

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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SENATE DRS35106-LN-14 (1/30)

Short Title: Medicaid Cost Saving Measures.

(Public)

Sponsors: Senator Rand.

Referred to:

A BILL TO BE ENTITLED

1
2 AN ACT TO AUTHORIZE THE DEPARTMENT OF HEALTH AND HUMAN
3 SERVICES, DIVISION OF MEDICAL ASSISTANCE, TO USE AVAILABLE
4 MEDICAID FUNDS FOR THE ISSUANCE OF MEDICAID IDENTIFICATION
5 CARDS AND TO IMPLEMENT OTHER COST SAVING MEASURES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Of the funds appropriated to the Department of Health and
8 Human Services, Division of Medical Assistance, for the 2003-2004 fiscal year, the
9 Department may use not more than seven hundred thousand dollars (\$700,000) to
10 implement plans to provide plastic magnetic stripped Medicaid identification cards for
11 issuance to Medicaid enrollees. The Department shall identify available funds and
12 develop and implement the identification card program as quickly as possible, but in a
13 manner that maximizes cost savings in the Medical Assistance Program. Not later than
14 July 1, 2004, the Department shall report to the House of Representatives
15 Appropriations Subcommittee on Health and Human Services, the Senate
16 Appropriations Committee on Health and Human Services, and the Fiscal Research
17 Division. The report shall include the specific areas of the Medical Assistance Program
18 from which funds were used, the corresponding amounts and anticipated or realized cost
19 savings, and the implementation status of the identification card program.

20 **SECTION 2.** Of the funds appropriated to the Department of Health and
21 Human Services, Division of Medical Assistance, for the 2003-2004 fiscal year, the
22 Department may use available funds in addition to those authorized in Section 1 of this
23 act to implement other cost savings projects or measures that are projected to result in
24 recurring net cost savings and efficiencies. Prior to expending any funds under this
25 section, the Department shall notify the Office of State Budget and Management, the
26 Senate Appropriations Committee on Health and Human Services, the House of
27 Representatives Appropriations Subcommittee on Health and Human Services, and the

1 Fiscal Research Division, and shall provide a complete explanation of the project or
2 measures to be implemented, the estimated cost of implementation, and the projected
3 recurring cost savings and efficiencies expected to result from the expenditures. Within
4 one year of the implementation of each project or measure authorized under this section,
5 the Department shall report the actual implementation costs and actual net cost savings
6 and efficiencies realized.

7 **SECTION 3.** This act becomes effective July 1, 2003.