

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 768

Short Title: Health Care Task Force.

(Public)

Sponsors: Representatives Brawley; Bowman, Cummings, Hayes, Lemmond, and C. Wilson.

Referred to: Health and Human Services.

April 6, 1993

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A TASK FORCE TO DEVELOP A PROGRAM FOR
3 PROVIDING HEALTH CARE COVERAGE TO UNINSURABLE NORTH
4 CAROLINIANS.

5 Whereas, it is the intent of the General Assembly to ensure that all North
6 Carolinians have access to good quality, affordable health care, and to identify sources
7 of revenue to provide such care; and

8 Whereas, implementation of universal health care coverage may need to be
9 phased in over a period of years because of the numbers of individuals, complexity of
10 administration, and cost involved; and

11 Whereas, many uninsured persons cannot obtain coverage because they are
12 uninsurable, that is, they have been denied coverage because health-related benefit
13 restrictions make the coverage unaffordable to them; and

14 Whereas, the State could immediately begin to address part of the health care
15 insurance crisis by subsidizing coverage for uninsurable individuals; Now, therefore,
16 The General Assembly of North Carolina enacts:

17 Section 1. (a) There is established a task force on health care for uninsurable
18 North Carolinians. The task force shall have seven members, five of whom shall be
19 appointed by the Governor, as follows:

20 (1) One person representing health insurance companies licensed to do
21 business in this State, as recommended by the Health Insurance
22 Association of America;

- 1 (2) One person representing health maintenance organizations doing
2 business in North Carolina, as recommended by the Health
3 Maintenance Organization Group of North Carolina;
- 4 (3) The Commissioner of Insurance;
- 5 (4) One practicing physician, recommended by the North Carolina
6 Medical Society;
- 7 (5) One nurse, recommended by the North Carolina Nurses Association.

8 The remaining two members of the task force shall be public members who
9 are not health care providers and who have no professional affiliation with the health
10 insurance industry; the public members shall be appointed by the General Assembly,
11 one upon the recommendation of the Speaker of the House of Representatives, and one
12 upon the recommendation of the President Pro Tempore of the Senate. The Governor
13 shall appoint the chair of the task force from among its members.

14 (b) The task force shall study the feasibility, cost, and expected utilization of
15 a limited access health care plan that would subsidize the cost of health care coverage
16 for those persons who do not have any health care coverage and who have been denied
17 health care coverage for health-related reasons by at least one health care insurance
18 carrier doing business in North Carolina. For purposes of this section, subsidized
19 coverage means that the State would pay the difference between the cost of a standard
20 health care policy and the cost of a guaranteed issue health policy covering the
21 individual eligible for the subsidy. The balance of such coverage would be paid for by
22 the covered individual or the individual's employer. The Commissioner of Insurance
23 shall develop a standard rate structure for calculating the subsidy that would be
24 available to each eligible individual under this type of health care plan.

25 (c) The Governor and General Assembly shall make appointments to the task
26 force not later than 30 days after the ratification of this act. The task force shall
27 convene its first meeting not later than 30 days after all appointments have been made.

28 (d) The task force shall report its findings and recommendations to the
29 General Assembly on or before May 1, 1994, at which time the task force shall expire.
30 The task force shall contain, at a minimum:

- 31 (1) As accurately as possible the number of North Carolina residents who
32 are uninsured because they have been denied coverage for health
33 reasons by at least one health insurance company in North Carolina;
- 34 (2) The rate structure recommended by the Commissioner of Insurance as
35 a base rate for a standard benefits package that would be made
36 available to persons eligible for coverage under this act;
- 37 (3) The cost to subsidize the coverage of persons eligible under this act,
38 taking into account applicable copayments and deductibles;
- 39 (4) The most efficient method for implementing the plan of coverage
40 under this act; and
- 41 (5) Recommended strategies for avoiding immigration of unisurable
42 persons from other states for the purpose of obtaining insurance under
43 this act.

1 (e) The Department of Administration shall provide staff and other support
2 necessary for the task force to carry out its responsibilities under this act.

3 Sec. 2. There is appropriated from the General Fund to the Department of
4 Administration the sum of thirty thousand dollars (\$30,000) for the 1993-94 fiscal year
5 to be used to provide support services to the task force established under this act.

6 Sec. 3. This act becomes effective July 1, 1993, and expires July 1, 1994.