

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE DRS85090-MDa-57 (03/08)

Short Title: Payment of 2012-2013 Medicaid Costs. (Public)

Sponsors: Senators Brunstetter, Brown, and Hunt (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ENSURE ADEQUATE FUNDING IN THE STATE MEDICAID PROGRAM
3 FOR THE 2012-2013 FISCAL YEAR.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Notwithstanding G.S. 143C-6-4, in order to ensure that there is
6 adequate funding in the Medicaid budget for the 2012-2013 fiscal year, the Director of the
7 Budget is authorized, in conjunction with the State Controller and other necessary State
8 officials, to adjust the authorized General Fund budget in accordance with this act to ensure that
9 there are sufficient funds to pay the costs of the State Medicaid Program for the 2012-2013
10 fiscal year.

11 **SECTION 2.** The Director of the Budget shall make the following adjustments to
12 increase the authorized budget of the Division of Medical Assistance. These adjustments are set
13 forth in priority order, and no increase shall be made until the preceding increase has been
14 completely exhausted in the permissible amount:

- 15 (1) Twenty million nine hundred thousand dollars (\$20,900,000) from funds not
16 expended pursuant to Section 10.9G of S.L. 2012-142.
- 17 (2) Seventy-four million dollars (\$74,000,000) from drug rebate refunds. These
18 funds are hereby appropriated.
- 19 (3) A minimum of sixty-seven million dollars (\$67,000,000) from other
20 projected reversions within the Department of Health and Human Services.
- 21 (4) A maximum of one hundred million dollars (\$100,000,000) from projected
22 reversions within State agencies other than the Department of Health and
23 Human Services.

24 **SECTION 3.** Adjustments pursuant to Section 2 of this act shall be used only to
25 pay the costs of the State Medicaid Program, including drug rebates owed to the federal
26 government, for the 2012-2013 fiscal year. Any adjustments pursuant to this section that are not
27 needed to pay the costs of the Medicaid program for the 2012-2013 fiscal year shall revert to
28 the General Fund.

29 **SECTION 4.** Neither the Director of the Budget nor any other State official,
30 officer, or agency shall authorize any adjustment under this act that creates or increases a
31 financial obligation in the 2013-2014 fiscal year or any subsequent fiscal year.

32 **SECTION 5.** In implementing the budget adjustments authorized in this act, the
33 Director of the Budget shall not transfer funds between departments and agencies or within the
34 Department of Health and Human Services but shall instead make adjustments to the
35 authorized budget.



1 **SECTION 6.** On or before October 1, 2013, the Office of State Budget and
2 Management and the Department of Health and Human Services shall report on measures taken
3 pursuant to this act to the Appropriations/Base Budget Committee of the Senate, the
4 Appropriations Committee of the House of Representatives, and the Joint Legislative
5 Commission on Governmental Operations. Reporting requirements under G.S. 143C-6-4 shall
6 not apply to adjustments made pursuant to this act.

7 **SECTION 7.** This act is effective when it becomes law.