

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1063

Short Title: State Employee Occup. Therapy.

(Public)

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Sponsors: Representatives Warner; Barnes, Beard, Chapin, Dawkins, DeVane, Easterling, Edwards, Foster, Gibson, Hurley, Jerals, Jones, Lilley, Lineberry, Locks, Nye, and Warren.

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Referred to: Public Employees.

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April 6, 1989

A BILL TO BE ENTITLED

AN ACT TO PROVIDE OCCUPATIONAL THERAPY UNDER THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-40.6(8) reads as rewritten:

"(8) Other Covered Charges. –

- a. Prescription Drugs: Prescription legend drugs in excess of the first two dollars (\$2.00) per prescription for generic drugs and brand name drugs without a generic equivalent and in excess of the first three dollars (\$3.00) per prescription for brand name drugs for use outside of a hospital or skilled nursing facility. A prescription legend drug is defined as an article the label of which, under the Federal Food, Drug, and Cosmetic Act, is required to bear the legend: 'Caution: Federal Law Prohibits Dispensing Without Prescription.' Such articles may not be sold to or purchased by the public without a prescription order. Benefits are provided for insulin even though prescription is not required.
- b. Private Duty Nursing: Services of licensed nurses (not immediate relatives or members of the participant's household or private duty nursing used in lieu of or as a substitute for hospital staff nurses) ordered by the attending doctor for a

1 condition requiring skilled nursing services. Private Duty  
2 Nursing ordered must be approved in advance by the Claims  
3 Processor as medically necessary. Allowances for Private Duty  
4 Nursing shall not exceed the Plan's usual, customary and  
5 reasonable allowances or ninety percent (90%) of the daily  
6 semiprivate rate by skilled nursing facilities as determined by  
7 the Plan.

8 c. Home Health Agency Services: Services provided in a covered  
9 individual's home, when ordered by the attending physician  
10 who certifies that hospital or skilled nursing facility  
11 confinement would be required without such treatment and  
12 cannot be readily provided by family members. Services may  
13 include medical supplies, equipment, appliances, therapy  
14 services (when provided by a qualified speech therapist or  
15 licensed physiotherapist), and nursing services. Nursing  
16 services will be allowed for:

- 17 1. Services of a registered nurse (RN); or
- 18 2. Services of a licensed practical nurse (LPN) under the  
19 supervision of a RN; or
- 20 3. Services of a home health aide under the supervision of a  
21 RN, limited to four hours a day.

22 Home health services shall be limited to 60 days per fiscal  
23 year, except that additional home health services may be  
24 provided on an individual basis if prior approval is obtained  
25 from the Claims Processor. Plan allowances for home health  
26 services shall be limited to licensed or Medicare certified home  
27 health agencies and shall not exceed ninety percent (90%) of  
28 the skilled nursing facility semiprivate rates as determined by  
29 the Plan, or charges negotiated by the Plan.

30 d. Licensed Ambulance Service: Local ambulance  
31 transportation:

32 To or from a hospital for inpatient care or outpatient accident  
33 care;

34 From a hospital to the nearest facility able to provide needed  
35 services not available at the transferring hospital; or

36 From a hospital to a skilled nursing facility.

37 The word 'local' means ambulance transportation of not  
38 more than 50 miles unless the Claims Processor authorizes  
39 ambulance transportation beyond this distance.

40 e. Prosthetic and Orthopedic Appliances and Durable Medical  
41 Equipment: Appliances and equipment including corrective and  
42 supportive devices such as artificial limbs and eyes,  
43 wheelchairs, traction equipment, inhalation therapy and suction  
44 machines, hospital beds, braces, orthopedic corsets and trusses,

1 and other prosthetic appliances or ambulatory apparatus which  
2 are provided solely for the use of the participant. Eligible  
3 charges include repair and replacement when medically  
4 necessary. Benefits will be provided on a rental or purchase  
5 basis at the sole discretion of the Administrator and agreements  
6 to rent or purchase shall be between the Administrator and the  
7 supplier of the appliance.

8 For the purposes of this subdivision, the term 'durable medical  
9 equipment' means standard equipment normally used in an  
10 institutional setting which can withstand repeated use, is  
11 primarily and customarily used to serve a medical purpose, is  
12 generally not useful to a person in the absence of an illness or  
13 injury and is appropriate for use in the home. Decisions of the  
14 Claims Processor, the Executive Administrator and Board of  
15 Trustees as to compliance with this definition and coverage  
16 under the Plan shall be final.

