

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 771*

Short Title: Nurses Paid by Insurance.

(Public)

Sponsors: Senators Daniel, Perdue, Richardson, Hyde; Gunter, Soles, Seymour, Ward, Speed, Jordan, Kaplan, Winner of Mecklenburg, Lee, Plexico, Tally, Albertson, Warren, Gulley, Edwards, Ballance, Hunt, Martin of Guilford, Marshall, Martin of Pitt, Hartsell, and Walker.

Referred to: Insurance.

April 8, 1993

A BILL TO BE ENTITLED

1 AN ACT TO REMOVE BARRIERS IN INSURANCE POLICIES AND PLANS TO
2 PROVIDE FOR REIMBURSEMENT TO REGISTERED NURSES PROVIDING
3 SERVICES WITHIN THE SCOPE OF THEIR PRACTICE.
4

5 The General Assembly of North Carolina enacts:

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

7 "**§ 58-50-25. Nurses' services.**

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

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

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

17 "**§ 58-50-30. Discrimination forbidden; right to choose services of optometrist,**
18 **podiatrist, ~~dentist or chiropractor.~~ dentist, chiropractor, or registered**
19 **nurse.**

20 Discrimination between individuals of the same class in the amount of premiums or
21 rates charged for any policy of insurance covered by Articles 50 through 55 of this

1 Chapter, or in the benefits payable thereon, or in any of the terms or conditions of such
2 policy, or in any other manner whatsoever, is prohibited.

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

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

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

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

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

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

42 "**§ 58-65-1. Regulation and definitions; application of other laws; profit and**
43 **foreign corporations prohibited.**

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

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

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

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

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

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

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

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

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

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

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

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

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

43 "**§ 58-65-35. Nurses' services.**

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

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

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