

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 685
House Committee Substitute Favorable 6/1/99

Short Title: Health Insurance/Phys. Assistants.

(Public)

Sponsors:

Referred to:

April 1, 1999

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT TREATMENT OR SERVICES RENDERED BY
PHYSICIAN ASSISTANTS SHALL BE REIMBURSABLE UNDER THE STATE
HEALTH PLAN AND OTHER HEALTH INSURANCE POLICIES UNDER
CERTAIN CIRCUMSTANCES.

The General Assembly of North Carolina enacts:

Section 1. Article 50 of Chapter 58 of the General Statutes is amended by
adding the following new section to read:

"§ 58-50-26. Physician services provided by physician assistants.

No agency, institution, or physician providing a service for which payment or
reimbursement is required to be made under a policy governed by Articles 1 through 64
of this Chapter shall be denied the payment or reimbursement on account of the fact that
the services were rendered through a physician assistant acting under the authority of
rules adopted by the North Carolina Medical Board pursuant to G.S. 90-18.1."

Section 2. G.S. 58-50-30 reads as rewritten:

**"§ 58-50-30. Discrimination forbidden; right to choose services of optometrist,
podiatrist, certified clinical social worker, dentist, chiropractor,
psychologist, pharmacist, certified fee-based practicing pastoral counselor,**

1 ~~or advanced practice registered nurse.~~ advanced practice nurse, or physician
2 assistant.

3 (a) Discrimination between individuals of the same class in the amount of
4 premiums or rates charged for any policy of insurance covered by Articles 50 through 55
5 of this Chapter, or in the benefits payable thereon, or in any of the terms or conditions of
6 the policy, or in any other manner whatsoever, is prohibited.

7 Whenever any policy of insurance governed by Articles 1 through 64 of this Chapter
8 provides for payment of or reimbursement for any service rendered in connection with a
9 condition or complaint which is within the scope of practice of a duly licensed
10 optometrist, a duly licensed podiatrist, a duly licensed dentist, a duly licensed
11 chiropractor, a duly certified clinical social worker, a duly licensed psychologist, a duly
12 licensed pharmacist, a duly certified fee-based practicing pastoral counselor, a duly
13 licensed physician assistant, or an advanced practice registered nurse, the insured or other
14 persons entitled to benefits under the policy shall be entitled to payment of or
15 reimbursement for the services, whether the services be performed by a duly licensed
16 physician, a duly licensed physician assistant, a duly licensed optometrist, a duly licensed
17 podiatrist, a duly licensed dentist, a duly licensed chiropractor, a duly certified clinical
18 social worker, a duly licensed psychologist, a duly licensed pharmacist, a duly certified
19 fee-based practicing pastoral counselor, or an advanced practice registered nurse,
20 notwithstanding any provision contained in the policy. Whenever any policy of insurance
21 governed by Articles 1 through 64 of this Chapter provides for certification of disability
22 that is within the scope of practice of a duly licensed physician, a duly licensed physician
23 assistant, a duly licensed optometrist, a duly licensed podiatrist, a duly licensed dentist, a
24 duly licensed chiropractor, a duly certified clinical social worker, a duly licensed
25 psychologist, a duly certified fee-based practicing pastoral counselor, or an advanced
26 practice registered nurse, the insured or other persons entitled to benefits under the policy
27 shall be entitled to payment of or reimbursement for the disability whether the disability
28 be certified by a duly licensed physician, a duly licensed physician assistant, a duly
29 licensed optometrist, a duly licensed podiatrist, a duly licensed dentist, a duly licensed
30 chiropractor, a duly certified clinical social worker, a duly licensed psychologist, a duly
31 certified fee-based practicing pastoral counselor, or an advanced practice registered
32 nurse, notwithstanding any provisions contained in the policy. The policyholder, insured,
33 or beneficiary shall have the right to choose the provider of the services notwithstanding
34 any provision to the contrary in any other statute.

35 Whenever any policy of insurance provides coverage for medically necessary
36 treatment, the insurer shall not impose any limitation on treatment or levels of coverage if
37 performed by a duly licensed chiropractor acting within the scope of the chiropractor's
38 practice as defined in G.S. 90-151 unless a comparable limitation is imposed on the
39 medically necessary treatment if performed or authorized by any other duly licensed
40 physician.

41 (b) For the purposes of this section, a 'duly licensed psychologist' shall be defined
42 only to include a psychologist who is duly licensed in the State of North Carolina and has
43 a doctorate degree in psychology and at least two years clinical experience in a

1 recognized health setting, or has met the standards of the National Register of Health
2 Service Providers in Psychology. After January 1, 1995, a duly licensed psychologist
3 shall be defined as a licensed psychologist who holds permanent licensure and
4 certification as a health services provider psychologist issued by the North Carolina
5 Psychology Board.

