

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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PROPOSED SENATE COMMITTEE SUBSTITUTE H933-PCS40765-BC-43

Short Title: Reciprocity/School Psychologist Licensure. (Public)

Sponsors:

Referred to:

May 16, 2018

1 A BILL TO BE ENTITLED
2 AN ACT DIRECTING THE STATE BOARD OF EDUCATION TO GRANT A LICENSE TO
3 PRACTICE AS A SCHOOL PSYCHOLOGIST TO ANY INDIVIDUALS WHO HOLD
4 THE NATIONALLY CERTIFIED SCHOOL PSYCHOLOGIST CREDENTIAL,
5 ESTABLISHING A PSYCHOLOGY INTERJURISDICTIONAL COMPACT (PSYPACT),
6 ALLOWING INSURERS TO PROVIDE STOP LOSS INSURANCE TO SMALL
7 BUSINESSES, AND ALLOWING CERTAIN NONPROFIT ORGANIZATIONS TO
8 SPONSOR SELF-FUNDED HEALTH BENEFIT PLANS.

9 Whereas, school psychologists perform essential services for the social, emotional,
10 and mental health of students throughout North Carolina; and

11 Whereas, the number of school psychologists in the State has been steadily declining
12 since the 2013-2014 academic year; and

13 Whereas, one reason the State faces a shortage of school psychologists is the lack of
14 reciprocity granted to individuals who are licensed as school psychologists in other states and
15 may wish to practice in North Carolina; and

16 Whereas, the standards to receive a Nationally Certified School Psychologist
17 credential from the National Association of School Psychologists are at least as stringent as the
18 standards the State currently requires for licensure as a school psychologist; Now, therefore,
19 The General Assembly of North Carolina enacts:

20 **SECTION 1.(a)** G.S. 115C-270.20(b) is repealed.

21 **SECTION 1.(b)** The catch line of G.S. 115C-270.20 reads as rewritten:

22 "**§ 115C-270.20. ~~Licensure-Teacher licensure requirements.~~**"

23 **SECTION 2.** Article 17E of Chapter 115C of the General Statutes is amended by
24 adding a new section to read:

25 "**§ 115C-270.21. Administrator and student services personnel licensure requirements.**

26 (a) Administrators. – The State Board shall establish classification and levels of
27 preparation necessary for issuance of licenses for administrators, as provided in this Chapter.

28 (b) Student Services Personnel. – The State Board shall establish classification and levels
29 of preparation necessary for issuance of licenses for student services personnel, as provided in
30 this Article.

31 The State Board of Education shall issue a school psychologist license to an individual who
32 does any of the following: (i) meets the criteria for licensure as a school psychologist established
33 by the State Board or (ii) holds the Nationally Certified School Psychologist credential issued by
34 the National Association of School Psychologists. For any individual that holds the Nationally
35 Certified School Psychologist credential, a school psychologist license shall be issued to the



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1 individual within 60 days of submission of a completed application that includes documentation
2 verifying that credential."

3 **SECTION 3.** Article 18A of Chapter 90 of the General Statutes, G.S. 90-270.1
4 through G.S. 90-270.22, is recodified as Article 18G of Chapter 90 of the General Statutes,
5 G.S. 90-270.135 through G.S. 90-270.159.

6 **SECTION 4.** Chapter 90 of the General Statutes is amended by adding a new Article
7 to read:

8 "Article 18H.

9 "Psychology Interjurisdictional Licensure Compact.

10 **"§ 90-270.160. Purpose.**

11 This Compact is designed to achieve the following purposes and objectives:

- 12 (1) Increase public access to professional psychological services by allowing for
13 telepsychological practice across state lines as well as temporary in-person,
14 face-to-face services into a state which the psychologist is not licensed to
15 practice psychology.
- 16 (2) Enhance the states' ability to protect the public's health and safety, especially
17 client/patient safety.
- 18 (3) Encourage the cooperation of Compact States in the areas of psychology
19 licensure and regulation.
- 20 (4) Facilitate the exchange of information between Compact States regarding
21 psychologist licensure, adverse actions, and disciplinary history.
- 22 (5) Promote compliance with the laws governing psychological practice in each
23 Compact State.
- 24 (6) Invest all Compact States with the authority to hold licensed psychologists
25 accountable through the mutual recognition of Compact State licenses.

26 **"§ 90-270.161. Definitions.**

- 27 (1) Adverse action. – Any action taken by a State Psychology Regulatory
28 Authority which finds a violation of a statute or regulation that is identified
29 by the State Psychology Regulatory Authority as discipline and is a matter of
30 public record.
- 31 (2) Association of State and Provincial Psychology Boards (ASPPB). – The
32 recognized membership organization composed of State and Provincial
33 Psychology Regulatory Authorities responsible for the licensure and
34 registration of psychologists throughout the United States and Canada.
- 35 (3) Authority to Practice Interjurisdictional Telepsychology. – A licensed
36 psychologist's authority to practice telepsychology, within the limits
37 authorized under this Compact, in another Compact State.
- 38 (4) Bylaws. – Those Bylaws established by the Psychology Interjurisdictional
39 Compact Commission pursuant to G.S. 90-270.169 for its governance, or for
40 directing and controlling its actions and conduct.
- 41 (5) Client/patient. – The recipient of psychological services, whether
42 psychological services are delivered in the context of health care, corporate,
43 supervision, and/or consulting services.
- 44 (6) Commissioner. – The voting representative appointed by each State
45 Psychology Regulatory Authority pursuant to G.S. 90-270.169.
- 46 (7) Compact State. – A state, the District of Columbia, or United States territory
47 that has enacted this Compact legislation and which has not withdrawn
48 pursuant to G.S. 90-270.172(c) or been terminated pursuant to
49 G.S. 90-270.171(b).
- 50 (8) Confidentiality. – The principle that data or information is not made available
51 or disclosed to unauthorized persons and/or processes.

