



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES
A Division of the Department of State Treasurer



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

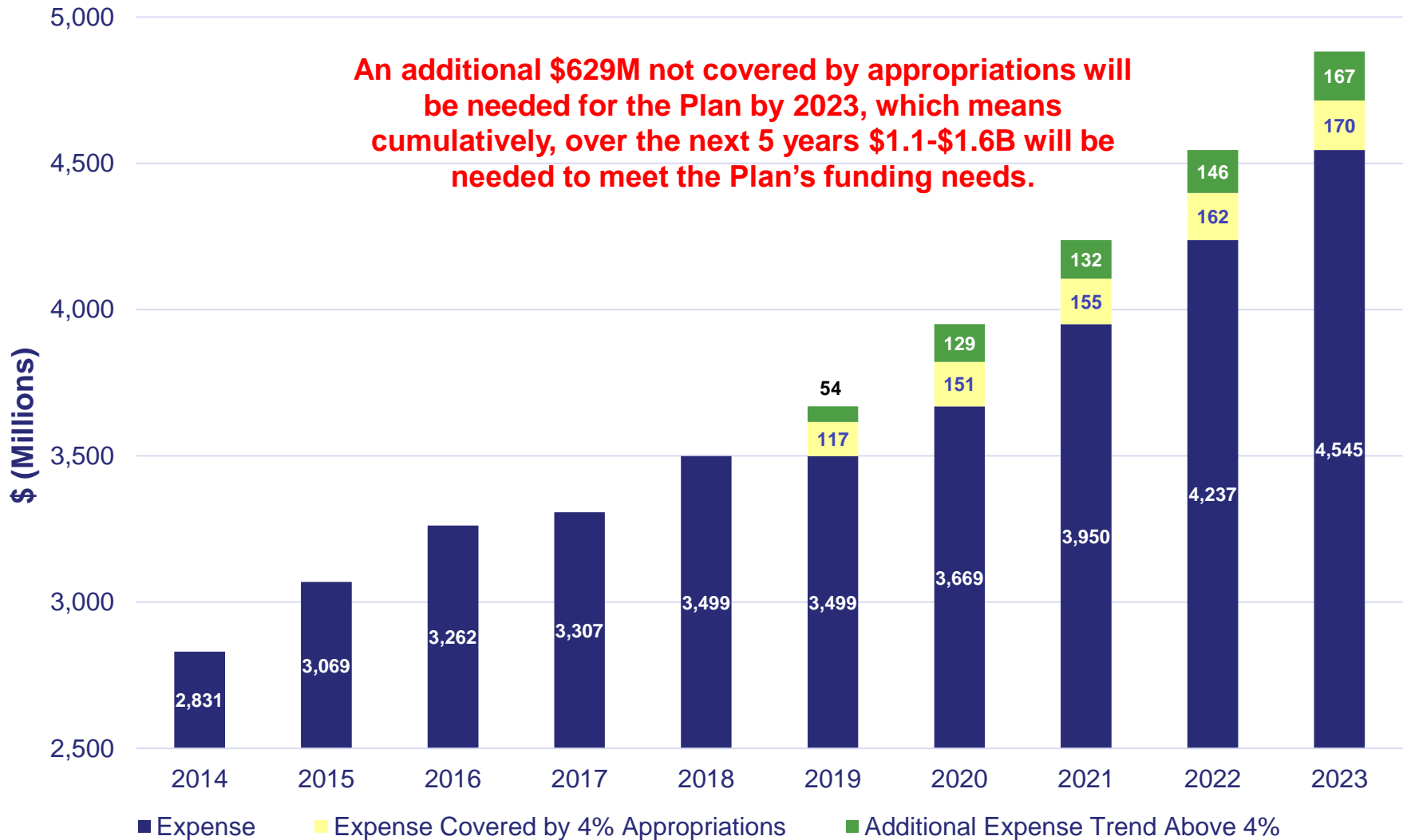


North Carolina State Health Plan Update

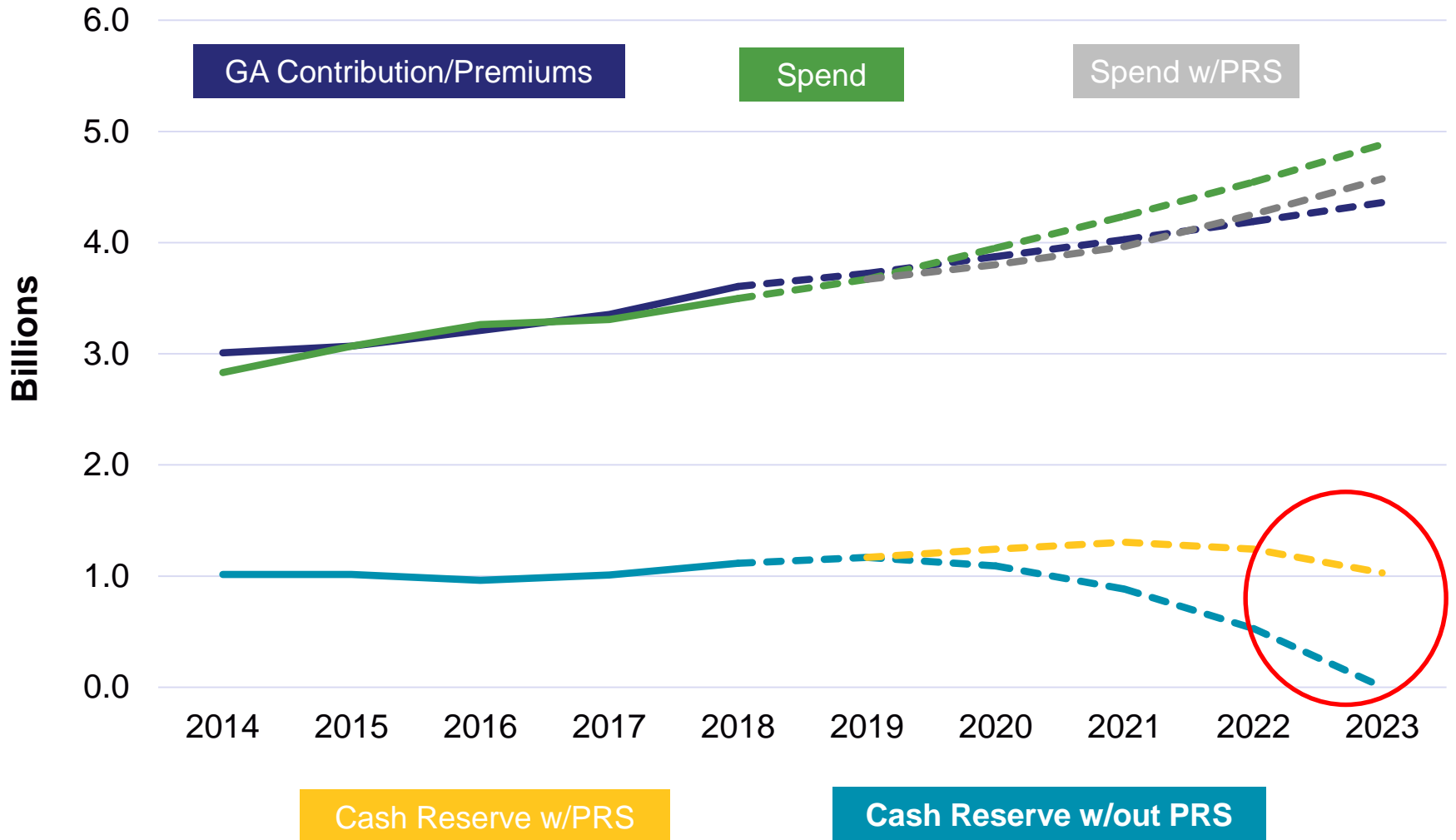
