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March 27, 2019

A BILL TO BE ENTITLED

AN ACT TO ENACT THE PSYCHOLOGY INTERJURISDICTIONAL COMPACT, ALLOW  
LICENSED MARRIAGE AND FAMILY THERAPISTS TO CONDUCT FIRST-LEVEL  
COMMITMENT EXAMINATIONS, ELIMINATE REDUNDANCY IN ADULT CARE  
HOME INSPECTIONS, RAISE AWARENESS OF LUPUS AND CREATE THE LUPUS  
ADVISORY COUNCIL, ENSURE THE PROPER ADMINISTRATION OF STEP  
THERAPY PROTOCOLS, ENSURE EQUAL COVERAGE FOR ORAL ANTICANCER  
DRUGS, MODERNIZE MEDICAID TELEMEDICINE POLICIES, INCREASE ACCESS  
TO TELEHEALTH SERVICES, AND CREATE THE NORTH CAROLINA  
HEALTHCARE SOLUTIONS TASK FORCE.

The General Assembly of North Carolina enacts:

**PART I. PSYCHOLOGY INTERJURISDICTIONAL LICENSURE COMPACT**

**SECTION 1.(a)** Article 18A of Chapter 90 of the General Statutes, G.S. 90-270.1 through G.S. 90-270.22, is recodified as Article 18G of Chapter 90 of the General Statutes, G.S. 90-270.135 through G.S. 90-270.159.

**SECTION 1.(b)** Chapter 90 of the General Statutes is amended by adding a new Article to read:

"Article 18H.

"Psychology Interjurisdictional Licensure Compact.

**"§ 90-270.160. Purpose.**

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

- (1) Increase public access to professional psychological services by allowing for telepsychological practice across state lines as well as temporary in-person, face-to-face services into a state which the psychologist is not licensed to practice psychology.
- (2) Enhance the states' ability to protect the public's health and safety, especially client/patient safety.
- (3) Encourage the cooperation of Compact States in the areas of psychology licensure and regulation.
- (4) Facilitate the exchange of information between Compact States regarding psychologist licensure, adverse actions, and disciplinary history.



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- 1           (5)    Promote compliance with the laws governing psychological practice in each  
2           Compact State.  
3           (6)    Invest all Compact States with the authority to hold licensed psychologists  
4           accountable through the mutual recognition of Compact State licenses.

5    **"§ 90-270.161. Definitions.**

- 6           (1)    Adverse action. – Any action taken by a State Psychology Regulatory  
7           Authority which finds a violation of a statute or regulation that is identified  
8           by the State Psychology Regulatory Authority as discipline and is a matter of  
9           public record.  
10          (2)    Association of State and Provincial Psychology Boards (ASPPB). – The  
11          recognized membership organization composed of State and Provincial  
12          Psychology Regulatory Authorities responsible for the licensure and  
13          registration of psychologists throughout the United States and Canada.  
14          (3)    Authority to Practice Interjurisdictional Telepsychology. – A licensed  
15          psychologist's authority to practice telepsychology, within the limits  
16          authorized under this Compact, in another Compact State.  
17          (4)    Bylaws. – Those Bylaws established by the Psychology Interjurisdictional  
18          Compact Commission pursuant to G.S. 90-270.169 for its governance or for  
19          directing and controlling its actions and conduct.  
20          (5)    Client/patient. – The recipient of psychological services, whether  
21          psychological services are delivered in the context of health care, corporate,  
22          supervision, and/or consulting services.  
23          (6)    Commissioner. – The voting representative appointed by each State  
24          Psychology Regulatory Authority pursuant to G.S. 90-270.169.  
25          (7)    Compact State. – A state, the District of Columbia, or United States territory  
26          that has enacted this Compact legislation and which has not withdrawn  
27          pursuant to G.S. 90-270.172(c) or been terminated pursuant to  
28          G.S. 90-270.171(b).  
29          (8)    Confidentiality. – The principle that data or information is not made available  
30          or disclosed to unauthorized persons and/or processes.  
31          (9)    Coordinated Licensure Information System or Coordinated Database. – An  
32          integrated process for collecting, storing, and sharing information on  
33          psychologists' licensure and enforcement activities related to psychology  
34          licensure laws, which is administered by the recognized membership  
35          organization composed of State and Provincial Psychology Regulatory  
36          Authorities.  
37          (10)   Day. – Any part of a day in which psychological work is performed.  
38          (11)   Distant State. – The Compact State where a psychologist is physically present  
39          (not through the use of telecommunications technologies) to provide  
40          temporary in-person, face-to-face psychological services.  
41          (12)   E.Passport. – A certificate issued by the Association of State and Provincial  
42          Psychology Boards (ASPPB) that promotes the standardization in the criteria  
43          of interjurisdictional telepsychology practice and facilitates the process for  
44          licensed psychologists to provide telepsychological services across state lines.  
45          (13)   Executive Board. – A group of directors elected or appointed to act on behalf  
46          of, and within the powers granted to them by, the Commission.  
47          (14)   Home State. – A Compact State where a psychologist is licensed to practice  
48          psychology. If the psychologist is licensed in more than one Compact State  
49          and is practicing under the Authority to Practice Interjurisdictional  
50          Telepsychology, the Home State is the Compact State where the psychologist  
51          is physically present when the telepsychological services are delivered. If the