- 1 (9) Coordinated Licensure Information System or Coordinated Database. – An
2 integrated process for collecting, storing, and sharing information on
3 psychologists' licensure and enforcement activities related to psychology
4 licensure laws, which is administered by the recognized membership
5 organization composed of State and Provincial Psychology Regulatory
6 Authorities.
- 7 (10) Day. – Any part of a day in which psychological work is performed.
- 8 (11) Distant State. – The Compact State where a psychologist is physically present
9 (not through the use of telecommunications technologies), to provide
10 temporary in-person, face-to-face psychological services.
- 11 (12) E.Passport. – A certificate issued by the Association of State and Provincial
12 Psychology Boards (ASPPB) that promotes the standardization in the criteria
13 of interjurisdictional telepsychology practice and facilitates the process for
14 licensed psychologists to provide telepsychological services across state lines.
- 15 (13) Executive Board. – A group of directors elected or appointed to act on behalf
16 of, and within the powers granted to them by, the Commission.
- 17 (14) Home State. – A Compact State where a psychologist is licensed to practice
18 psychology. If the psychologist is licensed in more than one Compact State
19 and is practicing under the Authority to Practice Interjurisdictional
20 Telepsychology, the Home State is the Compact State where the psychologist
21 is physically present when the telepsychological services are delivered. If the
22 psychologist is licensed in more than one Compact State and is practicing
23 under the Temporary Authorization to Practice, the Home State is any
24 Compact State where the psychologist is licensed.
- 25 (15) Identity History Summary. – A summary of information retained by the FBI,
26 or other designee with similar authority, in connection with arrests and, in
27 some instances, federal employment, naturalization, or military service.
- 28 (16) In-person, face-to-face. – Interactions in which the psychologist and the
29 client/patient are in the same physical space and which does not include
30 interactions that may occur through the use of telecommunication
31 technologies.
- 32 (17) Interjurisdictional Practice Certificate (IPC). – A certificate issued by the
33 Association of State and Provincial Psychology Boards (ASPPB) that grants
34 temporary authority to practice based on notification to the State Psychology
35 Regulatory Authority of intention to practice temporarily and verification of
36 one's qualifications for such practice.
- 37 (18) License. – Authorization by a State Psychology Regulatory Authority to
38 engage in the independent practice of psychology, which would be unlawful
39 without the authorization.
- 40 (19) Non-Compact State. – Any State which is not at the time a Compact State.
- 41 (20) Psychologist. – An individual licensed for the independent practice of
42 psychology.
- 43 (21) Psychology Interjurisdictional Compact Commission (Commission). – The
44 national administration of which all Compact States are members.
- 45 (22) Receiving State. – A Compact State where the client/patient is physically
46 located when the telepsychological services are delivered.
- 47 (23) Rule. – A written statement by the Psychology Interjurisdictional Compact
48 Commission promulgated pursuant to G.S. 90-270.170 of the Compact that is
49 of general applicability, implements, interprets, or prescribes a policy or
50 provision of the Compact, or an organizational, procedural, or practice
51 requirement of the Commission and has the force and effect of statutory law

1 in a Compact State, and includes the amendment, repeal, or suspension of an
2 existing rule.

3 (24) Significant investigatory information. –

4 a. Investigative information that a State Psychology Regulatory
5 Authority, after a preliminary inquiry that includes notification and an
6 opportunity to respond if required by state law, has reason to believe,
7 if proven true, would indicate more than a violation of state statute or
8 ethics code that would be considered more substantial than minor
9 infraction; or

10 b. Investigative information that indicates that the psychologist
11 represents an immediate threat to public health and safety regardless
12 of whether the psychologist has been notified and/or had an
13 opportunity to respond.

14 (25) State. – A state, commonwealth, territory, or possession of the United States
15 or the District of Columbia.

16 (26) State Psychology Regulatory Authority. – The Board, office, or other agency
17 with the legislative mandate to license and regulate the practice of psychology.

18 (27) Telepsychology. – The provision of psychological services using
19 telecommunication technologies.

20 (28) Temporary Authorization to Practice. – A licensed psychologist's authority to
21 conduct temporary in-person, face-to-face practice, within the limits
22 authorized under this Compact, in another Compact State.

23 (29) Temporary in-person, face-to-face practice. – Where a psychologist is
24 physically present (not through the use of telecommunications technologies)
25 in the Distant State to provide for the practice of psychology for 30 days within
26 a calendar year and based on notification to the Distant State.

27 **§ 90-270.162. Home State licensure.**

28 (a) The Home State shall be a Compact State where a psychologist is licensed to practice
29 psychology.

30 (b) A psychologist may hold one or more Compact State licenses at a time. If the
31 psychologist is licensed in more than one Compact State, the Home State is the Compact State
32 where the psychologist is physically present when the services are delivered as authorized by the
33 Authority to Practice Interjurisdictional Telepsychology under the terms of this Compact.

34 (c) Any Compact State may require a psychologist not previously licensed in a Compact
35 State to obtain and retain a license to be authorized to practice in the Compact State under
36 circumstances not authorized by the Authority to Practice Interjurisdictional Telepsychology
37 under the terms of this Compact.

38 (d) Any Compact State may require a psychologist to obtain and retain a license to be
39 authorized to practice in a Compact State under circumstances not authorized by Temporary
40 Authorization to Practice under the terms of this Compact.

41 (e) A Home State's license authorizes a psychologist to practice in a Receiving State
42 under the Authority to Practice Interjurisdictional Telepsychology only if the Compact State:

43 (1) Currently requires the psychologist to hold an active E.Passport;

44 (2) Has a mechanism in place for receiving and investigating complaints about
45 licensed individuals;

46 (3) Notifies the Commission, in compliance with the terms herein, of any adverse
47 action or significant investigatory information regarding a licensed individual;

48 (4) Requires an Identity History Summary of all applicants at initial licensure,
49 including the use of the results of fingerprints or other biometric data checks
50 compliant with the requirements of the Federal Bureau of Investigation (FBI).

- 1 or other designee with similar authority, no later than 10 years after activation
2 of the Compact; and
3 (5) Complies with the Bylaws and Rules of the Commission.
4 (f) A Home State's license grants Temporary Authorization to Practice to a psychologist
5 in a Distant State only if the Compact State:
6 (1) Currently requires the psychologist to hold an active IPC;
7 (2) Has a mechanism in place for receiving and investigating complaints about
8 licensed individuals;
9 (3) Notifies the Commission, in compliance with the terms herein, of any adverse
10 action or significant investigatory information regarding a licensed individual;
11 (4) Requires an Identity History Summary of all applicants at initial licensure,
12 including the use of the results of fingerprints or other biometric data checks
13 compliant with the requirements of the Federal Bureau of Investigation (FBI),
14 or other designee with similar authority, no later than 10 years after activation
15 of the Compact; and
16 (5) Complies with the Bylaws and Rules of the Commission.

17 **"§ 90-270.163. Compact privilege to practice telepsychology.**

18 (a) Compact States shall recognize the right of a psychologist, licensed in a Compact
19 State in conformance with G.S. 90-270.162, to practice telepsychology in other Compact States
20 (Receiving States) in which the psychologist is not licensed, under the Authority to Practice
21 Interjurisdictional Telepsychology as provided in the Compact.

