

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 137
Health Care Committee Substitute Adopted 4/24/13
House Committee Substitute Favorable 6/4/13

Short Title: Prohibit Co-pay Waiver/Medicaid Providers.

(Public)

Sponsors:

Referred to:

February 27, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO PROHIBIT THE REGULAR BUSINESS PRACTICE OF WAIVING
3 REQUIRED MEDICAID AND HEALTH CHOICE RECIPIENT CO-PAYMENTS BY
4 CERTAIN PROVIDERS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Chapter 108C of the General Statutes is amended by adding a new
7 section to read:

8 "**§ 108C-13. Certain waivers of Medicaid and Health Choice co-payments prohibited.**

9 (a) No provider that has obtained a permit pursuant to G.S. 90-85.21 or G.S. 90-85-21A
10 shall waive the collection of co-payments owed by recipients of Medicaid and Health Choice,
11 as required by the respective program, with the intent to induce recipients to purchase, lease, or
12 order items or services from the permitted provider. For enforcement purposes, a permitted
13 provider that waives a co-payment owed by a recipient of Medicaid or Health Choice is in
14 violation of this subsection regardless of the monetary amount that is waived by the permitted
15 provider. A permitted provider shall not be in violation of this subsection if the provider waives
16 a co-payment owed by a recipient of Medicaid or Health Choice for any of the following
17 reasons:

- 18 (1) The waiver is authorized under the Medical Assistance Program or the North
19 Carolina Health Insurance Program for Children.
20 (2) The permitted provider determines on an individual basis that the collection
21 of the co-payment amount would create a substantial financial hardship for
22 the recipient, provided the waiver of co-payments is not a regular business
23 practice of the provider. For the purposes of this subdivision, a provider shall
24 be considered engaged in the regular business practice of waiving co-
25 payments if the permitted provider holds himself or herself out to recipients
26 as waiving required co-payments.
27 (3) The permitted provider has made a good-faith effort to collect the co-
28 payment amount, but the permitted provider's reasonable collection efforts
29 fail.
30 (4) The permitted provider is a health care facility regulated pursuant to Chapter
31 131E or Chapter 122C of the General Statutes or that is owned or operated
32 by the State of North Carolina.

33 (b) A violation of this section shall result in suspension or termination by the
34 Department of a permitted provider's participation in Medicaid and Health Choice in



1 accordance with administrative sanctions and remedial measures established by the Department
2 for violations of this section."

3 **SECTION 2.** This act becomes effective October 1, 2013, and applies to acts
4 committed on or after that date.