

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 181  
Insurance Committee Substitute Adopted 3/11/93  
Third Edition Engrossed 3/17/93

Short Title: Health Ins. – Pay to Gov. Agencies.

(Public)

Sponsors:

Referred to: Insurance.

February 17, 1993

A BILL TO BE ENTITLED

AN ACT TO REQUIRE ENTITIES PROVIDING HEALTH BENEFIT PLANS TO  
MAKE DIRECT PAYMENT TO GOVERNMENTAL AGENCIES PROVIDING  
HEALTH CARE SERVICES.

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:

**"§ 58-3-170. Direct payment to government agencies.**

(a) As used in this section, 'health benefit plan' has the same meaning as in G.S. 58-50-110(11) and includes the Teachers and State Employees Comprehensive Major Medical Plan.

(b) Every entity providing or administering a health benefit plan covering persons in this State shall make payment, for health care services covered by the health benefit plan that are provided by any State, county, or city agency, directly to the agency providing the services.

(c) This section does not apply to the extent the agency providing the services has been paid for the services by or on behalf of the person receiving the services.

(d) Nothing in this section shall require any entity providing or administering a health benefit plan covering persons in this State to pay any agency directly if the agency is outside of the health benefit plan's service area or if the entity operates a program by which it only pays the health care provider directly upon the acceptance of certain rates and the agency does not accept said rates."

1           Sec. 2. This act applies to every health benefit plan, as defined in Section 1  
2 of this act, that has an inception, renewal, or anniversary date on or after October 1,  
3 1993.

4           Sec. 3. This act is effective upon ratification.