A BILL TO BE ENTITLED
AN ACT TO PROVIDE A SUPPLEMENTAL INSURANCE POLICY FOR FIREFIGHTERS DIAGNOSED WITH CANCER.

The General Assembly of North Carolina enacts:

SECTION 1. This act shall be known as "The Firefighters Fighting Cancer Act of 2021."

SECTION 2.(a) Chapter 58 of the General Statutes is amended by adding a new Article to read:

"Article 87A. Firefighter Cancer Health Care Benefit Plan.

§ 59-87A-1. Definitions. The following definitions apply in this Article:

(1) Cancer. – Malignant neoplasms of the body that may be caused by exposure to heat, radiation, or a known carcinogen, as defined by the World Health Organization's International Agency for Research on Cancer.

(2) Cancer Benefit Plan. – The North Carolina Firefighter Cancer Health Care Benefit Plan established under this Article.

(3) Eligible firefighter. – A firefighter who meets the requirements of G.S. 59-87A-10.

(4) Fire Department. – Any organization that is not a federal agency, including any public or government-sponsored organization, that is located and based in this State and provides rescue, fire suppression, and related activities.

(5) Firefighter. – As defined in G.S. 58-84-5.

§ 59-87A-5. Firefighter Cancer Health Care Benefit Plan. There is established a North Carolina Firefighter Cancer Health Care Benefit Plan to be administered by the Department. The Cancer Benefit Plan shall be a supplemental insurance policy that provides the benefits required under this Article to an eligible firefighter with a new diagnosis of cancer on or after January 1, 2022.


(a) All firefighters that have served in a North Carolina fire department for a minimum of five continuous years shall be eligible for benefits under the Cancer Benefit Plan.

(b) Only firefighters with a new diagnosis of cancer on or after January 1, 2022, shall be eligible for benefits under the Cancer Benefit Plan. A firefighter with a diagnosis of cancer prior to January 1, 2022, is not eligible for benefits under the Cancer Benefit Plan for that previously diagnosed cancer type but remains eligible for benefits under the Cancer Benefit Plan upon diagnosis of any other cancer type.
A firefighter is not eligible to receive benefits under this Article if that firefighter is receiving benefits related to cancer under Article 1 of Chapter 97 of the General Statutes, the North Carolina Workers' Compensation Act.


(a) Medical Costs Reimbursement. – An eligible firefighter shall receive reimbursement of up to twelve thousand dollars ($12,000) annually for any out-of-pocket medical expenses incurred, including deductibles, copayments, or coinsurance costs.

(b) Lump Sum Benefit. – Not to exceed a lifetime benefit of fifty thousand dollars ($50,000), a lump sum benefit of twenty-five thousand dollars ($25,000) for each diagnosis of cancer shall be payable to an eligible firefighter upon sufficient proof to the insurance carrier, the Department, or other applicable payor of a diagnosis of cancer by a board-certified, licensed physician in the medical specialty appropriate for the type of cancer diagnosed.

(c) Disability Benefit. – Upon sufficient proof to the insurance carrier, the Department, or other applicable payor of total disability resulting from the diagnosis of cancer or that the cancer precludes the firefighter from serving as a firefighter, the following disability benefits shall be paid to an eligible firefighter beginning six months after the total disability or inability to perform the duties of a firefighter, whichever applies:

1. For a nonvolunteer firefighter. – A monthly benefit that is either (i) equal to seventy-five percent (75%) of the firefighter's monthly salary or (ii) five thousand dollars ($5,000), whichever is less.

2. For a volunteer firefighter. – A monthly benefit of one thousand five hundred dollars ($1,500).

(d) Limitations on Disability Benefit. – The following limitations apply to disability benefits under this section:

1. Disability benefits shall continue for no more than 36 consecutive months.

2. Any firefighter receiving disability benefits may be required to have his or her condition reevaluated to determine if that firefighter has regained the ability to perform the duties of a firefighter. If that reevaluation indicates that the firefighter has regained the ability to perform the duties of a firefighter, then the monthly disability benefits shall cease on the last day of the month the reevaluation was conducted.

