

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

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**SENATE BILL 1342**

Short Title: Hospital Svces Payments by Prison/State Hosp. (Public)

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Sponsors: Senator Rand.

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Referred to: Appropriations/Base Budget.

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May 26, 2004

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT FOR ANY STATE PSYCHIATRIC HOSPITAL OR  
2 CORRECTIONAL FACILITY THAT PURCHASES HOSPITAL SERVICES, THE  
3 PAYMENTS FOR THESE SERVICES IS LIMITED TO THE MAXIMUM  
4 AMOUNTS PAID FOR HOSPITAL SERVICES UNDER THE TEACHERS' AND  
5 STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.  
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7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 148-19(a) reads as rewritten:

9 **"§ 148-19. Health services.**

10 (a) The general policies, rules and regulations of the Department of Correction  
11 shall prescribe standards for health services to prisoners, which shall include preventive,  
12 diagnostic, and therapeutic measures on both an outpatient and a hospital basis, for all  
13 types of patients. A prisoner may be taken, when necessary, to a medical facility outside  
14 the State prison system. The payment amount for hospital outpatient services purchased  
15 by the Department is limited to the maximum amounts paid for hospital outpatient  
16 services by the Teachers' and State Employees' Comprehensive Major Medical Plan  
17 ("Plan"). The payment amount for hospital inpatient services not related to the Plan's  
18 DRG reimbursement system is limited to the maximum amounts paid by the Plan for  
19 hospital inpatient services. The Department of Correction shall seek the cooperation of  
20 public and private agencies, institutions, officials and individuals in the development of  
21 adequate health services to prisoners."

22 **SECTION 2.** Part 5 of Article 4 of Chapter 122C of the General Statutes is  
23 amended by adding the following new section to read:

24 **"§ 122C-187. Payment for purchase of inpatient and outpatient hospital services.**

25 The payment amount for hospital outpatient services purchased by a State hospital is  
26 limited to the maximum amounts paid for hospital outpatient services by the Teachers'  
27 and State Employees' Comprehensive Major Medical Plan ("Plan"). The payment  
28 amount for hospital inpatient services not related to the Plan's DRG reimbursement

1 system is limited to the maximum amounts paid by the Plan for hospital inpatient  
2 services."

3           **SECTION 3.** This act is effective when it becomes law and applies to  
4 hospital inpatient and outpatient services purchased by the Department of Correction or  
5 State hospitals on and after that date.