

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

**SESSION LAW 2001-258  
HOUSE BILL 109**

**AN ACT TO AUTHORIZE REIMBURSEMENT FOR LICENSED MARRIAGE AND  
FAMILY THERAPISTS UNDER THE STATE HEALTH PLAN FOR THE  
TREATMENT OF MENTAL HEALTH AND CHEMICAL DEPENDENCY.**

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 135-40.7B reads as rewritten:

**"§ 135-40.7B. Special provisions for chemical dependency and mental health benefits.**

(a) Except as otherwise provided in this section, benefits for the treatment of mental illness and chemical dependency are covered by the Plan and shall be subject to the same deductibles, durational limits, and coinsurance factors as are benefits for physical illness generally.

(b) Notwithstanding any other provision of this Part, the following necessary services for the care and treatment of chemical dependency and mental illness shall be covered under this section: allowable institutional and professional charges for inpatient care, outpatient care, intensive outpatient program services, partial hospitalization treatment, and residential care and treatment:

(1) For mental illness treatment:

- a. Licensed psychiatric hospitals;
- b. Licensed psychiatric beds in licensed general hospitals;
- c. Licensed residential treatment facilities;
- d. Area Mental Health, Developmental Disabilities, and Substance Abuse Authorities;
- e. Licensed intensive outpatient treatment programs; and
- f. Licensed partial hospitalization programs.

(2) For chemical dependency treatment:

- a. Licensed chemical dependency units in licensed psychiatric hospitals;
- b. Licensed chemical dependency hospitals;
- c. Licensed chemical dependency treatment facilities;
- d. Area Mental Health, Developmental Disabilities, and Substance Abuse Authorities;
- e. Licensed intensive outpatient treatment programs;
- f. Licensed partial hospitalization programs; and
- g. Medical detoxification facilities or units.

(c) Notwithstanding any other provisions of this Part, the following providers and no others may provide necessary care and treatment for mental health under this section:

- (1) Psychiatrists who have completed a residency in psychiatry approved by the American Council for Graduate Medical Education and who are licensed as medical doctors or doctors of osteopathy in the state in which they perform and services covered by the Plan;
- (2) Licensed or certified doctors of psychology;
- (3) Certified clinical social workers;
- (3a) Licensed professional counselors;

- (4) Certified clinical specialists in psychiatric and mental health nursing;
- (4a) Nurses working under the employment and direct supervision of such physicians, psychologists, or psychiatrists;
- (5) Repealed by Session Laws 1997-512, s. 14.
- (6) Psychological associates with a masters degree in psychology under the direct employment and supervision of a licensed psychiatrist or licensed or certified doctor of psychology;
- (7), (8) Repealed by Session Laws 1997-512, s. 14.
- (9) Certified fee-based practicing pastoral counselors; ~~and~~
- (10) Licensed physician assistants under the supervision of a licensed psychiatrist and acting pursuant to G.S. 90-18.1 or the applicable laws and rules of the area in which the physician assistant is licensed or ~~certified-certified; and~~
- (11) Licensed marriage and family therapists.

(c1) Notwithstanding any other provisions of this Part, the following providers and no others may provide necessary care and treatment for chemical dependency under this section:

- (1) The following providers with appropriate substance abuse training and experience in the field of alcohol and other drug abuse as determined by the mental health case manager, in facilities described in subdivision (b)(2) of this section, in day/night programs or outpatient treatment facilities licensed after July 1, 1984, under Article 2 of Chapter 122C of the General Statutes or in North Carolina area programs in substance abuse services are authorized to provide treatment for chemical dependency under this section:
  - a. Licensed physicians including, but not limited to, physicians who are certified in substance abuse by the American Society of Addiction Medicine (ASAM);
  - b. Licensed or certified psychologists;
  - c. Psychiatrists;
  - d. Certified substance abuse counselors working under the direct supervision of such physicians, psychologists, or psychiatrists;
  - e. Psychological associates with a masters degree in psychology working under the direct supervision of such physicians, psychologists, or psychiatrists;
  - f. Nurses working under the direct supervision of such physicians, psychologists, or psychiatrists;
  - g. Certified clinical social workers;
  - h. Certified clinical specialists in psychiatric and mental health nursing;
  - i. Licensed professional counselors;
  - j. Certified fee-based practicing pastoral counselors; ~~and~~
  - k. Substance abuse professionals certified under Article 5C of Chapter 90 of the General ~~Statutes-Statutes; and~~
  - l. Licensed marriage and family therapists.
- (2) The following providers with appropriate substance abuse training and experience in the field of alcohol and other drug abuse as determined by the mental health case manager are authorized to provide treatment for chemical dependency in outpatient practice settings:
  - a. Licensed physicians who are certified in substance abuse by the American Society of Addiction Medicine (ASAM);
  - b. Licensed or certified psychologists;
  - c. Psychiatrists;

- d. Certified substance abuse counselors working under the employment and direct supervision of such physicians, psychologists, or psychiatrists;
- e. Psychological associates with a masters degree in psychology working under the employment and direct supervision of such physicians, psychologists, or psychiatrists;
- f. Nurses working under the employment and direct supervision of such physicians, psychologists, or psychiatrists;
- g. Certified clinical social workers;
- h. Certified clinical specialists in psychiatric and mental health nursing;
- i. Licensed professional counselors;
- j. Certified fee-based practicing pastoral counselors;
  - 1. Substance abuse professionals certified under Article 5C of Chapter 90 of the General Statutes; ~~and~~
- j1. Licensed marriage and family therapists; and
- k. In the absence of meeting one of the criteria above, the Mental Health Case Manager could consider, on a case-by-case basis, a provider who supplies:
  - 1. Evidence of graduate education in the diagnosis and treatment of chemical dependency, and
  - 2. Supervised work experience in the diagnosis and treatment of chemical dependency (with supervision by an appropriately credentialed provider), and
  - 3. Substantive past and current continuing education in the diagnosis and treatment of chemical dependency commensurate with one's profession.

Provided, however, that nothing in this subsection shall prohibit the Plan from requiring the most cost-effective treatment setting to be utilized by the person undergoing necessary care and treatment for chemical dependency.

(d) Benefits provided under this section shall be subject to a case management program for medical necessity and medical appropriateness consisting of (i) precertification of outpatient visits beyond 26 visits each Plan year, (ii) all electroconvulsive treatment, (iii) inpatient utilization review through preadmission and length-of-stay certification for nonemergency admissions to the following levels of care: inpatient units, partial hospitalization programs, residential treatment centers, chemical dependency detoxification and treatment programs, and intensive outpatient programs, (iv) length-of-stay certification of emergency inpatient admissions, and (v) a network of qualified, available providers of inpatient and outpatient psychiatric and chemical dependency treatment. Care which is not both medically necessary and medically appropriate will be noncertified, and benefits will be denied. Where qualified preferred providers of inpatient and outpatient care are reasonably available, use of providers outside of the preferred network shall be subject to a twenty percent (20%) coinsurance rate up to five thousand dollars (\$5,000) per fiscal year to be assessed against each covered individual in addition to the general coinsurance percentage and maximum fiscal year amount specified by G.S. 135-40.4 and G.S. 135-40.6.

(e) For the purpose of this section, 'emergency' is the sudden and unexpected onset of a condition manifesting itself by acute symptoms of sufficient severity that, in the absence of an immediate psychiatric or chemical dependency inpatient admission, could imminently result in injury or danger to self or others."

**SECTION 2.** This act becomes effective October 1, 2001, and applies to claims for payment or reimbursement for services rendered on or after that date.  
In the General Assembly read three times and ratified this the 21<sup>st</sup> day of June, 2001.

s/ Beverly E. Perdue  
President of the Senate

s/ James B. Black  
Speaker of the House of Representatives

s/ Michael F. Easley  
Governor

Approved 12:37 p.m. this 29<sup>th</sup> day of June, 2001