22 (b) To exercise the Authority to Practice Interjurisdictional Telepsychology under the
23 terms and provisions of this Compact, a psychologist licensed to practice in a Compact State
24 must:

- 25 (1) Hold a graduate degree in psychology from an institute of higher education
26 that was, at the time the degree was awarded:
27 a. Regionally accredited by an accrediting body recognized by the U.S.
28 Department of Education to grant graduate degrees, or authorized by
29 Provincial Statute or Royal Charter to grant doctoral degrees; or
30 b. A foreign college or university deemed to be equivalent to
31 sub-subdivision a. of this subdivision by a foreign credential
32 evaluation service that is a member of the National Association of
33 Credential Evaluation Services (NACES) or by a recognized foreign
34 credential evaluation service; and
35 (2) Hold a graduate degree in psychology that meets the following criteria:
36 a. The program, wherever it may be administratively housed, must be
37 clearly identified and labeled as a psychology program. Such a
38 program must specify in pertinent institutional catalogues and
39 brochures its intent to educate and train professional psychologists;
40 b. The psychology program must stand as a recognizable, coherent,
41 organizational entity within the institution;
42 c. There must be a clear authority and primary responsibility for the core
43 and specialty areas whether or not the program cuts across
44 administrative lines;
45 d. The program must consist of an integrated, organized sequence of
46 study;
47 e. There must be an identifiable psychology faculty sufficient in size and
48 breadth to carry out its responsibilities;
49 f. The designated director of the program must be a psychologist and a
50 member of the core faculty;

- 1 g. The program must have an identifiable body of students who are
2 matriculated in that program for a degree;
3 h. The program must include supervised practicum, internship, or field
4 training appropriate to the practice of psychology;
5 i. The curriculum shall encompass a minimum of three academic years
6 of full-time graduate study for doctoral degree and a minimum of one
7 academic year of full-time graduate study for master's degree;
8 j. The program includes an acceptable residency as defined by the Rules
9 of the Commission.

10 (3) Possess a current, full, and unrestricted license to practice psychology in a
11 Home State that is a Compact State;

12 (4) Have no history of adverse action that violate the Rules of the Commission;

13 (5) Have no criminal record history reported on an Identity History Summary that
14 violates the Rules of the Commission;

15 (6) Possess a current, active E.Passport;

16 (7) Provide attestations in regard to areas of intended practice, conformity with
17 standards of practice, competence in telepsychology technology, criminal
18 background, and knowledge and adherence to legal requirements in the home
19 and receiving states, and provide a release of information to allow for primary
20 source verification in a manner specified by the Commission; and

21 (8) Meet other criteria as defined by the Rules of the Commission.

22 (c) The Home State maintains authority over the license of any psychologist practicing
23 into a Receiving State under the Authority to Practice Interjurisdictional Telepsychology.

24 (d) A psychologist practicing in a Receiving State under the Authority to Practice
25 Interjurisdictional Telepsychology will be subject to the Receiving State's scope of practice. A
26 Receiving State may, in accordance with that state's due process law, limit or revoke a
27 psychologist's Authority to Practice Interjurisdictional Telepsychology in the Receiving State
28 and may take any other necessary actions under the Receiving State's applicable law to protect
29 the health and safety of the Receiving State's citizens. If a Receiving State takes action, the state
30 shall promptly notify the Home State and the Commission.

31 (e) If a psychologist's license in any Home State, another Compact State, or any Authority
32 to Practice Interjurisdictional Telepsychology in any Receiving State is restricted, suspended, or
33 otherwise limited, the E.Passport shall be revoked and, therefore, the psychologist shall not be
34 eligible to practice telepsychology in a Compact State under the Authority to Practice
35 Interjurisdictional Telepsychology.

36 **"§ 90-270.164. Compact Temporary Authorization to Practice.**

37 (a) Compact States shall also recognize the right of a psychologist, licensed in a Compact
38 State in conformance with G.S. 90-270.162, to practice temporarily in other Compact States
39 (Distant States) in which the psychologist is not licensed, as provided in the Compact.

40 (b) To exercise the Temporary Authorization to Practice under the terms and provisions
41 of this Compact, a psychologist licensed to practice in a Compact State must:

42 (1) Hold a graduate degree in psychology from an institute of higher education
43 that was, at the time the degree was awarded;

44 a. Regionally accredited by an accrediting body recognized by the U.S.
45 Department of Education to grant graduate degrees, or authorized by
46 Provincial Statute or Royal Charter to grant doctoral degrees; or

47 b. A foreign college or university deemed to be equivalent to
48 sub-subdivision a. of this subdivision by a foreign credential
49 evaluation service that is a member of the National Association of
50 Credential Evaluation Services (NACES) or by a recognized foreign
51 credential evaluation service; and

- 1 (2) Hold a graduate degree in psychology that meets the following criteria:
2 a. The program, wherever it may be administratively housed, must be
3 clearly identified and labeled as a psychology program. Such a
4 program must specify in pertinent institutional catalogues and
5 brochures its intent to educate and train professional psychologists;
6 b. The psychology program must stand as a recognizable, coherent,
7 organizational entity within the institution;
8 c. There must be a clear authority and primary responsibility for the core
9 and specialty areas whether or not the program cuts across
10 administrative lines;
11 d. The program must consist of an integrated, organized sequence of
12 study;
13 e. There must be an identifiable psychology faculty sufficient in size and
14 breadth to carry out its responsibilities;
15 f. The designated director of the program must be a psychologist and a
16 member of the core faculty;
17 g. The program must have an identifiable body of students who are
18 matriculated in that program for a degree;
19 h. The program must include supervised practicum, internship, or field
20 training appropriate to the practice of psychology;
21 i. The curriculum shall encompass a minimum of three academic years
22 of full-time graduate study for doctoral degrees and a minimum of one
23 academic year of full-time graduate study for master's degrees;
24 j. The program includes an acceptable residency as defined by the Rules
25 of the Commission.
26 (3) Possess a current, full, and unrestricted license to practice psychology in a
27 Home State that is a Compact State;
28 (4) No history of adverse action that violates the Rules of the Commission;
29 (5) No criminal record history that violates the Rules of the Commission;
30 (6) Possess a current, active IPC;
31 (7) Provide attestations in regard to areas of intended practice and work
32 experience and provide a release of information to allow for primary source
33 verification in a manner specified by the Commission; and
34 (8) Meet other criteria as defined by the Rules of the Commission.
35 (c) A psychologist practicing into a Distant State under the Temporary Authorization to
36 Practice shall practice within the scope of practice authorized by the Distant State.
37 (d) A psychologist practicing into a Distant State under the Temporary Authorization to
38 Practice will be subject to the Distant State's authority and law. A Distant State may, in
39 accordance with that state's due process law, limit or revoke a psychologist's Temporary
40 Authorization to Practice in the Distant State and may take any other necessary actions under the
41 Distant State's applicable law to protect the health and safety of the Distant State's citizens. If a
42 Distant State takes action, the state shall promptly notify the Home State and the Commission.
43 (e) If a psychologist's license in any Home State, another Compact State, or any
44 Temporary Authorization to Practice in any Distant State is restricted, suspended, or otherwise
45 limited, the IPC shall be revoked and therefore the psychologist shall not be eligible to practice
46 in a Compact State under the Temporary Authorization to Practice.
47 **§ 90-270.165. Conditions of telepsychology practice in a Receiving State.**
48 A psychologist may practice in a Receiving State under the Authority to Practice
49 Interjurisdictional Telepsychology only in the performance of the scope of practice for
50 psychology as assigned by an appropriate State Psychology Regulatory Authority, as defined in
51 the Rules of the Commission, and under the following circumstances:

- 1 (1) The psychologist initiates a client/patient contact in a Home State via
2 telecommunications technologies with a client/patient in a Receiving State.
3 (2) Other conditions regarding telepsychology as determined by Rules
4 promulgated by the Commission.

