

March 17, 2005

**S 626. HIPAA COMPLIANCE AND FAIRNESS (=H 727).** *TO BRING NORTH CAROLINA LAW INTO COMPLIANCE WITH THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT REGARDING THE TYPE OF COVERAGE THAT CONSTITUTES CREDITABLE COVERAGE; TO PROVIDE SPECIAL ENROLLMENT PERIODS WITHOUT PENALTY FOR PERSONS ENROLLED UNDER A GROUP PLAN WHOSE COVERAGE IS TERMINATED WHEN AN INSURER DISCONTINUES WRITING A CERTAIN TYPE OF GROUP HEALTH INSURANCE COVERAGE THROUGHOUT THAT ENTIRE SMALL OR LARGE GROUP MARKET; AND TO PROVIDE CONTINUED GUARANTEED ISSUE RIGHTS TO A PERSON WHO IS HIPAA ELIGIBLE, WHO IS INSURED IN THE INDIVIDUAL MARKET, AND WHOSE INSURER DISCONTINUES WRITING A CERTAIN TYPE OF HEALTH INSURANCE COVERAGE THROUGHOUT THE ENTIRE INDIVIDUAL MARKET.* Identical to H 727, introduced 3/17/05.

**Intro. by Thomas.**

Ref. to Commerce

GS 58

April 5, 2005

**S 626. HIPAA COMPLIANCE AND FAIRNESS.** Intro. 03/17/05. Senate committee substitute makes the following changes to 1st edition. (1) Amends GS 58-68-30(c)(1)k. by substituting "Title XXI of the Social Security Act (State Children's health Insurance Program)" for "The Health Insurance Program for Children established in Part 8 of Chapter 108A of the General Statutes" in the list of types of individual coverage qualifying as creditable previous coverage. (2) Enacts new GS 58-68-30(c)(2)d. providing that with respect to an individual who has elected COBRA continuation coverage during the second election period provided under the Trade Act of 2002, the days between the date the individual lost group health plan coverage and the first day of the second COBRA election period will not be taken into account in determining whether a significant break in coverage has occurred. (3) Amends GS 58-68-30(f)(1)c by adding to the list of circumstances under which an employee or dependent may qualify for enrollment in a group health plan outside of the open enrollment period the following: loss of prior coverage due to cessation of dependent status, loss of prior coverage because the employee or dependent no longer resides, lives, or works in the service area, loss of prior coverage because the employee or dependent has met the lifetime limit on benefits, and loss of prior coverage because the previous plan ceases to offer benefits to a class of similarly situated individuals that includes the employee or dependent. (4) Enacts new GS 58-68-60(j) providing that a significant break in coverage does not occur during the waiting period following an individual's submission of an application for coverage. (5) Amends GS 58-68-30(b)(1) by providing that the enrollment date of an individual receiving benefits under a group health plan does not change if the plan changes benefit packages or health insurers. (6) Amends GS 58-68-30(b)(3) by providing that a preexisting condition exclusion includes any exclusion that arises out of information relating to an individual's health before the individual's effective date of coverage under a group health plan, including conditions identified as a result of a pre-enrollment questionnaire or physical examination or review of medical records relating to the pre-enrollment period. (7) Amends effective date so that the entire act is effective when it becomes law.

July 11, 2005

**S 626. HIPAA COMPLIANCE AND FAIRNESS.** Intro. 3/17/05. House committee substitute adopted 7/7/05 makes the following changes to 2nd edition. Amends GS 58-68-30(f)(1)c., effective January 1, 2006, to provide that an employee will also be eligible for coverage if the health insurer discontinued offering all health insurance coverage in accordance with GS 58-68-45(c)(2). Amends GS 58-68-30(f)(1)d. to require that an employee who requests enrollment outside the open enrollment period do so no later than 30 days after the applicable event set forth in sub-subdivision c. (was, 30 days after the date coverage is exhausted under sub-subdivision c.(i)). Provides that proposed new GS 58-68-60(i) and (j) (guaranteed issue rights) apply to all health benefit plans delivered or renewed on or after January 1, 2006. States that for purposes of

act, renewal of a health benefit plan is presumed to occur on each anniversary of the date on which coverage was first effective. Makes technical changes.

July 28, 2005

**SL 2005-224 (S 626). HIPAA COMPLIANCE AND FAIRNESS.** *AN ACT TO BRING NORTH CAROLINA LAW INTO COMPLIANCE WITH THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT; TO PROVIDE SPECIAL ENROLLMENT PERIODS WITHOUT PENALTY FOR PERSONS ENROLLED UNDER A GROUP PLAN WHOSE COVERAGE IS TERMINATED WHEN AN INSURER DISCONTINUES WRITING A CERTAIN TYPE OF GROUP HEALTH INSURANCE COVERAGE THROUGHOUT THAT ENTIRE SMALL OR LARGE GROUP MARKET; AND TO PROVIDE CONTINUED GUARANTEED ISSUE RIGHTS TO A PERSON WHO IS HIPAA ELIGIBLE, WHO IS INSURED IN THE INDIVIDUAL MARKET, AND WHOSE INSURER DISCONTINUES WRITING A CERTAIN TYPE OF HEALTH INSURANCE COVERAGE THROUGHOUT THE ENTIRE INDIVIDUAL MARKET.* Summarized in *Daily Bulletin* 3/17/05, 4/5/05, and 7/11/05. Enacted July 27, 2005. Sections 2.2 and 3 are effective January 1, 2006. The remainder is effective July 27, 2005.