

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH50626-LN-294 (5/1)

Short Title: State Health Plan/Repeal Indemnity Plan. (Public)

Sponsors: Representative Holliman.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE EXECUTIVE DIRECTOR AND BOARD OF TRUSTEES OF THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN TO DISCONTINUE THE INDEMNITY PLAN AND TO ADOPT AN ALTERNATIVE HEALTH BENEFIT OPTION TO INCLUDE NONCONTRIBUTORY PROVISIONS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 135-39.5 is amended by adding the following new subdivision to read:

"§ 135-39.5. Powers and duties of the Executive Administrator and Board of Trustees.

The Executive Administrator and Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan shall have the following powers and duties:

...

(28) Notwithstanding any other provision of this Article to the contrary, the Executive Administrator and Board of Trustees may discontinue the indemnity plan established under G.S. 135-40, including the benefit structure set forth in G.S. 135-40.1 through G.S. 135-40.13, provided that if the indemnity plan is discontinued, the Executive Administrator and Board of Trustees shall make available on the same date to employees, retirees, and eligible dependents an alternative health benefit option with similar benefits as were available under the indemnity plan, and shall at all times make available to employees, retirees, and eligible dependents a noncontributory plan option. The exercise of the authority under this subdivision shall not in any way affect other provisions of this Article."

1 **SECTION 2.** This act becomes effective July 1, 2007. An alternative health
2 benefit option offered under G.S. 135-39.5(28), as enacted by this act, may become
3 effective no earlier than July 1, 2008.