

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 787  
Committee Substitute Favorable 5/4/95

Short Title: Direct Reimbursement/Pharmacists.

(Public)

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Sponsors:

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Referred to:

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April 10, 1995

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE FOR DIRECT PAYMENT OF LICENSED PHARMACISTS  
3 UNDER HEALTH INSURANCE POLICIES AND PLANS.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 58-50-30 reads as rewritten:

6 "**§ 58-50-30. Discrimination forbidden; right to choose services of optometrist,**  
7 **podiatrist, certified clinical social worker, dentist, chiropractor, ~~or~~**  
8 **psychologist, pharmacist, or advanced practice registered nurse.**

9 (a) Discrimination between individuals of the same class in the amount of  
10 premiums or rates charged for any policy of insurance covered by Articles 50 through 55  
11 of this Chapter, or in the benefits payable thereon, or in any of the terms or conditions of  
12 such policy, or in any other manner whatsoever, is prohibited.

13 Whenever any policy of insurance governed by Articles 1 through 64 of this Chapter  
14 provides for payment of or reimbursement for any service rendered in connection with a  
15 condition or complaint which is within the scope of practice of a duly licensed  
16 optometrist, a duly licensed podiatrist, a duly licensed dentist, a duly licensed  
17 chiropractor, a duly certified clinical social worker, a duly licensed psychologist, a duly  
18 licensed pharmacist, or an advanced practice registered nurse, the insured or other  
19 persons entitled to benefits under such policy shall be entitled to payment of or

1 reimbursement for such services, whether such services be performed by a duly licensed  
2 physician, a duly licensed optometrist, a duly licensed podiatrist, a duly licensed dentist,  
3 a duly licensed chiropractor, a duly certified clinical social worker, a duly licensed  
4 psychologist, a duly licensed pharmacist, or an advanced practice registered nurse,  
5 notwithstanding any provision contained in such policy. Whenever any policy of  
6 insurance governed by Articles 1 through 64 of this Chapter provides for certification of  
7 disability which is within the scope of practice of a duly licensed physician, a duly  
8 licensed optometrist, a duly licensed podiatrist, a duly licensed dentist, a duly licensed  
9 chiropractor, a duly certified clinical social worker, a duly licensed psychologist, or an  
10 advanced practice registered nurse, the insured or other persons entitled to benefits under  
11 such policy shall be entitled to payment of or reimbursement for such disability whether  
12 such disability be certified by a duly licensed physician, a duly licensed optometrist, a  
13 duly licensed podiatrist, a duly licensed dentist, a duly licensed chiropractor, a duly  
14 certified clinical social worker, a duly licensed psychologist, or an advanced practice  
15 registered nurse, notwithstanding any provisions contained in such policy. The  
16 policyholder, insured, or beneficiary shall have the right to choose the provider of such  
17 services notwithstanding any provision to the contrary in any other statute.

18 Whenever any policy of insurance provides coverage for medically necessary  
19 treatment, the insurer shall not impose any limitation on treatment or levels of coverage if  
20 performed by a duly licensed chiropractor acting within the scope of his practice as  
21 defined in G.S. 90-151 unless a comparable limitation is imposed on such medically  
22 necessary treatment if performed or authorized by any other duly licensed physician.

23 (b) For the purposes of this section, a 'duly licensed psychologist' shall be defined  
24 only to include a psychologist who is duly licensed in the State of North Carolina and has  
25 a doctorate degree in psychology and at least two years clinical experience in a  
26 recognized health setting, or has met the standards of the National Register of Health  
27 Service Providers in Psychology. After January 1, 1995, a duly licensed psychologist  
28 shall be defined as a licensed psychologist who holds permanent licensure and  
29 certification as a health services provider psychologist issued by the North Carolina  
30 Psychology Board.

31 (c) For the purposes of this section, a 'duly certified clinical social worker' is a  
32 'certified clinical social worker' as defined in G.S. 90B-3(2) and certified by the North  
33 Carolina Certification Board for Social Work pursuant to Chapter 90B of the General  
34 Statutes.

35 (d) Payment or reimbursement is required by this section for a service performed  
36 by an advanced practice registered nurse only when:

- 37 (1) The service performed is within the nurse's lawful scope of practice;
- 38 (2) The policy currently provides benefits for identical services performed  
39 by other licensed health care providers;
- 40 (3) The service is not performed while the nurse is a regular employee in an  
41 office of a licensed physician;

1 (4) The service is not performed while the registered nurse is employed by  
2 a nursing facility (including a hospital, skilled nursing facility,  
3 intermediate care facility, or home care agency); and

4 (5) Nothing in this section is intended to authorize payment to more than  
5 one provider for the same service.

