

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

Short Title: Contain Counties' Inmate Medical Costs.

(Public)

Sponsors:

Referred to:

March 14, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO CAP REIMBURSEMENT BY COUNTIES FOR MEDICAL SERVICES
3 PROVIDED TO INMATES IN COUNTY JAILS AND TO ALLOW COUNTIES TO
4 UTILIZE MEDICAID FOR ELIGIBLE PRISONERS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Counties shall reimburse those providers and facilities providing
7 approved inmate medical services to inmates in local confinement facilities the lesser amount
8 of either a rate of seventy percent (70%) of the provider's then-current prevailing charge or two
9 times the then-current Medicaid rate for any given service. Each county shall have the right to
10 audit any given provider to determine the actual prevailing charge to ensure compliance with
11 this provision.

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

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

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

- 20 (1) Shall be designed to protect the health and welfare of the prisoners and to
21 avoid the spread of contagious disease;
- 22 (2) Shall provide for medical supervision of prisoners and emergency medical
23 care for prisoners to the extent necessary for their health and welfare;
- 24 (3) Shall provide for the detection, examination and treatment of prisoners who
25 are infected with tuberculosis or venereal ~~diseases-diseases; and~~
- 26 (4) May utilize Medicaid coverage for inpatient hospitalization for eligible
27 prisoners, provided that the plan includes a reimbursement to the State of the
28 State portion of the costs, including the costs of the services provided and
29 any administrative costs to the State's Medicaid program.

30 The unit shall develop the plan in consultation with appropriate local officials and
31 organizations, including the sheriff, the county physician, the local or district health director,
32 and the local medical society. The plan must be approved by the local or district health director
33 after consultation with the area mental health, developmental disabilities, and substance abuse
34 authority, if it is adequate to protect the health and welfare of the prisoners. Upon a



1 determination that the plan is adequate to protect the health and welfare of the prisoners, the
2 plan must be adopted by the governing body.

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

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

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