§ 135-48.5. Health benefit trust funds created.

(a) There are hereby established two health benefit trust funds, to be known as the Public Employee Health Benefit Fund and the Health Benefit Reserve Fund for the payment of hospital and medical benefits. As used in this section, the term "health benefit trust funds" refers to the fund type described under G.S. 143C-1-3(a)(10).

All premiums, fees, charges, rebates, refunds or any other receipts including, but not limited to, earnings on investments, occurring or arising in connection with health benefits programs established by this Article, shall be deposited into the Public Employee Health Benefit Fund. Disbursements from the Fund shall include any and all amounts required to pay the benefits and administrative costs of such programs as may be determined by the Executive Administrator and Board of Trustees.

Any unencumbered balance in excess of prepaid premiums or charges in the Public Employee Health Benefit Fund at the end of each fiscal year shall be used in the following order:

(1) First, to provide an actuarially determined Health Benefit Reserve Fund for incurred but unpresented claims.

(2) Second, an amount determined by the State Treasurer, subject to approval by the Board of Trustees, that does not exceed twenty-five percent (25%) of any unencumbered balance remaining after providing for incurred but unpresented claims may be transferred to the Retiree Health Benefit Fund, established under G.S. 135-7(f). Upon the direction and approval of, and in the amount specified by, the State Treasurer, the Office of State Budget Management shall transfer the amount in accordance with this subdivision.

(3) Third, to reduce the premiums required in providing the benefits of the health benefits programs.

(4) Fourth, to improve the plan, as may be provided by the State Treasurer, subject to approval by the Board of Trustees.

The balance in the Health Benefits Reserve Fund may be transferred from time to time to the Public Employee Health Benefit Fund to provide for any deficiency occurring therein. The Public Employee Health Benefit Fund and the Health Benefit Reserve Fund shall be deposited with the State Treasurer and invested as provided in G.S. 147-69.2 and G.S. 147-69.3.

(b) Disbursement from the Public Employee Health Benefit Fund may be made by warrant drawn on the State Treasurer by the Executive Administrator, or the Executive Administrator and Board of Trustees may by contract authorize the Claims Processors to draw the warrant.

(c) Repealed by Session Laws 2012-173, s. 3(b), effective January 1, 2013. (1981 (Reg. Sess., 1982), c. 1398, s. 6; 1985, c. 732, ss. 43, 63; 1985 (Reg. Sess., 1986), c. 1020, s. 20; 1997-468, s. 3; 1998-1, s. 4(d); 2008-107, s. 10.13(a); 2008-168, ss. 1(a), 2(a), (l); 2011-85, s. 2.5(e); 2012-173, s. 3(b); 2020-48, s. 2.2(b).)