

NORTH CAROLINA GENERAL ASSEMBLY  
1961 SESSION

CHAPTER 1044  
SENATE BILL 371

1 AN ACT TO CREATE A NORTH CAROLINA HEALTH INSURANCE ADVISORY  
2 BOARD, AND DEFINE ITS ORGANIZATION, DUTIES AND RESPONSIBILITIES.

3  
4 WHEREAS, the public interest would be benefited by providing for the creation of  
5 an advisory board to investigate and study operating procedures in the health insurance  
6 industry, to recommend to the industry and the Legislature changes which would beneficially  
7 serve the public and the health insurance industry, and to recommend that the industry impose  
8 upon itself such changes as would be desirable and beneficial: Now, therefor,

9  
10 The General Assembly of North Carolina do enact:

11  
12 **Section 1.** There is hereby created the North Carolina Health Insurance Advisory  
13 Board.

14 **Sec. 2.** The membership of said board shall consist of nine members to be  
15 appointed as follows:

16 (a) Five members of the board shall be appointed from the public at large by the  
17 Governor of North Carolina, and four members of the board shall be appointed from the  
18 insurance industry by the Governor of North Carolina upon the recommendation of the  
19 Commissioner of Insurance of North Carolina. All of the members of the board so appointed  
20 shall be citizens and residents of the State of North Carolina.

21 (b) The term of office of the members of said board shall be two years, or until  
22 their successors are appointed. All original appointments to said board shall be made on or  
23 before September 15, 1961, at which time the original term shall begin.

24 (c) The Commissioner of Insurance of the State of North Carolina shall be an ex  
25 officio member of said board.

26 **Sec. 3.** The Commissioner of Insurance shall call the initial meeting of the board on  
27 or before October 1, 1961, for the purpose of organization of the board. The board at its initial  
28 meeting shall elect from its membership a chairman and such other officers as it may deem  
29 necessary.

30 (a) The board shall adopt such rules as it may deem necessary for the discharge  
31 of its duties, not inconsistent with law.

32 (b) The board may meet at such times and places as the board may determine;  
33 provided, that the board shall meet at least quarterly during each calendar year.

34 (c) The expenses and per diem of the board shall be paid from the appropriation  
35 made to the North Carolina Department of Insurance and where funds are insufficient for this  
36 purpose, the Commissioner of Insurance shall request additional appropriations for this purpose  
37 from the Contingency and Emergency Fund.

38 **Sec. 4.** The board shall review an analysis of complaints prepared by the  
39 Department of Insurance relating to the health insurance industry at least quarterly during each  
40 calendar year.

41 The board may call upon any company selling health insurance in the State of North  
42 Carolina to appear before the board when in the opinion of the board and the Commissioner of

1 Insurance such company is not operating in the public interest, to the end that the board and the  
2 Commissioner may examine their operations and procedures.

3 If in the opinion of the board and the Commissioner of Insurance, any company is  
4 not operating in the public interest such company may be reprimanded, or placed on probation,  
5 or have its license suspended.

6 The board shall also make such study of the health insurance industry as it deems  
7 necessary to insure better service to the public, and may recommend to the industry such  
8 procedures and changes resulting from each study, and the board may recommend to the  
9 Governor of North Carolina for transmission to the General Assembly any legislation that the  
10 board shall deem necessary.

11 **Sec. 5.** The board and the Commissioner of Insurance shall be immune from civil  
12 suit or criminal prosecution as a result of any findings, recommendations or action taken while  
13 performing their duties under this Act; provided, that any order or decision made by the board  
14 and the Commissioner of Insurance shall be subject to the provisions of Section 58-9.3 of the  
15 General Statutes of North Carolina, and the board shall be subject to said Act wherever said  
16 Section shall refer to the Commissioner of Insurance as fully as if the said board were referred  
17 to in said Statute.

18 **Sec. 6.** The board shall have the power to subpoena persons and records necessary  
19 to carry out its duties, and shall have the power to administer oaths and take testimony in the  
20 performance of its duties.

21 **Sec. 7.** The members of the board shall receive as compensation the same per diem  
22 allowance given to members of other State commissions and boards while in the actual  
23 performance of their duties, and shall receive travel allowance upon the same basis as that  
24 given to employees of the State of North Carolina when travelling in the performance of their  
25 official duties.

26 **Sec. 8.** All laws and clauses of laws in conflict with this Act are hereby repealed.

27 **Sec. 9.** This Act shall be in full force and effect from and after its ratification.

28 In the General Assembly read three times and ratified, this the 19th day of June,  
29 1961.