

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 457

Short Title: Nurses Paid by Insurance.

(Public)

Sponsors: Representatives Barnes, Nesbitt, Fitch, Black; Alphin, Berry, Bowen, Bowman, Burton, Church, Colton, Culp, Cummings, Diamont, Dickson, Easterling, Hackney, Hall, Hensley, Holt, Judy Hunt, H. Hunter, Jarrell, Jeffus, Joye, Kennedy, Kuczmariski, Lemmond, Luebke, Lutz, McAllister, McLawhorn, Michaux, B. Miller, G. Miller, Spears, Stamey, Stewart, Sutton, Wainwright, P. Wilson, and Wright.

Referred to: Insurance.

March 22, 1993

A BILL TO BE ENTITLED

AN ACT TO REMOVE BARRIERS IN INSURANCE POLICIES AND PLANS TO PROVIDE FOR REIMBURSEMENT TO REGISTERED NURSES PROVIDING SERVICES WITHIN THE SCOPE OF THEIR PRACTICE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-50-25 reads as rewritten:

"§ 58-50-25. Nurses' services.

No agency, institution or physician providing a service for which payment or reimbursement is required to be made under a policy governed by Articles 1 through 64 of this Chapter shall be denied such payment or reimbursement on account of the fact that such services were rendered through a registered nurse acting under authority of rules and regulations adopted by the Board of Medical Examiners and the Board of Nursing pursuant to G.S. 90-6 and 90-171.23.

~~Nothing herein shall be construed to authorize contracting with or making payments directly to any nurse not otherwise permitted."~~

Sec. 2. G.S. 58-50-30 reads as rewritten:

"§ 58-50-30. Discrimination forbidden; right to choose services of optometrist, podiatrist, dentist or chiropractor. dentist, chiropractor, or registered nurse.

1 Discrimination between individuals of the same class in the amount of premiums or
2 rates charged for any policy of insurance covered by Articles 50 through 55 of this
3 Chapter, or in the benefits payable thereon, or in any of the terms or conditions of such
4 policy, or in any other manner whatsoever, is prohibited.

5 Whenever any policy of insurance governed by Articles 1 through 64 of this Chapter
6 provides for payment of or reimbursement for any service which is within the scope of
7 practice of a duly licensed optometrist, ~~or a duly licensed podiatrist, or a duly licensed~~
8 ~~dentist, or a duly licensed chiropractor, or a duly licensed practicing psychologist, or a~~
9 duly licensed registered nurse, the insured or other persons entitled to benefits under
10 such policy shall be entitled to payment of or reimbursement for such services, whether
11 such services be performed by a duly licensed ~~physician or physician,~~ a duly licensed
12 optometrist, ~~or a duly licensed podiatrist, or a duly licensed dentist or dentist,~~ a duly
13 licensed chiropractor, ~~or a duly licensed practicing psychologist, or a duly licensed~~
14 registered nurse, notwithstanding any provision contained in such policy. Whenever
15 any policy of insurance governed by Articles 1 through 64 of this Chapter provides for
16 certification of disability which is within the scope of practice of a duly licensed
17 physician, ~~or a duly licensed optometrist, or a duly licensed podiatrist, or a duly licensed~~
18 ~~dentist, or a duly licensed chiropractor, or a duly licensed practicing psychologist, or a~~
19 duly licensed registered nurse, the insured or other persons entitled to benefits under
20 such policy shall be entitled to payment of or reimbursement for such disability whether
21 such disability be certified by a duly licensed physician, ~~or a duly licensed optometrist,~~
22 ~~or a duly licensed podiatrist, or a duly licensed dentist, or a duly licensed chiropractor, or~~
23 ~~a duly licensed practicing psychologist, or a duly licensed registered nurse,~~
24 notwithstanding any provisions contained in such policy. The policyholder, insured, or
25 beneficiary shall have the right to choose the provider of such services notwithstanding
26 any provision to the contrary in any other statute.

27 For the purposes of this section, a 'duly licensed practicing psychologist' shall be
28 defined to only include a psychologist who is duly licensed or certified in the State of
29 North Carolina and has a doctorate degree in psychology and at least two years clinical
30 experience in a recognized health setting, or has met the standards of the National
31 Register of Health Providers in Psychology.

32 Payment or reimbursement is required by this section for a service performed by a
33 duly licensed registered nurse only when:

- 34 (1) The service performed is within the registered nurse's lawful scope of
35 practice;
- 36 (2) The policy currently provides benefits for identical services performed
37 by other licensed health care providers; and
- 38 (3) The service is not performed while the registered nurse is employed by
39 a nursing facility (including a hospital, skilled nursing facility,
40 intermediate care facility, or home care agency).

41 No lack of signature, referral, or employment by any other health care provider may be
42 asserted to deny benefits under this provision."

43 Sec. 3. G.S. 58-65-1 reads as rewritten:

1 **"§ 58-65-1. Regulation and definitions; application of other laws; profit and**
2 **foreign corporations prohibited.**

3 Any corporation heretofore or hereafter organized under the general corporation
4 laws of the State of North Carolina for the purpose of maintaining and operating a
5 nonprofit hospital and/or medical and/or dental service plan whereby hospital care
6 and/or medical and/or dental service may be provided in whole or in part by said
7 corporation or by hospitals and/or physicians and/or dentists participating in such plan,
8 or plans, shall be governed by this Article and Article 66 of this Chapter and shall be
9 exempt from all other provisions of the insurance laws of this State, heretofore enacted,
10 unless specifically designated herein, and no laws hereafter enacted shall apply to them
11 unless they be expressly designated therein.

