

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

Legislative Fiscal Note

BILL NUMBER: House Bill 170 (First Edition)

SHORT TITLE: Dept. of Insurance/Public Health Service Act.

SPONSOR(S): Representatives Insko, Collins, and R. Brawley

FISCAL IMPACT

(\$ in millions)

Yes
 No
 No Estimate Available

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
Special Fund Revenues:					
Special Fund Expenditures:					
State Positions:					
NET STATE IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Local Impact					
Revenues:					
Expenditures:					
NET LOCAL IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:

Department of Insurance

EFFECTIVE DATE: When bill becomes law.

TECHNICAL CONSIDERATIONS:

None

BILL SUMMARY:

Requires health insurance companies that issue, sell, renew or offer health benefit plans in the State to meet the requirements of Part A of Subchapter XXV of Chapter 6A of Title 42 of the United States Code and regulations (this includes the Affordable Care Act provisions). Part A of the Public Health Service Act allows states to require that health insurance insurers meet these requirements. Some of these requirements include enforcement of prohibition of preexisting conditions exclusions, no lifetime or annual limits, and extension of coverage to dependents up to age 26. If states choose not to require adherence to Part A, the federal Department of Health and Human Services will enforce these provisions.

ASSUMPTIONS AND METHODOLOGY:

G.S. 58-2-40(1) authorizes the North Carolina Insurance Commissioner to ensure that all laws that the office is responsible for administering for the state are faithfully executed. This bill gives the Commission authority over enforcement of Part A for the State.

Given that the Department of Insurance is already responsible for licensure and regulation of the insurance industry for the state and providing assistance for consumers, it is not known at this time whether additional resources will be needed at DOI to fully enforce Part A beginning in 2014 or if the responsibilities will be absorbed within existing resources. Additionally, it is unknown if and how much the federal government would provide in grant funds to the State for enforcement. The federal government has been granting funds to states for implementation of the Affordable Care Act.

SOURCES OF DATA:

Department of Insurance
North Carolina General Assembly, Research Division

TECHNICAL CONSIDERATIONS: None

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