

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**SESSION LAW 2007-362  
SENATE BILL 1032**

AN ACT TO IMPOSE TIME LIMITATIONS ON OVERPAYMENT RECOVERY UNDER THE PROMPT CLAIM PAYMENTS STATUTE AND TO REQUIRE THAT INSURERS OFFERING HEALTH BENEFITS PLANS PROVIDE INSURANCE IDENTIFICATION CARDS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 58-3-225(h) reads as rewritten:

"(h) ~~To the extent permitted by the contract between the insurer and the health care provider or health care facility,~~ Subject to the time lines required under this section, the insurer may recover overpayments made to the health care provider or health care facility by making demands for refunds and by offsetting future payments. Any such recoveries may also include related interest payments that were made under the requirements of this section. Not less than 30 calendar days before an insurer seeks overpayment recovery or offsets future payments, the insurer shall give written notice to the health care provider or health care facility, which notice shall be accompanied by adequate specific information to identify the specific claim and the specific reason for the recovery. The recovery of overpayments or offsetting of future payments may be made not more than two years after the date of the original claim payment unless the insurer has reasonable belief of fraud or other intentional misconduct by the health care provider or health care facility or its agents, or the claim involves a health care provider or health care facility receiving payment for the same service from a government payor. Recoveries by the insurer must be accompanied by the specific reason and adequate information to identify the specific claim. To the extent permitted by the contract between the insurer and the health care provider or health care facility, the ~~The~~ health care provider or health care facility may recover underpayments or nonpayments by the insurer by making demands for refunds. Any such recoveries by the health care provider or health care facility of underpayments or nonpayment by the insurer may include applicable interest under this section. The period for which such recoveries may be made ~~may be specified in the contract between the insurer and health care provider or health care facility.~~ may not exceed two years after the date of the original claim adjudication, unless the claim involves a health provider or health care facility receiving payment for the same service from a government payor."

**SECTION 2.** Article 3 of Chapter 58 of the General Statutes is amended by adding a new section to read:

**"§ 58-3-247. Insurance identification card.**

(a) Every insurer offering a health benefit plan as defined under G.S. 58-3-167, including the State Health Plan, shall provide the health benefit plan subscriber or members with an insurance identification card. The card shall contain at a minimum:

- (1) The subscriber's name and identification number.
- (2) The member's name and identification number, if applicable and different from the subscriber's name and identification number.
- (3) The group number.
- (4) The name of the organization issuing the policy, the name of the organization administering the policy, and the name of the network, whichever applies.

- (5) The effective date of health benefits plan coverage or the date the card is issued if it is after the effective date.
- (6) The address where claims are to be filed and, if applicable, the electronic claims filing payor identification number.
- (7) The policyholder's obligations with regard to co-payments, if applicable, for at least the following:
  - a. Primary care office visit.
  - b. Specialty care office visit.
  - c. Urgent care visit.
  - d. Emergency room visit.
- (8) The phone number or Web site address whereby the subscriber, member, or service provider, in compliance with privacy rules under the Health Insurance Portability and Accountability Act may readily obtain the following:
  - a. Confirmation of eligibility.
  - b. Benefits verification in order to estimate patient financial responsibility.
  - c. Prior authorization for services and procedures.
  - d. The list of participating providers in the network.
  - e. The employer group number.
  - f. Special mental health medical benefits under the health plan, if applicable.

(b) The insurance identification card must be designed such that if the card is photocopied or electronically scanned, the resulting image is clearly legible. The identification card must present the information in a readily identifiable manner or, alternatively, the information may be embedded on the card and available through magnetic stripe or smart card. The information may also be provided through other electronic technology."

**SECTION 3.** Section 1 of this act becomes effective January 1, 2008, and applies to claims made for services rendered on and after that date. Section 2 of this act becomes effective January 1, 2009, and applies to policies issued or renewed in health benefits plans on or after that date.

In the General Assembly read three times and ratified this the 1<sup>st</sup> day of August, 2007.

s/ Beverly E. Perdue  
President of the Senate

s/ Joe Hackney  
Speaker of the House of Representatives

s/ Michael F. Easley  
Governor

Approved 12:41 p.m. this 17<sup>th</sup> day of August, 2007