5 **"§ 90-270.166. Adverse actions.**

6 (a) A Home State shall have the power to impose adverse action against a psychologist's
7 license issued by the Home State. A Distant State shall have the power to take adverse action on
8 a psychologist's Temporary Authorization to Practice within that Distant State.

9 (b) A Receiving State may take adverse action on a psychologist's Authority to Practice
10 Interjurisdictional Telepsychology within that Receiving State. A Home State may take adverse
11 action against a psychologist based on an adverse action taken by a Distant State regarding
12 temporary in-person, face-to-face practice.

13 (c) If a Home State takes adverse action against a psychologist's license, that
14 psychologist's Authority to Practice Interjurisdictional Telepsychology is terminated and the
15 E.Passport is revoked. Furthermore, that psychologist's Temporary Authorization to Practice is
16 terminated and the IPC is revoked.

17 (1) All Home State disciplinary orders which impose adverse action shall be
18 reported to the Commission in accordance with the Rules promulgated by the
19 Commission. A Compact State shall report adverse actions in accordance with
20 the Rules of the Commission.

21 (2) In the event discipline is reported on a psychologist, the psychologist will not
22 be eligible for telepsychology or temporary in-person, face-to-face practice in
23 accordance with the Rules of the Commission.

24 (3) Other actions may be imposed as determined by the Rules promulgated by the
25 Commission.

26 (d) A Home State's Psychology Regulatory Authority shall investigate and take
27 appropriate action with respect to reported inappropriate conduct engaged in by a licensee which
28 occurred in a Receiving State as it would if such conduct had occurred by a licensee within the
29 Home State. In such cases, the Home State's law shall control in determining any adverse action
30 against a psychologist's license.

31 (e) A Distant State's Psychology Regulatory Authority shall investigate and take
32 appropriate action with respect to reported inappropriate conduct engaged in by a psychologist
33 practicing under Temporary Authorization Practice which occurred in that Distant State as it
34 would if such conduct had occurred by a licensee within the Home State. In such cases, Distant
35 State's law shall control in determining any adverse action against a psychologist's Temporary
36 Authorization to Practice.

37 (f) Nothing in this Compact shall override a Compact State's decision that a
38 psychologist's participation in an alternative program may be used in lieu of adverse action and
39 that such participation shall remain nonpublic if required by the Compact State's law. Compact
40 States must require psychologists who enter any alternative programs to not provide
41 telepsychology services under the Authority to Practice Interjurisdictional Telepsychology or
42 provide temporary psychological services under the Temporary Authorization to Practice in any
43 other Compact State during the term of the alternative program.

44 (g) No other judicial or administrative remedies shall be available to a psychologist in the
45 event a Compact State imposes an adverse action pursuant to subsection (c) of this section.

46 **"§ 90-270.167. Additional authorities invested in a Compact State's Psychology Regulatory**
47 **Authority.**

48 In addition to any other powers granted under state law, a Compact State's Psychology
49 Regulatory Authority shall have the authority under this Compact to:

- 50 (1) Issue subpoenas, for both hearings and investigations, which require the
51 attendance and testimony of witnesses and the production of evidence.

1 Subpoenas issued by a Compact State's Psychology Regulatory Authority for
2 the attendance and testimony of witnesses and/or the production of evidence
3 from another Compact State shall be enforced in the latter state by any court
4 of competent jurisdiction, according to that court's practice and procedure in
5 considering subpoenas issued in its own proceedings. The issuing State
6 Psychology Regulatory Authority shall pay any witness fees, travel expenses,
7 mileage, and other fees required by the service statutes of the state where the
8 witnesses and/or evidence are located.

9 (2) Issue cease and desist and/or injunctive relief orders to revoke a psychologist's
10 Authority to Practice Interjurisdictional Telepsychology and/or Temporary
11 Authorization to Practice.

12 (3) During the course of any investigation, a psychologist may not change his/her
13 Home State licensure. A Home State Psychology Regulatory Authority is
14 authorized to complete any pending investigations of a psychologist and to
15 take any actions appropriate under its law. The Home State Psychology
16 Regulatory Authority shall promptly report the conclusions of such
17 investigations to the Commission. Once an investigation has been completed,
18 and pending the outcome of said investigation, the psychologist may change
19 his/her Home State licensure. The Commission shall promptly notify the new
20 Home State of any such decisions as provided in the Rules of the Commission.
21 All information provided to the Commission or distributed by Compact States
22 pursuant to the psychologist shall be confidential, filed under seal, and used
23 for investigatory or disciplinary matters. The Commission may create
24 additional rules for mandated or discretionary sharing of information by
25 Compact States.

26 **"§ 90-270.168. Coordinated Licensure Information System.**

27 (a) The Commission shall provide for the development and maintenance of a Coordinated
28 Licensure Information System (Coordinated Database) and reporting system containing licensure
29 and disciplinary action information on all psychologists to whom this Compact is applicable in
30 all Compact States as defined by the Rules of the Commission.

31 (b) Notwithstanding any other provision of state law to the contrary, a Compact State
32 shall submit a uniform data set to the Coordinated Database on all licensees as required by the
33 Rules of the Commission, including:

34 (1) Identifying information;

35 (2) Licensure data;

36 (3) Significant investigatory information;

37 (4) Adverse actions against a psychologist's license;

38 (5) An indicator that a psychologist's Authority to Practice Interjurisdictional
39 Telepsychology and/or Temporary Authorization to Practice is revoked;

40 (6) Nonconfidential information related to alternative program participation
41 information;

42 (7) Any denial of application for licensure and the reasons for such denial; and

43 (8) Other information which may facilitate the administration of this Compact, as
44 determined by the Rules of the Commission.

45 (c) The Coordinated Database administrator shall promptly notify all Compact States of
46 any adverse action taken against, or significant investigative information on, any licensee in a
47 Compact State.

