

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 287

Short Title: Safeguard Health Ins. Utilization Reviews. (Public)

Sponsors: Senator Adcock (Primary Sponsor).

Referred to: Rules and Operations of the Senate

March 17, 2025

A BILL TO BE ENTITLED

AN ACT TO ENSURE THAT HEALTH BENEFIT PLAN DETERMINATIONS OF THE
MEDICAL NECESSITY OR APPROPRIATENESS OF HEALTHCARE SERVICES
CONTINUE TO BE MADE BY LICENSED AND QUALIFIED HEALTHCARE
PROVIDERS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-50-61 reads as rewritten:

"§ 58-50-61. **Utilization review.**

...

(o) Violation. – ~~A~~In accordance with this Chapter, a violation of this section subjects an insurer and an agent of the insurer to G.S. 58-2-70.

(p) Reserved for future codification purposes.

(q) Reserved for future codification purposes.

(r) Reserved for future codification purposes.

(s) Artificial Intelligence. – An insurer shall not use an artificial intelligence-based algorithm as the sole basis for a utilization review determination to, in whole or in part, deny, delay, or modify any healthcare services for an insured. Only individuals meeting the licensing and qualification requirements for participating in the utilization review process under this section shall make a determination regarding the medical necessity or appropriateness of any healthcare service. Insurers shall verify that all contracts with a third party, including with a pharmacy benefits manager, for conducting any utilization review are not in violation of this subsection."

SECTION 2. In accordance with G.S. 135-48.24(b) and G.S. 135-48.30(a)(7) which require the State Treasurer to implement procedures that are substantially similar to the provisions of G.S. 58-50-61 for the North Carolina State Health Plan for Teachers and State Employees (State Health Plan), the State Treasurer and the Executive Administrator of the State Health Plan shall review all practices of the State Health Plan and all contracts with, and practices of, any third party conducting any utilization review on behalf of the State Health Plan to ensure compliance with G.S. 58-50-61(s), as amended by Section 1 of this act.

SECTION 3. This act is effective 30 days after it becomes law.