- 1 psychologist is licensed in more than one Compact State and is practicing  
2 under the Temporary Authorization to Practice, the Home State is any  
3 Compact State where the psychologist is licensed.
- 4 (15) Identity History Summary. – A summary of information retained by the FBI,  
5 or other designee with similar authority, in connection with arrests and, in  
6 some instances, federal employment, naturalization, or military service.
- 7 (16) In-person, face-to-face. – Interactions in which the psychologist and the  
8 client/patient are in the same physical space and which does not include  
9 interactions that may occur through the use of telecommunication  
10 technologies.
- 11 (17) Interjurisdictional Practice Certificate (IPC). – A certificate issued by the  
12 Association of State and Provincial Psychology Boards (ASPPB) that grants  
13 temporary authority to practice based on notification to the State Psychology  
14 Regulatory Authority of intention to practice temporarily and verification of  
15 one's qualifications for such practice.
- 16 (18) License. – Authorization by a State Psychology Regulatory Authority to  
17 engage in the independent practice of psychology, which would be unlawful  
18 without the authorization.
- 19 (19) Non-Compact State. – Any State which is not at the time a Compact State.
- 20 (20) Psychologist. – An individual licensed for the independent practice of  
21 psychology.
- 22 (21) Psychology Interjurisdictional Compact Commission (Commission). – The  
23 national administration of which all Compact States are members.
- 24 (22) Receiving State. – A Compact State where the client/patient is physically  
25 located when the telepsychological services are delivered.
- 26 (23) Rule. – A written statement by the Psychology Interjurisdictional Compact  
27 Commission promulgated pursuant to G.S. 90-270.170 of the Compact that is  
28 of general applicability, implements, interprets, or prescribes a policy or  
29 provision of the Compact, or an organizational, procedural, or practice  
30 requirement of the Commission and has the force and effect of statutory law  
31 in a Compact State, and includes the amendment, repeal, or suspension of an  
32 existing rule.
- 33 (24) Significant investigatory information. –  
34 a. Investigative information that a State Psychology Regulatory  
35 Authority, after a preliminary inquiry that includes notification and an  
36 opportunity to respond if required by state law, has reason to believe,  
37 if proven true, would indicate more than a violation of state statute or  
38 ethics code that would be considered more substantial than minor  
39 infraction; or  
40 b. Investigative information that indicates that the psychologist  
41 represents an immediate threat to public health and safety regardless  
42 of whether the psychologist has been notified and/or had an  
43 opportunity to respond.
- 44 (25) State. – A state, commonwealth, territory, or possession of the United States  
45 or the District of Columbia.
- 46 (26) State Psychology Regulatory Authority. – The Board, office, or other agency  
47 with the legislative mandate to license and regulate the practice of psychology.
- 48 (27) Telepsychology. – The provision of psychological services using  
49 telecommunication technologies.

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

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

8 **"§ 90-270.162. Home State licensure.**

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

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

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

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

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

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

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

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

29               (4) Requires an Identity History Summary of all applicants at initial licensure,  
30 including the use of the results of fingerprints or other biometric data checks  
31 compliant with the requirements of the Federal Bureau of Investigation (FBI),  
32 or other designee with similar authority, no later than 10 years after activation  
33 of the Compact; and

34               (5) Complies with the Bylaws and Rules of the Commission.

35           (f) A Home State's license grants Temporary Authorization to Practice to a psychologist  
36 in a Distant State only if the Compact State:

37               (1) Currently requires the psychologist to hold an active IPC;

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

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

42               (4) Requires an Identity History Summary of all applicants at initial licensure,  
43 including the use of the results of fingerprints or other biometric data checks  
44 compliant with the requirements of the Federal Bureau of Investigation (FBI),  
45 or other designee with similar authority, no later than 10 years after activation  
46 of the Compact; and

47               (5) Complies with the Bylaws and Rules of the Commission.

48 **"§ 90-270.163. Compact privilege to practice telepsychology.**

49           (a) Compact States shall recognize the right of a psychologist, licensed in a Compact  
50 State in conformance with G.S. 90-270.162, to practice telepsychology in other Compact States

1 (Receiving States) in which the psychologist is not licensed, under the Authority to Practice  
2 Interjurisdictional Telepsychology as provided in the Compact.

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

- 6 (1) Hold a graduate degree in psychology from an institute of higher education  
7 that was, at the time the degree was awarded:
- 8 a. Regionally accredited by an accrediting body recognized by the U.S.  
9 Department of Education to grant graduate degrees, or authorized by  
10 Provincial Statute or Royal Charter to grant doctoral degrees; or
  - 11 b. A foreign college or university deemed to be equivalent to  
12 sub-subdivision a. of this subdivision by a foreign credential  
13 evaluation service that is a member of the National Association of  
14 Credential Evaluation Services (NACES) or by a recognized foreign  
15 credential evaluation service; and
- 16 (2) Hold a graduate degree in psychology that meets the following criteria:
- 17 a. The program, wherever it may be administratively housed, must be  
18 clearly identified and labeled as a psychology program. Such a  
19 program must specify in pertinent institutional catalogues and  
20 brochures its intent to educate and train professional psychologists;
  - 21 b. The psychology program must stand as a recognizable, coherent,  
22 organizational entity within the institution;
  - 23 c. There must be a clear authority and primary responsibility for the core  
24 and specialty areas whether or not the program cuts across  
25 administrative lines;
  - 26 d. The program must consist of an integrated, organized sequence of  
27 study;
  - 28 e. There must be an identifiable psychology faculty sufficient in size and  
29 breadth to carry out its responsibilities;
  - 30 f. The designated director of the program must be a psychologist and a  
31 member of the core faculty;
  - 32 g. The program must have an identifiable body of students who are  
33 matriculated in that program for a degree;
  - 34 h. The program must include supervised practicum, internship, or field  
35 training appropriate to the practice of psychology;
  - 36 i. The curriculum shall encompass a minimum of three academic years  
37 of full-time graduate study for doctoral degree and a minimum of one  
38 academic year of full-time graduate study for master's degree;
  - 39 j. The program includes an acceptable residency as defined by the Rules  
40 of the Commission.
- 41 (3) Possess a current, full, and unrestricted license to practice psychology in a  
42 Home State that is a Compact State;
- 43 (4) Have no history of adverse action that violate the Rules of the Commission;
- 44 (5) Have no criminal record history reported on an Identity History Summary that  
45 violates the Rules of the Commission;
- 46 (6) Possess a current, active E.Passport;
- 47 (7) Provide attestations in regard to areas of intended practice, conformity with  
48 standards of practice, competence in telepsychology technology, criminal  
49 background, and knowledge and adherence to legal requirements in the home  
50 and receiving states, and provide a release of information to allow for primary  
51 source verification in a manner specified by the Commission; and