February 19, 2019

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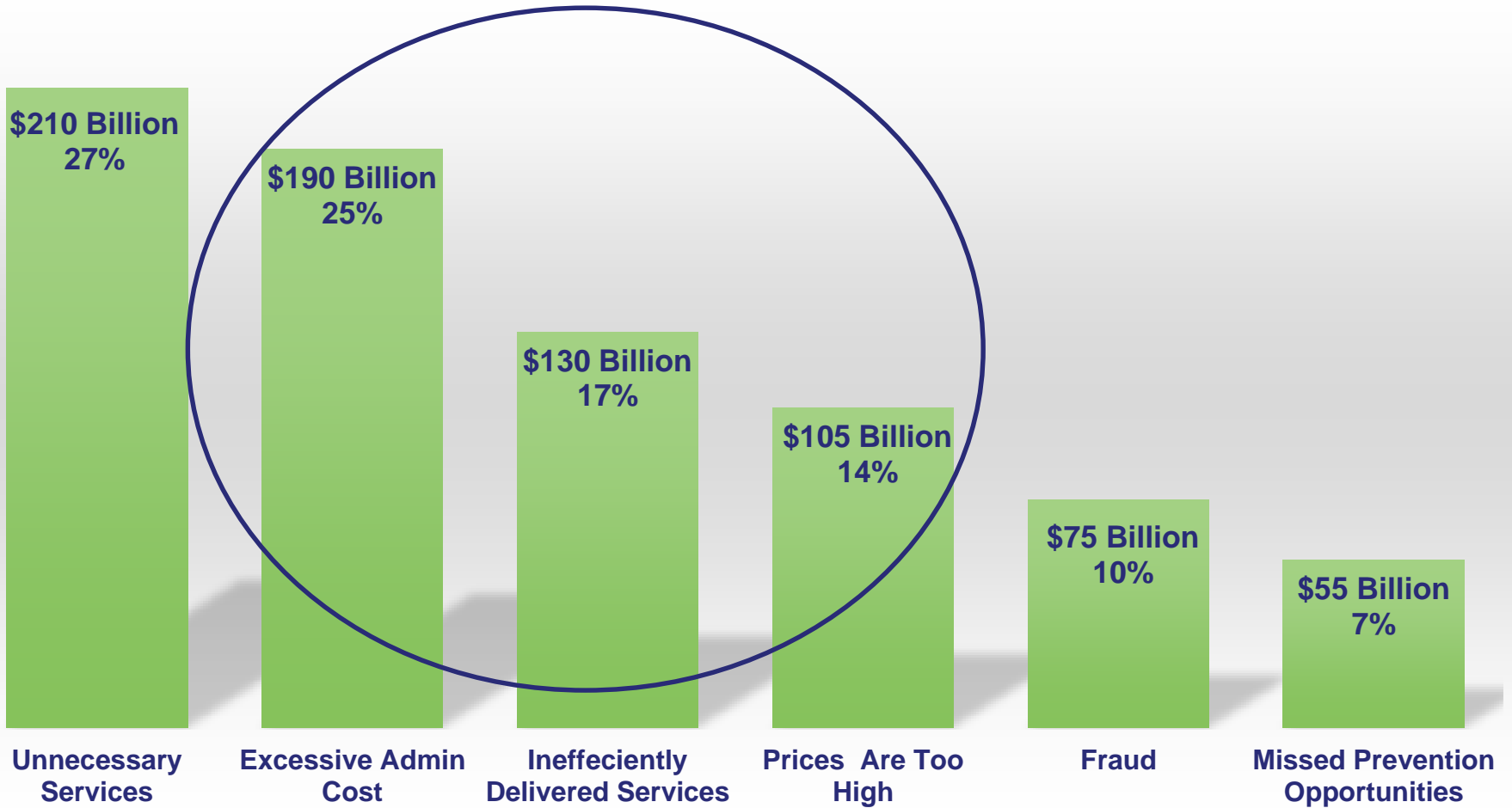
Projected Trended Expense



