



CHAPTER 135
ARTICLE 3B - STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES

N.C.G.S. § 135-48.5.

Health benefit trust funds created.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 04:08 UTC	SOURCE FINGERPRINT 27a7bca179a7cee6185e2846 - 1050ef1ec713f4309e9ce04a - 83e120ab68dede17
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§ 135-48.5(a) There are hereby established two health benefit trust funds, to be known as the Public Employee Health Benefit Fund and the Health Benefit Reserve Fund for the payment of hospital and medical benefits. As used in this section, the term "health benefit trust funds" refers to the fund type described under G.S. 143C-1-3(a)(10).

All premiums, fees, charges, rebates, refunds or any other receipts including, but not limited to, earnings on investments, occurring or arising in connection with health benefits programs established by this Article, shall be deposited into the Public Employee Health Benefit Fund. Disbursements from the Fund shall include any and all amounts required to pay the benefits and administrative costs of such programs as may be determined by the Executive Administrator and Board of Trustees.

Any unencumbered balance in excess of prepaid premiums or charges in the Public Employee Health Benefit Fund at the end of each fiscal year shall be used in the following order:

- (1) First, to provide an actuarially determined Health Benefit Reserve Fund for incurred but unrepresented claims.
- (2) Second, an amount determined by the State Treasurer, subject to approval by the Board of Trustees, that does not exceed twenty-five percent (25%) of any unencumbered balance remaining after providing for incurred but unrepresented claims may be transferred to the Retiree Health Benefit Fund, established under G.S. 135-7(f). Upon the direction and approval of, and in the amount specified by, the State Treasurer, the Office of State Budget Management shall transfer the amount in accordance with this subdivision.

- (3) Third, to reduce the premiums required in providing the benefits of the health benefits programs.
- (4) Fourth, to improve the plan, as may be provided by the State Treasurer, subject to approval by the Board of Trustees.

The balance in the Health Benefits Reserve Fund may be transferred from time to time to the Public Employee Health Benefit Fund to provide for any deficiency occurring therein. The Public Employee Health Benefit Fund and the Health Benefit Reserve Fund shall be deposited with the State Treasurer and invested as provided in G.S. 147-69.2 and G.S. 147-69.3.

§ 135-48.5(b)

Disbursement from the Public Employee Health Benefit Fund may be made by warrant drawn on the State Treasurer by the Executive Administrator, or the Executive Administrator and Board of Trustees may by contract authorize the Claims Processors to draw the warrant.

§ 135-48.5(c)

Repealed by Session Laws 2012-173, s. 3(b), effective January 1, 2013. (1981 (Reg. Sess., 1982), c. 1398, s. 6; 1985, c. 732, ss. 43, 63; 1985 (Reg. Sess., 1986), c. 1020, s. 20; 1997-468, s. 3; 1998-1, s. 4(d); 2008-107, s. 10.13(a); 2008-168, ss. 1(a), 2(a), (l); 2011-85, s. 2.5(e); 2012-173, s. 3(b); 2020-48, s. 2.2(b).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II

4 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. 143C-1	(a)	<i>"to the fund type described under"</i>
G.S. 135-7(f)	(a)(2)	<i>"Retiree Health Benefit Fund, established under"</i>
G.S. 147-69.2	(a)	<i>"Treasurer and invested as provided in"</i>
G.S. 147-69.3	(a)	<i>"as provided in G.S. 147-69.2 and"</i>

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 135-48.5 (2026).

PINPOINT

N.C. Gen. Stat. § 135-48.5(a) (2026).

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

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