

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

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HOUSE BILL 247  
PROPOSED COMMITTEE SUBSTITUTE H247-PCS30248-SA-9

Short Title: Freedom to Negotiate Health Care Rates.

(Public)

Sponsors:

Referred to:

March 7, 2013

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW HEALTH PROVIDERS AND HEALTH INSURERS TO FREELY  
3 NEGOTIATE REIMBURSEMENT RATES BY PROHIBITING CONTRACT  
4 PROVISIONS THAT RESTRICT RATE NEGOTIATIONS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Part 7 of Article 50 of Chapter 58 of the General Statutes is amended  
7 by adding a new section to read:

8 "**§ 58-50-295. Prohibited contract provisions related to reimbursement rates.**

9 No contract with a health care provider shall do any of the following:

- 10 (1) Prohibit, or grant a health insurance carrier an option to prohibit, the  
11 provider from contracting with another health insurance carrier to provide  
12 health care services at a rate that is equal to or lower than the payment  
13 specified in the contract.
- 14 (2) Require the provider to accept a lower payment rate in the event that the  
15 provider agrees to provide health care services to any other health insurance  
16 carrier at a rate that is equal to or lower than the payment specified in the  
17 contract.
- 18 (3) Require, or grant a health insurance carrier an option to require, termination  
19 or renegotiation of an existing health care contract in the event that the  
20 provider agrees to provide health care services to any other health insurance  
21 carrier at a rate that is equal to or lower than the payment specified in the  
22 contract.
- 23 (4) Require, or grant a health insurance carrier an option to require, the provider  
24 to disclose, directly or indirectly, the provider's contractual rates with  
25 another health insurance carrier.
- 26 (5) Require, or grant a health insurance carrier an option to require, the  
27 nonnegotiated adjustment by the issuer of the provider's contractual rate to  
28 equal the lowest rate the provider has agreed to charge any other health  
29 insurance carrier.
- 30 (6) Require, or grant a health insurance carrier an option to require, the provider  
31 to charge another health insurance carrier a rate that is equal to or more than  
32 the reimbursement rate specified in the contract."

33 SECTION 2. This act becomes effective October 1, 2013, and applies to contracts  
34 entered into, renewed, or amended on or after that date. Neither this act nor any legislative  
35 history of its passage shall be construed to affect any litigation pending at the time this act  
36 becomes effective.



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