NORTH CAROLINA GENERAL ASSEMBLY

2025 Session

Legislative Fiscal Note

Short Title: Expanding Insurance Coverage/Fertility Care.
Bill Number: Senate Bill 910 (First Edition)
Sponsor(s): Sen. Natalie S. Murdock, Sen. Sophia Chitlik, and Sen. DeAndrea Salvador

SUMMARY TABLE

FISCAL IMPACT OF S.B.910, V.1

	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
State Impact					
General Fund Revenue	-	-	-	-	-
Less Expenditures	46,070,000	46,000,000	46,000,000	46,000,000	46,000,000
General Fund Impact	**(46,070,000)**	**(46,000,000)**	**(46,000,000)**	**(46,000,000)**	**(46,000,000)**
NET STATE IMPACT	**(46,070,000)**	**(46,000,000)**	**(46,000,000)**	**(46,000,000)**	**(46,000,000)**

FISCAL IMPACT SUMMARY

Part II of S.B. 910 directs the Department of Health and Human Services (DHHS), Division of Health Benefits (DHB), to seek federal Centers for Medicare and Medicaid Services (CMS) approval to implement Medicaid coverage for fertility diagnostic care, ovulation-enhancing drugs, and intrauterine insemination. The bill appropriates $45 million in recurring funds from the General Fund to DHB beginning in FY 2026-27 to implement this coverage.

Part III directs the North Carolina Medical Board (NCMB), the North Carolina Board of Nursing (NCBN), and the Midwifery Joint Committee (MJC) to develop and make available a new education training module. Because these boards operate outside of the State treasury and budget, Part III of the bill would have no impact on the General Fund.

Part IV directs DHHS to establish a fertility care resource hub for individuals seeking information on fertility-related services and to conduct a study examining why certain underrepresented groups may experience disparities in accessing fertility care. The bill appropriates $1.07 million from the General Fund in FY 2026-27 and $1 million annually from FY 2027-2031 to implement these initiatives.

FISCAL ANALYSIS

Part II. Medicaid Coverage of Fertility Care

Part II directs DHB to seek approval from CMS to implement Medicaid coverage of fertility diagnostic care, medically necessary ovulation-enhancing drugs, and intrauterine insemination intended to treat infertility and achieve a pregnancy resulting in a live birth, including coverage of at least three cycles of ovulation-enhancing medication treatment over a Medicaid beneficiary's lifetime. Section 2.1(b) appropriates $45 million recurring from the General Fund and associated receipts to DHB beginning in FY 2026-27 to implement this coverage.

The following table summarizes the fiscal impact of Part II on DHHS:

FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
$45,000,000	$45,000,000	$45,000,000	$45,000,000	$45,000,000

Part II. Assumptions and Methodology

Section 2.1(b) appropriates $45 million recurring from the General Fund and associated receipts to DHB for FY 2026-27 to implement Medicaid coverage of fertility diagnostic care, medically necessary ovulation-enhancing drugs, and intrauterine insemination, as required under Section 2.1(a). This amount represents the estimated cost in net General Fund appropriations for the new coverage and services in FY 2026-27. The estimate was based on a 2025 presentation from a public meeting on options for California's benchmark health insurance plan. The estimate utilized the per-member-per-month estimates from this presentation that best matched the new coverage requirements of Medicaid, applied these costs to NC Medicaid enrollment figures, and factored in North Carolina's federal match rate to estimate the General Fund need.

Part III. Education Training Module for Certain Licensing Boards

Section 3.1.(a) instructs the NCMB to create and make available a new education training module for its licensees related to healthcare and family planning for lesbian, gay, bisexual, transgender, and queer individuals. Section 3.2.(b) and Section 3.2.(c) direct the NCNB and MJC, respectively, to develop and offer an education training module on the same topic.

The NCMB, the NCBN and the MJC's operating budget and spending occur outside the State treasury and budget. This part of the bill therefore has no impact on the State's General Fund. These boards may only use available funds generated from license fees to implement this section of the bill.

Part IV. Department of Health and Human Services Fertility Care Initiatives

Section 4.1 establishes a fertility care resource hub and appropriates $1.0 million recurring from the General Fund in FY 2026-27 to DHHS to fund its operation and maintenance. The hub must be

accessible in person, online, or by other electronic means, to help people find information on fertility care and treatment. DHHS must partner with healthcare providers, local health departments, community health centers, and other stakeholders in implementing this section.

Section 4.2. directs the Office of Health Equity, under the Division of Central Management and Support (DCMS), to study the affordability, accessibility, and practicality of fertility-care resources, benefits, and services for underrepresented groups facing disparities in accessing fertility care. This section appropriates $70,000 nonrecurring from the General Fund in FY 2026-27 for this purpose and allows DHHS to contract with a qualified third party or partner with other State agencies to conduct the study, which must be completed by April 1, 2028.

The following table summarizes the fiscal impact of Part IV on DHHS:

FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
$1,070,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000

TECHNICAL CONSIDERATIONS

Part II

Coverage under Section 2.1(a) is contingent upon approval from CMS. The bill does not specify a contingency or alternative use of funds if CMS approval is delayed or denied. Federal approval timelines for Medicaid state plan amendments or waivers can vary and may extend beyond the section's effective date of July 1, 2026, which could result in a timing mismatch between the appropriation and program implementation.

The $45 million recurring appropriation estimate utilized NC Medicaid enrollment data as of February 2026, excluding those beneficiaries enrolled in Family Planning, who receive a limited service array, as well as those eligible through NC Health Works, whose nonfederal share of costs is paid for with provider assessment receipts rather than net General Fund appropriations, adjusted for FY 2026-27 projections. The estimate also adjusted costs based on inflation in health care since the time of the presentation.

The appropriation as included in the bill represents the estimated cost in net General Fund appropriations to NC Medicaid for the new coverage and services in FY 2026-27. It does not account for changes in utilization or the cost of providing these services in subsequent fiscal years. Future changes would be reflected in the annual rebase of the NC Medicaid program budget, which reflects the updated cost to administer the program as it exists, factoring in projected changes in enrollment, enrollment mix, service and capitation costs, and federal match rates.

Part IV

S.L. 2026-41, 2026 Appropriations Act, eliminated the Office of Health Equity and transferred the budget, personnel, and functions of the Office from DCMS to the Division of Public Health (DPH). As such, this note assumes that the funds would be appropriated to DPH to conduct the study under Section 4.2 if this bill becomes law.

DATA SOURCES

Department of Health and Human Services, NC Medicaid Enrollment Dashboard
US Bureau of Labor Statistics
Presentation: "Public Meeting on California's Essential Health Benefits and Updating the Benchmark Plan", January 28, 2025
https://www.dmhc.ca.gov/Portals/0/Docs/DO/EHB/EHBStakeholderMeetingPresentation01282025.pdf

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

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