48 (d) Compact States reporting information to the Coordinated Database may designate
49 information that may not be shared with the public without the express permission of the
50 Compact State reporting the information.

1 (e) Any information submitted to the Coordinated Database that is subsequently required
2 to be expunged by the law of the Compact State reporting the information shall be removed from
3 the Coordinated Database.

4 **"§ 90-270.169. Establishment of the Psychology Interjurisdictional Compact Commission.**

5 (a) The Compact States hereby create and establish a joint public agency known as the
6 Psychology Interjurisdictional Compact Commission.

7 (1) The Commission is a body politic and an instrumentality of the Compact
8 States.

9 (2) Venue is proper and judicial proceedings by or against the Commission shall
10 be brought solely and exclusively in a court of competent jurisdiction where
11 the principal office of the Commission is located. The Commission may waive
12 venue and jurisdictional defenses to the extent it adopts or consents to
13 participate in alternative dispute resolution proceedings.

14 (3) Nothing in this Compact shall be construed to be a waiver of sovereign
15 immunity.

16 (b) Membership, Voting, and Meetings. –

17 (1) The Commission shall consist of one voting representative appointed by each
18 Compact State who shall serve as that state's Commissioner. The State
19 Psychology Regulatory Authority shall appoint its delegate. This delegate
20 shall be empowered to act on behalf of the Compact State. This delegate shall
21 be limited to:

22 a. Executive Director, Executive Secretary, or similar executive;

23 b. Current member of the State Psychology Regulatory Authority of a
24 Compact State; or

25 c. Designee empowered with the appropriate delegate authority to act on
26 behalf of the Compact State.

27 (2) Any Commissioner may be removed or suspended from office as provided by
28 the law of the state from which the Commissioner is appointed. Any vacancy
29 occurring in the Commission shall be filled in accordance with the laws of the
30 Compact State in which the vacancy exists.

31 (3) Each Commissioner shall be entitled to one vote with regard to the
32 promulgation of Rules and creation of Bylaws and shall otherwise have an
33 opportunity to participate in the business and affairs of the Commission. A
34 Commissioner shall vote in person or by such other means as provided in the
35 Bylaws. The Bylaws may provide for Commissioners' participation in
36 meetings by telephone or other means of communication.

37 (4) The Commission shall meet at least once during each calendar year.
38 Additional meetings shall be held as set forth in the Bylaws.

39 (5) All meetings shall be open to the public, and public notice of meetings shall
40 be given in the same manner as required under the rule-making provisions in
41 G.S. 90-270.170.

42 (6) The Commission may convene in a closed, nonpublic meeting if the
43 Commission must discuss:

44 a. Noncompliance of a Compact State with its obligations under the
45 Compact;

46 b. The employment, compensation, discipline, or other personnel
47 matters, practices, or procedures related to specific employees or other
48 matters related to the Commission's internal personnel practices and
49 procedures;

50 c. Current, threatened, or reasonably anticipated litigation against the
51 Commission;

- d. Negotiation of contracts for the purchase or sale of goods, services, or real estate;
- e. Accusation against any person of a crime or formally censuring any person;
- f. Disclosure of trade secrets or commercial or financial information which is privileged or confidential;
- g. Disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;
- h. Disclosure of investigatory records compiled for law enforcement purposes;
- i. Disclosure of information related to any investigatory reports prepared by or on behalf of or for use of the Commission or other committee charged with responsibility for investigation or determination of compliance issues pursuant to the Compact; or
- j. Matters specifically exempted from disclosure by federal and state statute.

(7) If a meeting, or portion of a meeting, is closed pursuant to this provision, the Commission's legal counsel or designee shall certify that the meeting may be closed and shall reference each relevant exempting provision. The Commission shall keep minutes which fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, of any person participating in the meeting, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release only by a majority vote of the Commission or order of a court of competent jurisdiction.

(c) The Commission shall, by a majority vote of the Commissioners, prescribe Bylaws and/or Rules to govern its conduct as may be necessary or appropriate to carry out the purposes and exercise the powers of the Compact, including, but not limited to:

- (1) Establishing the fiscal year of the Commission;
- (2) Providing reasonable standards and procedures:
 - a. For the establishment and meetings of other committees; and
 - b. Governing any general or specific delegation of any authority or function of the Commission;
- (3) Providing reasonable procedures for calling and conducting meetings of the Commission, ensuring reasonable advance notice of all meetings and providing an opportunity for attendance of such meetings by interested parties, with enumerated exceptions designed to protect the public's interest, the privacy of individuals of such proceedings, and proprietary information, including trade secrets. The Commission may meet in closed session only after a majority of the Commissioners vote to close a meeting to the public in whole or in part. As soon as practicable, the Commission must make public a copy of the vote to close the meeting revealing the vote of each Commissioner with no proxy votes allowed;
- (4) Establishing the titles, duties, and authority and reasonable procedures for the election of the officers of the Commission;
- (5) Providing reasonable standards and procedures for the establishment of the personnel policies and programs of the Commission. Notwithstanding any civil service or other similar law of any Compact State, the Bylaws shall exclusively govern the personnel policies and programs of the Commission;

- 1 (6) Promulgating a Code of Ethics to address permissible and prohibited activities
- 2 of Commission members and employees;
- 3 (7) Providing a mechanism for concluding the operations of the Commission and
- 4 the equitable disposition of any surplus funds that may exist after the
- 5 termination of the Compact after the payment and/or reserving of all of its
- 6 debts and obligations;
- 7 (8) The Commission shall publish its Bylaws in a convenient form and file a copy
- 8 thereof and a copy of any amendment thereto with the appropriate agency or
- 9 officer in each of the Compact States;
- 10 (9) The Commission shall maintain its financial records in accordance with the
- 11 Bylaws; and
- 12 (10) The Commission shall meet and take such actions as are consistent with the
- 13 provisions of this Compact and the Bylaws.
- 14 (d) The Commission shall have the following powers:
- 15 (1) The authority to promulgate uniform rules to facilitate and coordinate
- 16 implementation and administration of this Compact. The rules shall have the
- 17 force and effect of law and shall be binding in all Compact States;
- 18 (2) To bring and prosecute legal proceedings or actions in the name of the
- 19 Commission, provided that the standing of any State Psychology Regulatory
- 20 Authority or other regulatory body responsible for psychology licensure to sue
- 21 or be sued under applicable law shall not be affected;
- 22 (3) To purchase and maintain insurance and bonds;
- 23 (4) To borrow, accept, or contract for services of personnel, including, but not
- 24 limited to, employees of a Compact State;
- 25 (5) To hire employees, elect or appoint officers, fix compensation, define duties,
- 26 grant such individuals appropriate authority to carry out the purposes of the
- 27 Compact, and establish the Commission's personnel policies and programs
- 28 relating to conflicts of interest, qualifications of personnel, and other related
- 29 personnel matters;
- 30 (6) To accept any and all appropriate donations and grants of money, equipment,
- 31 supplies, materials, and services and to receive, utilize, and dispose of the
- 32 same, provided that at all times the Commission shall strive to avoid any
- 33 appearance of impropriety and/or conflict of interest;
- 34 (7) To lease, purchase, accept appropriate gifts or donations of, or otherwise to
- 35 own, hold, improve, or use any property, real, personal, or mixed, provided
- 36 that at all times the Commission shall strive to avoid any appearance of
- 37 impropriety;
- 38 (8) To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise
- 39 dispose of any property, real, personal, or mixed;
- 40 (9) To establish a budget and make expenditures;
- 41 (10) To borrow money;
- 42 (11) To appoint committees, including advisory committees comprised of
- 43 members, state regulators, state legislators or their representatives, and
- 44 consumer representatives, and such other interested persons as may be
- 45 designated in this Compact and the Bylaws;
- 46 (12) To provide and receive information from, and to cooperate with, law
- 47 enforcement agencies;
- 48 (13) To adopt and use an official seal; and
- 49 (14) To perform such other functions as may be necessary or appropriate to achieve
- 50 the purposes of this Compact consistent with the state regulation of

