14 **PART III. EFFECTIVE DATE**

15 **SECTION 3.** This act is effective 30 days after it becomes law and applies to pieces
16 of legislation considered by the General Assembly on or after that date.