

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1269
Committee Substitute Favorable 5/8/89

Short Title: Medical Support/Dependent Children.

(Public)

Sponsors:

Referred to:

April 12, 1989

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE DUTIES OF PARTIES ORDERED TO PROVIDE MEDICAL SUPPORT FOR DEPENDENT CHILDREN AND TO PROVIDE THAT COURT ORDERS AND WRITTEN AGREEMENTS REGARDING MEDICAL SUPPORT FOR DEPENDENT CHILDREN ARE VALID AUTHORIZATION TO INSURERS FOR PURPOSES OF RELEASING INFORMATION AND PROCESSING CLAIMS.

The General Assembly of North Carolina enacts:

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

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

(a) As used in this section:

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

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

(3) 'Insurance' means a hospital or medical expense incurred policy; a nonprofit hospital, medical, or dental care service plan contract; or a 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 may provide that the obligor shall name the
17 dependent child as beneficiary on any health or dental insurance plan that is available to
18 the obligor on a group basis through an employer, union, or professional association.
19 The child shall be enrolled in the insurance plan in which the obligor is enrolled or the
20 least costly comparable plan otherwise available to the obligor. If a group plan is
21 unavailable, the obligor, individually, may be ordered to 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 non-custodial 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) Upon motion of any party, the court may consider the provisions of this
10 section and may modify the terms of any order entered prior to October 1, 1989.

11 (l) When a written agreement between a custodial party and a non-custodial
12 party is in effect and that agreement imposes a duty upon the non-custodial party to
13 provide medical support for a dependent child through insurance coverage:

14 (1) The non-custodial party's employer, union, professional association, or
15 insurer shall release to the custodial party, upon written request, any
16 information on the insurance coverage that the employer, union,
17 professional association, or insurer is authorized to release to the non-
18 custodial party.

19 (2) The signature of the custodial party shall be a valid authorization to the
20 insurer for purposes of processing an insurance reimbursement
21 payment to the provider of the medical services to whom benefits have
22 been assigned by the custodial party or to the custodial party if he has
23 paid the provider of the medical services. In the event that both parties
24 submit to the insurer a claim for reimbursement with respect to the
25 same medical service, and benefits have not been assigned to the
26 provider of medical services, the insurer shall reimburse the party who
27 made the payment to the provider of the medical service."

28 Sec. 2. This act shall become effective October 1, 1989, and shall apply to
29 court orders and written agreements entered on or after that date. Nothing in this act
30 shall be construed to invalidate or affect any existing court order or written agreement
31 providing for medical support in effect prior to the effective date of this act.