Financial Projection

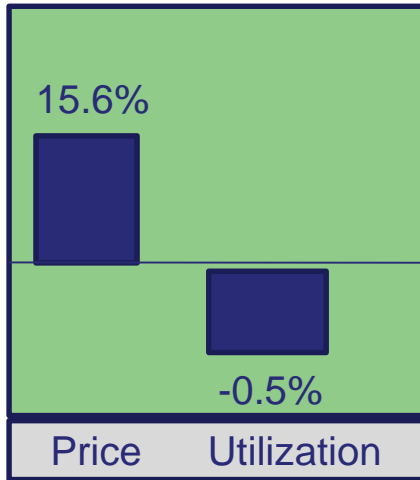


Sources of Inefficiencies in Health Care

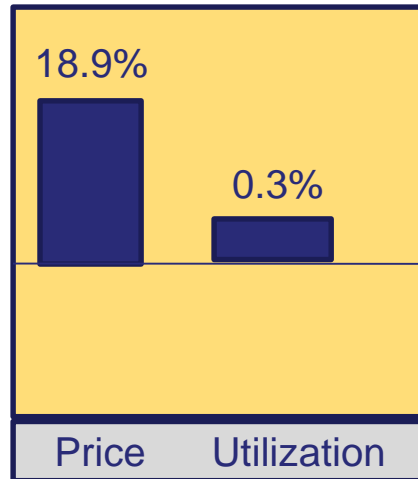


Health Care Spending Increasing Trend (2013-2017)

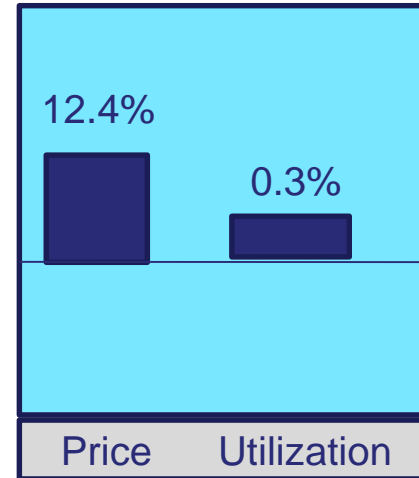
Inpatient



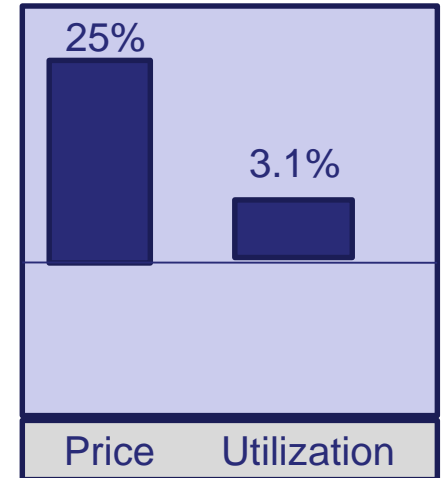
Outpatient



Professional



Prescription



“The value to us of Rex is, it allows us a larger scale and more sophisticated abilities to purchase in bulk, for example, all of the things that hospitals and organizations like us need. We are able to get a much better master contract with Blue Cross and the other private insurers than we would if we were a smaller, Chapel Hill-only entity.”

-William Roper MD, Former CEO of UNC Health Care, 2012

Statutory Requirements & Responsibilities

- **§ 135-48.30. Powers and Duties of the State Treasurer.**
- The Department of State Treasurer and the Board of Trustees shall be charged with a fiduciary responsibility for managing all aspects of the Plan, including the receipt, maintenance, investment, and disposition of all Plan assets.
 - As a government payer of health care in North Carolina, providing a sustainable health benefit for more than 720,000 members is essential to avoid being unable to pay claims, which occurred in the 2008 fiscal year loss.
 - The Plan is supported through state funds allocated in the state budget and member premiums.
 - The Plan's fiduciary responsibility to its members does not obligate it to subsidize health care for all North Carolinians as it would impact taxpayers and members.

State Health Plan Funding Sources