6 No lack of signature, referral, or employment by any other health care provider may be  
7 asserted to deny benefits under this provision.

8 For purposes of this section, an 'advanced practice registered nurse' means only a  
9 registered nurse who is duly licensed or certified as a nurse practitioner, clinical specialist  
10 in psychiatric and mental health nursing, or nurse midwife.

11 (e) Payment or reimbursement is required by this section for a service performed by a  
12 duly licensed pharmacist only when:

13 (1) The service performed is within the lawful scope of practice of the  
14 pharmacist;

15 (2) The service performed is not initial counseling services required under  
16 State or federal law or regulation of the North Carolina Board of  
17 Pharmacy;

18 (3) The policy currently provides reimbursement for identical services  
19 performed by other licensed health care providers; and

20 (4) The service is identified as a separate service that is performed by other  
21 licensed health care providers and is reimbursed by identical payment  
22 methods.

23 Nothing in this subsection authorizes payment to more than one provider for the same  
24 service."

25 Sec. 2. G.S. 58-65-1 reads as rewritten:

26 **"§ 58-65-1. Regulation and definitions; application of other laws; profit and foreign**  
27 **corporations prohibited.**

28 (a) Any corporation heretofore or hereafter organized under the general  
29 corporation laws of the State of North Carolina for the purpose of maintaining and  
30 operating a nonprofit hospital and/or medical and/or dental service plan whereby hospital  
31 care and/or medical and/or dental service may be provided in whole or in part by said  
32 corporation or by hospitals and/or physicians and/or dentists participating in such plan, or  
33 plans, shall be governed by this Article and Article 66 of this Chapter and shall be  
34 exempt from all other provisions of the insurance laws of this State, heretofore enacted,  
35 unless specifically designated herein, and no laws hereafter enacted shall apply to them  
36 unless they be expressly designated therein.

37 The term 'hospital service plan' as used in this Article and Article 66 of this Chapter  
38 includes the contracting for certain fees for, or furnishing of, hospital care, laboratory  
39 facilities, X-ray facilities, drugs, appliances, anesthesia, nursing care, operating and  
40 obstetrical equipment, accommodations and/or any and all other services authorized or  
41 permitted to be furnished by a hospital under the laws of the State of North Carolina and  
42 approved by the North Carolina Hospital Association and/or the American Medical  
43 Association.

1 The term 'medical service plan' as used in this Article and Article 66 of this Chapter  
2 includes the contracting for the payment of fees toward, or furnishing of, medical,  
3 obstetrical, surgical and/or any other professional services authorized or permitted to be  
4 furnished by a duly licensed physician, except that in any plan in any policy of insurance  
5 governed by this Article and Article 66 of this Chapter that includes services which are  
6 within the scope of practice of a duly licensed optometrist, a duly licensed chiropractor, a  
7 duly licensed psychologist, a duly licensed pharmacist, an advanced practice registered  
8 nurse, a duly certified clinical social worker, and a duly licensed physician, then the  
9 insured or beneficiary shall have the right to choose the provider of the care or service,  
10 and shall be entitled to payment of or reimbursement for such care or service, whether the  
11 provider be a duly licensed optometrist, a duly licensed chiropractor, a duly licensed  
12 psychologist, a duly licensed pharmacist, an advanced practice registered nurse, a duly  
13 certified clinical social worker, or a duly licensed physician notwithstanding any  
14 provision to the contrary contained in such policy. The term 'medical services plan' also  
15 includes the contracting for the payment of fees toward, or furnishing of, professional  
16 medical services authorized or permitted to be furnished by a duly licensed provider of  
17 health services licensed under Chapter 90 of the General Statutes.

18 (b) Payment or reimbursement is required by this section for a service performed  
19 by an advanced practice registered nurse only when:

- 20 (1) The service performed is within the nurse's lawful scope of practice;
- 21 (2) The policy currently provides benefits for identical services performed  
22 by other licensed health care providers;
- 23 (3) The service is not performed while the nurse is a regular employee in an  
24 office of a licensed physician;
- 25 (4) The service is not performed while the registered nurse is employed by  
26 a nursing facility (including a hospital, skilled nursing facility,  
27 intermediate care facility, or home care agency); and
- 28 (5) Nothing in this section is intended to authorize payment to more than  
29 one provider for the same service.