12 The term 'hospital service plan' as used in this Article and Article 66 of this Chapter
13 includes the contracting for certain fees for, or furnishing of, hospital care, laboratory
14 facilities, X-ray facilities, drugs, appliances, anesthesia, nursing care, operating and
15 obstetrical equipment, accommodations and/or any and all other services authorized or
16 permitted to be furnished by a hospital under the laws of the State of North Carolina and
17 approved by the North Carolina Hospital Association and/or the American Medical
18 Association.

19 The term 'medical service plan' as used in this Article and Article 66 of this Chapter
20 includes the contracting for the payment of fees toward, or furnishing of, medical,
21 obstetrical, surgical and/or any other professional services authorized or permitted to be
22 furnished by a duly licensed physician, except that in any plan in any policy of
23 insurance governed by this Article and Article 66 of this Chapter that includes services
24 which are within the scope of practice of a duly licensed optometrist, a duly licensed
25 chiropractor, a duly licensed practicing psychologist, a duly licensed registered nurse,
26 and a duly licensed physician, then the insured or beneficiary shall have the right to
27 choose the provider of the care or service, and shall be entitled to payment of or
28 reimbursement for such care or service, whether the provider be a duly licensed
29 optometrist, a duly licensed chiropractor, a duly licensed practicing psychologist, a duly
30 licensed registered nurse, or a duly licensed physician notwithstanding any provision to
31 the contrary contained in such policy. The term 'medical services plan' also includes the
32 contracting for the payment of fees toward, or furnishing of, professional medical
33 services authorized or permitted to be furnished by a duly licensed provider of health
34 services licensed under Chapter 90 of the General Statutes.

35 Payment or reimbursement is required by this section for a service performed by a
36 duly licensed registered nurse only when:

- 37 (1) The service performed is within the registered nurse's lawful scope of
38 practice;
39 (2) The policy currently provides benefits for identical services performed
40 by other licensed health care providers; and
41 (3) The service is not performed while the registered nurse is employed by
42 a nursing facility (including a hospital, skilled nursing facility,
43 intermediate care facility, or home care agency).

1 No lack of signature, referral, or employment by any other health care provider may be
2 asserted to deny benefits under this provision.

3 For the purposes of this section, a 'duly licensed practicing psychologist' shall be
4 defined to only include a psychologist who is duly licensed or certified in the State of
5 North Carolina and has a doctorate degree in psychology and at least two years clinical
6 experience in a recognized health setting, or has met the standards of the National
7 Register of Health Providers in Psychology.

8 The term 'dental service plan' as used in this Article and Article 66 of this Chapter
9 includes contracting for the payment of fees toward, or furnishing of dental and/or any
10 other professional services authorized or permitted to be furnished by a duly licensed
11 dentist.

12 The insured or beneficiary of every 'medical service plan' and of every 'dental
13 service plan,' as those terms are used in this Article and Article 66 of this Chapter, or of
14 any policy of insurance issued thereunder, that includes services which are within the
15 scope of practice of both a duly licensed physician and a duly licensed dentist shall have
16 the right to choose the provider of such care or service, and shall be entitled to payment
17 of or reimbursement for such care or service, whether the provider be a duly licensed
18 physician or a duly licensed dentist notwithstanding any provision to the contrary
19 contained in any such plan or policy.

20 The term 'hospital service corporation' as used in this Article and Article 66 of this
21 Chapter is intended to mean any nonprofit corporation operating a hospital and/or
22 medical and/or dental service plan, as herein defined. Any corporation heretofore or
23 hereafter organized and coming within the provisions of this Article and Article 66 of
24 this Chapter, the certificate of incorporation of which authorizes the operation of either
25 a hospital or medical and/or dental service plan, or any or all of them, may, with the
26 approval of the Commissioner of Insurance, issue subscribers' contracts or certificates
27 approved by the Commissioner of Insurance, for the payment of either hospital or
28 medical and/or dental fees, or the furnishing of such services, or any or all of them, and
29 may enter into contracts with hospitals for physicians and/or dentists, or any or all of
30 them, for the furnishing of fees or services respectively under a hospital or medical
31 and/or dental service plan, or any or all of them.

32 The term 'preferred provider' as used in this Article and Article 66 of this Chapter
33 with respect to contracts, organizations, policies or otherwise means a health care
34 service provider who has agreed to accept, from a corporation organized for the
35 purposes authorized by this Article and Article 66 of this Chapter or other applicable
36 law, special reimbursement terms in exchange for providing services to beneficiaries of
37 a plan administered pursuant to this Article and Article 66 of this Chapter. Except to
38 the extent prohibited either by G.S. 58-65-140 or by regulations promulgated by the
39 Department of Insurance not inconsistent with this Article and Article 66 of this
40 Chapter, the contractual terms and conditions for special reimbursement shall be those
41 which the corporation and preferred provider find to be mutually agreeable.

42 No foreign or alien hospital or medical and/or dental service corporation as herein
43 defined shall be authorized to do business in this State."

44 Sec. 4. G.S. 58-65-35 reads as rewritten:

1 "§ 58-65-35. Nurses' services.

2 No agency, institution or physician providing a service for which payment or
3 reimbursement is required to be made under a contract governed by this Article and
4 Article 66 of this Chapter shall be denied such payment or reimbursement on account of
5 the fact that the service was rendered through a registered nurse acting under authority
6 of rules and regulations adopted by the Board of Medical Examiners and the Board of
7 Nursing pursuant to G.S. 90-6 and 90-171.23.

8 ~~Nothing herein shall be construed to authorize contracting with or making payments~~
9 ~~directly to a nurse not otherwise permitted."~~

10 Sec. 5. This act becomes effective October 1, 1993, and applies to all plans
11 and policies entered, issued, or renewed on or after that date.