

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

H

3

HOUSE BILL 390  
Senate Health Care Committee Substitute Adopted 4/30/26  
Third Edition Engrossed 5/6/26

Short Title: Medicaid Prepaid Health Plan Practices.

(Public)

Sponsors:

Referred to:

March 13, 2025

A BILL TO BE ENTITLED

AN ACT TO ALLOW CERTAIN MEDICAID PREPAID HEALTH PLAN PRACTICES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 108D-65(b), as amended by Section 3C.15 of S.L. 2026-1, reads as rewritten:

"(b) Except as required by federal law or regulation, the Department shall not prohibit PHPs from ~~requiring~~ doing any of the following:

(1) Requiring itemized bills for inpatient hospital outlier claims that are greater than two hundred fifty thousand dollars (\$250,000) or more than two standard deviations from the ~~median-mean~~ claim amount of the applicable billing code.

(2) Aligning claims operations with national standards for coding, edits, and claims adjudication, except that the Department may set parameters to ensure consistent claims coding among PHPs.

(3) Directing inpatient hospital and inpatient hospital laboratory services to outpatient settings where appropriate, except that the Department may establish standards for when direction to outpatient settings is appropriate. The Department is authorized to adopt rules establishing these standards."

**SECTION 2.** This act is effective when it becomes law and applies to contracts entered into or amended on or after that date.



\* H 3 9 0 - V - 3 \*