- 17 f. Dental Services: Dental surgery and appliances for mouth, jaw,  
18 and tooth restoration necessitated because of external violent  
19 and accidental means, such as the impact of moving body,  
20 vehicle collision, or fall occurring while an individual is  
21 covered under G.S. 135-40.3. No benefits are provided in  
22 connection with injury incurred in the act of chewing, nor for  
23 damage or breakage of an appliance such as bridge or denture  
24 being cleaned or otherwise not in normal mouth usage at the  
25 time of accident, nor for appliances for orthodontic treatment  
26 when a class of malocclusion, other than orthognathic, or cross  
27 bite has been diagnosed. Benefits for temporomandibular joint  
28 (TMJ) disfunction appliance therapy are limited to cases where  
29 the TMJ disfunction has been diagnosed as solely resulting  
30 from accidental means as certified by the attending practitioner  
31 and approved by the Claims Processor.

32 Benefits shall include extractions, fillings, crowns, bridges, or other  
33 necessary therapeutic and restorative techniques and appliances  
34 to reasonably restore condition and function to that existing  
35 immediately prior to the accident. Injury or breakage of existing  
36 appliances such as bridges and dentures is limited to repair of  
37 such appliances unless certified as damaged beyond repair.

- 38 g. Medical Supplies: Colostomy bags, catheters, dressings,  
39 oxygen, syringes and needles, and other similar supplies.  
40 h. Blood: Transfusions including cost of blood, plasma, or blood  
41 plasma expanders.  
42 i. Physical Therapy: Recognized forms of physical therapy for  
43 restoration of bodily function, provided by a doctor, hospital, or

- 1 by a licensed professional physiotherapist. No benefits are  
2 provided for eye exercises or visual training.
- 3 j. Inhalation Therapy: When provided by a doctor, hospital, or  
4 other organization.
- 5 k. Speech Therapy: Speech therapy provided by certified speech  
6 therapist. Benefits are provided only in connection with a  
7 condition, illness, or injury arising while continuously covered  
8 under this Plan.
- 9 l. Cataract Lenses: Cataract lenses prescribed as medically  
10 necessary for aphakia persons, including charges for necessary  
11 examinations and fittings. Benefits will be limited to one set of  
12 cataract lenses every 24 months for persons 18 years of age or  
13 older, and one set of cataract lenses every 12 months for  
14 persons less than 18 years of age.
- 15 m. Cardiac Rehabilitation: Charges not to exceed six hundred fifty  
16 dollars (\$650.00) per fiscal year for cardiac testing and exercise  
17 therapy, when determined medically necessary by an attending  
18 physician and approved by the Claims Processor for patients  
19 with a medical history of myocardial infarction, angina pectoris,  
20 arrhythmias, cardiovascular surgery, hyperlipidemia, or  
21 hypertension, provided such charges are incurred in a medically  
22 supervised facility fully certified by the North Carolina  
23 Department of Human Resources.
- 24 n. Chiropractic Services: Limited to the alignment of the spine and  
25 releasing of pressure by manipulation in accordance with the  
26 definitions in G.S. 90-143. Maximum benefits for x-rays,  
27 manipulations, and modalities shall be one thousand dollars  
28 (\$1,000) per fiscal year.
- 29 o. Foot Surgery: All foot surgery on bones and joints in excess of  
30 one thousand dollars (\$1,000), except for emergencies, shall  
31 require prior approval from the Claims Processor.
- 32 p. Outpatient Diabetes Self-Care Programs: Charges, not to  
33 exceed three hundred dollars (\$300.00) per fiscal year, when  
34 determined to be medically necessary by an attending physician  
35 and approved by the Executive Administrator and Claims  
36 Processor as meeting the standards of the National Diabetes  
37 Advisory Board for patients with a medical history of diabetes,  
38 provided such charges are incurred in a medically supervised  
39 facility.
- 40 q. Necessary medical services provided to terminally ill patients  
41 by duly licensed hospice organizations, when directed by the  
42 attending physician and approved in advance by the Claims  
43 Processor and the Executive Administrator.

1                   r.     Occupational Therapy: Recognized forms of occupational  
2                             therapy provided by a doctor, hospital, or by a licensed  
3                             professional occupational therapist to restore fine motor skills  
4                             for the resumption of bodily functions."

5                   Sec. 2. This act shall become effective July 1, 1989.