

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

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SENATE BILL 321  
Health Care Committee Substitute Adopted 5/8/13  
Third Edition Engrossed 5/9/13  
House Committee Substitute Favorable 6/5/13

Short Title: Contain Counties' Inmate Medical Costs.

(Public)

Sponsors:

Referred to:

March 14, 2013

A BILL TO BE ENTITLED

AN ACT TO CAP REIMBURSEMENT BY COUNTIES FOR MEDICAL SERVICES PROVIDED TO INMATES IN COUNTY JAILS AND TO ALLOW COUNTIES TO UTILIZE MEDICAID FOR ELIGIBLE PRISONERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 153A-225 is amended by adding a new subsection to read:

"(a1) Counties shall reimburse those providers and facilities providing approved prisoner medical services outside the local confinement facility the lesser amount of either a rate of seventy percent (70%) of the provider's then-current prevailing charge or two times the then-current Medicaid rate for any given service. Each county shall have the right to audit any given provider to determine the actual prevailing charge to ensure compliance with this provision.

This subsection does apply to vendors providing services that are not billed on a fee-for-service basis, such as temporary staffing. Nothing in this subsection shall preclude a county from contracting with a provider for services at rates that provide greater documentable cost avoidance for the county than do the rates contained in this subsection or at rates that are less favorable to the county but that will ensure the continued access to care."

**SECTION 2.** G.S. 153A-225(a) reads as rewritten:

"(a) Each unit that operates a local confinement facility shall develop a plan for providing medical care for prisoners in the facility. ~~The plan-plan:~~

- (1) Shall be designed to protect the health and welfare of the prisoners and to avoid the spread of contagious disease;
- (2) Shall provide for medical supervision of prisoners and emergency medical care for prisoners to the extent necessary for their health and welfare;
- (3) Shall provide for the detection, examination and treatment of prisoners who are infected with tuberculosis or venereal ~~diseases-diseases; and~~
- (4) May utilize Medicaid coverage for inpatient hospitalization or for any other Medicaid services allowable for eligible prisoners, provided that the plan includes a reimbursement process which pays to the State the State portion of the costs, including the costs of the services provided and any administrative costs directly related to the services to be reimbursed, to the State's Medicaid program.

The unit shall develop the plan in consultation with appropriate local officials and organizations, including the sheriff, the county physician, the local or district health director,



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1 and the local medical society. The plan must be approved by the local or district health director  
2 after consultation with the area mental health, developmental disabilities, and substance abuse  
3 authority, if it is adequate to protect the health and welfare of the prisoners. Upon a  
4 determination that the plan is adequate to protect the health and welfare of the prisoners, the  
5 plan must be adopted by the governing body.

6 As a part of its plan, each unit may establish fees of not more than twenty dollars (\$20.00)  
7 per incident for the provision of nonemergency medical care to prisoners. In establishing fees  
8 pursuant to this section, each unit shall establish a procedure for waiving fees for indigent  
9 prisoners."

10 **SECTION 3.** In preparation for the July 1, 2014, effective date of Section 2 of this  
11 act, the Division of Medical Assistance, Department of Health and Human Services, shall work  
12 with the North Carolina Association of County Commissioners to prepare for the change to  
13 G.S. 153A-225(a)(4), contained in Section 2 of this act. The Division of Medical Assistance,  
14 Department of Health and Human Services, shall use a uniform method, developed by the  
15 North Carolina Association of County Commissioners, which will allow all counties to  
16 interface with the Division of Medical Assistance to implement this act. The Department of  
17 Public Safety shall provide technical assistance as needed.

18 **SECTION 4.** Section 2 of this act becomes effective July 1, 2014. The remainder  
19 of this act becomes effective July 1, 2013.