

Insurance

See full summary documents for additional detail

H91 - Accountability and Fair Play in Athletics. (SL 2021-184)

S.L. 2021-184 creates new requirements for overseeing regulation of high school interscholastic athletics. These requirements include:

- The State Board of Education (SBE) must either enter into a memorandum of understanding (MOU) with a nonprofit to administer and enforce SBE requirements for high school athletics or require the Department of Public Instruction to administer high school athletics.
- The SBE must adopt rules in the following areas for public school unit (PSU) high school interscholastic athletic activities: student participation (including student health and safety), appeals, administering organizations, and reporting issues of concerns.
- The SBE may adopt rules in the following areas or may delegate those rules to the administering organization: penalties, administration, gameplay, and fees.
- Beginning with the 2022-2023 school year, PSUs must conduct high school athletics in accordance with SBE rules as administered and enforced by the organization designated by the SBE. PSUs must also purchase catastrophic insurance for high school athletics through the Commissioner of Insurance.
- Beginning with the 2022-2023 school year, the Commissioner of Insurance must offer catastrophic insurance coverage for students or school personnel participating in interscholastic athletic activities to participating schools.
- Beginning July 1, 2022, conforming changes to align with the law will become effective.

Except as otherwise provided, this act became effective November 23, 2021.

H366 - Regulatory Reform Act of 2021.

Sec. 6: Manufactured Homes Installation. (SL 2021-117)

Section 6 of S.L. 2021-117 prohibits local governments from requiring masonry curtain walls or masonry skirting be installed on manufactured homes located on land leased to the homeowner.

This section became effective October 1, 2021.

H366 - Regulatory Reform Act of 2021.

Sec. 8: Insurance Cancellation Proof of Mailing. (SL 2021-117)

Section 8 of S.L. 2021-117 clarifies that proof of mailing is sufficient proof of notice for certain insurance policy or renewal cancellations by the insurer.

This section became effective October 1, 2021, and applies to policies issued, amended, or renewed on or after that date.

H366 - Regulatory Reform Act of 2021.

Sec. 8A: Clarification Regarding Use of Insurance Secondary Sources in Interpreting Law. (SL 2021-117)

Section 8A of S.L. 2021-117 clarifies that secondary sources on insurance law are not binding authority on North Carolina courts.

This section became effective August 23, 2021.

H366 - Regulatory Reform Act of 2021.

Sec. 8B: Nonforfeiture Interest Guarantee Change. (SL 2021-117)

Section 8B of S.L. 2021-117 reduces the minimum nonforfeiture interest rate guarantee percentage from 1% to 0.15%.

This section became effective August 23, 2021.

H366 - Regulatory Reform Act of 2021.

Sec. 12.5: Remote Inspections for North Carolina State Building Code Compliance. (SL 2021-117)

Section 12.5(a) of S.L. 2021-117 directs the Insurance Commissioner, through the Division of Engineering, to develop eligibility criteria to conduct certain inspections required by the North Carolina State Building Code as remote inspections, which are inspections conducted either by interactive real-time audio and video communication with a permit holder or a review of an electronic video recording submitted by the permit holder.

Section 12.5(c) of S.L. 2021-117 directs inspection departments to implement remote inspection procedures in accordance with the criteria and procedures developed by the Insurance Commissioner. Inspection departments are required to provide the remote inspection option to building permit applicants and are required to specify the extent to which remote inspections are available for certain projects when the building permit is issued.

Subsection (c) of this section became effective January 1, 2022, the remainder of this section became effective August 23, 2021.

H395 - HIE Deadline Extension & Patient Protection. (SL 2021-26)

S.L. 2021-26 does the following relative to the Health Information Exchange (HIE) Network known as NC HealthConnex: exempts ambulatory surgical centers but requires a physician who performs procedures there to be connected and to submit demographic and clinical data; extends the mandatory deadlines for certain entities to connect; allows the Department of Health and Human Services (DHHS) to submit data on behalf of specified entities; prohibits balance billing by in-network providers and entities under the State

Health Plan that have not connected; requires the HIE Authority to provide educational materials on how to access electronic health information; requires the HIE Advisory Board to submit a report by March 1, 2022 to the Joint Legislative Oversight Committee on Health and Human Services containing recommendations regarding appropriate features or actions to support the Statewide Health Information Exchange Act; and requires the HIE Authority to work with the Department of State Treasurer and the DHHS to identify and contact providers and entities who have not connected to the HIE in accordance with G.S. 90-414.4 and to report on the status of these by March 1, 2022.

This act became effective May 27, 2021.

H624 - North Carolina Regulatory Sandbox Act. (SL 2021-166)

S.L. 2021-166 will help facilitate the development of innovative financial and insurance products or services that utilize new or emerging technology. It does so by creating a "regulatory sandbox program" whereby an overseeing agency may waive, with limited exceptions and for a limited time, statutory or regulatory requirements that otherwise would not permit a participant to offer the product or service to consumers. The overseeing agency would be either the Office of the Commissioner of Banks or the Department of Insurance. The product or service offered must include disclosures to the consumers that it is authorized to be offered for a temporary testing period and is not endorsed or recommended by the State or the supervising agency.

The act became effective October 15, 2021.