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

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

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

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

16 **"§ 90-270.164. Compact Temporary Authorization to Practice.**

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

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

22           (1) Hold a graduate degree in psychology from an institute of higher education  
23 that was, at the time the degree was awarded:

- 24           a. Regionally accredited by an accrediting body recognized by the U.S.  
25 Department of Education to grant graduate degrees, or authorized by  
26 Provincial Statute or Royal Charter to grant doctoral degrees; or  
27           b. A foreign college or university deemed to be equivalent to  
28 sub-subdivision a. of this subdivision by a foreign credential  
29 evaluation service that is a member of the National Association of  
30 Credential Evaluation Services (NACES) or by a recognized foreign  
31 credential evaluation service; and

32           (2) Hold a graduate degree in psychology that meets the following criteria:

- 33           a. The program, wherever it may be administratively housed, must be  
34 clearly identified and labeled as a psychology program. Such a  
35 program must specify in pertinent institutional catalogues and  
36 brochures its intent to educate and train professional psychologists;  
37           b. The psychology program must stand as a recognizable, coherent,  
38 organizational entity within the institution;  
39           c. There must be a clear authority and primary responsibility for the core  
40 and specialty areas whether or not the program cuts across  
41 administrative lines;  
42           d. The program must consist of an integrated, organized sequence of  
43 study;  
44           e. There must be an identifiable psychology faculty sufficient in size and  
45 breadth to carry out its responsibilities;  
46           f. The designated director of the program must be a psychologist and a  
47 member of the core faculty;  
48           g. The program must have an identifiable body of students who are  
49 matriculated in that program for a degree;  
50           h. The program must include supervised practicum, internship, or field  
51 training appropriate to the practice of psychology;

- 1                   i.       The curriculum shall encompass a minimum of three academic years  
2                   of full-time graduate study for doctoral degrees and a minimum of one  
3                   academic year of full-time graduate study for master's degrees;  
4                   j.       The program includes an acceptable residency as defined by the Rules  
5                   of the Commission.

- 6                   (3)   Possess a current, full, and unrestricted license to practice psychology in a  
7                   Home State that is a Compact State;  
8                   (4)   No history of adverse action that violates the Rules of the Commission;  
9                   (5)   No criminal record history that violates the Rules of the Commission;  
10                  (6)   Possess a current, active IPC;  
11                  (7)   Provide attestations in regard to areas of intended practice and work  
12                  experience and provide a release of information to allow for primary source  
13                  verification in a manner specified by the Commission; and  
14                  (8)   Meet other criteria as defined by the Rules of the Commission.

15           (c)   A psychologist practicing into a Distant State under the Temporary Authorization to  
16           Practice shall practice within the scope of practice authorized by the Distant State.

17           (d)   A psychologist practicing into a Distant State under the Temporary Authorization to  
18           Practice will be subject to the Distant State's authority and law. A Distant State may, in  
19           accordance with that state's due process law, limit or revoke a psychologist's Temporary  
20           Authorization to Practice in the Distant State and may take any other necessary actions under the  
21           Distant State's applicable law to protect the health and safety of the Distant State's citizens. If a  
22           Distant State takes action, the state shall promptly notify the Home State and the Commission.

23           (e)   If a psychologist's license in any Home State, another Compact State, or any  
24           Temporary Authorization to Practice in any Distant State is restricted, suspended, or otherwise  
25           limited, the IPC shall be revoked and therefore the psychologist shall not be eligible to practice  
26           in a Compact State under the Temporary Authorization to Practice.

27           **"§ 90-270.165. Conditions of telepsychology practice in a Receiving State.**

28           A psychologist may practice in a Receiving State under the Authority to Practice  
29           Interjurisdictional Telepsychology only in the performance of the scope of practice for  
30           psychology as assigned by an appropriate State Psychology Regulatory Authority, as defined in  
31           the Rules of the Commission, and under the following circumstances:

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

36           **"§ 90-270.166. Adverse actions.**

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

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

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

- 48                   (1)   All Home State disciplinary orders which impose adverse action shall be  
49                   reported to the Commission in accordance with the Rules promulgated by the  
50                   Commission. A Compact State shall report adverse actions in accordance with  
51                   the Rules of the Commission.

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

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

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

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

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

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

26          **"§ 90-270.167. Additional authorities invested in a Compact State's Psychology Regulatory**  
27          **Authority.**

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

30               (1)    Issue subpoenas, for both hearings and investigations, which require the  
31               attendance and testimony of witnesses and the production of evidence.  
32               Subpoenas issued by a Compact State's Psychology Regulatory Authority for  
33               the attendance and testimony of witnesses and/or the production of evidence  
34               from another Compact State shall be enforced in the latter state by any court  
35               of competent jurisdiction, according to that court's practice and procedure in  
36               considering subpoenas issued in its own proceedings. The issuing State  
37               Psychology Regulatory Authority shall pay any witness fees, travel expenses,  
38               mileage, and other fees required by the service statutes of the state where the  
39               witnesses and/or evidence are located.

