

§ 58-50-56.1. Exclusive provider organizations, exclusive provider benefit plans.

(a) Definitions. – The following definitions apply in this section:

- (1) Exclusive provider benefit plan. – A health benefit plan offered by an insurer in which insureds must receive covered services from health care providers who are under a contract with the insurer and under which there is no requirement of coverage for care received from a health care provider who is not under contract with the insurer, except for emergency services as required by G.S. 58-3-190 and medically necessary covered services as required by G.S. 58-3-200(d).
- (2) Exclusive provider organization or EPO. – An insurer holding contracts with providers to be used by or offered to insurers offering exclusive provider benefit plans.
- (3) Insurer. – An insurer or service corporation subject to this Chapter.
- (4) Participating provider. – A health care provider who has agreed to accept special reimbursement or other terms for health care services from an insurer for health care services; however, a participating provider is not a health care provider participating in any prepaid health service or capitation arrangement implemented or administered by the Department of Health and Human Services or its representatives.

(b) Insurers may enter into contracts for an exclusive provider organization with licensed health care providers of all kinds without regard to specialty of services or limitation to a specific type of practice. A contract for an exclusive provider organization that is not disapproved by the Commissioner within 90 days of its filing by the insurer shall be deemed to be approved.

(c) Any provision of a contract between an insurer offering an exclusive provider benefit plan and a health care provider that restricts the provider's right to enter into provider contracts with other persons is prohibited, is void ab initio, and is not enforceable. The existence of that restriction does not invalidate any other provision of the contract.

(d) Every insurer offering an exclusive provider benefit plan and contracting with an EPO shall require by contract that the EPO provide all of the participating providers with whom it holds contracts information about the insurer and the insurer's exclusive provider benefit plans. This information shall include for each insurer and participating provider benefit plan the benefit designs and incentives that are used to encourage insureds to use participating providers.

(e) The Commissioner's rules adopted and applicable for preferred provider organizations related to provider accessibility for the insured group, adequacy of providers, availability of services at reasonable times, and financial solvency shall apply for exclusive provider organizations.

(f) Each insurer offering an exclusive provider benefit plan shall provide the Commissioner with summary data about the financial reimbursements offered to health care providers. All such insurers shall annually disclose the following information:

- (1) The name by which the exclusive provider benefit plan is known and its business address.
- (2) The name, address, and nature of any separate organization that administers any preferred provider benefit plan for the insurer.
- (3) The terms of the agreements entered into by the insurer with providers in an exclusive provider organization.
- (4) Any other information necessary to determine compliance with this section, rules adopted under this section, or other requirements applicable to preferred provider benefit plans.

(g) Each insurer shall include a clear statement in any application and any benefit booklets for exclusive provider benefit plans that out-of-network coverage for insureds in the

exclusive provider benefit plan only applies for (i) emergency services and (ii) medically necessary covered services when an in-network provider is not reasonably available.

(h) Any provisions of this Chapter that apply to preferred provider benefit plans or preferred provider organizations as of July 1, 2021, shall also apply to exclusive provider benefit plans or exclusive provider organizations. (2021-151, s. 1.)