

GENERAL ASSEMBLY OF NORTH CAROLINA  
1995 SESSION

CHAPTER 669  
HOUSE BILL 1202

AN ACT TO CONFORM THE LAW GOVERNING SMALL EMPLOYER HEALTH BENEFIT PLANS TO 1995 LEGISLATION AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION'S COMMITTEE ON INSURANCE AND INSURANCE-RELATED ISSUES AND TO CLARIFY THE APPLICABILITY OF CERTAIN MEDICAL UNDERWRITING PROVISIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-50-130(a)(2) reads as rewritten:

"(2) In determining whether a preexisting-conditions provision applies to an eligible employee or to a dependent, all health benefit plans shall credit the time the person was covered under a previous ~~group~~-health benefit plan if the previous coverage was continuous to a date not more than 60 days before the effective date of the new coverage, exclusive of any applicable waiting period under the plan. As used in this subdivision with respect to previous coverage, the meaning of 'health benefit plan' is not limited to plans subject to this act under G.S. 58-50-115. the definition in G.S. 58-50-115, but includes any health benefit plan provided by a health insurer, as that term is defined in G.S. 58-51-115(a), or any government plan or program providing health benefits or health care."

Sec. 2. G.S. 58-3-173(a) reads as rewritten:

"(a) As used in this section:

(1) 'Health benefit plan' means a plan covering ~~a group~~ an employer group of persons and in the form of: an accident and health insurance policy or certificate; a nonprofit hospital or medical service corporation contract; a health maintenance organization subscriber contract; a plan provided by a multiple employer welfare arrangement; or a plan provided by another benefit arrangement, to the extent permitted by the Employee Retirement Income Security Act of 1974, as amended, or by other federal law or regulation. 'Health benefit plan' does not mean any of the following kinds of insurance:

- a. Accident
- b. Credit
- c. Disability income
- d. Long-term or nursing home care
- e. Medicare supplement
- f. Specified disease
- g. Dental or vision

- h. Coverage issued as a supplement to liability insurance
  - i. Workers' compensation
  - j. Medical payments under automobile or homeowners
  - k. Hospital income or indemnity
  - l. Insurance under which benefits are payable with or without regard to fault and that is statutorily required to be contained in any liability policy or equivalent self-insurance.
- (2) 'Insurer' includes an entity subject to Articles 49, 65, or 67 of this Chapter."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of June, 1996.

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Dennis A. Wicker  
President of the Senate

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Harold J. Brubaker  
Speaker of the House of Representatives