

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 359*

Short Title: Freedom to Negotiate Health Care Rates. (Public)

Sponsors: Senators Meredith (Primary Sponsor); Apodaca, Clodfelter, J. Davis, Ford, Goolsby, Hise, Jackson, McKissick, Newton, Pate, Rabon, and Walters.

Referred to: Insurance.

March 20, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW HEALTH PROVIDERS AND HEALTH INSURERS TO FREELY
3 NEGOTIATE REIMBURSEMENT RATES BY PROHIBITING CONTRACT
4 PROVISIONS THAT RESTRICT RATE NEGOTIATIONS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Part 7 of Article 50 of Chapter 58 of the General Statutes is amended
7 by adding a new section to read:

8 "**§ 58-50-295. Prohibited contract provisions related to reimbursement rates.**

9 No contract with a health care provider shall do any of the following:

- 10 (1) Prohibit, or grant a health insurance carrier an option to prohibit, the
11 provider from contracting with another health insurance carrier to provide
12 health care services at a rate that is equal to or lower than the payment
13 specified in the contract.
- 14 (2) Require the provider to accept a lower payment rate in the event that the
15 provider agrees to provide health care services to any other health insurance
16 carrier at a rate that is equal to or lower than the payment specified in the
17 contract.
- 18 (3) Require, or grant a health insurance carrier an option to require, termination
19 or renegotiation of an existing health care contract in the event that the
20 provider agrees to provide health care services to any other health insurance
21 carrier at a rate that is equal to or lower than the payment specified in the
22 contract.
- 23 (4) Require, or grant a health insurance carrier an option to require, the provider
24 to disclose, directly or indirectly, the provider's contractual rates with
25 another health insurance carrier.
- 26 (5) Require, or grant a health insurance carrier an option to require, the
27 nonnegotiated adjustment by the issuer of the provider's contractual rate to
28 equal the lowest rate the provider has agreed to charge any other health
29 insurance carrier.
- 30 (6) Require, or grant a health insurance carrier an option to require, the provider
31 to charge another health insurance carrier a rate that is equal to or more than
32 the reimbursement rate specified in the contract."

33 **SECTION 2.** This act becomes effective October 1, 2013, and applies to contracts
34 entered into, renewed, or amended on or after that date.



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