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

43               (3)    During the course of any investigation, a psychologist may not change his/her  
44               Home State licensure. A Home State Psychology Regulatory Authority is  
45               authorized to complete any pending investigations of a psychologist and to  
46               take any actions appropriate under its law. The Home State Psychology  
47               Regulatory Authority shall promptly report the conclusions of such  
48               investigations to the Commission. Once an investigation has been completed,  
49               and pending the outcome of said investigation, the psychologist may change  
50               his/her Home State licensure. The Commission shall promptly notify the new  
51               Home State of any such decisions as provided in the Rules of the Commission.



1 All information provided to the Commission or distributed by Compact States  
2 pursuant to the psychologist shall be confidential, filed under seal, and used  
3 for investigatory or disciplinary matters. The Commission may create  
4 additional rules for mandated or discretionary sharing of information by  
5 Compact States.

6 **"§ 90-270.168. Coordinated Licensure Information System.**

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

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

14 (1) Identifying information;

15 (2) Licensure data;

16 (3) Significant investigatory information;

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

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

20 (6) Nonconfidential information related to alternative program participation  
21 information;

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

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

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

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

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

34 **"§ 90-270.169. Establishment of the Psychology Interjurisdictional Compact Commission.**

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

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

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

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

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

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

- 1                   a.     Executive Director, Executive Secretary, or similar executive;  
2                   b.     Current member of the State Psychology Regulatory Authority of a  
3                   Compact State; or  
4                   c.     Designee empowered with the appropriate delegate authority to act on  
5                   behalf of the Compact State.  
6           (2)     Any Commissioner may be removed or suspended from office as provided by  
7           the law of the state from which the Commissioner is appointed. Any vacancy  
8           occurring in the Commission shall be filled in accordance with the laws of the  
9           Compact State in which the vacancy exists.  
10          (3)     Each Commissioner shall be entitled to one vote with regard to the  
11          promulgation of Rules and creation of Bylaws and shall otherwise have an  
12          opportunity to participate in the business and affairs of the Commission. A  
13          Commissioner shall vote in person or by such other means as provided in the  
14          Bylaws. The Bylaws may provide for Commissioners' participation in  
15          meetings by telephone or other means of communication.  
16          (4)     The Commission shall meet at least once during each calendar year.  
17          Additional meetings shall be held as set forth in the Bylaws.  
18          (5)     All meetings shall be open to the public, and public notice of meetings shall  
19          be given in the same manner as required under the rule-making provisions in  
20          G.S. 90-270.170.  
21          (6)     The Commission may convene in a closed, nonpublic meeting if the  
22          Commission must discuss:  
23                  a.     Noncompliance of a Compact State with its obligations under the  
24                  Compact;  
25                  b.     The employment, compensation, discipline, or other personnel  
26                  matters, practices, or procedures related to specific employees or other  
27                  matters related to the Commission's internal personnel practices and  
28                  procedures;  
29                  c.     Current, threatened, or reasonably anticipated litigation against the  
30                  Commission;  
31                  d.     Negotiation of contracts for the purchase or sale of goods, services, or  
32                  real estate;  
33                  e.     Accusation against any person of a crime or formally censuring any  
34                  person;  
35                  f.     Disclosure of trade secrets or commercial or financial information  
36                  which is privileged or confidential;  
37                  g.     Disclosure of information of a personal nature where disclosure would  
38                  constitute a clearly unwarranted invasion of personal privacy;  
39                  h.     Disclosure of investigatory records compiled for law enforcement  
40                  purposes;  
41                  i.     Disclosure of information related to any investigatory reports prepared  
42                  by or on behalf of or for use of the Commission or other committee  
43                  charged with responsibility for investigation or determination of  
44                  compliance issues pursuant to the Compact; or  
45                  j.     Matters specifically exempted from disclosure by federal and state  
46                  statute.  
47          (7)     If a meeting, or portion of a meeting, is closed pursuant to this provision, the  
48          Commission's legal counsel or designee shall certify that the meeting may be  
49          closed and shall reference each relevant exempting provision. The  
50          Commission shall keep minutes which fully and clearly describe all matters  
51          discussed in a meeting and shall provide a full and accurate summary of

1 actions taken, of any person participating in the meeting, and the reasons  
2 therefore, including a description of the views expressed. All documents  
3 considered in connection with an action shall be identified in such minutes.  
4 All minutes and documents of a closed meeting shall remain under seal,  
5 subject to release only by a majority vote of the Commission or order of a  
6 court of competent jurisdiction.

