

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 727

Short Title: Number of Medicaid Standard Plan Contracts. (Public)

Sponsors: Senator Burgin (Primary Sponsor).

Referred to: Rules and Operations of the Senate

March 26, 2025

A BILL TO BE ENTITLED
AN ACT TO ADJUST THE NUMBER OF MEDICAID STANDARD BENEFIT PLAN
CONTRACTS AWARDED DURING FUTURE AWARD CYCLES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 108D-1 reads as rewritten:

"§ 108D-1. Definitions.

The following definitions apply in this Chapter:

...

(6e) Commercial plan. – As defined in G.S. 58-93-5.

...

(31e) Provider-led entity or PLE. – As defined in G.S. 58-93-5.

...."

SECTION 2. G.S. 108D-45 reads as rewritten:

"§ 108D-45. Number and nature of contracts for standard benefit plans.

(a) ~~The~~ For the initial standard benefit plan contracts required under G.S. 108D-65(6),
~~the number and nature of the contracts for standard benefit plans required under G.S. 108D-65(6)~~
those contracts shall be as follows:

(1) Four contracts between the Division of Health Benefits and PHPs to provide coverage to Medicaid recipients statewide.

(2) Up to 12 contracts between the Division of Health Benefits and PLEs for coverage of regions specified by the Division of Health Benefits pursuant to G.S. 108D-65(2). Regional contracts shall be in addition to the four statewide contracts required under subdivision (1) of this section. Each regional contract shall provide coverage throughout the entire region for the Medicaid services required by G.S. 108D-35. A PLE may bid for more than one regional contract, provided that the regions are contiguous.

(3) Repealed by Session Laws 2023-134, s. 9E.22(i), effective October 3, 2023.

(4) Initial capitated PHP contracts may be awarded on staggered terms of three to five years in duration to ensure against gaps in coverage that may result from termination of a contract by the PHP or the State.

(b) For any standard benefit contracts required under G.S. 108D-65(6) that are awarded subsequent to the initial standard benefit plan contracts, the number and nature of those contracts shall be as follows:

(1) Four contracts between the Division of Health Benefits and commercial plans to provide coverage to Medicaid recipients statewide.



- (2) Up to four contracts between the Division of Health Benefits and PLEs for coverage of regions specified by the Division of Health Benefits pursuant to G.S. 108D-65(2) or for statewide coverage, in accordance with all of the following:
- a. The contracts under this subdivision shall be in addition to the four statewide contracts required under subdivision (1) of this subsection.
 - b. Each regional contract under this subdivision shall provide coverage throughout the entire region for the Medicaid services required by G.S. 108D-35.
 - c. A PLE may bid for more than one regional contract, provided that the regions are contiguous.
 - d. If less than four PLEs submit a timely response meeting the minimum requirements of the RFP to procure standard benefit plan contracts, as determined by the Division of Health Benefits, then all PLEs that submitted a timely response meeting the minimum requirements of the RFP shall be awarded a standard benefit plan contract, either regional or statewide, based on the area proposed to be served in the RFP response.
 - e. If four or more PLEs submit a timely response meeting the minimum requirements of the RFP to procure standard benefit plan contracts, as determined by the Division of Health Benefits, then the Division of Health Benefits shall award four standard benefit plan contracts to PLEs, either regional or statewide, based on the area proposed to be served in the RFP response."

SECTION 3. This act is effective when it becomes law.