

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 462 (1st Edition)

SHORT TITLE: Health Insurance/Marriage and Family

SPONSOR(S): Representatives Alexander and G. Wilson

FISCAL IMPACT					
	Yes ()	No (X)	No Estimate Available ()		
	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
REVENUES					
EXPENDITURES					
POSITIONS: (cumulative)					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Department of Insurance, Secretary of State				
EFFECTIVE DATE:	Section 1 is effective October 1, 2003, and applies to claims for payment or reimbursement for services rendered on or after October 1, 2003. Sections 3 & 4 are effective when the bill becomes law.				

BILL SUMMARY (adopted from the Research Division's bill summary):

The bill would add licensed marriage and family therapists to the list of professional services for which an individual has the right to choose the provider, allow those therapists to receive direct third party reimbursements, and recognize those therapists under the Professional Corporations Act.

ASSUMPTIONS AND METHODOLOGY:

Generally (adopted from the bill summary prepared by the Research Division):

Marriage and family therapists are licensed professionals under Article 18C of Chapter 90. That article specifically provides that direct third party reimbursements to licensed marriage and family therapists are not required. G.S. § 90-2700.48B. Marriage and family therapists are not part of the insurance "Freedom of Choice" statutes, allowing individuals to select the provider of their choosing and still receive payment under that individual's health benefit plan as provided for in G.S. § 58-50-30.

Section 1 would add the services of a duly licensed marriage and family therapist to those services, which an individual has the right to select the provider of their choice and still be, covered notwithstanding their health insurance plan or policy statements.

Section 2 would allow for the requirement of direct third party reimbursements to licensed marriage and family therapists.

Sections 3 and 4 would add the profession of licensed marriage and family therapists to those professions that may participate in a professional corporation.

Department of Insurance:

The Department of Insurance is responsible for monitoring and regulating the covered services and terms of coverage offered by insurance companies. This responsibility is carried out through the Department's Life and Health Division's review and approval of insurance companies' policy forms to ensure that they are in compliance with applicable laws and regulations. The Department believes that the review and enforcement activity necessary to ensure that providers are complying with the requirements to (1) include licensed marriage and family therapists to those services for which an individual has the right to select the provider and still be covered by their health insurance plan and (2) allow for the direct third party reimbursement to licensed marriage and family therapist fall within the Department's current form review authority. Thus, the Department does not anticipate that this bill will have any fiscal impact on them.

Secretary of State:

The Corporations Division within the Department of the Secretary of State is responsible for the examination, custody and maintenance of the legal documents filed by more than 400,000 corporations, limited partnerships and limited liability companies. This bill would allow licensed marriage and family therapist to form a professional corporation. To form such a corporation would require registration with the Secretary of State. Currently, these therapists are allowed to form other types of business entities that also require registration with the Secretary of State. Thus, allowing them to form professional corporations would only change the nature of the filings. Fiscal Research believes, therefore, that this bill would not have a fiscal impact on the Secretary of State.

SOURCES OF DATA: Fiscal Research Division

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DATE: April 30, 2003



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