3. If there is no reevaluation performed under subdivision (2) of this subsection, but the firefighter's treating physician determines that the firefighter is again able to perform the duties of a firefighter, then the disability benefits shall cease on the last day of the month that the physician made the determination.

4. If a firefighter returns to work as a firefighter before exhaustion of the 36 months of disability benefit an eligible firefighter may receive under this section, and if there is a subsequent recurrence of disability caused by cancer that again precludes the firefighter from performing the duties of a firefighter, then the firefighter shall be entitled to any remaining monthly disability benefits, not to exceed 36 months in total.

5. The monthly disability benefit shall be subordinate to any other benefit paid from any source to the firefighter solely for a disability related to the cancer diagnosis, so long as that source is not private insurance purchased solely by the firefighter. Disability benefits under this Article shall be limited to the difference between the benefit amount paid by the other source and the amounts specified under subsection (c) of this section.

§ 58-87A-20. Reporting requirements.

On January 1, 2023, and annually thereafter, the Department shall submit a report to the General Assembly and to the Governor that includes the following information for the year prior to the report:
1 (1) The number, type, and primary work location of all firefighters participating in the Cancer Benefit Plan.

2 (2) The number of Cancer Benefit Plan claims filed.

3 (3) The types of cancer for which claims are filed.

4 (4) All benefits paid out under this Article."

SECTION 2.(b) This section becomes effective January 1, 2022.

SECTION 3. No later than January 1, 2022, the Department of Insurance shall show proof of insurance coverage that meets the requirements of this act for all firefighters included on the Certified Roster submitted to the North Carolina State Firefighters' Association.

SECTION 4.(a) G.S. 105-228.5(d)(3) reads as rewritten:

"(3) Additional Rate on Property Coverage Contracts. – An additional tax at the rate of seventy-four hundredths percent (0.74%) one and one hundred twenty-five thousandths percent (1.125%) applies to gross premiums on insurance contracts for property coverage. The tax is imposed on ten percent (10%) of the gross premiums from insurance contracts for automobile physical damage coverage and on one hundred percent (100%) of the gross premiums from all other contracts for property coverage. Twenty percent (20%)-Ten percent (10%) of the net proceeds of this additional tax must be credited to the Volunteer Fire Department Fund established in Article 87 of Chapter 58 of the General Statutes. Twenty percent (20%)-Fourteen percent (14%) of the net proceeds must be credited to the Department of Insurance for disbursement pursuant to G.S. 58-84-25. Up to twenty percent (20%), fourteen percent (14%), as determined in accordance with G.S. 58-87-10(l), must be credited to the Workers' Compensation Fund. North Carolina Firefighters' and Rescue Squad Workers' Pension Fund under G.S. 58-86-1. Five and one-half percent (5.5%) of the net proceeds must be credited to individual fire departments' relief funds to be used in accordance with G.S. 58-84-35(a)(8) for early cancer detection programs. Eleven and three-quarters percent (11.75%) of the net proceeds must be credited to the Department of Insurance to fund the Firefighter Cancer Benefit Plan established under G.S. 59-87A-5. The remaining net proceeds must be credited to the General Fund. The additional tax imposed on property coverage contracts under this subdivision is a special purpose assessment based on gross premiums and not a gross premiums tax. The following definitions apply in this subdivision:

a. Automobile physical damage. – The following lines of business identified by the NAIC: private passenger automobile physical damage and commercial automobile physical damage.

b. Property coverage. – The following lines of business identified by the NAIC: fire, farm owners multiple peril, homeowners multiple peril, nonliability portion of commercial multiple peril, ocean marine, inland marine, earthquake, private passenger automobile physical damage, commercial automobile physical damage, aircraft, and boiler and machinery. The term also includes insurance contracts for wind damage.

c. NAIC. – National Association of Insurance Commissioners."
SECTION 4. This section is effective for taxes imposed for taxable years beginning on or after July 1, 2021.

SECTION 5. Except as otherwise provided, this act is effective when it becomes law.