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

10 (1) Establishing the fiscal year of the Commission;

11 (2) Providing reasonable standards and procedures:

12 a. For the establishment and meetings of other committees; and

13 b. Governing any general or specific delegation of any authority or  
14 function of the Commission;

15 (3) Providing reasonable procedures for calling and conducting meetings of the  
16 Commission, ensuring reasonable advance notice of all meetings and  
17 providing an opportunity for attendance of such meetings by interested parties,  
18 with enumerated exceptions designed to protect the public's interest, the  
19 privacy of individuals of such proceedings, and proprietary information,  
20 including trade secrets. The Commission may meet in closed session only  
21 after a majority of the Commissioners vote to close a meeting to the public in  
22 whole or in part. As soon as practicable, the Commission must make public a  
23 copy of the vote to close the meeting revealing the vote of each Commissioner  
24 with no proxy votes allowed;

25 (4) Establishing the titles, duties, and authority and reasonable procedures for the  
26 election of the officers of the Commission;

27 (5) Providing reasonable standards and procedures for the establishment of the  
28 personnel policies and programs of the Commission. Notwithstanding any  
29 civil service or other similar law of any Compact State, the Bylaws shall  
30 exclusively govern the personnel policies and programs of the Commission;

31 (6) Promulgating a Code of Ethics to address permissible and prohibited activities  
32 of Commission members and employees;

33 (7) Providing a mechanism for concluding the operations of the Commission and  
34 the equitable disposition of any surplus funds that may exist after the  
35 termination of the Compact after the payment and/or reserving of all of its  
36 debts and obligations;

37 (8) The Commission shall publish its Bylaws in a convenient form and file a copy  
38 thereof and a copy of any amendment thereto with the appropriate agency or  
39 officer in each of the Compact States;

40 (9) The Commission shall maintain its financial records in accordance with the  
41 Bylaws; and

42 (10) The Commission shall meet and take such actions as are consistent with the  
43 provisions of this Compact and the Bylaws.

44 (d) The Commission shall have the following powers:

45 (1) The authority to promulgate uniform rules to facilitate and coordinate  
46 implementation and administration of this Compact. The rules shall have the  
47 force and effect of law and shall be binding in all Compact States;

48 (2) To bring and prosecute legal proceedings or actions in the name of the  
49 Commission, provided that the standing of any State Psychology Regulatory  
50 Authority or other regulatory body responsible for psychology licensure to sue  
51 or be sued under applicable law shall not be affected;

- 1           (3)    To purchase and maintain insurance and bonds;  
2           (4)    To borrow, accept, or contract for services of personnel, including, but not  
3           limited to, employees of a Compact State;  
4           (5)    To hire employees, elect or appoint officers, fix compensation, define duties,  
5           grant such individuals appropriate authority to carry out the purposes of the  
6           Compact, and establish the Commission's personnel policies and programs  
7           relating to conflicts of interest, qualifications of personnel, and other related  
8           personnel matters;  
9           (6)    To accept any and all appropriate donations and grants of money, equipment,  
10           supplies, materials, and services and to receive, utilize, and dispose of the  
11           same, provided that at all times the Commission shall strive to avoid any  
12           appearance of impropriety and/or conflict of interest;  
13           (7)    To lease, purchase, accept appropriate gifts or donations of, or otherwise to  
14           own, hold, improve, or use any property, real, personal, or mixed, provided  
15           that at all times the Commission shall strive to avoid any appearance of  
16           impropriety;  
17           (8)    To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise  
18           dispose of any property, real, personal, or mixed;  
19           (9)    To establish a budget and make expenditures;  
20           (10)   To borrow money;  
21           (11)   To appoint committees, including advisory committees comprised of  
22           members, state regulators, state legislators or their representatives, and  
23           consumer representatives, and such other interested persons as may be  
24           designated in this Compact and the Bylaws;  
25           (12)   To provide and receive information from, and to cooperate with, law  
26           enforcement agencies;  
27           (13)   To adopt and use an official seal; and  
28           (14)   To perform such other functions as may be necessary or appropriate to achieve  
29           the purposes of this Compact consistent with the state regulation of  
30           psychology licensure, temporary in-person, face-to-face practice, and  
31           telepsychology practice.  
32       (e)    The Executive Board. – The elected officers shall serve as the Executive Board, which  
33       shall have the power to act on behalf of the Commission according to the terms of this Compact.  
34           (1)    The Executive Board shall be comprised of six members:  
35           a.     Five voting members who are elected from the current membership of  
36           the Commission by the Commission.  
37           b.     One ex officio, nonvoting member from the recognized membership  
38           organization composed of State and Provincial Psychology Regulatory  
39           Authorities.  
40           (2)    The ex officio member must have served as staff or member on a State  
41           Psychology Regulatory Authority and will be selected by its respective  
42           organization.  
43           (3)    The Commission may remove any member of the Executive Board as  
44           provided in Bylaws.  
45           (4)    The Executive Board shall meet at least annually.  
46           (5)    The Executive Board shall have the following duties and responsibilities:  
47           a.     Recommend to the entire Commission changes to the Rules or Bylaws,  
48           changes to this Compact legislation, or fees paid by Compact States  
49           such as annual dues and any other applicable fees;  
50           b.     Ensure Compact administration services are appropriately provided,  
51           contractual or otherwise;

