

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL DRS35015-MR-19

Short Title: Medical Billing Transparency. (Public)

Sponsors: Senators Krawiec, Burgin, and Corbin (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PREVENT NORTH CAROLINIANS FROM BECOMING VICTIMS OF SURPRISE BILLING BY OUT-OF-NETWORK HEALTHCARE PROVIDERS THAT HAVE RENDERED HEALTHCARE SERVICES AT HEALTH SERVICE FACILITIES THAT ARE IN-NETWORK WITH AN INDIVIDUAL'S HEALTH BENEFIT PLAN.

Whereas, insureds receiving healthcare services in North Carolina have been placed in the untenable position of receiving surprise bills from certain healthcare provider types even though the insureds have chosen to utilize a health service facility that is in-network as a participating provider with their health benefit plan; and

Whereas, in those cases, insureds in North Carolina often do not have a choice of which healthcare provider by whom they will be treated while at their chosen in-network health service facility; and

Whereas, it is in the best interest of North Carolinians to retain the choice and control over their finances which are impacted by choice of health service facilities and to avoid becoming victims of surprise billing by out-of-network healthcare providers rendering healthcare services at in-network health service facilities; Now, therefore, The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-3-295. Contract requirements for limitations on billing by in-network health service facilities.

(a) The following definitions apply in this section:

(1) Health service facility. – As defined in G.S. 131E-176(9b) and including any office location of the facility.

(2) Healthcare provider. – Any individual licensed, registered, or certified under Chapter 90 of the General Statutes, or under the laws of another state, to provide healthcare services in the ordinary care of business or practice, as a profession, or in an approved education or training program in any of the following:

a. Anesthesia or anesthesiology.

b. Emergency services, as defined under G.S. 58-3-190(g).

c. Pathology.

d. Radiology.

e. Rendering assistance to a physician performing any of the services listed in this subdivision.



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1 (3) Out-of-network provider. – A healthcare provider that has not entered into a
2 contract or agreement with an insurer to participate in one or more of the
3 insurer's provider networks for the provision of healthcare services at a
4 pre-negotiated rate.

5 (b) All contracts or agreements for participation as an in-network health service facility
6 between an insurer offering at least one health benefit plan in this State and a health service
7 facility at which there are out-of-network providers who may be part of the provision of covered
8 services to an insured while receiving care at the health service facility shall require that an
9 in-network health service facility give written notification to an insured that has scheduled an
10 appointment at that health service facility. This written notice shall include all of the following:

11 (1) All of the healthcare providers that will be rendering services to the insured
12 and that are not participating as in-network healthcare providers in the
13 applicable insurer's network.

14 (2) The estimated cost to the insured of the covered healthcare services being
15 rendered by the out-of-network providers identified in subdivision (1) of this
16 subsection.

17 (c) The written notice required under subsection (b) of this section shall be given at least
18 72 hours prior to the rendering of healthcare services at the in-network health service facility. If
19 there are not at least 72 hours between the time that the appointment for healthcare services is
20 made and the scheduled appointment, then the in-network health service facility shall give the
21 required written notice to the insured on the day the appointment is scheduled, unless the
22 healthcare services provided are emergency services. If the healthcare services provided are
23 emergency services, then the in-network health service facility shall give written notice to the
24 insured as soon as reasonably possible.

25 (d) If any provision of this section conflicts with the federal Consolidated Appropriations
26 Act, 2021, P.L. 116-260, and any amendments to that act or regulations promulgated pursuant to
27 that act, then the provisions of P.L. 116-260 will be applied."

28 **SECTION 2.** This act becomes effective October 1, 2023, and applies to contracts
29 entered into, amended, or renewed on or after that date.