

April 3, 2001

S 824. TEACHERS' AND STATE EMPLOYEES' BENEFITS. PERTAINING TO TEACHERS' AND STATE EMPLOYEES' BENEFITS. Blank bill.

Intro. by Rand.

Ref. to Judiciary I	UNCODIFIED
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June 21, 2001

S 824. TEACHERS' AND STATE EMPLOYEES' BENEFITS. Intro. 4/3/01. Senate committee substitute makes the following changes to 1st edition: (1) changes title to *AN ACT PERTAINING TO BENEFITS UNDER THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN; AND TO HOSPITAL RATES UNDER WORKERS' COMPENSATION*; (2) amends GS 135-39.5(26) to authorize the Executive Administrator and Board of Trustees of the Plan to increase annually the amount of the annual deductible and annual aggregate maximum deductible by a percentage increase that may not exceed the percentage increase of the U.S. Consumer Index for All Urban Consumers for Total Medical Care (effective July 1, 2002); (3) amends GS 135-40.1(2) to change the definition of "deductible" so as to increase the current annual deductible for each covered person from \$250 to \$400 and to increase the annual aggregate maximum for each family from \$750 to \$1,200; (4) repeals GS 135-40.5(d), thus eliminating Plan payments for certain costs related to second surgical opinions; (5) amends GS 135-40.5(g) to increase copayments to be paid by a covered individual as follows: each branded prescription, from \$15 to \$25; each branded prescription with a generic equivalent drug, from \$20 to \$35; and each branded or generic prescription not on a formulary used by the Plan, from \$25 to \$40; (6) provides that the Plan and its pharmacy benefit manager may not provide coverage for growth hormone, weight loss drugs, antifungal drugs for the treatment of nail fungus, botulinum toxin, and other outpatient prescription drugs authorized by the Executive Administrator, without approval in advance by the pharmacy benefit manager; (7) amends GS 135-40.6 (benefits subject to deductible and coinsurance) so as to increase the deductible amounts as per item (3) above and to increase the maximum amount of out-of-pocket expenses per fiscal year that are split 80-20 (Plan pays 80%, individual pays 20%) from \$1,000 to \$1,500; (8) amends GS 135-40.6(f) to cover in-patient charges for physical, speech, and occupational therapy (now, physical therapy only); (9) amends GS 135-40.6(3) to limit the covered charges for skilled nursing facility benefits to not more than 80 days per fiscal year; (10) amends GS 135-40.6(8)e. to cover charges for therapeutic shoes for diabetes and other high-risk conditions as prosthetic and orthopedic appliances; (11) amends GS 135-40.6(8)m. to cover charges for cardiac rehabilitation not to exceed the greater of \$1,300 or for 60 days per fiscal year (now, \$650), but limits coverage to patients with Coronary Artery Bypass Graft (CABG), status/post myocardial infarction, Percutaneous Transluminal Coronary Angioplasty (PCTA), or stent, valve replacement, heart transplant, or chronic and disabling angina if these services are provided within six months of the qualifying event; (12) amends GS 135-40.6A(b) authorizing the Executive Administrator and Board of Trustees to establish procedures for giving prior medical approval for varicose vein surgery, botulinum toxin, and outpatient prescription drugs for growth hormone, weight loss, and antifungal drugs for the treatment of nail fungus; (13) amends GS 135-40.9 to raise the maximum lifetime benefit for each covered individual from \$2 million to \$5 million; (14) amends GS 97-26(b) to delete detailed provisions specifying how Commission is to reimburse hospital services for workers' compensation claims and replacing them with a general delegation of power to the Commission to determine the terms of payment, subject to the provisions described in (15); (15) provides that payments for medical treatment and services rendered to workers' compensation patients by a hospital on or after July 1, 2001, and before Aug. 1, 2001, shall be equal to the payment the hospital would have received for such treatment and services on June 30, 2001; (16) exempts from the State Personnel System five positions under the Executive Administrator as follows: (a) CMS Operations Manager; (b) Program Services Specialist; (c) Program Secretary I; (d) Program Secretary II; and (e) Accountant II; and (17) makes effective date of all bill sections July 1, 2001, except for provisions described above for which another effective date is specified.

June 27, 2001

S 824. STATE HEALTH PLAN CHANGES. Intro. 4/3/01. House committee substitute makes the following changes to 2nd edition. Section 1 of bill is identical to Sections 32.20(a) through Section 32.20(s), State Employee Health Plan Changes, of House Committee Substitute for S 1005 digested in today's bulletin. Deletes amendment to GS 126-5(c1) exempting additional positions from State Personnel Act.

June 28, 2001

S 824. STATE HEALTH PLAN CHANGES. Intro. 4/3/01. Conference report recommends the following changes to 3rd edition to reconcile matters in controversy. Substantially identical to state health plan provisions in the 4th edition of S 1005 (House version of the Appropriations Act of 2001), except for the following: adopts amendment to GS 135-39.5 as included in the 3rd edition of S 1005 (Senate version); makes no amendment to the second paragraph of GS 135-40.4 (House version contained proposed additions); adopts amendment to GS 135-40.9 as included in the 3rd edition of S 1005 (Senate version); modifies the amendment to GS 135-39.8 proposed in the 4th edition of S 1005 (House version) by more specifically identifying "interested persons" entitled to notice and comment as employing units, health benefit representatives, oversight teams, relevant health care providers, and other persons who have been approved; changes 4th edition provisions regarding development of a prospective payment system to require that the Plan develop a prospective payment system "as soon as practicable" (House version mandated development by July 1, 2003); adds clause that provides that hospitals rendering medical treatment and services to workers' compensation patients between July 1, 2001, and August 1, 2001, shall be paid the same amount that they would receive for treatment and services provided on June 30, 2001.

July 3, 2001

SL 2001-253 (S 824). STATE HEALTH PLAN CHANGES. AN ACT PERTAINING TO BENEFITS UNDER THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN; AND TO HOSPITAL RATES UNDER WORKERS' COMPENSATION. Summarized in *Daily Bulletin* 6/21/01, 6/27/01, and 6/28/01. Enacted June 29, 2001. Effective July 1, 2001, except as otherwise provided.