



This Bill Analysis reflects the contents of the bill as it was presented in committee.

HOUSE BILL 693: Add Towns to State Health Plan

2015-2016 General Assembly

Committee:	House State Personnel	Date:	April 21, 2015
Introduced by:	Rep. Brody	Prepared by:	Theresa Matula
Analysis of:	PCS to First Edition H693-CSSH-30		Committee Staff

SUMMARY: *The PCS for House Bill 693 authorizes a number of local government units to enroll employees and dependents in the State Health Plan for Teachers and State Employees.*

[As introduced, this bill was identical to S98, as introduced by Sen. Rabon, which is currently in Rules and Operations of the Senate.]

CURRENT LAW: S.L. 2014-75 authorized participation of local governments in the State Health Plan, providing that the State of North Carolina deems it to be in the public interest for certain local government units to be allowed to join the State Health Plan for Teachers and State Employees and to participate in the plan.¹ S.L. 2014-75 created G.S. 135-48.47 allowing participation in the State Health Plan by employees and dependents of the following local government units: Towns of Elizabethtown and Matthews.

G.S. 135-48.47 specifies that participation is contingent on the local government unit complying with certain statutory provisions and policies adopted by the State Health Plan. Under G.S. 135-48.47(b) Participation by authorized local government units is governed by the following:

- 1) The local government unit must, at least 60 days prior to joining the Plan, enter into a memorandum of understanding with the Plan that acknowledges the conditions of this section and this Article.
- 2) The local government unit and its employees must meet the federal requirements to participate in a governmental plan. The Plan may refuse participation to persons who would jeopardize the Plan's qualification as a governmental plan under federal law.
- 3) The local government unit shall determine the eligibility of its employees and employees' dependents and what portion of the premiums employees will pay to the local government unit.
- 4) Premiums for coverage and Plan options shall be the same as those offered to State employees and dependents on a fully contributory basis.
- 5) The local government unit shall pay all premiums for all covered individuals directly to the Plan or the Plan's designee.

S.L. 2014-105 authorized employees and dependents of employees of the following local governments to participate in the State Health Plan: Montgomery County

BILL ANALYSIS: The PCS for House Bill 693 authorizes the employees and dependents of the following local government units to participate in the State Health Plan:

Towns: Caswell Beach, Lilesville, and Peachland

EFFECTIVE DATE: This act would become effective July 1, 2015.

¹ G.S. 135-48.8

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