

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 609
PROPOSED COMMITTEE SUBSTITUTE S609-PCS15172-TK-23

Short Title: Facilitate Locum Tenens Physicians.

(Public)

Sponsors:

Referred to:

April 19, 2011

A BILL TO BE ENTITLED

AN ACT TO AMEND THE INSURANCE LAWS IN ORDER TO FACILITATE THE USE
OF LOCUM TENENS PHYSICIANS TO ENSURE NORTH CAROLINA'S MEDICAL
PROFESSIONALS ARE CAPABLE OF SERVING THE STATE'S EXPANDING
POPULATION.

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:

"§ 58-3-231. Payment under locum tenens arrangements.

(a) As used in this section, the following definitions apply:

- (1) Covered visit services. – All office visits, emergency visits, and any related service performed by a physician that is covered by the insurer.
- (2) Insurer. – Defined in G.S. 58-3-167(a).
- (3) Locum tenens agency. – A company authorized to conduct business in North Carolina that provides, through contract, locum tenens placement and administrative services for regular physicians, locum tenens physicians, medical groups, and hospitals.
- (4) Locum tenens physician. – A physician who substitutes for a regular physician on a temporary basis and is not an employee of the regular physician.
- (5) Regular physician. – The physician that is normally scheduled to see a patient, including physician specialists and a physician who has left a group practice for whom a locum tenens physician is retained.

(b) An insurer that provides a health benefit plan shall establish and maintain a process to allow a patient's regular physician to submit a claim and, if the claim is accepted, receive payment for covered visit services that the regular physician or a locum tenens agency arranges to be provided by a locum tenens physician, provided the following are true:

- (1) The regular physician is unavailable to provide the covered visit services or the locum tenens physician is assisting the regular physician in providing covered visit services.
- (2) The insured patient has arranged or seeks to receive the covered visit services from the regular physician.



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1 (3) The locum tenens physician does not provide the covered visit services to
2 insured patients of a single regular physician for more than 90 consecutive
3 days.

4 (4) The regular physician identifies the covered visit services as locum tenens
5 physician services meeting the requirements of this section by entering the
6 proper code required by the insurer after the procedure code.

7 (5) The regular physician pays for the locum tenens physician's covered visit
8 services on a per diem or similar fee-for-time basis.

9 (6) The regular physician maintains a record of each covered visit service
10 provided by the locum tenens physician and makes this record available to
11 the insurer upon request.

12 (c) A medical group or hospital may submit claims for the covered visit services of a
13 locum tenens physician substituting for a regular physician who is a member of the group or an
14 employee of the hospital if the requirements of subsection (b) of this section are met. For
15 purposes of these requirements, per diem or similar fee-for-time compensation that the group or
16 hospital pays for the locum tenens physician is considered paid by the regular physician. A
17 physician who has left the group and for whom the group has engaged a locum tenens
18 physician as a temporary replacement may bill for the temporary physician for up to 90
19 consecutive days.

20 (d) An insurer shall allow a locum tenens physician credentialed with that insurer to
21 substitute for a regular physician in accordance with this section without a statement of
22 supervision if (i) the regular physician is a solo practitioner or (ii) there is not otherwise a
23 regular physician who is able to provide a statement of supervision.

24 (e) Locum tenens agencies may contract with regular physicians, medical groups,
25 hospitals, and locum tenens physicians to provide placement and administrative services related
26 to the locum tenens substitution, provided the following are true:

27 (1) The locum tenens agency charges fees that are reasonably related to the
28 value of the services that the locum tenens agency provides.

29 (2) The locum tenens agency does not interfere with or attempt to influence the
30 clinical judgment of a physician providing locum tenens services."

31 **SECTION 2.** Insurers shall establish within 180 days after the effective date of this
32 act the process required by G.S. 58-3-231, as enacted by this act.

33 **SECTION 3.** This act becomes effective October 1, 2011.