



CHAPTER 116
ARTICLE 26 - LIABILITY INSURANCE OR SELF-INSURANCE

N.C.G.S. § 116-220.

Establishment and administration of self-insurance trust funds; rules and regulations; defense of actions against covered persons; application of § 143-300.6.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 2023-134, s. 4.10(f) — seventh act in the lineage	RETRIEVED 21 September 2026, 01:15 UTC	SOURCE FINGERPRINT 74c2931bca52c8c05ac2da2e - cd9faa3044408e30d3921556 - f591519653c87fed
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§ 116-220(a) In the event the Board elects to act as self-insurer of a program of liability insurance, it may establish one or more insurance trust accounts to be used only for the purposes authorized by this Article: Provided, however, said program of liability insurance shall not be subject to regulation by the Commissioner of Insurance. The Board is authorized to receive and accept any gift, donation, appropriation or transfer of funds made for the purposes of this section and to deposit such funds in the insurance trust accounts. All expenses incurred in collecting, receiving, and maintaining such funds and in otherwise administering the self-insured program of liability insurance shall be paid from such insurance trust accounts.

§ 116-220(b) Subject to all requirements and limitations of this Article, the Board is authorized to adopt rules and regulations for the establishment and administration of the self-insured program of liability insurance, including, but not limited to, rules and regulations concerning the eligibility for and terms and conditions of participation in the program, the assessment of charges against participants, the management of the insurance trust accounts, and the negotiation, settlement, litigation, and payment of claims.

§ 116-220(c)

The Board is authorized to create a Liability Insurance Trust Fund Council composed of not more than 13 members; one member each shall be appointed by the State Attorney General, the State Insurance Commissioner, the Director of the Office of State Budget and Management, and the State Treasurer; the remaining members shall be appointed by the Board. Subject to all requirements and limitations of this Article and to any rules and regulations adopted by the Board under the terms of subsection (b) of this section, the Board may delegate to the Liability Insurance Trust Fund Council responsibility and authority for the administration of the self-insured liability insurance program and of the insurance trust accounts established pursuant to such program.

§ 116-220(d)

Defense of all suits or actions against an individual health-care practitioner who is covered by a self-insured program of liability insurance established by the Board under the provisions of this Article may be provided by the Attorney General in accordance with the provisions of G.S. 143-300.3 of Article 31A of Chapter 143; provided, that in the event it should be determined pursuant to G.S. 143-300.4 that defense of such a claim should not be provided by the State, or if it should be determined pursuant to G.S. 143-300.5 and G.S. 147-17 that counsel other than the Attorney General should be employed, or if the individual health-care practitioner is not an employee of the State as defined in G.S. 143-300.2, then private legal counsel may be employed by the Liability Insurance Trust Fund Council and paid for from funds in the insurance trust accounts.

§ 116-220(e)

For purposes of the requirements of G.S. 143-300.6, the coverage provided State employees by any self-insured program of liability insurance established by the Board pursuant to the provisions of this Article shall be deemed to be commercial liability insurance coverage within the meaning of G.S. 143-300.6(c).

§ 116-220(f)

By rules or regulations adopted by the Board in accordance with G.S. 116-220(b) of this Article, the Board may provide that funds maintained in insurance trust accounts under such a self-insured program of liability insurance may be used to pay any expenses, including damages ordered to be paid, which may be incurred by the University of North Carolina or a constituent institution of the University of North Carolina with respect to any tort claim, based on alleged negligent acts in the provision of health-care services, which may be prosecuted under the provisions of Article 31 of Chapter 143 of the General Statutes.

APPARATUS I
7 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1975			1999			2023		
TICK HEIGHT = ACTS IN THAT YEAR			DASHED = RECODIFICATION, NOT AMENDMENT					
Nº	YEAR	ACT				CHARACTER		
01	1975	2nd Sess., c. 976				ENACTED		
02	1987	c. 263, s. 1				AMENDED		
03	1989	c. 141, s. 7				AMENDED		
04	2000	S.L. 2000-140, s. 93.1(a)				AMENDED		
05	2001	S.L. 2001-424, s. 12.2(b)				AMENDED		
06	2009	S.L. 2009-136, s. 4				AMENDED		
07	2023	S.L. 2023-134, s. 4.10(f)				AMENDED		

APPARATUS II
8 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 143-300.3	(d)	"in accordance with the provisions of"
G.S. 143-300.4	(d)	"it should be determined pursuant to"
G.S. 143-300.5	(d)	"it should be determined pursuant to"
G.S. 147-17	(d)	"determined pursuant to G.S. 143-300.5 and"
G.S. 143-300.2	(d)	"of the State as defined in"
G.S. 143-300.6	(e)	"For purposes of the requirements of"
G.S. 143-300.6(c)	(e)	"insurance coverage within the meaning of"
G.S. 116-220(b)	(f)	"by the Board in accordance with"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 116-220 (2023).

PINPOINT

N.C. Gen. Stat. § 116-220(a) (2023).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1975, 2nd Sess., c. 976; 1987, c. 263, s. 1; 1989, c. 141, s. 7; 2000-140, s. 93.1(a); 2001-424, s. 12.2(b); 2009-136, s. 4; 2023-134, s. 4.10(f).)

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