

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1269

Short Title: Medical Support/Dependent Children.

(Public)

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Sponsors: Representatives S. Thompson; Bowie, Colton, Duncan, Easterling, Gardner, Holt, Judy Hunt, Perdue, Stamey, and Wiser.

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Referred to: Judiciary.

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April 12, 1989

A BILL TO BE ENTITLED

1 AN ACT TO ESTABLISH THE DUTIES OF PARTIES ORDERED TO PROVIDE  
2 MEDICAL SUPPORT FOR DEPENDENT CHILDREN AND TO PROVIDE  
3 THAT COURT ORDERS AND WRITTEN AGREEMENTS REGARDING  
4 MEDICAL SUPPORT FOR DEPENDENT CHILDREN ARE VALID  
5 AUTHORIZATION TO INSURERS FOR PURPOSES OF RELEASING  
6 INFORMATION AND PROCESSING CLAIMS.  
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8 The General Assembly of North Carolina enacts:

9 Section 1. Article 1 of Chapter 50 of the General Statutes is amended by  
10 adding a new section to read:

11 **"§ 50-13.11. Court ordered medical support for dependent children; written**  
12 **agreements for medical support for dependent children.**

13 (a) As used in this section:

14 (1) 'Court order' means any judgment or order of the courts of this State or  
15 of another state, including a written agreement to provide child support  
16 that has been incorporated into a court order.

17 (2) 'Dependent child' means any person under the age of 18 who is not  
18 otherwise emancipated, married, or a member of the armed forces of  
19 the United States, or any person over the age of 18 for whom a court  
20 orders that support payments continue as provided in G.S. 50-13.4(c).

21 (3) 'Insurance' means a hospital or medical expense incurred policy; a  
22 nonprofit hospital, medical, or dental care service plan contract; or a  
23 health maintenance organization subscriber contract.

1           (4) 'IV-D case' means a case in which services have been applied for or  
2 are being provided by a child support enforcement agency established  
3 pursuant to Title IV-D of the Social Security Act as amended and  
4 Article 9 of Chapter 110 of the General Statutes.

5           (5) 'Non-IV-D case' means any case, other than a IV-D case, in which  
6 child support is legally obligated to be paid.

7           (6) 'Obligee' means, in a IV-D case, the child support enforcement  
8 agency, and in a non-IV-D case, the individual to whom a duty of  
9 support is owed or the individual's legal representative.

10          (7) 'Obligor' means the individual who owes a duty to make child support  
11 or medical support payments under a court order.

12          (b) When a court finds a duty of child support it may order the obligor to provide  
13 medical support for the dependent child through a plan obtained on a group basis  
14 through an employer, union, or professional association or through a policy obtained  
15 individually by the obligor.

16          (c) A court order for medical support shall provide that the obligor shall name  
17 the dependent child as beneficiary on any health or dental insurance plan that is  
18 available to the obligor on a group basis through an employer, union, or professional  
19 association. The child shall be enrolled in the insurance plan in which the obligor is  
20 enrolled or the least costly comparable plan otherwise available to the obligor. If a  
21 group plan is unavailable, the obligor, individually, shall obtain health or dental  
22 insurance coverage for the dependent child.

23          (d) The obligor shall provide written proof to the obligee, within 45 days of entry  
24 of the court order, that the insurance coverage has been obtained.

25          (e) The obligor's failure to provide written proof of insurance as described by  
26 subsection (d) of this section shall be grounds for contempt of court.

27          (f) The obligor shall provide written notice to the obligee of any change in the  
28 applicable insurance coverage.

29          (g) When the insurance coverage is provided through an employer, union, or  
30 professional association and the obligor's employment is terminated, or the insurance  
31 coverage is terminated, the employer, union, or professional association within 10 days  
32 of the termination date, shall notify the obligee of the termination and of any available  
33 policy conversion privileges.

34          (h) The obligor's employer, union, professional association, or insurer shall  
35 release to the obligee, upon written request, any information on the insurance coverage  
36 that the employer, union, professional association, or insurer is authorized to release to  
37 the obligor.

38          (i) When a court order for medical support is in effect, the signature of the  
39 custodial party of the insured dependent child shall be a valid authorization to the  
40 insurer for purposes of processing an insurance reimbursement payment to the provider  
41 of the medical services to whom benefits have been assigned by the custodial party or to  
42 the custodial party if he has paid the provider of the medical services. In the event that  
43 both the custodial party and noncustodial party submit to the insurer a claim for  
44 reimbursement with respect to the same medical service, and benefits have not been

1 assigned to the provider of medical services, the insurer shall reimburse the party who  
2 made the payment to the provider of the medical service.

3 (j) An obligor who fails to maintain the insurance coverage for the dependent  
4 child as ordered shall be liable to the obligee for any medical or dental expenses  
5 incurred from the date of the court order. Proof of failure to maintain the insurance  
6 coverage as ordered constitutes a showing of changed circumstances by the obligee  
7 pursuant to G.S. 50-13.7 and provides a basis for modification of the obligor's child  
8 support order.

9 (k) When a written agreement between a custodial party and a noncustodial  
10 party, rather than a court order, imposes a duty upon one party to provide medical  
11 support for a dependent child through insurance coverage and that agreement authorizes  
12 the other party to have access to information pertaining to the insurance coverage, to  
13 submit claims for purposes of processing insurance reimbursement payments, or both,  
14 then that agreement shall be valid authorization to an insurer, employer, union, or  
15 professional association for purposes of releasing information or processing claims  
16 pursuant to this section. In the event that both the custodial party and noncustodial  
17 party submit to the insurer a claim for reimbursement with respect to the same medical  
18 service, and benefits have not been assigned to the provider of medical services, the  
19 insurer shall reimburse the party who made the payment to the provider of the medical  
20 service."

21 Sec. 2. This act shall become effective October 1, 1989.