

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE BILL 1288**

Short Title: Phase Out Medicaid County Share. (Public)

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Sponsors: Senators East; Allran, Apodaca, Blake, Brock, Goodall, Hunt, Smith, and Tillman.

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Referred to: Health Care.

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May 11, 2006

A BILL TO BE ENTITLED  
AN ACT TO PHASE OUT THE COUNTY SHARE OF THE NONFEDERAL SHARE  
OF MEDICAID COSTS OVER A FOUR-YEAR PERIOD.

The General Assembly of North Carolina enacts:

**SECTION 1.** Notwithstanding any other provision of law to the contrary, the county share of the nonfederal share of Medicaid costs, excluding administrative costs, shall be phased out over a four-year period, as follows:

- (1) Effective July 1, 2006, the county share of the nonfederal share, excluding administrative costs, shall be eleven and one-quarter percent (11.1/4%).
- (2) Effective July 1, 2007, the county share of the nonfederal share, excluding administrative costs, shall be seven and one-half percent (7.1/2%).
- (3) Effective July 1, 2008, the county share of the nonfederal share, excluding administrative costs, shall be three and three-quarters percent (3.3/4%).
- (4) Effective July 1, 2009, the nonfederal share of Medicaid costs, excluding administrative costs, shall be borne by the State.

**SECTION 2.** Effective July 1, 2009, G.S. 108A-54 reads as rewritten:

**"§ 108A-54. Authorization of Medical Assistance Program.**

The Department is authorized and empowered to establish a Medical Assistance Program from ~~federal, State and county~~ federal and State appropriations and to adopt rules and regulations under which payments are to be made in accordance with the provisions of this Part. ~~The nonfederal share may be divided between the State and the counties, in a manner consistent with the provisions of the federal Social Security Act, except that the share required from the counties may not exceed the share required from the state. If a portion of the nonfederal share is required from the counties, the boards of county commissioners of the several counties shall levy, impose and collect the taxes~~

1 ~~required for the special purpose of medical assistance as provided in this Part, in an~~  
2 ~~amount sufficient to cover each county's share of such assistance. Each county shall be~~  
3 ~~responsible for the full cost of administering the Medical Assistance Program for the~~  
4 ~~county."~~

5       **SECTION 3.** There is appropriated from the General Fund to the  
6 Department of Health and Human Services, Division of Medical Assistance, the sum of  
7 one hundred twenty-six million five hundred thirty-eight thousand seven hundred  
8 eighty-one dollars (\$126,538,781) for the 2006-2007 fiscal year. These funds shall be  
9 used to cover the cost to the State of reducing the 2006-2007 county share of the  
10 nonfederal share, excluding administrative costs, of Medicaid costs.

11       **SECTION 4.** This act becomes effective July 1, 2006.