

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 58
PROPOSED HOUSE COMMITTEE SUBSTITUTE S58-PCS15073-LU-2

Short Title: Modify FMAP Cuts.

(Public)

Sponsors:

Referred to:

February 10, 2011

1 A BILL TO BE ENTITLED
2 AN ACT MODIFYING THE FEDERAL MEDICAL ASSISTANCE PERCENTAGES CUTS
3 IN THE 2010-2011 STATE BUDGET.

4 The General Assembly of North Carolina enacts:

5 **NO REDUCTION IN MEDICAID PROVIDER RATES TO BACKFILL FMAP FUNDS**

6 **SECTION 1.** Notwithstanding Section 2.3 of S.L. 2010-31, as amended by Section
7 1.3 of S.L. 2010-123, neither the Director of the Budget nor the Department of Health and
8 Human Services shall reduce reimbursement rates paid to service providers in the Medicaid
9 program to backfill FMAP funds for the 2010-2011 fiscal year.

10 **NO REDUCTION IN RETIREMENT SYSTEM CONTRIBUTIONS TO BACKFILL**
11 **FMAP FUNDS**

12 **SECTION 2.** Effective July 1, 2010, Section 6(c) of S.L. 2009-16, as amended by
13 Section 26.20(b) of S.L. 2009-451 and Section 2.3(h) of S.L. 2010-31, reads as rewritten:

14 "**SECTION 6.(c)** Effective July 1, 2010, the State's employer contribution rates budgeted
15 for reserves, retirement and related benefits as percentage of covered salaries for the 2010-2011
16 fiscal year are: (i) ~~nine and fifteen hundredths percent (9.15%)~~ ten and fifty-one hundredths
17 percent (10.51%) – Teachers and State Employees; ~~plus one and thirty six hundredths percent~~
18 ~~(1.36%) to a reserve in the Office of State Budget and Management to be transferred to the~~
19 ~~Retirement System only if not needed as an adjustment as required by Section 2.3(b)(7) of~~
20 ~~Senate Bill 897, 2009 Regular Session;~~ (ii) ~~fourteen and fifteen hundredths percent (14.15%)~~
21 fifteen and fifty-one hundredths percent (15.51%) – State Law Enforcement Officers; ~~plus one~~
22 ~~and thirty six hundredths percent (1.36%) to a reserve in the Office of State Budget and~~
23 ~~Management to be transferred to the Retirement System only if not needed as an adjustment as~~
24 ~~required by Section 2.3(b)(7) of Senate Bill 897, 2009 Regular Session;~~ (iii) twelve and twenty
25 six hundredths percent (12.26%) – University Employees' Optional Retirement System; (iv)
26 twelve and twenty six hundredths percent (12.26%) – Community College Optional Retirement
27 Program; (v) twenty and one hundredths percent (20.01%) – Consolidated Judicial Retirement
28 System; and (vi) four and ninety hundredths percent (4.90%) – Legislative Retirement System.
29 Each of the foregoing contribution rates includes four and ninety hundredths percent (4.90%)
30 for hospital and medical benefits. The rate for Teachers and State Employees, State Law
31 Enforcement Officers, Community College Optional Retirement Program, and for the
32 University Employees' Optional Retirement Program includes fifty two hundredths percent
33 (0.52%) for the Disability Income Plan. The rates for Teachers and State Employees and State
34 Law Enforcement Officers include sixteen hundredths percent (0.16%) for the Death Benefits



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1 Plan. The rate for State Law Enforcement Officers includes five percent (5%) for Supplemental
2 Retirement Income."

3 **EFFECTIVE DATE**

4 **SECTION 3.** This act is effective when it becomes law.