



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



Local Government Participation in the State Health Plan

Board of Trustees Meeting

November 20, 2015

A Division of the Department of State Treasurer

Presentation Overview

- Review of Legislation
- Recurring Concerns from Local Governmental Units
- Process to Join the State Health Plan
- Engagement to Date
- Next Steps

Review of Legislation

- SL 2015-112 (HB 154) allows local governmental units with fewer than 1,000 members to enroll their active employees in the State Health Plan following the completion of:
 - Passing a local resolution, and
 - Signing a Memorandum of Understanding (MOU) with the Plan
- Key provisions:
 - Current and future retirees are ineligible for coverage
 - Local governmental units have to comply with all Plan policies and procedures
 - Enrollment is capped at 10,000 members total
 - Approximately 3,400 existing local government members are included in that cap

Recurring Concerns from Local Units

- Ability to cover retirees (current and future)
- Ability to modify premium payment amounts (higher/lower subsidies)
- Participation in wellness programs
- Annual Enrollment timing
- Ability to only offer Traditional 70/30
- Flexibility to opt out and shop for coverage

Participation Process

- Local Governmental Unit submits resolution expressing their intent to join the Plan
- Local Governmental Unit completes data sheet providing the Plan with information (contact person, current health coverage offering and enrollment, dependent eligibility, number of employee, etc.)
- Plan completes internal Requisition to Contract (RTC) for each unit
- Plan sends its standard MOU to the Unit for signature
- Once the signed MOU is received from the Unit, the Plan's EA executes the agreement
- Unit works with Plan's Operations Team on enrollment process

Current Signed MOUs and Members Eligible

	Local Gov't Members Currently Covered ¹	Estimated Eligible Members from Local Gov't Units ²
Current Enrolled	3,400	
Local Units in MOU Process for 1/1/2016		5,112
Local Units seeking enrollment after 1/1/2016		2,353
Total Engaged with Plan		10,865
Cap		10,000

1. Enrollment is based on October BCBSNC data

2. Based on self-reported estimates by local units as of November 16, 2015

- Given amount of interest in joining the Plan, enrollment will likely exceed the cap authorized by statute
- Local governments continue to express interest in joining

Next Steps

- Enroll local units
 - Process begins after traditional Annual Enrollment
- Update Board and General Assembly actual enrollment
- Track utilization differences