

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 199

Short Title: GPAC/Carolina Access/Risk-Sharing.

(Public)

Sponsors: Senators Martin of Guilford; Daniel and Blackmon.

Referred to: Government Performance Audit.

February 17, 1993

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT A RECOMMENDATION OF THE GOVERNMENT
2 PERFORMANCE AUDIT COMMITTEE TO EXPAND MEDICAID CAROLINA
3 ACCESS STATEWIDE AND INTRODUCE ELEMENTS OF RISK-SHARING.
4

5 The General Assembly of North Carolina enacts:

6 Section 1. The General Assembly finds that its recently implemented
7 Carolina Access program, modeled after successful primary care case management
8 programs of other states and currently serving 12 counties, effectively improves access
9 to primary care services, encourages development of physician/patient relationships,
10 and encourages appropriate utilization of all health care services. The General
11 Assembly finds that it is important to move quickly to phase in statewide
12 implementation of the program so that it is available by July 1, 1994. The General
13 Assembly further finds that the additional administrative costs incurred in early
14 statewide implementation will be more than offset by savings and that improved quality
15 of care will also contribute to long-term savings, that access for Medicaid patients will
16 be significantly enhanced, and that physicians and patients statewide will be introduced
17 to coordinated care concepts. The General Assembly further finds that the State should
18 introduce risk-sharing into its Medicaid reimbursement system.

19 Sec. 2. Effective July 1, 1994, the Division of Medical Assistance,
20 Department of Human Resources, shall introduce elements of risk-sharing into its
21 Medicaid reimbursement system. These elements shall include at least one of the
22 following:

- 23 (1) A savings-sharing policy, in which primary care providers share in the
24 savings that result from appropriate and cost-effective utilization of

1 other health services, including physician specialty services,
2 prescription drugs, and outpatient hospital services;

3 (2) The capitation of payments for physician services to guarantee certain
4 savings levels and for outpatient hospital services and prescription
5 drugs to guarantee even greater savings.

6 Sec. 3. Effective July 1, 1994, the Division of Medical Assistance,
7 Department of Human Resources, shall have phased in Medicaid Carolina Access
8 statewide.

9 Sec. 4. There is appropriated from the General Fund to the Division of
10 Medical Assistance, Department of Human Resources, the sum of twenty-five thousand
11 dollars (\$25,000) for the 1993-94 fiscal year and the sum of one million seven hundred
12 ten thousand dollars (\$1,710,000) for the 1994-95 fiscal year, to implement this act.

13 Sec. 5. It is the intent of the General Assembly to appropriate additional
14 funds to the Division of Medical Assistance, Department of Human Resources, in
15 subsequent fiscal years, to implement this act, according to the following schedule:

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17	Fiscal Year	Amount
18	1995-96	\$1,900,000
19	1996-97	\$2,000,000
20	1997-98	\$2,000,000
21	1998-99	\$2,100,000
22	1999-00	\$2,200,000
23	2000-01	\$2,300,000
24	2001-02	\$2,400,000.

25 Sec. 6. This act becomes effective July 1, 1993.