6 (c) For the purposes of this section, a 'duly certified clinical social worker' is a
7 'certified clinical social worker' as defined in G.S. 90B-3(2) and certified by the North
8 Carolina Certification Board for Social Work pursuant to Chapter 90B of the General
9 Statutes.

10 (c1) For purposes of this section, a 'duly certified fee-based practicing pastoral
11 counselor' shall be defined only to include fee-based practicing pastoral counselors
12 certified by the North Carolina State Board of Examiners of Fee-Based Practicing
13 Pastoral Counselors pursuant to Article 26 of Chapter 90 of the General Statutes.

14 (d) Payment or reimbursement is required by this section for a service performed
15 by an advanced practice registered nurse only when:

- 16 (1) The service performed is within the nurse's lawful scope of practice;
- 17 (2) The policy currently provides benefits for identical services performed
18 by other licensed health care providers;
- 19 (3) The service is not performed while the nurse is a regular employee in an
20 office of a licensed physician;
- 21 (4) The service is not performed while the registered nurse is employed by
22 a nursing facility (including a hospital, skilled nursing facility,
23 intermediate care facility, or home care agency); and
- 24 (5) Nothing in this section is intended to authorize payment to more than
25 one provider for the same service.

26 No lack of signature, referral, or employment by any other health care provider may be
27 asserted to deny benefits under this provision.

28 For purposes of this section, an 'advanced practice registered nurse' means only a
29 registered nurse who is duly licensed or certified as a nurse practitioner, clinical specialist
30 in psychiatric and mental health nursing, or nurse midwife.

31 (e) Payment or reimbursement is required by this section for a service performed
32 by a duly licensed pharmacist only when:

- 33 (1) The service performed is within the lawful scope of practice of the
34 pharmacist;
- 35 (2) The service performed is not initial counseling services required under
36 State or federal law or regulation of the North Carolina Board of
37 Pharmacy;
- 38 (3) The policy currently provides reimbursement for identical services
39 performed by other licensed health care providers; and
- 40 (4) The service is identified as a separate service that is performed by other
41 licensed health care providers and is reimbursed by identical payment
42 methods.

1 Nothing in this subsection authorizes payment to more than one provider for the same
2 service.

3 (f) Payment or reimbursement is required by this section for a service performed
4 by a duly licensed physician assistant only when:

5 (1) The service performed is within the lawful scope of practice of the
6 physician assistant in accordance with rules adopted by the North
7 Carolina Medical Board pursuant to G.S. 90-18.1;

8 (2) The policy currently provides reimbursement for identical services
9 performed by other licensed health care providers; and

10 (3) The reimbursement is made to the physician, clinic, agency, or
11 institution employing the physician assistant.

12 Nothing in this subsection is intended to authorize payment to more than one provider for
13 the same service. For the purposes of this section, a 'duly licensed physician assistant' is
14 a physician assistant as defined by G.S. 90-18.1."

15 Section 3. G.S. 58-50-56(j) reads as rewritten:

16 "(j) A list of the current participating providers in the geographic area in which a
17 substantial portion of health care services will be available shall be provided to insureds
18 and contracting parties. The list shall include participating physician assistants and their
19 supervising physician."

20 Section 4. Article 65 of Chapter 58 of the General Statutes is amended by
21 adding the following new section to read:

22 "**§ 58-65-36. Physician services provided by physician assistants.**

23 No agency, institution, or physician providing a service for which payment or
24 reimbursement is required to be made under a contract governed by this Article or Article
25 66 of this Chapter shall be denied the payment or reimbursement on account of the fact
26 that the service was rendered through a physician assistant acting under authority of rules
27 adopted by the North Carolina Medical Board pursuant to G.S. 90-18.1."

28 Section 5. G.S. 58-65-1(a) reads as rewritten:

29 "(a) Any corporation heretofore or hereafter organized under the general
30 corporation laws of the State of North Carolina for the purpose of maintaining and
31 operating a nonprofit hospital and/or medical and/or dental service plan whereby hospital
32 care and/or medical and/or dental service may be provided in whole or in part by said
33 corporation or by hospitals and/or physicians and/or dentists participating in such plan, or
34 plans, shall be governed by this Article and Article 66 of this Chapter and shall be
35 exempt from all other provisions of the insurance laws of this State, heretofore enacted,
36 unless specifically designated herein, and no laws hereafter enacted shall apply to them
37 unless they be expressly designated therein.

38 The term 'hospital service plan' as used in this Article and Article 66 of this Chapter
39 includes the contracting for certain fees for, or furnishing of, hospital care, laboratory
40 facilities, X-ray facilities, drugs, appliances, anesthesia, nursing care, operating and
41 obstetrical equipment, accommodations and/or any and all other services authorized or
42 permitted to be furnished by a hospital under the laws of the State of North Carolina and

1 approved by the North Carolina Hospital Association and/or the American Medical
2 Association.