- 1 psychology licensure, temporary in-person, face-to-face practice, and
2 telepsychology practice.
- 3 (e) The Executive Board. – The elected officers shall serve as the Executive Board, which
4 shall have the power to act on behalf of the Commission according to the terms of this Compact.
- 5 (1) The Executive Board shall be comprised of six members:
- 6 a. Five voting members who are elected from the current membership of
7 the Commission by the Commission.
- 8 b. One ex officio, nonvoting member from the recognized membership
9 organization composed of State and Provincial Psychology Regulatory
10 Authorities.
- 11 (2) The ex officio member must have served as staff or member on a State
12 Psychology Regulatory Authority and will be selected by its respective
13 organization.
- 14 (3) The Commission may remove any member of the Executive Board as
15 provided in Bylaws.
- 16 (4) The Executive Board shall meet at least annually.
- 17 (5) The Executive Board shall have the following duties and responsibilities:
- 18 a. Recommend to the entire Commission changes to the Rules or Bylaws,
19 changes to this Compact legislation, or fees paid by Compact States
20 such as annual dues and any other applicable fees;
- 21 b. Ensure Compact administration services are appropriately provided,
22 contractual or otherwise;
- 23 c. Prepare and recommend the budget;
- 24 d. Maintain financial records on behalf of the Commission;
- 25 e. Monitor Compact compliance of member states and provide
26 compliance reports to the Commission;
- 27 f. Establish additional committees as necessary; and
- 28 g. Other duties as provided in Rules or Bylaws.
- 29 (f) Financing of the Commission. –
- 30 (1) The Commission shall pay or provide for the payment of the reasonable
31 expenses of its establishment, organization, and ongoing activities.
- 32 (2) The Commission may accept any and all appropriate revenue sources,
33 donations, and grants of money, equipment, supplies, materials, and services.
- 34 (3) The Commission may levy on and collect an annual assessment from each
35 Compact State or impose fees on other parties to cover the cost of the
36 operations and activities of the Commission and its staff which must be in a
37 total amount sufficient to cover its annual budget as approved each year for
38 which revenue is not provided by other sources. The aggregate annual
39 assessment amount shall be allocated based upon a formula to be determined
40 by the Commission which shall promulgate a rule binding upon all Compact
41 States.
- 42 (4) The Commission shall not incur obligations of any kind prior to securing the
43 funds adequate to meet the same, nor shall the Commission pledge the credit
44 of any of the Compact States, except by and with the authority of the Compact
45 State.
- 46 (5) The Commission shall keep accurate accounts of all receipts and
47 disbursements. The receipts and disbursements of the Commission shall be
48 subject to the audit and accounting procedures established under its Bylaws.
49 However, all receipts and disbursements of funds handled by the Commission
50 shall be audited yearly by a certified or licensed public accountant and the

1 report of the audit shall be included in and become part of the annual report
2 of the Commission.

3 (g) Qualified Immunity, Defense, and Indemnification. –

4 (1) The members, officers, Executive Director, employees, and representatives of
5 the Commission shall be immune from suit and liability, either personally or
6 in their official capacity, for any claim for damage to or loss of property or
7 personal injury or other civil liability caused by or arising out of any actual or
8 alleged act, error, or omission that occurred, or that the person against whom
9 the claim is made had a reasonable basis for believing occurred within the
10 scope of Commission employment, duties, or responsibilities, provided that
11 nothing in this subdivision shall be construed to protect any such person from
12 suit and/or liability for any damage, loss, injury, or liability caused by the
13 intentional or willful or wanton misconduct of that person.

14 (2) The Commission shall defend any member, officer, Executive Director,
15 employee, or representative of the Commission in any civil action seeking to
16 impose liability arising out of any actual or alleged act, error, or omission that
17 occurred within the scope of Commission employment, duties, or
18 responsibilities, or that the person against whom the claim is made had a
19 reasonable basis for believing occurred within the scope of Commission
20 employment, duties, or responsibilities, provided that nothing herein shall be
21 construed to prohibit that person from retaining his or her own counsel, and
22 provided further that the actual or alleged act, error, or omission did not result
23 from that person's intentional or willful or wanton misconduct.

24 (3) The Commission shall indemnify and hold harmless any member, officer,
25 Executive Director, employee, or representative of the Commission for the
26 amount of any settlement or judgment obtained against that person arising out
27 of any actual or alleged act, error, or omission that occurred within the scope
28 of employment, duties, or responsibilities, or that such person had a
29 reasonable basis for believing occurred within the scope of Commission
30 employment, duties, or responsibilities, provided that the actual or alleged act,
31 error, or omission did not result from the intentional or willful or wanton
32 misconduct of that person.

33 **§ 90-270.170. Rule making.**

34 (a) The Commission shall exercise its rule-making powers pursuant to the criteria set
35 forth in this section and the Rules adopted thereunder. Rules and amendments shall become
36 binding as of the date specified in each rule or amendment.

37 (b) If a majority of the legislatures of the Compact States rejects a rule, by enactment of
38 a statute or resolution in the same manner used to adopt the Compact, then such rule shall have
39 no further force and effect in any Compact State.

40 (c) Rules or amendments to the rules shall be adopted at a regular or special meeting of
41 the Commission.

42 (d) Prior to promulgation and adoption of a final rule or Rules by the Commission, and
43 at least 60 days in advance of the meeting at which the rule will be considered and voted upon,
44 the Commission shall file a Notice of Proposed Rule Making:

45 (1) On the Web site of the Commission; and

46 (2) On the Web site of each Compact States' Psychology Regulatory Authority or
47 the publication in which each state would otherwise publish proposed rules.

