AN ACT TO AMEND THE INSURANCE LAWS IN ORDER TO FACILITATE THE USE OF LOCUM TENENS PHYSICIANS AND TO AMEND THE BOARD OF PHARMACY RULES TO ENSURE NORTH CAROLINA'S MEDICAL PROFESSIONALS ARE CAPABLE OF SERVING THE STATE'S EXPANDING POPULATION.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-3-231. Payment under locum tenens arrangements.

(a) As used in this section, the following definitions apply:

(1) Covered visit services. – All office visits, emergency visits, and any related service performed by a physician that is covered by the insurer.

(2) Insurer. – Defined in G.S. 58-3-167(a).

(3) Locum tenens agency. – A company authorized to conduct business in North Carolina that provides, through contract, locum tenens placement and administrative services for regular physicians, locum tenens physicians, medical groups, and hospitals.

(4) Locum tenens physician. – A physician who substitutes for a regular physician on a temporary basis and is not an employee of the regular physician.

(5) Regular physician. – The physician that is normally scheduled to see a patient, including physician specialists and a physician who has left a group practice for whom a locum tenens physician is retained.

(b) An insurer that provides a health benefit plan shall establish and maintain a process to allow a patient's regular physician to submit a claim and, if the claim is accepted, receive payment for covered visit services that the regular physician or a locum tenens agency arranges to be provided by a locum tenens physician, provided the following are true:

(1) The regular physician is unavailable to provide the covered visit services or the locum tenens physician is assisting the regular physician in providing covered visit services.

(2) The insured patient has arranged or seeks to receive the covered visit services from the regular physician.

(3) The locum tenens physician does not provide the covered visit services to insured patients of a single regular physician for more than 90 consecutive days.

(4) The regular physician identifies the covered visit services as locum tenens physician services meeting the requirements of this section by entering the proper code required by the insurer after the procedure code.

(5) The regular physician pays for the locum tenens physician's covered visit services on a per diem or similar fee-for-time basis.
(6) The regular physician maintains a record of each covered visit service provided by the locum tenens physician and makes this record available to the insurer upon request.

c) A medical group or hospital may submit claims for the covered visit services of a locum tenens physician substituting for a regular physician who is a member of the group or an employee of the hospital if the requirements of subsection (b) of this section are met. For purposes of these requirements, per diem or similar fee-for-time compensation that the group or hospital pays for the locum tenens physician is considered paid by the regular physician. A physician who has left the group and for whom the group has engaged a locum tenens physician as a temporary replacement may bill for the temporary physician for up to 90 consecutive days.

d) An insurer shall allow a locum tenens physician credentialed with that insurer to substitute for a regular physician in accordance with this section without a statement of supervision if (i) the regular physician is a solo practitioner or (ii) there is not otherwise a regular physician who is able to provide a statement of supervision.

e) Locum tenens agencies may contract with regular physicians, medical groups, hospitals, and locum tenens physicians to provide placement and administrative services related to the locum tenens substitution, provided the following are true:

(1) The locum tenens agency charges fees that are reasonably related to the value of the services that the locum tenens agency provides.

(2) The locum tenens agency does not interfere with or attempt to influence the clinical judgment of a physician providing locum tenens services."

SECTION 1.1. Section 10.31A of S.L. 2011-145 reads as rewritten:

"MEDICAID PROVIDER ASSESSMENTS

"SECTION 10.31A. The Secretary of Health and Human Services may implement a Medicaid assessment program for any willing provider category allowed under federal regulations, except for hospital providers subject to the assessments authorized in Session Law 2011-11, regulations up to the maximum percentage allowed by federal regulation. The Department may retain up to sixty-five percent (65%) of the amount from an assessment program, except for the hospital assessment program authorized in Session Law 2011-11, implemented after December 31, 2010, that can be used by the Department to support Medicaid expenditures. Any assessment funds not retained by the Department shall be used to draw federal Medicaid matching funds for implementing increased rates or new reimbursement plans for each provider category being assessed.

Receipts from the assessment program are hereby appropriated for the 2011-2012 fiscal year and the 2012-2013 fiscal year for the purposes set out in this section."

SECTION 2. Insurers shall establish within 180 days after the effective date of this act the process required by G.S. 58-3-231, as enacted by this act.

SECTION 3. A pharmacist licensed under Article 4A of Chapter 90 who may administer vaccines under 21 NCAC 46 .2507 and 21 NCAC 32U .0101 shall be granted the authority to administer influenza vaccine to patients aged 14 years and older pursuant to 21 NCAC 46 .2507 and 21 NCAC 32U .0101.

SECTION 4. Sections 1 and 2 of the act become effective October 1, 2011. The remainder of the act is effective when it becomes law.

In the General Assembly read three times and ratified this the 18th day of June, 2011.

s/ Philip E. Berger
President Pro Tempore of the Senate
s/ Thom Tillis
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 10:57 a.m. this 27th day of June, 2011