

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 875
SENATE BILL 518

AN ACT TO CREATE THE LEGISLATIVE COMMISSION ON MEDICAL COST
CONTAINMENT.

Whereas, the 1977 General Assembly created the Legislative Commission on Medical Cost Containment; and

Whereas, that Commission's report led to enactment of the certificate of need law; and

Whereas, there is still concern about the containment of medical costs; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. There is created the Legislative Commission on Medical Cost Containment.

Sec. 2. Duties of the Commission. The Commission may study the present health care system in North Carolina and the cost trends associated with that system. The Commission may also study the cost trends resulting from the problem of the collection of hospital bad debts. The Commission shall review North Carolina's Medicaid program and the cost trends associated with that program. The Commission shall review medical cost containment programs that have been established in North Carolina and other states. The Commission may study the composition, funding structure, staffing, hearing procedures, public comment procedures, and any other aspects of the operation of the Health Systems Agencies deemed appropriate by the Commission. In the course of its hearings the Commission shall receive testimony from consumers, providers of medical services, or their representative State agencies involved in the delivery and the regulation of medical services, representatives of the health insurance industry, and representatives of private industry.

The Commission shall specifically study hospital rate review programs. The Commission shall also study the experience of the North Carolina certificate of need law.

Sec. 3. (a) The Commission shall consist of 12 members appointed as follows:

(1) Six members appointed by the President Pro Tempore of the Senate, two of whom are members of the Senate, one of whom is a hospital administrator, nominated by the North Carolina Hospital Association, one of whom is a physician licensed to practice medicine and nominated by the North Carolina Medical Society,

one of whom is to represent a health insurer licensed under Chapter 57 of the General Statutes, and one of whom shall represent the public at large.

(2) Six members appointed by the Speaker of the House of Representatives, two of whom are members of the House of Representatives, one of whom is a trustee of a hospital board, one of whom is a registered nurse, one of whom is to represent a health insurer licensed under Chapter 58 of the General Statutes, and one of whom shall represent the public at large.

(b) The members of the Commission shall be appointed within 30 days of ratification of this act and they shall serve until termination of the Commission.

(c) If a vacancy occurs in the membership of the Commission, it shall be filled by action of the officer who appointed the former member who is to be replaced, and the person then appointed shall serve for the remainder of the term of the member whom he succeeds.

(d) The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall appoint cochairmen for the Commission.

Sec. 4. Staff support for the Commission. In executing its duties the Commission is authorized to hire such professional assistance and secretarial support as it deems necessary. The Commission is also authorized to utilize the staff of the Legislative Services Office. Commission members are authorized to receive subsistence and mileage at the statutory rates in lieu of compensation.

Sec. 5. The Commission may, with the approval of the Legislative Services Commission, meet in the State Legislative Building or the Legislative Office Building.

Sec. 6. Reports by the Commission. The Commission shall file an interim report with the President Pro Tempore of the Senate and the Speaker of the House of Representatives by April 1, 1984. The Commission shall file its final report with the President Pro Tempore of the Senate and the Speaker of the House of Representatives by April 1, 1985. The final report of the Commission shall summarize the information obtained in the course of its inquiry, set forth any findings and conclusions, and recommend such administrative actions or legislative actions as may be necessary to contain rising medical costs. If legislation is recommended, the Commission shall prepare and submit with its report appropriate bills. Upon termination of the Commission, the chairman shall transmit to the Legislative Library for preservation the records and papers of the Commission. The Commission shall terminate upon the filing of its report.

Sec. 7. There is appropriated from the General Fund to the General Assembly for fiscal year 1983-84 the sum of fifteen thousand dollars (\$15,000) to implement this act.

Sec. 8. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 20th day of July, 1983.