



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

# SENATE BILL 487: Health Choice Technical Revisions.-AB

2015-2016 General Assembly

<b>Committee:</b>	House Health	<b>Date:</b>	June 3, 2015
<b>Introduced by:</b>	Sen. Pate	<b>Prepared by:</b>	Jennifer Mundt Committee Staff
<b>Analysis of:</b>	PCS to Second Edition S487-CSTA-8 [v.1]		

**SUMMARY:** *The proposed committee substitute (PCS) for Senate Bill 487 would amend the statutes governing the Health Insurance Program for Children (North Carolina Health Choice), as recommended by the Department of Health and Human Services (Department).*

*The PCS makes technical and conforming changes only.*

### CURRENT LAW and BILL ANALYSIS:

**Section 1** would repeal the obsolete definition "Processor Plan" from the statutes governing North Carolina Health Choice for Children (Program).

**Section 2** would provide that the administration of timely claims processing under the Program must be provided as described in federal law.

**Section 3** would repeal the Child Health Insurance Fund. The Fund was established in 2008 and is comprised of deposits from premium receipts or any other receipts, including earnings on investments, occurring or arising in connection with acute medical care benefits provided under the Program. Disbursements from the Fund include any and all amounts required to pay the benefits and administrative costs of the Program.

**Section 4** would clarify that payments to Program providers are payments in full and not subject to cost settlement.

**Section 5** would make conforming changes and repeal the requirement that the Department periodically report to the Joint Legislative Oversight Committee on Health and Human Services on data collected pursuant to the Program.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** The North Carolina Health Choice Insurance Program for Children (Program) is a comprehensive health coverage program for low-income children between the ages of 6 and 18 who are residents of this State. The children must: (i) be ineligible for Medicaid, Medicare, or other federal government sponsored health insurance; (ii) be uninsured; (iii) be in a family whose income is between 133% and 200% of the federal poverty level; (iv) be State residents and eligible under federal law; and (v) pay the required Program enrollment fee.

Coverage is provided from federal funds received, State funds appropriated, and other nonappropriated funds made available for this purpose. The Department provides services to children enrolled in the Program through Community Care of North Carolina and pays providers per member, per month fees as allowed under Medicaid.

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