

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 192
HOUSE BILL 1129

AN ACT TO MODIFY THE BENEFITS PROVIDED UNDER THE TEACHERS'
AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.

The General Assembly of North Carolina enacts:

Section 1. Effective July 1, 1985, G.S. 135-40.4 is amended by deleting "95%/5%", and substituting "90%/10%".

Sec. 2. Effective July 1, 1985, G.S. 135-40.6 is amended by deleting "ninety-five percent (95%) by the Plan and five percent (5%) by the covered individual up to a maximum of one hundred dollars (\$100.00) out-of-pocket", and substituting "ninety percent (90%) by the Plan and ten percent (10%) by the covered individual up to a maximum of three hundred dollars (\$300.00) out-of-pocket".

Sec. 3. Effective July 1, 1985, G.S. 135-40.6(2)b. is amended by deleting "ninety-five percent (95%)", and substituting "ninety percent (90%)".

Sec. 4. Effective July 1, 1985, G.S. 135-40.8(a) is amended by deleting "ninety-five percent (95%)", and substituting "ninety percent (90%)", by deleting "five percent (5%)", and substituting "ten percent (10%)", and by deleting "one hundred dollars (\$100.00)", and substituting "three hundred dollars (\$300.00)".

Sec. 5. Effective with respect to accidental injury occurring on or after July 1, 1985, G.S. 135-40.5(a) is repealed.

Sec. 6. Effective with respect to accidental injury occurring on or after July 1, 1985, the last sentence of G.S. 135-40.6(4)a. is repealed.

Sec. 6.1. Effective with respect to accidental injury occurring on or after July 1, 1985, G.S. 135-40.6(4)b. is amended by deleting "nonaccident".

Sec. 7. Effective July 1, 1985, the second paragraph of G.S. 135-40.1(2) is repealed.

Sec. 8. Effective July 1, 1985, G.S. 135-40.8(b) is amended by deleting "twenty percent (20%)", and substituting "fifty percent (50%)".

Sec. 9. Effective July 1, 1985, G.S. 135-40.5(b) is amended by adding immediately before the period at the end of the first sentence the words "if that surgery is not normally performed on an outpatient basis".

Sec. 10. Effective July 1, 1985, G.S. 135-40.8 is amended by adding a new subsection to read:

"(c) Notwithstanding any other provision of this Article, on the first day of each confinement the Plan does not pay the first seventy-five dollars (\$75.00) of the room accommodation charge allowable under G.S. 135-40.6(1). Any readmission within 60 days after discharge for the same reason shall be considered the same confinement for

the purpose of this subsection. The exclusion made under this subsection shall not count toward the deductible nor toward the maximum amount of out-of-pocket costs."

Sec. 11. Effective January 1, 1986, G.S. 135-40.6(2) is amended by adding a new subparagraph to read:

"f. Prior to admission for scheduled inpatient hospitalization and following admission for unscheduled inpatient hospitalization, the admitting physician shall contact the Plan and secure approval certification for an inpatient admission, including a length of stay, based upon clinical criteria established by the medical community, before any in-hospital benefits are allowed under G.S. 135-40.8(a). Failure to secure certification, or denial of certification, shall result in in-hospital benefits being allowed at the rate and maximum amount of out-of-pocket expenses established by G.S. 135-40.8(b). Denial of certification by the Plan shall be made only after contact with the admitting physician and shall be subject to appeal to the Board of Trustees."

Sec. 12. Effective July 1, 1985, G.S. 135-40.5(d) is amended by adding a new sentence at the end to read:

"As used in this section and the provisions of G.S. 135-40.8(b), second surgical opinions shall be required for the following procedures otherwise covered by the Plan:

transurethral resection of the prostate, hemorrhoidectomy, hysterectomy, tonsillectomy and adenoidectomy, cholecystectomy, mastectomy and mammoplasty, surgery on the spinal column and/or nerves, revision of the nasal structure, coronary artery bypass surgery, thyroid surgery, and surgery on the knee."

Sec. 13. Effective July 1, 1985, G.S. 135-40.4 is amended by adding the following new paragraph at the end to read:

"Notwithstanding the provisions of this Article, the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan may begin the process of negotiating prospective rates of charges that are to be allowed under the Plan with preferred providers of institutional and professional medical care and services. The Board of Trustees shall, under the provisions of G.S. 135-39.5(12), pursue such preferred provider contracts on a timely basis and shall make monthly reports to the President of the Senate, the Speaker of the House of Representatives, and the Committee on Employee Hospital and Medical Benefits on its progress in negotiating such prospective rates for allowable charges."

Sec. 14. Effective July 1, 1986, G.S. 135-40.4 is amended by deleting "one hundred dollar (\$100.00) deductible", and substituting "one hundred fifty dollar (\$150.00) deductible", and by deleting "three hundred dollars (\$300.00) per family", and substituting "four hundred fifty dollars (\$450.00) per family".

Sec. 15. Effective July 1, 1986, G.S. 135-40.6 is amended by deleting "one hundred dollars (\$100.00) per covered individual to an aggregate maximum of three hundred dollars (\$300.00) per family", and substituting, "one hundred fifty dollars (\$150.00) per covered individual to an aggregate maximum of four hundred fifty dollars (\$450.00) per family".

Sec. 16. Effective July 1, 1986, G.S. 135-40.8(a) is amended by deleting, "one hundred dollars (\$100.00)", and substituting "one hundred fifty dollars (\$150.00)".

Sec. 16.1. Effective July 1, 1986, the first paragraph of G.S. 135-40.1(2) is amended by deleting "one hundred dollars (\$100.00)", and substituting "one hundred fifty dollars (\$150.00)".

Sec. 16.2. Effective July 1, 1986, the next to last paragraph of G.S. 135-40.1(2) is amended by deleting "three hundred dollars (\$300.00)", and substituting "four hundred fifty dollars (\$450.00)".

Sec. 17. Effective July 1, 1985, G.S. 135-40.6 is amended by deleting "per calendar year", the first time those words appear and substituting "per fiscal year".

Sec. 18. Effective July 1, 1985, G.S. 135-40.8(a) is amended by deleting "calendar year", and substituting "fiscal year".

Sec. 19. In administering G.S. 135-40.6 and G.S. 135-40.8 for calendar year 1985, where those sections prior to the enactment of Sections 17 and 18 of this act provided for deductibles and maximum out-of-pocket expenses on a calendar year basis, the period January 1 through June 30 of 1985 shall be considered a calendar year.

Sec. 20. Except as provided otherwise, this act is effective upon ratification.

In the General Assembly read three times and ratified, this the 16th day of May, 1985.