

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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SENATE BILL 536

Short Title: Birth Freedom Act. (Public)

Sponsors: Senators Chitlik and Murdock (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 26, 2025

A BILL TO BE ENTITLED  
AN ACT TO ENACT THE BIRTH FREEDOM ACT.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 58-3-170 reads as rewritten:

**"§ 58-3-170. Requirements for maternity coverage.**

(a) Every entity providing a health benefit plan that provides maternity coverage in this State shall provide benefits for the necessary care and treatment related to maternity that are no less favorable than benefits for physical illness generally.

...

(c) All health benefit plans providing maternity coverage shall ensure that this coverage includes all necessary services and care for births occurring, or planned to occur, under the supervision of a qualified healthcare provider, at home or at a birthing center."

**SECTION 1.(b)** This section is effective October 1, 2025, and applies to insurance contracts issued, renewed, or amended on and after that date.

**SECTION 2.** The Department of Health and Human Services, Division of Health Benefits, shall ensure that beneficiaries of the Medicaid program have access to all of the necessary services and care for births occurring, or planned to occur, at home or at a birthing center and shall provide reimbursement for these services in the same manner as other maternity coverage. A rate equal to ninety percent (90%) of the average commercial rate shall be paid for these services. These services shall be added as soon as possible on or after July 1, 2025.

**SECTION 3.(a)** G.S. 135-48.51 reads as rewritten:

**"§ 135-48.51. Coverage and operational mandates related to Chapter 58 of the General Statutes.**

The following provisions of Chapter 58 of the General Statutes apply to the State Health Plan:

(1) G.S. 58-3-170, Requirements for maternity coverage.

(1a) G.S. 58-3-191, Managed care reporting and disclosure requirements.

...."

**SECTION 3.(b)** Effective July 1, 2025, there is appropriated from the General Fund to the Department of State Treasurer the sum of one hundred fifty thousand dollars (\$150,000) in nonrecurring funds for the 2025-2026 fiscal year to be used to create greater access to maternity care provided at birthing centers in this State under the North Carolina State Health Plan for Teachers and State Employees (State Health Plan). Incentives to be considered by the Board of Trustees of the State Health Plan shall ultimately result in cost-savings to the State Health Plan and may include subsidies not to exceed one thousand five hundred dollars (\$1,500) for maternity care at a birthing center and reimbursement rates for these services that are no lower



1 than ninety percent (90%) of the average commercial rate paid to hospitals for the same or similar  
2 maternity care services.

3 **SECTION 3.(c)** Subsection (a) of this section applies as of the start of the next plan  
4 year following the effective date of this act.

5 **SECTION 4.** Except as otherwise provided, this act is effective when it becomes  
6 law.