



2025-2026 General Assembly

SENATE BILL 257: 2026 Appropriations Act, Sec. 9E.9: Adjust Hospital Assessments to Account for Work Requirement Changes

Analysis of: S.L. 2026-41, Sec. 9E.9

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Prepared by: Legislative Analysis
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Section 9E.9 of S.L. 2026-41 (Senate Bill 257) adjusts the statutory formula used to calculate the total amount of assessments that hospitals pay to the Department of Health and Human Services for the Medicaid program. This section adds \$650,000 per year to the calculation, beginning January 1, 2027, and ending June 30, 2036, for new State administrative costs of the NC Health Works program. The costs are associated with the requirement in Section 3C.5 of S.L. 2026-1 that certain Medicaid beneficiaries must demonstrate three months of compliance with federally-mandated community engagement eligibility criteria beginning January 1, 2027.

The additional assessment amount becomes effective January 1, 2027, and applies to hospital assessments imposed on or after that date. Other conforming changes in this section have effective dates that are appropriate to the conforming change, with some having a conditional effective date and an expiration date of July 1, 2034, and others having become effective July 7, 2026.

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Director



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