

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1985

Short Title: State Health Plan/Repeal Indemnity Plan.

(Public)

Sponsors: Representative Holliman.

Referred to: State Personnel, if favorable, Appropriations.

May 9, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE EXECUTIVE DIRECTOR AND BOARD OF
3 TRUSTEES OF THE TEACHERS' AND STATE EMPLOYEES'
4 COMPREHENSIVE MAJOR MEDICAL PLAN TO DISCONTINUE THE
5 INDEMNITY PLAN AND TO ADOPT AN ALTERNATIVE HEALTH BENEFIT
6 OPTION TO INCLUDE NONCONTRIBUTORY PROVISIONS.

7 The General Assembly of North Carolina enacts:

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

10 "**§ 135-39.5. Powers and duties of the Executive Administrator and Board of**
11 **Trustees.**

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

15 ...

16 (28) Notwithstanding any other provision of this Article to the contrary, the
17 Executive Administrator and Board of Trustees may discontinue the
18 indemnity plan established under G.S. 135-40, including the benefit
19 structure set forth in G.S. 135-40.1 through G.S. 135-40.13, provided
20 that if the indemnity plan is discontinued, the Executive Administrator
21 and Board of Trustees shall make available on the same date to
22 employees, retirees, and eligible dependents an alternative health
23 benefit option with similar benefits as were available under the
24 indemnity plan, and shall at all times make available to employees,
25 retirees, and eligible dependents a noncontributory plan option. The
26 exercise of the authority under this subdivision shall not in any way
27 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.