

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 66*

Short Title: Health Benefit Plan Disclosure.

(Public)

Sponsors: Senators Wellons, Harris, Dannelly; and Dalton.

Referred to: Insurance and Consumer Protection.

February 6, 2001

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR HEALTH BENEFIT PLAN DISCLOSURE TO AND
SUMMARY PLAN INFORMATION FOR PROSPECTIVE INSUREDS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 58 of the General Statutes is amended by
adding a new section to read:

"§ 58-3-240. Health benefit plan disclosure and summary plan information.

An insurer shall provide every prospective applicant and prospective enrollee with a
clear and concise description of the coverage provided by the insurer's health benefit
plan. The description shall be printed on a form prescribed by the Commissioner. The
description shall specify:

- (1) Definitions of terms used in the health benefit plan.
- (2) A brief description of the principal benefits and coverage provided,
including any coverage exclusions or limitations.
- (3) A brief description of how coverage determinations are made,
including whether factors other than medical necessity and coverage
exclusions and limitations are considered.
- (4) A brief explanation of insurer and insured payment responsibilities,
including how plan allowances, such as 'usual and customary charges',
are developed.
- (5) A brief explanation of provider network limitations and requirements,
including requirements for the use of sub-networks, prior authorization
or precertification, and the arrangements of tertiary and quaternary
care.
- (6) Tax and health plan accreditation status of the insurer.
- (7) A statement that the outline is a summary of the health benefit plan
and that the health benefit plan should be examined to determine
specific health benefit plan provisions."

1 **SECTION 2.** This act is effective when it becomes law. This act applies to
2 all health benefit plans that are delivered, issued for delivery, or renewed on or after
3 January 1, 2003.