

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 1104

Short Title: Access to Affordable Health Coverage for All. (Public)

Sponsors: Representative Brockman.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Rules, Calendar, and Operations of the House

May 14, 2020

1 A BILL TO BE ENTITLED
2 AN ACT TO CREATE ACCESS TO AFFORDABLE HEALTH INSURANCE THROUGH
3 THE FEDERAL HEALTH BENEFITS EXCHANGE FOR INDIVIDUALS IN THE
4 COVERAGE GAP.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** It is the intent of the General Assembly to create a mechanism for the
7 State to provide a refundable premium tax credit that is (i) designed to help eligible individuals
8 who fall into what has become known as the "coverage gap" afford health insurance purchased
9 through the federal Health Insurance Marketplace, or the Health Benefits Exchange (Exchange),
10 and (ii) modeled after the federal refundable premium tax credit for purchasing health insurance
11 on the Exchange, as provided for under the Patient Protection and Affordable Care Act, P.L.
12 111-148, as amended. To be considered part of the coverage gap and eligible for this State
13 premium tax credit, a State resident shall meet all the following minimum requirements:

- 14 (1) The individual has a modified adjusted gross income that is below one
15 hundred percent (100%) of the federal poverty level.
- 16 (2) The individual is at least 19 years old and under age 65.
- 17 (3) The individual is not entitled to or enrolled in Medicare benefits under Part A
18 or Part B of Title XVIII of the federal Social Security Act.
- 19 (4) The individual is not eligible for Medicaid coverage or NC Health Choice
20 coverage under the North Carolina State Plan that provides minimum essential
21 coverage, as determined under federal law.
- 22 (5) The individual is not eligible for coverage under TRICARE.
- 23 (6) The individual is not able to obtain affordable coverage through an eligible
24 employer-sponsored plan that provides minimum value and minimum
25 essential coverage, as determined under federal law.

26 **SECTION 2.(a)** The Secretary of the Department of Health and Human Services and
27 the Secretary of the Department of Revenue are directed to collaborate and design a program to
28 implement the State premium tax credit described in Section 1 of this act that does both of the
29 following:

- 30 (1) Estimates the amount of State premium tax credit that an individual will be
31 eligible for in a given tax year.
- 32 (2) Allows an individual to direct any amount of the estimated State premium tax
33 credit be paid in advance directly to an insurance company offering health
34 benefit plans in this State on the Exchange.



1 **SECTION 2.(b)** No later than March 1, 2021, the Secretary of the Department of
2 Health and Human Services and the Secretary of the Department of Revenue shall submit to the
3 General Assembly a report outlining the program to implement the State premium tax credit
4 described in Section 1 of this act. The report shall contain any recommendations, including
5 additional eligibility requirements, any legislative changes that would be required to implement
6 the State premium tax credit, and an estimate of the costs associated with administration of the
7 program as well as costs to the State associated with offering the premium tax credit. It is the
8 intent of the General Assembly that the total cost of the program does not exceed one billion
9 dollars (\$1,000,000,000).

10 **SECTION 3.(a)** There is appropriated from the General Fund to the Department of
11 Health and Human Services the sum of one hundred thousand dollars (\$100,000) in nonrecurring
12 funds for the 2020-2021 fiscal year for the purposes of designing the program to implement the
13 State premium tax credit described in Section 1 of this act and as required under Section 2 of this
14 act.

15 **SECTION 3.(b)** There is appropriated from the General Fund to the Department of
16 Revenue the sum of one hundred thousand dollars (\$100,000) in nonrecurring funds for the
17 2020-2021 fiscal year for the purposes of designing the program to implement the State premium
18 tax credit described in Section 1 of this act and as required under Section 2 of this act.

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