

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**SENATE DRS85085-LN-95A\* (2/24)**

Short Title: County Medicaid Billing Systems.

(Public)

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Sponsors: Senator Hartsell.

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Referred to:

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A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE PUBLIC HEALTH AUTHORITIES TO CONTRACT  
2 DIRECTLY WITH PRIVATE VENDORS TO OPERATE THE COUNTY  
3 BILLING SYSTEM FOR MEDICAID CLAIMS.  
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5 Whereas, the county share of the nonfederal share of Medicaid costs has a  
6 significant impact on county resources and cash flow; and

7 Whereas, more timely reimbursement of county Medicaid claims would  
8 improve county cash flow; and

9 Whereas, the current process for Medicaid billing is more complicated than  
10 necessary; and

11 Whereas, contracting with a private vendor to interface directly with the State  
12 Medicaid billing system would make the billing process for county Medicaid claims  
13 much simpler than it now is; and

14 Whereas, county public health authorities would benefit from private  
15 vendor-operated Medicaid billing by enabling the authorities to optimize revenue  
16 through efficiencies that are currently not in place through the State billing system;  
17 Now, therefore,

18 The General Assembly of North Carolina enacts:

19 **SECTION 1.** Part 1B of Article 2 of Chapter 130A of the General Statutes is  
20 amended by adding the following new section to read:

21 **"§ 130A-45.13. Authority to contract directly with private providers to operate**  
22 **billing system for county Medicaid claims.**

23 A public health authority board may contract directly with private vendors to operate  
24 the authority's Medicaid billing system as an alternative to the State-operated health  
25 services information system. The contract may provide for the private vendor to bill  
26 directly the State Medicaid billing system (MMIS), thereby bypassing the State health

1 services information system (HSIS). The public health authority shall issue a "request  
2 for proposal" to solicit private vendor bids for contracts authorized under this section."

3           **SECTION 2.** This act is effective when it becomes law and applies to  
4 county Medicaid claims arising on and after that date.