48 (e) The Notice of Proposed Rule Making shall include:

49 (1) The proposed time, date, and location of the meeting in which the rule will be
50 considered and voted upon;

- 1 (2) The text of the proposed rule or amendment and the reason for the proposed
2 rule;
- 3 (3) A request for comments on the proposed rule from any interested person; and
4 (4) The manner in which interested persons may submit notice to the Commission
5 of their intention to attend the public hearing and any written comments.
- 6 (f) Prior to adoption of a proposed rule, the Commission shall allow persons to submit
7 written data, facts, opinions and arguments, which shall be made available to the public.
- 8 (g) The Commission shall grant an opportunity for a public hearing before it adopts a rule
9 or amendment if a hearing is requested by:
- 10 (1) At least 25 persons who submit comments independently of each other;
11 (2) A governmental subdivision or agency; or
12 (3) A duly appointed person in an association that has at least 25 members.
- 13 (h) If a hearing is held on the proposed rule or amendment, the Commission shall publish
14 the place, time, and date of the scheduled public hearing.
- 15 (1) All persons wishing to be heard at the hearing shall notify the Executive
16 Director of the Commission or other designated member in writing of their
17 desire to appear and testify at the hearing not less than five business days
18 before the scheduled date of the hearing.
- 19 (2) Hearings shall be conducted in a manner providing each person who wishes
20 to comment a fair and reasonable opportunity to comment orally or in writing.
- 21 (3) No transcript of the hearing is required, unless a written request for a transcript
22 is made, in which case the person requesting the transcript shall bear the cost
23 of producing the transcript. A recording may be made in lieu of a transcript
24 under the same terms and conditions as a transcript. This subsection shall not
25 preclude the Commission from making a transcript or recording of the hearing
26 if it so chooses.
- 27 (4) Nothing in this section shall be construed as requiring a separate hearing on
28 each rule. Rules may be grouped for the convenience of the Commission at
29 hearings required by this section.
- 30 (i) Following the scheduled hearing date, or by the close of business on the scheduled
31 hearing date if the hearing was not held, the Commission shall consider all written and oral
32 comments received.
- 33 (j) The Commission shall, by majority vote of all members, take final action on the
34 proposed rule and shall determine the effective date of the rule, if any, based on the rule-making
35 record and the full text of the rule.
- 36 (k) If no written notice of intent to attend the public hearing by interested parties is
37 received, the Commission may proceed with promulgation of the proposed rule without a public
38 hearing.
- 39 (l) Upon determination that an emergency exists, the Commission may consider and
40 adopt an emergency rule without prior notice, opportunity for comment, or hearing, provided that
41 the usual rule-making procedures provided in the Compact and in this section shall be
42 retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days
43 after the effective date of the rule. For the purposes of this provision, an emergency rule is one
44 that must be adopted immediately in order to:
- 45 (1) Meet an imminent threat to public health, safety, or welfare;
46 (2) Prevent a loss of Commission or Compact State funds;
47 (3) Meet a deadline for the promulgation of an administrative rule that is
48 established by federal law or rule; or
49 (4) Protect public health and safety.
- 50 (m) The Commission or an authorized committee of the Commission may direct revisions
51 to a previously adopted rule or amendment for purposes of correcting typographical errors, errors

1 in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be
2 posted on the Web site of the Commission. The revision shall be subject to challenge by any
3 person for a period of 30 days after posting. The revision may be challenged only on grounds
4 that the revision results in a material change to a rule. A challenge shall be made in writing and
5 delivered to the Chair of the Commission prior to the end of the notice period. If no challenge is
6 made, the revision will take effect without further action. If the revision is challenged, the
7 revision may not take effect without the approval of the Commission.

8 **"§ 90-270.171. Oversight, dispute resolution, and enforcement.**

9 (a) Oversight. –

10 (1) The executive, legislative, and judicial branches of state government in each
11 Compact State shall enforce this Compact and take all actions necessary and
12 appropriate to effectuate the Compact's purposes and intent. The provisions of
13 this Compact and the rules promulgated hereunder shall have standing as
14 statutory law.

15 (2) All courts shall take judicial notice of the Compact and the rules in any judicial
16 or administrative proceeding in a Compact State pertaining to the subject
17 matter of this Compact which may affect the powers, responsibilities, or
18 actions of the Commission.

19 (3) The Commission shall be entitled to receive service of process in any such
20 proceeding and shall have standing to intervene in such a proceeding for all
21 purposes. Failure to provide service of process to the Commission shall render
22 a judgment or order void as to the Commission, this Compact, or promulgated
23 rules.

24 (b) Default, Technical Assistance, and Termination. –

25 (1) If the Commission determines that a Compact State has defaulted in the
26 performance of its obligations or responsibilities under this Compact or the
27 promulgated rules, the Commission shall:

28 a. Provide written notice to the defaulting state and other Compact States
29 of the nature of the default, the proposed means of remedying the
30 default, and/or any other action to be taken by the Commission; and

31 b. Provide remedial training and specific technical assistance regarding
32 the default.

33 (2) If a state in default fails to remedy the default, the defaulting state may be
34 terminated from the Compact upon an affirmative vote of a majority of the
35 Compact States and all rights, privileges and benefits conferred by this
36 Compact shall be terminated on the effective date of termination. A remedy
37 of the default does not relieve the offending state of obligations or liabilities
38 incurred during the period of default.

39 (3) Termination of membership in the Compact shall be imposed only after all
40 other means of securing compliance have been exhausted. Notice of intent to
41 suspend or terminate shall be submitted by the Commission to the Governor,
42 the majority and minority leaders of the defaulting state's legislature, and each
43 of the Compact States.

44 (4) A Compact State which has been terminated is responsible for all assessments,
45 obligations, and liabilities incurred through the effective date of termination,
46 including obligations which extend beyond the effective date of termination.

47 (5) The Commission shall not bear any costs incurred by the state which is found
48 to be in default or which has been terminated from the Compact, unless agreed
49 upon in writing between the Commission and the defaulting state.

50 (6) The defaulting state may appeal the action of the Commission by petitioning
51 the U.S. District Court for the state of Georgia or the federal district where the

1 Compact has its principal offices. The prevailing member shall be awarded all
2 costs of such litigation, including reasonable attorneys' fees.

3 (c) Dispute Resolution. –

4 (1) Upon request by a Compact State, the Commission shall attempt to resolve
5 disputes related to the Compact which arise among Compact States and
6 between Compact and Non-Compact States.

7 (2) The Commission shall promulgate a rule providing for both mediation and
8 binding dispute resolution for disputes that arise before the Commission.

