

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS15085-MR-50A

Short Title: Increase Access for Small Employers/Insurance. (Public)

Sponsors: Senators Johnson, Galey, and Moffitt (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT INCREASING SMALL EMPLOYER ACCESS TO STOP LOSS, CATASTROPHIC,
3 AND REINSURANCE COVERAGE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 58-50-130(a)(5) reads as rewritten:

6 "(5) No small employer carrier, insurer, subsidiary of an insurer, or controlled
7 individual of an insurance holding company shall provide stop loss,
8 catastrophic, or reinsurance coverage to small employers who employ fewer
9 than ~~12~~ five eligible employees that does not comply with the underwriting,
10 rating, and other applicable standards in this Act. An insurer shall not issue a
11 stop loss health insurance policy to any person, firm, corporation, partnership,
12 or association defined as a small employer that does any of the following:

- 13 a. Provides direct coverage of health expenses payable to an individual.
14 b. Has an annual attachment point for claims incurred per individual that
15 is lower than twenty thousand dollars (\$20,000) for plan years
16 beginning in 2013. For subsequent policy years, the amount shall be
17 indexed using the Consumer Price Index for Medical Services for All
18 Urban Consumers for the South Region and shall be rounded to the
19 nearest whole thousand dollars. The index factor shall be the index as
20 of July of the year preceding the change divided by the index as of July
21 2012.
22 c. Has an annual aggregate attachment point lower than the greater of
23 one of the following:
24 1. One hundred twenty percent (120%) of expected claims.
25 2. Twenty thousand dollars (\$20,000) for plan years beginning in
26 2013. For subsequent policy years, the amount shall be indexed
27 using the Consumer Price Index for Medical Services for All
28 Urban Consumers for the South Region and shall be rounded
29 to the nearest whole thousand dollars. The index factor shall be
30 the index as of July of the year preceding the change divided
31 by the index as of July 2012.

32 Nothing in this subsection prohibits an insurer from providing additional
33 incentives to small employers with benefits promoting a medical home or
34 benefits that provide health care screenings, are focused on outcomes and key
35 performance indicators, or are reimbursed on an outcomes basis rather than a
36 fee-for-service basis."



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1 **SECTION 2.** This act becomes effective October 1, 2025, and applies to contracts
2 issued, renewed, or amended on or after that date.