

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1321

Short Title: Coord. of Ins. Benefits-State Emps.

(Public)

Sponsors: Representative Bowman.

Referred to: Public Employees.

April 12, 1989

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE COORDINATION OF BENEFITS PROVISIONS OF THE STATE HEALTH PLAN ONLY APPLY TO PERSONS WHO HAVE BEEN STATE EMPLOYEES FOR TWO OR MORE YEARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-40.13(b) reads as rewritten:

"(b) Definitions. –

(1) 'Plan' means any Plan providing benefits or services for or by reason of medical or dental care or treatment, which benefits or services are provided by (i) group, blanket or franchise insured or uninsured coverage, (ii) hospital services prepayment Plan on a group basis, medical service prepayment Plan on a group basis, group practice, or other prepayment coverage on a group basis, (iii) any coverage under labor-management trustee plans, union welfare plans, employer organization plans, or employee benefit organization plans, and (iv) any coverage under governmental programs except Medicare, or any coverage required or provided by any statute, which coverage is not otherwise excluded from the calculation of benefits under this Plan, but the term 'Plan' shall not include any individual policies.

The term 'Plan' shall be construed separately with respect to each policy, contract, or other arrangement for benefits or services and separately with respect to that portion of any such policy, contract, or other arrangement which reserves the right to take the benefits or

- 1 services of other plans into consideration in determining its benefits
2 and that portion which does not.
- 3 (2) 'Covered services' means any necessary, reasonable and customary
4 item of expense at least a portion of which is covered under at least
5 one of the plans covering the person for whom claim is made. To the
6 extent legally possible, it shall be synonymous with allowable
7 expenses. When a Plan provides benefits in the form of services rather
8 than cash payments, the reasonable cash value of each service rendered
9 shall be deemed to be both an allowable expense and a benefit paid.
- 10 (3) 'Claim determination period' means any period of time during which a
11 person covered by this Plan is eligible to receive benefits, provided
12 that the person has been eligible to be covered by the Plan for two or
13 more years."
- 14 Sec. 2. This act is effective upon ratification.