- 1                   c.     Prepare and recommend the budget;  
2                   d.     Maintain financial records on behalf of the Commission;  
3                   e.     Monitor Compact compliance of member states and provide  
4                         compliance reports to the Commission;  
5                   f.     Establish additional committees as necessary; and  
6                   g.     Other duties as provided in Rules or Bylaws.
- 7     (f)   Financing of the Commission. –  
8           (1)   The Commission shall pay or provide for the payment of the reasonable  
9                 expenses of its establishment, organization, and ongoing activities.  
10          (2)   The Commission may accept any and all appropriate revenue sources,  
11                 donations, and grants of money, equipment, supplies, materials, and services.  
12          (3)   The Commission may levy on and collect an annual assessment from each  
13                 Compact State or impose fees on other parties to cover the cost of the  
14                 operations and activities of the Commission and its staff which must be in a  
15                 total amount sufficient to cover its annual budget as approved each year for  
16                 which revenue is not provided by other sources. The aggregate annual  
17                 assessment amount shall be allocated based upon a formula to be determined  
18                 by the Commission which shall promulgate a rule binding upon all Compact  
19                 States.  
20          (4)   The Commission shall not incur obligations of any kind prior to securing the  
21                 funds adequate to meet the same, nor shall the Commission pledge the credit  
22                 of any of the Compact States, except by and with the authority of the Compact  
23                 State.  
24          (5)   The Commission shall keep accurate accounts of all receipts and  
25                 disbursements. The receipts and disbursements of the Commission shall be  
26                 subject to the audit and accounting procedures established under its Bylaws.  
27                 However, all receipts and disbursements of funds handled by the Commission  
28                 shall be audited yearly by a certified or licensed public accountant and the  
29                 report of the audit shall be included in and become part of the annual report  
30                 of the Commission.
- 31     (g)   Qualified Immunity, Defense, and Indemnification. –  
32           (1)   The members, officers, Executive Director, employees, and representatives of  
33                 the Commission shall be immune from suit and liability, either personally or  
34                 in their official capacity, for any claim for damage to or loss of property or  
35                 personal injury or other civil liability caused by or arising out of any actual or  
36                 alleged act, error, or omission that occurred, or that the person against whom  
37                 the claim is made had a reasonable basis for believing occurred within the  
38                 scope of Commission employment, duties, or responsibilities, provided that  
39                 nothing in this subdivision shall be construed to protect any such person from  
40                 suit and/or liability for any damage, loss, injury, or liability caused by the  
41                 intentional or willful or wanton misconduct of that person.  
42           (2)   The Commission shall defend any member, officer, Executive Director,  
43                 employee, or representative of the Commission in any civil action seeking to  
44                 impose liability arising out of any actual or alleged act, error, or omission that  
45                 occurred within the scope of Commission employment, duties, or  
46                 responsibilities, or that the person against whom the claim is made had a  
47                 reasonable basis for believing occurred within the scope of Commission  
48                 employment, duties, or responsibilities, provided that nothing herein shall be  
49                 construed to prohibit that person from retaining his or her own counsel, and  
50                 provided further that the actual or alleged act, error, or omission did not result  
51                 from that person's intentional or willful or wanton misconduct.

1           (3)    The Commission shall indemnify and hold harmless any member, officer,  
2           Executive Director, employee, or representative of the Commission for the  
3           amount of any settlement or judgment obtained against that person arising out  
4           of any actual or alleged act, error, or omission that occurred within the scope  
5           of employment, duties, or responsibilities, or that such person had a  
6           reasonable basis for believing occurred within the scope of Commission  
7           employment, duties, or responsibilities, provided that the actual or alleged act,  
8           error, or omission did not result from the intentional or willful or wanton  
9           misconduct of that person.

10 **§ 90-270.170. Rule making.**

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

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

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

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

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

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

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

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

28                   (2)    The text of the proposed rule or amendment and the reason for the proposed  
29                   rule;

30                   (3)    A request for comments on the proposed rule from any interested person; and

31                   (4)    The manner in which interested persons may submit notice to the Commission  
32                   of their intention to attend the public hearing and any written comments.

33           (f)    Prior to adoption of a proposed rule, the Commission shall allow persons to submit  
34           written data, facts, opinions, and arguments, which shall be made available to the public.

35           (g)    The Commission shall grant an opportunity for a public hearing before it adopts a rule  
36           or amendment if a hearing is requested by:

37                   (1)    At least 25 persons who submit comments independently of each other;

38                   (2)    A governmental subdivision or agency; or

39                   (3)    A duly appointed person in an association that has at least 25 members.

40           (h)    If a hearing is held on the proposed rule or amendment, the Commission shall publish  
41           the place, time, and date of the scheduled public hearing.

42                   (1)    All persons wishing to be heard at the hearing shall notify the Executive  
43                   Director of the Commission or other designated member in writing of their  
44                   desire to appear and testify at the hearing not less than five business days  
45                   before the scheduled date of the hearing.

46                   (2)    Hearings shall be conducted in a manner providing each person who wishes  
47                   to comment a fair and reasonable opportunity to comment orally or in writing.

48                   (3)    No transcript of the hearing is required, unless a written request for a transcript  
49                   is made, in which case the person requesting the transcript shall bear the cost  
50                   of producing the transcript. A recording may be made in lieu of a transcript  
51                   under the same terms and conditions as a transcript. This subsection shall not

1 preclude the Commission from making a transcript or recording of the hearing  
2 if it so chooses.

3 (4) Nothing in this section shall be construed as requiring a separate hearing on  
4 each rule. Rules may be grouped for the convenience of the Commission at  
5 hearings required by this section.

6 (i) Following the scheduled hearing date, or by the close of business on the scheduled  
7 hearing date if the hearing was not held, the Commission shall consider all written and oral  
8 comments received.

9 (j) The Commission shall, by majority vote of all members, take final action on the  
10 proposed rule and shall determine the effective date of the rule, if any, based on the rule-making  
11 record and the full text of the rule.

12 (k) If no written notice of intent to attend the public hearing by interested parties is  
13 received, the Commission may proceed with promulgation of the proposed rule without a public  
14 hearing.

15 (l) Upon determination that an emergency exists, the Commission may consider and  
16 adopt an emergency rule without prior notice, opportunity for comment, or hearing, provided that  
17 the usual rule-making procedures provided in the Compact and in this section shall be  
18 retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days  
19 after the effective date of the rule. For the purposes of this provision, an emergency rule is one  
20 that must be adopted immediately in order to:

21 (1) Meet an imminent threat to public health, safety, or welfare;

22 (2) Prevent a loss of Commission or Compact State funds;

23 (3) Meet a deadline for the promulgation of an administrative rule that is  
24 established by federal law or rule; or

25 (4) Protect public health and safety.