H642 - Down Syndrome Organ Trans. Nondiscrim. Act. (SL 2021-64)

S.L. 2021-64 creates a new Part 4A, Nondiscrimination in Organ Transplantation, in Article 16 of Chapter 130A of the General Statutes, which specifies that it is unlawful for a covered entity, on the basis of an individual's disability, to do the following:

- Consider an individual ineligible to receive an anatomical gift or organ transplant.
- Deny medical services or other services related to organ transplantation.
- Refuse to refer the individual to a transplant center or other related specialist for the purpose of being evaluated for or receiving an organ transplant.
- Refuse to place a qualified recipient on an organ transplant waiting list.
- Place a qualified recipient on an organ transplant list at a lower priority position than if the individual did not have a disability.
- Refuse insurance coverage for any procedure associated with being evaluated for or receiving an anatomical gift or organ transplant.

A covered entity would be permitted to take an individual's disability into account when making treatment or coverage recommendations or decisions only to the extent the disability has been found by a physician or surgeon to be medically significant to the provision of the anatomical gift. An individual affected by a covered entity's alleged violation would be allowed to bring an action for injunctive and other equitable relief against the covered entity. A covered entity would not be required to make a referral for, or perform, a medically inappropriate organ transplant.

S.L. 2021-64 prohibits insurers that offer a health benefit plan that provides coverage for anatomical gifts, organ transplants, or treatment and services related to anatomical gifts or transplants, from doing the following:

- Denying coverage to an insured solely on the basis of that individual's disability.
- Denying to an individual eligibility, or continued eligibility, to enroll or to renew coverage under the terms of a health benefit plan solely for the purpose of avoiding the requirements of the statute.
- Attempting to induce a health care provider to provide care to an insured in a manner inconsistent with the statute in specified ways.
- Reducing or limiting health benefit plan coverage benefits to an insured for any necessary services related to organ transplantation.

An insurer would not be required to provide coverage for a medically inappropriate organ transplant

This act became effective October 1, 2021.

S85 - Allow Vision Service Plans. (SL 2021-169)

S.L. 2021-169 allows hospital service corporations authorized under Article 65 of Chapter 58 (Article) to offer vision service plans. The act makes changes to the insurance laws by defining any nonprofit corporation authorized under the Article that operates any dental, health care, medical, or vision service plan, as a "hospital service corporation" and renames "hospital service plan" to "health care service plan."

This act became effective October 15, 2021, and applies to contracts issued, amended, or renewed on or after November 1, 2021.

S159 - State Health Plan Administrative Changes. (SL 2021-125)

S.L. 2021-125 makes technical and clarifying changes to the State Health Plan. This act became effective August 30, 2021.

S228 - Allow Employers to Offer Exclusive Provider Option Benefit Plans. (SL 2021-151)

S.L. 2021-151 allows insurers to offer exclusive provider benefit health plans and establishes continuity of care provisions for those plans.

This act became effective October 1, 2021, and applies to contracts entered into, renewed, or amended on or after that date.

S248 - Additional Info on Health Insurance Cards. (SL 2021-30)

S.L. 2021-30 requires health insurers to note on their insurance cards whether the plan is fully insured or self-funded.

This act became effective January 1, 2022, and applies to contracts entered into, amended, or renewed on or after that date.

S257 - Medication Cost Transparency Act. (SL 2021-161)

S.L. 2021-161 requires pharmacy benefits managers (PBMs) to be licensed. It adds to the consumer protections in G.S. 58-56A-3, restricts PBMs from prohibiting pharmacies from taking certain actions, and establishes rules for claim overpayments and PBM networks. PBMs and health benefit plans are required to provide coverage for biosimilars and credit all amounts paid on behalf of insureds toward cost-sharing requirements for certain drugs. The act also increases the Commissioner's ability to take enforcement action against PBMs and creates a workgroup to study a single unified process to accredit specialty pharmacies.

The act became effective October 1, 2021, and applies to contracts entered into, renewed, or amended on or after that date.

S270 - Insurance Technical Changes. (SL 2021-177)

S.L. 2021-177 makes changes to North Carolina's insurance laws in Chapter 58 of the General Statutes addressing rate evasion fraud and certificates of insurance and makes other technical and conforming changes.

This act became effective January 1, 2022.

S299 - North Carolina Department of Insurance National Association of Insurance Commissioners' Accreditation. (SL 2021-114)

S.L. 2021-114 changes North Carolina's insurance laws to comply with the National Association of Insurance Commissioners' model laws (NAIC) and allow the North Carolina Department of Insurance (DOI) to maintain its NAIC accreditation.

Specifically, the act 1) codifies provisions from an agreement between the United States (U.S.), the European Union (EU), and the United Kingdom (UK) ("Covered Agreement") concerning the amount of required reinsurance collateral and local presence that reinsurers must maintain to do business in the other location and 2) establishes national standards governing reserves relating to life insurance policies. The act became effective September 1, 2021.

S542 - SHP Combat Fraud/Property Finders Stnds. (SL 2021-157)

S.L. 2021-157 allows the State Health Plan for Teachers and State Employees (Plan) to adopt a program encouraging Plan members to report fraud, waste, and abuse by a health care provider that provides services to Plan members and allows payment of an incentive to members. It also adds language to define and establish standards for a property finder which is a person or business who is hired for a fee or any other consideration by an owner of distributable or presumably abandoned property to locate, deliver, recover, or assist in the recovery of that property.

The portion of the act that pertains to property finders became effective January 1, 2022, and applies to agreements entered into on or after that date. The remainder of the act became effective September 16, 2021.