3 The term 'medical service plan' as used in this Article and Article 66 of this Chapter
4 includes the contracting for the payment of fees toward, or furnishing of, medical,
5 obstetrical, surgical and/or any other professional services authorized or permitted to be
6 furnished by a duly licensed physician, except that in any plan in any policy of insurance
7 governed by this Article and Article 66 of this Chapter that includes services which are
8 within the scope of practice of a duly licensed optometrist, a duly licensed chiropractor, a
9 duly licensed psychologist, a duly licensed pharmacist, an advanced practice registered
10 nurse, a duly certified clinical social worker, a duly certified fee-based practicing pastoral
11 counselor, a duly licensed physician assistant, and a duly licensed physician, then the
12 insured or beneficiary shall have the right to choose the provider of the care or service,
13 and shall be entitled to payment of or reimbursement for such care or service, whether the
14 provider be a duly licensed optometrist, a duly licensed chiropractor, a duly licensed
15 psychologist, a duly licensed pharmacist, an advanced practice registered nurse, a duly
16 certified clinical social worker, a duly certified fee-based practicing pastoral counselor, a
17 duly licensed physician assistant, or a duly licensed physician notwithstanding any
18 provision to the contrary contained in such policy. The term 'medical services plan' also
19 includes the contracting for the payment of fees toward, or furnishing of, professional
20 medical services authorized or permitted to be furnished by a duly licensed provider of
21 health services licensed under Chapter 90 of the General Statutes."

22 Section 6. G.S. 58-65-1 is amended by adding the following new subsection to
23 read:

24 "(b2) Payment or reimbursement is required by this section for a service performed
25 by a duly licensed physician assistant only when:

- 26 (1) The service performed is within the lawful scope of practice of the
27 physician assistant in accordance with rules adopted by the North
28 Carolina Medical Board, pursuant to G.S. 90-18.1;
29 (2) The policy currently provides reimbursement for identical services
30 performed by other licensed health care providers; and
31 (3) The reimbursement is made to the physician, clinic, agency, or
32 institution employing the physician assistant.

33 Nothing in this subsection is intended to authorize payment to more than one provider for
34 the same service. For the purposes of this section a 'duly licensed physician assistant' is a
35 physician assistant as defined by G.S. 90-18.1."

36 Section 7. G.S. 135-40.6 is amended by adding the following new subdivision
37 to read:

38 "(11) Coverage for Physician Services Provided by Physician Assistants. –
39 Notwithstanding any other provision of this section or the Plan, benefits
40 shall be payable for physician services performed by a duly licensed
41 physician assistant subject to the following limitations:

- 42 a. The service performed is within the lawful scope of practice of
43 the physician assistant in accordance with rules adopted by the

1 North Carolina Medical Board, pursuant to G.S. 90-18.1, or is
2 within the scope of practice of a physician assistant licensed or
3 certified in and acting pursuant to laws and rules applicable in the
4 area where the service is provided;

5 b. The plan currently provides reimbursement for identical services
6 performed by other licensed health care providers;

7 c. The reimbursement is made to the physician, clinic, agency, or
8 institution employing the physician assistant; and

9 d. Nothing in this subdivision authorizes payment to more than one
10 provider for the same service.

11 As used in this subdivision, a 'duly licensed physician assistant' is a
12 physician assistant as defined by G.S. 90-18.1."

13 Section 8. G.S. 135-40.7B(c) reads as rewritten:

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

16 (1) Psychiatrists who have completed a residency in psychiatry approved by
17 the American Council for Graduate Medical Education and who are
18 licensed as medical doctors or doctors of osteopathy in the state in
19 which they perform and services covered by the Plan;

20 (2) Licensed or certified doctors of psychology;

21 (3) Certified clinical social workers;

22 (3a) Licensed professional counselors;

23 (4) Certified clinical specialists in psychiatric and mental health nursing;

24 (4a) Nurses working under the employment and direct supervision of such
25 physicians, psychologists, or psychiatrists;

26 (5) Repealed by Session Laws 1997-512, s. 14.

27 (6) Psychological associates with a masters degree in psychology under the
28 direct employment and supervision of a licensed psychiatrist or licensed
29 or certified doctor of psychology; ~~and~~

30 (7), (8) Repealed by Session Laws 1997-512, s. 14.

31 (9) Certified fee-based practicing pastoral ~~counselors~~-counselors; ~~and~~

32 (10) Licensed physician assistants under the supervision of a licensed
33 psychiatrist and acting pursuant to G.S. 90-18.1 or the applicable laws
34 and rules of the area in which the physician assistant is licensed or
35 certified."

36 Section 9. This act becomes effective January 1, 2000, and applies to treatment
37 or services rendered on or after that date.