

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 1202\*  
Committee Substitute Favorable 6/4/96

Short Title: Small Employer Health Plans.

(Public)

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Sponsors:

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Referred to:

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May 16, 1996

1 A BILL TO BE ENTITLED  
2 AN ACT TO CONFORM THE LAW GOVERNING SMALL EMPLOYER HEALTH  
3 BENEFIT PLANS TO 1995 LEGISLATION AS RECOMMENDED BY THE  
4 LEGISLATIVE RESEARCH COMMISSION'S COMMITTEE ON INSURANCE  
5 AND INSURANCE-RELATED ISSUES AND TO CLARIFY THE  
6 APPLICABILITY OF CERTAIN MEDICAL UNDERWRITING PROVISIONS.

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 58-50-130(a)(2) reads as rewritten:

9 "(2) In determining whether a preexisting-conditions provision applies to an  
10 eligible employee or to a dependent, all health benefit plans shall credit  
11 the time the person was covered under a previous ~~group~~-health benefit  
12 plan if the previous coverage was continuous to a date not more than 60  
13 days before the effective date of the new coverage, exclusive of any  
14 applicable waiting period under the plan. As used in this subdivision  
15 with respect to previous coverage, the meaning of 'health benefit plan' is  
16 not limited to plans subject to this act under G.S. 58-50-115. the definition  
17 in G.S. 58-50-115, but includes any health benefit plan provided by a  
18 health insurer, as that term is defined in G.S. 58-51-115(a), or any  
19 government plan or program providing health benefits or health care."

- 1           Sec. 2. G.S. 58-3-173(a) reads as rewritten:  
2           "(a)        As used in this section:  
3           (1)        'Health benefit plan' means a plan covering ~~a group~~ an employer group  
4                   of persons and in the form of: an accident and health insurance policy or  
5                   certificate; a nonprofit hospital or medical service corporation contract;  
6                   a health maintenance organization subscriber contract; a plan provided  
7                   by a multiple employer welfare arrangement; or a plan provided by  
8                   another benefit arrangement, to the extent permitted by the Employee  
9                   Retirement Income Security Act of 1974, as amended, or by other  
10                  federal law or regulation. 'Health benefit plan' does not mean any of the  
11                  following kinds of insurance:  
12                  a.        Accident  
13                  b.        Credit  
14                  c.        Disability income  
15                  d.        Long-term or nursing home care  
16                  e.        Medicare supplement  
17                  f.        Specified disease  
18                  g.        Dental or vision  
19                  h.        Coverage issued as a supplement to liability insurance  
20                  i.        Workers' compensation  
21                  j.        Medical payments under automobile or homeowners  
22                  k.        Hospital income or indemnity  
23                  l.        Insurance under which benefits are payable with or without  
24                    regard to fault and that is statutorily required to be contained in  
25                    any liability policy or equivalent self-insurance.  
26           (2)        'Insurer' includes an entity subject to Articles 49, 65, or 67 of this  
27                    Chapter."  
28           Sec. 3. This act is effective upon ratification.