

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 90

Short Title: Insurance/Cover Contraceptives.

(Public)

Sponsors: Senators Forrester, Lucas, Purcell; Cochrane, Foxx, Garrou, Hagan, Kinnaird, and Perdue.

Referred to: Health Care.

February 15, 1999

A BILL TO BE ENTITLED

1 AN ACT TO ENSURE THAT INSURERS THAT PROVIDE HEALTH INSURANCE
2 COVERAGE FOR PRESCRIPTION DRUGS PROVIDE COVERAGE FOR
3 PRESCRIBED CONTRACEPTIVE DRUGS AND DEVICES AND FOR
4 OUTPATIENT CONTRACEPTIVE SERVICES.
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Whereas, there are approximately three million unintended pregnancies each year in the United States; and

Whereas, unintended pregnancies lead to higher rates of infant mortality, low birth weight, and maternal morbidity, and threaten the economic stability of families; and

Whereas, two-thirds of women of childbearing age rely on some form of private employment-related insurance to defray their medical expenses; Now, therefore,

6 The General Assembly of North Carolina enacts:

7 Section 1. Effective January 1, 2000, Article 3 of Chapter 58 of the General
8 Statutes is amended by adding the following new section to read:

9 "**§ 58-3-174. Coverage for prescription contraceptive drugs or devices and for**
10 **outpatient contraceptive services.**

11 (a) Every entity providing a health benefit plan that provides coverage for
12 prescription drugs or devices shall not exclude or restrict coverage for prescription
13 contraceptive drugs or devices. Coverage shall include coverage for the insertion or

1 removal of and any medically necessary examination associated with the use of the
2 prescribed contraceptive drug or device. The same deductibles, coinsurance, and other
3 limitations as apply to prescription drugs or devices covered under the health benefit plan
4 shall apply to coverage for prescribed contraceptive drugs or devices.

5 (b) Every entity providing a health benefit plan that provides coverage for
6 outpatient services provided by a health care professional shall not exclude or restrict
7 coverage for outpatient contraceptive services. The same deductibles, coinsurance, and
8 other limitations as apply to outpatient services covered under the health benefit plan
9 shall apply to coverage for outpatient contraceptive services.

10 (c) As used in this section, the term:

11 (1) 'Health benefit plan' means an accident and health insurance policy or
12 certificate; a nonprofit hospital or medical service corporation contract;
13 a health maintenance organization subscriber contract; a plan provided
14 by a multiple employer welfare arrangement; or a plan provided by
15 another benefit arrangement, to the extent permitted by the Employee
16 Retirement Income Security Act of 1974, as amended, or by any waiver
17 of or other exception to that Act provided under federal law or
18 regulation. 'Health benefit plan' does not mean any plan implemented or
19 administered by the North Carolina Department of Health and Human
20 Services or the United States Department of Health and Human
21 Services, or any successor agency, or its representatives. 'Health benefit
22 plan' also does not mean any of the following kinds of insurance:

23 a. Accident

24 b. Credit

25 c. Disability income

26 d. Long-term care or nursing home care

27 e. Medicare supplement

28 f. Specified disease

29 g. Dental or vision

30 h. Coverage issued as a supplement to liability insurance

31 i. Workers' compensation

32 j. Medical payments under automobile or homeowners

33 k. Hospital income or indemnity

34 l. Insurance under which benefits are payable with or without
35 regard to fault and that is statutorily required to be contained in
36 any liability policy or equivalent self-insurance.

37 (2) 'Insurer' includes an insurance company subject to this Chapter, a
38 service corporation organized under Article 65 of this Chapter, a health
39 maintenance organization organized under Article 67 of this Chapter,
40 and a multiple employer welfare arrangement subject to Article 49 of
41 this Chapter.

1 (3) 'Outpatient contraceptive services' means consultations, examinations,
2 procedures, and medical services provided on an outpatient basis and
3 related to the use of contraceptive methods to prevent pregnancy.

4 (4) 'Prescribed contraceptive drugs or devices' means drugs or devices
5 approved by the United States Food and Drug Administration for use as
6 contraceptives and obtained under a prescription written by a health care
7 provider authorized to prescribe medications under the laws of this
8 State.

9 (d) A health benefit plan subject to this section shall not:

10 (1) Deny eligibility or continued eligibility to enroll or to renew coverage
11 under the terms of the health benefit plan, solely for the purpose of
12 avoiding the requirements of this section;

13 (2) Provide monetary payments or rebates to an individual participant or
14 beneficiary to encourage the individual participant or beneficiary to
15 accept less than the minimum protections available under this section;

16 (3) Penalize or otherwise reduce or limit the reimbursement of an attending
17 provider because the provider prescribed contraceptive drugs or devices,
18 or provided contraceptive services in accordance with this section; or

19 (4) Provide incentives, monetary or otherwise, to an attending provider to
20 induce the provider to withhold from an individual participant or
21 beneficiary contraceptive drugs, devices, or services."

22 Section 2. Effective January 1, 2000, G.S. 58-50-155 reads as rewritten:

23 **"§ 58-50-155. Standard and basic health care plan coverages.**

24 (a) Notwithstanding G.S. 58-50-125(c), the standard health plan developed and
25 approved under G.S. 58-50-125 shall provide coverage for ~~mammograms and pap smears at~~
26 ~~least equal to the coverage required by G.S. 58-51-57.~~

27 ~~(a1) Notwithstanding G.S. 58-50-125(c), the standard health plan developed and~~
28 ~~approved under G.S. 58-50-125 shall provide coverage for prostate specific antigen~~
29 ~~(PSA) tests or equivalent tests for the presence of prostate cancer at least equal to the~~
30 ~~coverage required by G.S. 58-51-58.~~

31 ~~(a2) Notwithstanding G.S. 58-50-123(c), the standard health plan developed and~~
32 ~~approved under G.S. 58-50-125 shall provide coverage for reconstructive breast surgery~~
33 ~~resulting from a mastectomy at least equal to the coverage required by G.S. 58-51-62. all~~
34 ~~of the following:~~

35 (1) Mammograms and pap smears at least equal to the coverage required by
36 G.S. 58-51-57.

37 (2) Prostate-specific antigen (PSA) tests or equivalent tests for the presence
38 of prostate cancer at least equal to the coverage required by G.S. 58-51-
39 58.

40 (3) Reconstructive breast surgery resulting from a mastectomy at least equal
41 to the coverage required by G.S. 58-51-62.

42 (4) Prescribed contraceptive drugs or devices approved by the United States
43 Food and Drug Administration for use as contraceptives, or outpatient

1 contraceptive services at least equal to the coverage required by G.S.
2 58-3-174.

3 (b) Notwithstanding G.S. 58-50-125(c), in developing and approving the plans
4 under G.S. 58-50-125, the Committee and Commissioner shall give due consideration to
5 cost-effective and life-saving health care services and to cost-effective health care
6 providers. ~~This section shall be effective after July 10, 1991."~~

7 Section 3. If any section or provision of this act is declared unconstitutional or
8 invalid by the courts, it does not affect the validity of this act as a whole or any part other
9 than the part so declared to be unconstitutional or invalid.

10 Section 4. This act is effective when it becomes law and applies to health
11 benefit plans that are delivered, issued for delivery, or renewed on and after January 1,
12 2000. For purposes of this act, renewal of a health benefit policy, contract, or plan is
13 presumed to occur on each anniversary of the date on which coverage was first effective
14 on the person or persons covered by the health benefit plan.