26 (m) The Commission or an authorized committee of the Commission may direct revisions  
27 to a previously adopted rule or amendment for purposes of correcting typographical errors, errors  
28 in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be  
29 posted on the Web site of the Commission. The revision shall be subject to challenge by any  
30 person for a period of 30 days after posting. The revision may be challenged only on grounds  
31 that the revision results in a material change to a rule. A challenge shall be made in writing and  
32 delivered to the Chair of the Commission prior to the end of the notice period. If no challenge is  
33 made, the revision will take effect without further action. If the revision is challenged, the  
34 revision may not take effect without the approval of the Commission.

35 **"§ 90-270.171. Oversight, dispute resolution, and enforcement.**

36 (a) Oversight. –

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

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

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

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

- 1           (1) If the Commission determines that a Compact State has defaulted in the  
2 performance of its obligations or responsibilities under this Compact or the  
3 promulgated rules, the Commission shall:  
4           a. Provide written notice to the defaulting state and other Compact States  
5 of the nature of the default, the proposed means of remedying the  
6 default, and/or any other action to be taken by the Commission; and  
7           b. Provide remedial training and specific technical assistance regarding  
8 the default.  
9           (2) If a state in default fails to remedy the default, the defaulting state may be  
10 terminated from the Compact upon an affirmative vote of a majority of the  
11 Compact States and all rights, privileges, and benefits conferred by this  
12 Compact shall be terminated on the effective date of termination. A remedy  
13 of the default does not relieve the offending state of obligations or liabilities  
14 incurred during the period of default.  
15           (3) Termination of membership in the Compact shall be imposed only after all  
16 other means of securing compliance have been exhausted. Notice of intent to  
17 suspend or terminate shall be submitted by the Commission to the Governor,  
18 the majority and minority leaders of the defaulting state's legislature, and each  
19 of the Compact States.  
20           (4) A Compact State which has been terminated is responsible for all assessments,  
21 obligations, and liabilities incurred through the effective date of termination,  
22 including obligations which extend beyond the effective date of termination.  
23           (5) The Commission shall not bear any costs incurred by the state which is found  
24 to be in default or which has been terminated from the Compact, unless agreed  
25 upon in writing between the Commission and the defaulting state.  
26           (6) The defaulting state may appeal the action of the Commission by petitioning  
27 the U.S. District Court for the State of Georgia or the federal district where  
28 the Compact has its principal offices. The prevailing member shall be awarded  
29 all costs of such litigation, including reasonable attorneys' fees.  
30       (c) Dispute Resolution. –  
31           (1) Upon request by a Compact State, the Commission shall attempt to resolve  
32 disputes related to the Compact which arise among Compact States and  
33 between Compact and Non-Compact States.  
34           (2) The Commission shall promulgate a rule providing for both mediation and  
35 binding dispute resolution for disputes that arise before the Commission.  
36       (d) Enforcement. –  
37           (1) The Commission, in the reasonable exercise of its discretion, shall enforce the  
38 provisions and Rules of this Compact.  
39           (2) By majority vote, the Commission may initiate legal action in the United  
40 States District Court for the State of Georgia or the federal district where the  
41 Compact has its principal offices against a Compact State in default to enforce  
42 compliance with the provisions of the Compact and its promulgated Rules and  
43 Bylaws. The relief sought may include both injunctive relief and damages. In  
44 the event judicial enforcement is necessary, the prevailing member shall be  
45 awarded all costs of such litigation, including reasonable attorneys' fees.  
46           (3) The remedies herein shall not be the exclusive remedies of the Commission.  
47 The Commission may pursue any other remedies available under federal or  
48 state law.

49 **§ 90-270.172. Date of implementation of the Psychology Interjurisdictional Compact**  
50 **Commission and associated rules, withdrawal, and amendments.**



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

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

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

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

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

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

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

24       **"§ 90-270.173. Construction and severability.**

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

28       **SECTION 1.(c)** Subsections (a) and (b) of this section become effective when at  
29 least seven states have enacted the Psychology Interjurisdictional Compact (PSYPACT) set forth  
30 in subsection (b) of this section. The North Carolina Psychology Board shall report to the Revisor  
31 of Statutes when the PSYPACT set forth in subsection (b) of this section has been enacted by  
32 seven member states.

33  
34       **PART II. ALLOW LICENSED MARRIAGE AND FAMILY THERAPISTS TO**  
35 **CONDUCT FIRST-LEVEL EXAMINATIONS FOR INVOLUNTARY COMMITMENT**  
36 **AND CREATE FEES**

37       **SECTION 2.(a)** G.S. 122C-263.1(a) reads as rewritten:

38       **"§ 122C-263.1. Secretary's authority to certify commitment examiners; training of certified**  
39 **commitment examiners performing first examinations; LME/MCO**  
40 **responsibilities.**

41       (a)    Physicians and eligible psychologists are qualified to perform the commitment  
42 examinations required under G.S. 122C-263(c) and G.S. 122C-283(c). The Secretary of Health  
43 and Human Services may individually certify to perform the first commitment examinations  
44 required by G.S. 122C-261 through G.S. 122C-263 and G.S. 122C-281 through G.S. 122C-283  
45 other health, mental health, and substance abuse professionals whose scope of practice includes  
46 diagnosing and documenting psychiatric or substance use disorders and conducting mental status  
47 examinations to determine capacity to give informed consent to treatment as follows:

48           (1)   The Secretary has received a request:

49               a.    To certify a licensed clinical social worker, a master's or higher level  
50                   degree nurse practitioner, a licensed professional counsellor, a  
51                   licensed marriage and family therapist, or a physician's assistant to

1 conduct the first examinations described in G.S. 122C-263(c) and  
 2 G.S. 122C-283(c).