9 (d) Enforcement. –

10 (1) The Commission, in the reasonable exercise of its discretion, shall enforce the
11 provisions and Rules of this Compact.

12 (2) By majority vote, the Commission may initiate legal action in the United
13 States District Court for the State of Georgia or the federal district where the
14 Compact has its principal offices against a Compact State in default to enforce
15 compliance with the provisions of the Compact and its promulgated Rules and
16 Bylaws. The relief sought may include both injunctive relief and damages. In
17 the event judicial enforcement is necessary, the prevailing member shall be
18 awarded all costs of such litigation, including reasonable attorneys' fees.

19 (3) The remedies herein shall not be the exclusive remedies of the Commission.
20 The Commission may pursue any other remedies available under federal or
21 state law.

22 **"§ 90-270.172. Date of implementation of the Psychology Interjurisdictional Compact**
23 **Commission and associated rules, withdrawal, and amendments.**

24 (a) The Compact shall come into effect on the date on which the Compact is enacted into
25 law in the seventh Compact State. The provisions which become effective at that time shall be
26 limited to the powers granted to the Commission relating to assembly and the promulgation of
27 rules. Thereafter, the Commission shall meet and exercise rule-making powers necessary to the
28 implementation and administration of the Compact.

29 (b) Any state which joins the Compact subsequent to the Commission's initial adoption
30 of the rules shall be subject to the rules as they exist on the date on which the Compact becomes
31 law in that state. Any rule which has been previously adopted by the Commission shall have the
32 full force and effect of law on the day the Compact becomes law in that state.

33 (c) Any Compact State may withdraw from this Compact by enacting a statute repealing
34 the same.

35 (1) A Compact State's withdrawal shall not take effect until six months after
36 enactment of the repealing statute.

37 (2) Withdrawal shall not affect the continuing requirement of the withdrawing
38 State's Psychology Regulatory Authority to comply with the investigative and
39 adverse action reporting requirements of this act prior to the effective date of
40 withdrawal.

41 (d) Nothing contained in this Compact shall be construed to invalidate or prevent any
42 psychology licensure agreement or other cooperative arrangement between a Compact State and
43 a Non-Compact State which does not conflict with the provisions of this Compact.

44 (e) This Compact may be amended by the Compact States. No amendment to this
45 Compact shall become effective and binding upon any Compact State until it is enacted into the
46 law of all Compact States.

47 **"§ 90-270.173. Construction and severability.**

48 This Compact shall be liberally construed so as to effectuate the purposes thereof. If this
49 Compact shall be held contrary to the constitution of any state member thereto, the Compact shall
50 remain in full force and effect as to the remaining Compact States."

51 **SECTION 5.** G.S. 58-50-130 reads as rewritten:

1 **"§ 58-50-130. Required health care plan provisions.**

2 (a) Health benefit plans covering small employers are subject to the following provisions:

3 ...

4 (5) No small employer carrier, insurer, subsidiary of an insurer, or controlled
5 individual of an insurance holding company shall provide stop loss,
6 catastrophic, or reinsurance coverage to small employers who employ fewer
7 than ~~26~~16 eligible employees that does not comply with the underwriting,
8 rating, and other applicable standards in this Act. An insurer shall not issue a
9 stop loss health insurance policy to any person, firm, corporation, partnership,
10 or association defined as a small employer that does any of the following:

- 11 a. Provides direct coverage of health expenses payable to an individual.
- 12 b. Has an annual attachment point for claims incurred per individual that
13 is lower than twenty thousand dollars (\$20,000) for plan years
14 beginning in 2013. For subsequent policy years, the amount shall be
15 indexed using the Consumer Price Index for Medical Services for All
16 Urban Consumers for the South Region and shall be rounded to the
17 nearest whole thousand dollars. The index factor shall be the index as
18 of July of the year preceding the change divided by the index as of July
19 2012.
- 20 c. Has an annual aggregate attachment point lower than the greater of
21 one of the following:
- 22 1. One hundred twenty percent (120%) of expected claims.
 - 23 2. Twenty thousand dollars (\$20,000) for plan years beginning in
24 2013. For subsequent policy years, the amount shall be indexed
25 using the Consumer Price Index for Medical Services for All
26 Urban Consumers for the South Region and shall be rounded
27 to the nearest whole thousand dollars. The index factor shall be
28 the index as of July of the year preceding the change divided
29 by the index as of July 2012.
- 30 Nothing in this subsection prohibits an insurer from providing
31 additional incentives to small employers with benefits
32 promoting a medical home or benefits that provide health care
33 screenings, are focused on outcomes and key performance
34 indicators, or are reimbursed on an outcomes basis rather than
35 a fee-for-service basis.

36"

37 **SECTION 6.** Article 3 of Chapter 58 of the General Statutes is amended by adding
38 a new section to read:

39 **"§ 58-3-8. Certain nonprofit health benefit plans not subject to this Chapter.**

40 (a) A self-funded health benefit plan sponsored by a nonprofit organization that satisfies
41 the conditions of subsection (b) of this section shall be deemed not to be insurance and not subject
42 to this Chapter.

43 (b) A nonprofit organization that sponsors a self-funded health benefit plan under this
44 section must satisfy all of the following conditions:

- 45 (1) Be incorporated in the State.
- 46 (2) Have been in existence for 10 continuous years.
- 47 (3) Have been determined by the Internal Revenue Service to be a tax exempt
48 organization under Section 501(c) of the Internal Revenue Code.
- 49 (4) Provide membership opportunities for eligible individuals or business entities
50 in all 100 counties of the State.

1 (5) Provide its members with representation on its governing board and
2 committees.

3 (c) Two or more nonprofit organizations that individually satisfy the conditions of this
4 section may jointly sponsor a health benefit plan for their members.

5 (d) A nonprofit organization that sponsors a health benefit plan under this section shall
6 file an annual certification with the Secretary of State demonstrating that the organization
7 satisfies the conditions set forth in subsection (b) of this section. A copy of this certification shall
8 be submitted to the Commissioner.

9 (e) Nothing in this section shall prohibit a person participating in a self-funded health
10 plan under this section from pursuing the remedies set forth in Article 1 of Chapter 75 of the
11 General Statutes."

12 **SECTION 7.** Sections 1 and 2 of this act are effective when this act becomes law
13 and apply to applications for licensure submitted on or after that date. Sections 3 and 4 of this act
14 become effective when at least seven states have enacted the Psychology Interjurisdictional
15 Compact (PSYPACT) set forth in Section 2 of this act. The North Carolina Psychology Board
16 shall report to the Revisor of Statutes when the PSYPACT set forth in Section 4 of this act has
17 been enacted by seven member states. Sections 5 and 6 of this act became effective January 1,
18 2020.