

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 1108

Short Title: Health Ins./Consumer Advocate.

(Public)

Sponsors: Senator Harris.

Referred to: Insurance.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH IN THE DEPARTMENT OF ADMINISTRATION THE OFFICE OF CONSUMERS' INSURANCE ADVOCATE.

The General Assembly of North Carolina enacts:

Section 1. Article 9 of Chapter 143B of the General Statutes is amended by adding the following new Part to read:

"PART 14B. OFFICE OF CONSUMERS' INSURANCE ADVOCATE.

"§ 143B-403.10. Office of Consumers' Insurance Advocate.

(a) There is established in the Department of Administration the Office of Consumers' Insurance Advocate. The Office shall consist of an advocate who shall be an attorney licensed to practice in this State. The advocate shall be appointed by and serve at the pleasure of the Governor. The advocate may employ an individual in the position of deputy advocate, and other personnel, if funds are appropriated for these positions. No person employed as advocate or deputy advocate shall engage in the private practice of law while employed as advocate or deputy advocate.

(b) The duties and responsibilities of the Consumers' Insurance Advocate are as follows:

- (1) To appear as a party or otherwise, on behalf of consumers of this State of products or services provided by an insurance company subject to the

1 jurisdiction of the Commissioner of Insurance and to the provisions of
2 Chapter 58 of the General Statutes;

3 (2) To appear in the same representative capacity as specified in
4 subdivision (1) of this subsection in similar administrative proceedings
5 affecting the consumers of this State before any federal administrative
6 agency or body which has regulatory authority over products or services
7 purchased by consumers;

8 (3) To initiate proceedings, in the same representative capacity as specified
9 in subdivision (1) of this subsection, by complaint or otherwise, before
10 any federal or State administrative agency before which the advocate
11 may be otherwise authorized to appear, with respect to matters properly
12 within the cognizance of those agencies;

13 (4) To initiate or intervene, in the same representative capacity as specified
14 in subdivision (1) of this subsection, as of right or otherwise appear in
15 any judicial proceeding involving or arising out of any action taken by
16 an administrative agency in a proceeding in which the advocate is
17 authorized to appear under this subsection;

18 (5) To publish by available means, including Internet access, information
19 the advocate deems to be in the public interest relating to the duties and
20 purposes of the Office of Consumers' Insurance Advocate, and relating
21 to findings, research, and studies conducted by the Office, except for
22 information that is confidential or privileged as otherwise provided by
23 law;

24 (6) To receive and respond to consumer complaints pertaining to insurance
25 matters;

26 (7) To hear complaints and to present and advocate positions affecting rates
27 or benefits for any insurance products and services afforded to State
28 employees and may for this purpose appear before any State office or
29 agency providing or administering the benefits;

30 (8) To report quarterly activities, decisions, information obtained, and
31 expenditures of the advocate's office. The report shall be submitted to
32 the Governor and to the Commissioner of Insurance. The advocate shall
33 report annually to the General Assembly, upon its convening, on its
34 activities and expenditures."

35 Section 2. There is appropriated from the General Fund to the Department of
36 Administration the sum of one hundred forty-three thousand two hundred eighteen
37 dollars (\$143,218) for the 1999-2000 fiscal year and the sum of one hundred forty-three
38 thousand two hundred eighteen dollars (\$143,218) for the 2000-2001 fiscal year for the
39 Office of Consumers' Insurance Advocate established under this act.

40 Section 3. This act becomes effective July 1, 1999.