

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 103

Short Title: Insurance/Cover Contraceptives.

(Public)

Sponsors: Representatives Insko, Berry, Bowie, Earle; Adams, Alexander, Allred, Baddour, Barefoot, Bonner, Braswell, Bridgeman, Church, Clary, Cole, Easterling, Fox, Goodwin, Gulley, Hackney, Haire, Hill, Howard, Hunter, Jarrell, Jeffus, Luebke, McAllister, McLawhorn, Mosley, Ramsey, Smith, Sutton, Wainwright, Warren, and Yongue.

Referred to: Health, if favorable, Insurance.

February 17, 1999

A BILL TO BE ENTITLED

1 AN ACT TO ENSURE THAT INSURERS THAT PROVIDE HEALTH INSURANCE
2 COVERAGE FOR PRESCRIPTION DRUGS PROVIDE COVERAGE FOR
3 PRESCRIBED CONTRACEPTIVE DRUGS AND DEVICES AND FOR
4 OUTPATIENT CONTRACEPTIVE SERVICES.
5

Whereas, there are approximately three million unintended pregnancies each year in the United States; and

Whereas, unintended pregnancies lead to higher rates of infant mortality, low birth weight, and maternal morbidity, and threaten the economic stability of families; and

Whereas, two-thirds of women of childbearing age rely on some form of private employment-related insurance to defray their medical expenses; Now, therefore,

6 The General Assembly of North Carolina enacts:

7 Section 1. Effective January 1, 2000, Article 3 of Chapter 58 of the General
8 Statutes is amended by adding the following new section to read:

9 **"§ 58-3-174. Coverage for prescription contraceptive drugs or devices and for**
10 **outpatient contraceptive services.**

1 (a) Every entity providing a health benefit plan that provides coverage for
2 prescription drugs or devices shall not exclude or restrict coverage for prescription
3 contraceptive drugs or devices. Coverage shall include coverage for the insertion or
4 removal of and any medically necessary examination associated with the use of the
5 prescribed contraceptive drug or device. The same deductibles, coinsurance, and other
6 limitations as apply to prescription drugs or devices covered under the health benefit plan
7 shall apply to coverage for prescribed contraceptive drugs or devices.

8 (b) Every entity providing a health benefit plan that provides coverage for
9 outpatient services provided by a health care professional shall not exclude or restrict
10 coverage for outpatient contraceptive services. The same deductibles, coinsurance, and
11 other limitations as apply to outpatient services covered under the health benefit plan
12 shall apply to coverage for outpatient contraceptive services.

13 (c) As used in this section, the term:

14 (1) 'Health benefit plan' means an accident and health insurance policy or
15 certificate; a nonprofit hospital or medical service corporation contract;
16 a health maintenance organization subscriber contract; a plan provided
17 by a multiple employer welfare arrangement; or a plan provided by
18 another benefit arrangement, to the extent permitted by the Employee
19 Retirement Income Security Act of 1974, as amended, or by any waiver
20 of or other exception to that Act provided under federal law or
21 regulation. 'Health benefit plan' does not mean any plan implemented
22 or administered by the North Carolina Department of Health and
23 Human Services or the United States Department of Health and Human
24 Services, or any successor agency, or its representatives. 'Health
25 benefit plan' also does not mean any of the following kinds of insurance:

26 a. Accident

27 b. Credit

28 c. Disability income

29 d. Long-term care or nursing home care

30 e. Medicare supplement

31 f. Specified disease

32 g. Dental or vision

33 h. Coverage issued as a supplement to liability insurance

34 i. Workers' compensation

35 j. Medical payments under automobile or homeowners

36 k. Hospital income or indemnity

37 l. Insurance under which benefits are payable with or without
38 regard to fault and that is statutorily required to be contained in
39 any liability policy or equivalent self-insurance.

40 (2) 'Insurer' includes an insurance company subject to this Chapter, a
41 service corporation organized under Article 65 of this Chapter, a health
42 maintenance organization organized under Article 67 of this Chapter,

1 and a multiple employer welfare arrangement subject to Article 49 of
2 this Chapter.