30 No lack of signature, referral, or employment by any other health care provider may be  
31 asserted to deny benefits under this provision.

32 (b1) Payment or reimbursement is required by this section for a service performed  
33 by a duly licensed pharmacist only when:

- 34 (1) The service performed is within the lawful scope of practice of the  
35 pharmacist;
- 36 (2) The service performed is not initial counseling services required under  
37 State or federal law or regulation of the North Carolina Board of  
38 Pharmacy;
- 39 (3) The policy currently provides reimbursement for identical services  
40 performed by other licensed health care providers; and
- 41 (4) The service is identified as a separate service that is performed by other  
42 licensed health care providers and is reimbursed by identical payment  
43 methods.

1        Nothing in this subsection authorizes payment to more than one provider for the same  
2 service.

3        (c) For purposes of this section, an 'advanced practice registered nurse' means only  
4 a registered nurse who is duly licensed or certified as a nurse practitioner, clinical  
5 specialist in psychiatric and mental health nursing, or nurse midwife.

6        For the purposes of this section, a 'duly certified clinical social worker' is a 'certified  
7 clinical social worker' as defined in G.S. 90B-3(2) and certified by the North  
8 Carolina Certification Board for Social Work pursuant to Chapter 90B of the General  
9 Statutes.

10       For the purposes of this section, a 'duly licensed psychologist' shall be defined only to  
11 include a psychologist who is duly licensed in the State of North Carolina and has a  
12 doctorate degree in psychology and at least two years clinical experience in a recognized  
13 health setting, or has met the standards of the National Register of Health Providers in  
14 Psychology. After January 1, 1995, a duly licensed psychologist shall be defined as a  
15 licensed psychologist who holds permanent licensure and certification as a health  
16 services provider psychologist issued by the North Carolina Psychology Board.

17       The term 'dental service plan' as used in this Article and Article 66 of this Chapter  
18 includes contracting for the payment of fees toward, or furnishing of dental and/or any  
19 other professional services authorized or permitted to be furnished by a duly licensed  
20 dentist.

21       The insured or beneficiary of every 'medical service plan' and of every 'dental service  
22 plan,' as those terms are used in this Article and Article 66 of this Chapter, or of any  
23 policy of insurance issued thereunder, that includes services which are within the scope  
24 of practice of both a duly licensed physician and a duly licensed dentist shall have the  
25 right to choose the provider of such care or service, and shall be entitled to payment of or  
26 reimbursement for such care or service, whether the provider be a duly licensed physician  
27 or a duly licensed dentist notwithstanding any provision to the contrary contained in any  
28 such plan or policy.

29       The term 'hospital service corporation' as used in this Article and Article 66 of this  
30 Chapter is intended to mean any nonprofit corporation operating a hospital and/or  
31 medical and/or dental service plan, as herein defined. Any corporation heretofore or  
32 hereafter organized and coming within the provisions of this Article and Article 66 of this  
33 Chapter, the certificate of incorporation of which authorizes the operation of either a  
34 hospital or medical and/or dental service plan, or any or all of them, may, with the  
35 approval of the Commissioner of Insurance, issue subscribers' contracts or certificates  
36 approved by the Commissioner of Insurance, for the payment of either hospital or  
37 medical and/or dental fees, or the furnishing of such services, or any or all of them, and  
38 may enter into contracts with hospitals for physicians and/or dentists, or any or all of  
39 them, for the furnishing of fees or services respectively under a hospital or medical  
40 and/or dental service plan, or any or all of them.

41       The term 'preferred provider' as used in this Article and Article 66 of this Chapter  
42 with respect to contracts, organizations, policies or otherwise means a health care service  
43 provider who has agreed to accept, from a corporation organized for the purposes

1 authorized by this Article and Article 66 of this Chapter or other applicable law, special  
2 reimbursement terms in exchange for providing services to beneficiaries of a plan  
3 administered pursuant to this Article and Article 66 of this Chapter. Except to the extent  
4 prohibited either by G.S. 58-65-140 or by regulations promulgated by the Department of  
5 Insurance not inconsistent with this Article and Article 66 of this Chapter, the contractual  
6 terms and conditions for special reimbursement shall be those which the corporation and  
7 preferred provider find to be mutually agreeable.

8 (d) No foreign or alien hospital or medical and/or dental service corporation as  
9 herein defined shall be authorized to do business in this State."

10 Sec. 3. This act becomes effective July 1, 1995, and applies to claims for  
11 payment or reimbursement for services rendered on or after that date.