

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 727
Committee Substitute Favorable 4/29/25
PROPOSED SENATE COMMITTEE SUBSTITUTE H727-PCS40702-TR-9

Short Title: Limit Medicaid Reimb. for Facility Fees.

(Public)

Sponsors:

Referred to:

April 3, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO LIMIT MEDICAID REIMBURSEMENT FOR CERTAIN FACILITY FEES.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.(a)** To the extent allowed under federal law, the Department of Health
5 and Human Services is directed to ensure that the Medicaid program does not reimburse for
6 facility fees unless the services are provided on a hospital's main campus, at a facility that
7 includes an emergency department, or at an ambulatory surgical facility.

8 **SECTION 1.(b)** For purposes of this section, the following definitions apply:

9 (1) Ambulatory surgical facility. – As defined in G.S. 131E-176.

10 (2) Campus. – Any of the following:

11 a. The main building of a hospital.

12 b. The physical area immediately adjacent to a hospital's main building.

13 c. Other structures not contiguous to the main building of a hospital that
14 are within 250 yards of the main building.

15 d. Any other area that has been determined to be part of a hospital's
16 campus by the Centers for Medicare and Medicaid Services.

17 (3) Facility fee. – Any fee charged or billed by a health care provider for
18 outpatient services provided in a hospital-based facility that is (i) intended to
19 compensate the health care provider for the operational expenses of the health
20 care provider, (ii) separate and distinct from a professional fee, and (iii)
21 charged regardless of the modality through which the health care services
22 were provided.

23 (4) Hospital. – As defined in G.S. 131E-176.

24 (5) Professional fee. – Any fee charged or billed by a provider for hospital or
25 professional medical services provided in a hospital-based facility.

26 **SECTION 2.** Except for statutory changes or where otherwise specified, the
27 Department of Health and Human Services shall not be required to maintain, after June 30, 2027,
28 any modifications to the Medicaid program required by this act.

29 **SECTION 3.** This act is effective when it becomes law and shall be implemented as
30 soon as practicable after that date.



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