3 (3) 'Outpatient contraceptive services' means consultations, examinations,
4 procedures, and medical services provided on an outpatient basis and
5 related to the use of contraceptive methods to prevent pregnancy.

6 (4) 'Prescribed contraceptive drugs or devices' means drugs or devices
7 approved by the United States Food and Drug Administration for use as
8 contraceptives and obtained under a prescription written by a health care
9 provider authorized to prescribe medications under the laws of this
10 State.

11 (d) A health benefit plan subject to this section shall not:

12 (1) Deny eligibility or continued eligibility to enroll or to renew coverage
13 under the terms of the health benefit plan, solely for the purpose of
14 avoiding the requirements of this section;

15 (2) Provide monetary payments or rebates to an individual participant or
16 beneficiary to encourage the individual participant or beneficiary to
17 accept less than the minimum protections available under this section;

18 (3) Penalize or otherwise reduce or limit the reimbursement of an attending
19 provider because the provider prescribed contraceptive drugs or devices,
20 or provided contraceptive services in accordance with this section; or

21 (4) Provide incentives, monetary or otherwise, to an attending provider to
22 induce the provider to withhold from an individual participant or
23 beneficiary contraceptive drugs, devices, or services."

24 Section 2. Effective January 1, 2000, G.S. 58-50-155 reads as rewritten:

25 "**§ 58-50-155. Standard and basic health care plan coverages.**

26 (a) Notwithstanding G.S. 58-50-125(c), the standard health plan developed and
27 approved under G.S. 58-50-125 shall provide coverage for ~~mammograms and pap smears at~~
28 ~~least equal to the coverage required by G.S. 58-51-57.~~

29 ~~(a1) Notwithstanding G.S. 58-50-125(c), the standard health plan developed and~~
30 ~~approved under G.S. 58-50-125 shall provide coverage for prostate-specific antigen~~
31 ~~(PSA) tests or equivalent tests for the presence of prostate cancer at least equal to the~~
32 ~~coverage required by G.S. 58-51-58.~~

33 ~~(a2) Notwithstanding G.S. 58-50-123(c), the standard health plan developed and~~
34 ~~approved under G.S. 58-50-125 shall provide coverage for reconstructive breast surgery~~
35 ~~resulting from a mastectomy at least equal to the coverage required by G.S. 58-51-62. all~~
36 ~~of the following:~~

37 (1) Mammograms and pap smears at least equal to the coverage required by
38 G.S. 58-51-57.

39 (2) Prostate-specific antigen (PSA) tests or equivalent tests for the presence
40 of prostate cancer at least equal to the coverage required by G.S. 58-51-
41 58.

42 (3) Reconstructive breast surgery resulting from a mastectomy at least equal
43 to the coverage required by G.S. 58-51-62.

1 (4) Prescribed contraceptive drugs or devices approved by the United States
2 Food and Drug Administration for use as contraceptives, or outpatient
3 contraceptive services at least equal to the coverage required by G.S.
4 58-3-174.

5 (b) Notwithstanding G.S. 58-50-125(c), in developing and approving the plans
6 under G.S. 58-50-125, the Committee and Commissioner shall give due consideration to
7 cost-effective and life-saving health care services and to cost-effective health care
8 providers. ~~This section shall be effective after July 10, 1991."~~

9 Section 3. If any section or provision of this act is declared unconstitutional or
10 invalid by the courts, it does not affect the validity of this act as a whole or any part other
11 than the part so declared to be unconstitutional or invalid.

12 Section 4. This act is effective when it becomes law and applies to health
13 benefit plans that are delivered, issued for delivery, or renewed on and after January 1,
14 2000. For purposes of this act, renewal of a health benefit policy, contract, or plan is
15 presumed to occur on each anniversary of the date on which coverage was first effective
16 on the person or persons covered by the health benefit plan.