



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

HOUSE BILL 884: Reinstate Setoff Debt Collection/UNC Health

2015-2016 General Assembly

Committee: House Education - Universities
Introduced by: Rep. B. Brown
Analysis of: First Edition

Date: April 21, 2015
Prepared by: Drupti Chauhan
Committee Counsel

SUMMARY: House Bill 884 would reauthorize the schools of medicine, clinical programs, facilities or practices affiliated with one of the constituent institutions of The University of North Carolina to use the Setoff Debt Collection Act.

[As introduced, this bill was identical to H323, as introduced by Reps. B. Brown, S. Martin, Farmer-Butterfield, which is currently in House Appropriations.]

CURRENT LAW: Any school of medicine, clinical program, facility, or practice affiliated with one of the constituent institutions of The University of North Carolina that provides medical care to the general public and for The University of North Carolina Health Care System can use the Setoff Debt Collection Act in certain situations. Debt that may be set off for these entities is limited to the sum owed to one of the entities by law or contract following an adjudication of a claim resulting from an individual's receipt of hospital or medical services when the individual was also covered by commercial insurance, Medicaid, Health Choice, Medicare, Medicare Advantage, a Medicare supplement plan, or any other government insurance. The Setoff Debt Collection Act authorizes and provides the procedures by which debts owed to State and local agencies can be collected from the debtors' State tax refunds and State lottery winnings.

BILL ANALYSIS: House Bill 884 would allow the schools of medicine, clinical programs, facilities or practices affiliated with one of the constituent institutions of The University of North Carolina to use the Setoff Debt Collection Act in all circumstances.

EFFECTIVE DATE: The bill would become effective when it becomes law.

BACKGROUND: In 2013, the General Assembly enacted legislation that provided that the definition of a "State agency" did not include "any school of medicine, clinical program, facility, or practice affiliated with one of the constituent institutions of The University of North Carolina that provides medical care to the general public" or "The University of North Carolina Health Care System and other persons or entities affiliated with or under the control of The University of North Carolina Health Care System". Therefore these entities could no longer use the Setoff Debt Collection Act procedures to collect debt. In 2014, the General Assembly made further changes which resulted in the current law set out above.

O. Walker Reagan
Director



Research Division
(919) 733-2578

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