

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 514

Short Title: Child Health Insurance Incentive.

(Public)

Sponsors: Senators Kerr; Gulley, Hoyle, Martin of Guilford, Rand, and Reeves.

Referred to: Rules and Operations of the Senate.

March 25, 1999

A BILL TO BE ENTITLED

**AN ACT TO PROVIDE FOR DEVELOPMENT OF AN EFFECTIVE AND
EFFICIENT MEANS TO PROMOTE HEALTH INSURANCE COVERAGE FOR
UNINSURED CHILDREN IN MODERATE-INCOME FAMILIES.**

The General Assembly of North Carolina enacts:

Section 1. The General Assembly finds that the Health Insurance Program for Children Act of 1998 established a program to provide comprehensive health insurance coverage to uninsured low-income children in this State. That act also established a refundable credit program that would essentially provide cash grants to certain families with income above the level covered by the insurance program if they paid for health insurance for their children. The General Assembly finds that this proposed credit program would cost taxpayers millions of dollars each year while there is no evidence that it would result in more children being covered by health insurance. It is the intent of the General Assembly that this new credit program should be delayed while a comprehensive study is conducted to determine how best to encourage more moderate-income families, who are not eligible for publicly funded insurance, to obtain insurance. The study should identify recommendations that would not create unnecessary government bureaucracy and would not waste taxpayer dollars on grants that may have little or no impact on the problem of uninsured moderate-income children in North Carolina.

1 Section 2. The Legislative Research Commission shall study the issue of how
2 to effectively and efficiently promote health insurance coverage for uninsured children.
3 The study shall focus on children who, because of their family income, are not eligible
4 for coverage under government programs but remain uninsured. The study shall
5 investigate the following issues:

- 6 (1) Of the North Carolina children who are not eligible for publicly funded
7 health insurance coverage, what percentage do not have health
8 insurance, and what is their family income level?
- 9 (2) How do these statistics on child health insurance coverage in North
10 Carolina compare to other states?
- 11 (3) What factors influence moderate-income families' health insurance
12 decisions and what barriers are faced by these families who seek health
13 insurance coverage for their children?
- 14 (4) What programs in other states have been most effective and efficient in
15 promoting health insurance coverage for those children who, because of
16 their family income, are not eligible for publicly funded coverage?
- 17 (5) What is the most effective means for the government to encourage child
18 health insurance coverage for moderate-income families who would not
19 otherwise provide health insurance for their children?

20 Section 3. The Legislative Research Commission may make an interim report
21 to the 2000 Regular Session of the 1999 General Assembly and shall make a final report
22 of its findings and recommendations to the 2001 General Assembly.

23 Section 4. Section 5(d) of S.L. 1998-1 Extra Session reads as rewritten:

24 "(d) This section is effective for taxable years beginning on or after January 1, ~~1999,~~
25 2001, and expires on the effective date of an act repealing the Health Insurance Program
26 for Children established under this act."

27 Section 5. This act is effective when it becomes law.