

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 973

Short Title: HMO Info.

(Public)

Sponsors: Senators Winner; Allran, Gulley, Hartsell, Perdue, and Rand.

Referred to: Commerce.

April 21, 1997

A BILL TO BE ENTITLED

AN ACT TO REQUIRE HEALTH MAINTENANCE ORGANIZATIONS TO
PROVIDE CERTAIN INFORMATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-67-50 is amended by adding the following new subsection
to read:

"(f) Every health maintenance organization shall annually, on or before the first
day of March of each year, file in the office of the Commissioner the following
information:

(1) The number of and reasons for complaints received by the health
maintenance organization;

(2) The number of enrollees who disenrolled from the HMO for any reason;

(3) The number of provider contracts that were terminated in the preceding
year and the reasons for termination. This information shall include the
number of providers leaving the plan and the number of new providers;

(4) Utilization data that includes statistics relating to the utilization, quality,
availability, and accessibility of services, as defined by the
Commissioner; and

(5) Aggregate financial compensation data, including the percentage of
providers paid under a capitation arrangement, discounted fee-for-

1 service or salary, the services included in the capitation payment, and
2 the range of compensation paid by withhold or incentive payments.
3 This information shall be submitted on a form prescribed by the
4 Commissioner."

5 Section 2. Article 67 of Chapter 58 of the General Statutes is amended by
6 adding the following new section to read:

7 **"§ 58-67-51. Disclosure of certain information required.**

8 Every health maintenance organization shall provide the following information to
9 enrollees and prospective enrollees, upon request:

- 10 (1) The evidence of coverage required under G.S. 58-67-50;
11 (2) The health maintenance organization's utilization review criteria or
12 treatment protocol used to determine the medical necessity of a specific
13 procedure or treatment;
14 (3) The health maintenance organization's drug formulary; and
15 (4) The health maintenance organization's determination of whether a
16 specified procedure, test, or treatment is experimental."

17 Section 3. This act becomes effective October 1, 1997.