3 b. To certify a master's level licensed clinical addictions specialist to  
 4 conduct the first examination described in G.S. 122C-283(c).

5 ...  
 6 (5) In no event shall the certification of a licensed clinical social worker, master's  
 7 or higher level degree nurse practitioner, licensed professional counsellor, a  
 8 licensed marriage and family therapist, physician assistant, or master's level  
 9 certified clinical addictions specialist under this section be construed as  
 10 authorization to expand the scope of practice of the licensed clinical social  
 11 worker, the master's level nurse practitioner, licensed professional counsellor,  
 12 a licensed marriage and family therapist, physician assistant, or the master's  
 13 level certified clinical addictions specialist.

14 ...  
 15 (9) A licensed marriage and family therapist shall not be authorized to conduct  
 16 the initial examination of an individual married to a patient of the licensed  
 17 marriage and family therapist."

18 **SECTION 2.(b)** This section is effective October 1, 2019.

19  
 20 **PART III. ELIMINATE REDUNDANCY IN ADULT CARE HOME INSPECTIONS**

21 **SECTION 3.** G.S. 131D-2.11(a) reads as rewritten:

22 "(a) State Inspection and Monitoring. – The Department shall ensure that adult care homes  
 23 required to be licensed by this Article are monitored for licensure compliance on a regular basis.  
 24 All facilities licensed under this Article and adult care units in nursing homes are subject to  
 25 inspections at all times by the Secretary. Except as provided in subsection (a1) of this section,  
 26 the Division of Health Service Regulation shall inspect all adult care homes and adult care units  
 27 in nursing homes on an annual basis. Beginning July 1, 2012, the Division of Health Service  
 28 Regulation shall include as part of its inspection of all adult care homes a review of the facility's  
 29 compliance with G.S. 131D-4.4A(b) and safe practices for injections and any other procedures  
 30 during which bleeding typically occurs. In addition, the Department shall ensure that adult care  
 31 homes are inspected every two years to determine compliance with physical plant and life-safety  
 32 requirements.

33 If the annual inspection of an adult care home is conducted separately from the inspection  
 34 required every two years to determine compliance with physical plant and life-safety  
 35 requirements, the Division of Health Service Regulation shall not cite, as part of the annual  
 36 inspection, any violation of law that overlaps with an area addressed by the physical plant and  
 37 life-safety inspection, unless failure to address the violation during the annual inspection would  
 38 pose a risk to resident health or safety. Nothing in this section prevents a licensing inspector from  
 39 referring a concern about physical plant and life-safety requirements to the section within the  
 40 Division of Health Service Regulation that conducts physical plant and life-safety inspections."

41  
 42 **PART IV. RAISE LUPUS AWARENESS**

43 **SECTION 4.(a)** Chapter 103 of the General Statutes is amended by adding a new  
 44 section to read:

45 **"§ 103-15. Lupus Awareness Month.**

46 The month of May of each year is designated as Lupus Awareness Month in North Carolina."

47 **SECTION 4.(b)** Article 1B of Chapter 130A of the General Statutes is amended by  
 48 adding a new Part to read:

49 "Part 6A. Lupus Advisory Council.

50 **"§ 130A-33.70. Lupus Advisory Council.**

1        (a) There is established the Lupus Advisory Council in the Department. The Council shall  
2 have the following duties and responsibilities with respect to North Carolina residents who have  
3 been diagnosed with lupus:

- 4        (1) Make recommendations to the Governor and the Secretary aimed at improving  
5 their health status.
- 6        (2) Identify and examine the limitations and problems associated with existing  
7 laws, regulations, programs, and services.
- 8        (3) Examine the financing of, and access to, health services.
- 9        (4) Identify and review health promotion and disease prevention strategies  
10 relating to the leading causes of death and disability.
- 11        (5) Advise the Governor and the Secretary upon any matter which the Governor  
12 or Secretary may refer to it.

13        (b) The Lupus Advisory Council in the Department shall consist of 15 members to be  
14 appointed as follows:

- 15        (1) Four members shall be appointed by the Governor, three of whom shall be  
16 scientists with experience in lupus who participate in various fields of  
17 scientific endeavor, including, but not limited to, biomedical research, social,  
18 translational, behavioral, and epidemiological research, and public health, and  
19 one of whom shall be an individual who has been diagnosed with lupus.
- 20        (2) Four members shall be appointed by the Speaker of the House of  
21 Representatives, two of whom shall be medical clinicians with experience in  
22 treating individuals diagnosed with lupus, one of whom shall represent  
23 nonprofit women's organizations and health organizations, including at least  
24 one state or national organization that deals with the treatment of lupus, and  
25 one of whom shall be a public member who has been diagnosed with lupus.
- 26        (3) Four members shall be appointed by the President Pro Tempore of the Senate,  
27 three of whom shall represent nonprofit women's organizations and health  
28 organizations, including at least one state or national organization that deals  
29 with the treatment of lupus, and one of whom shall be a public member who  
30 has been diagnosed with lupus.
- 31        (4) Three members appointed by the Secretary, representing the Divisions of  
32 Public Health and Social Services.
- 33        (5) Of the members appointed by the Governor, two shall serve initial terms of  
34 one year, two shall serve initial terms of two years, and one shall serve an  
35 initial term of three years. Thereafter, the Governor's appointees shall serve  
36 terms of four years.
- 37        (6) Of the nonlegislative members appointed by the Speaker of the House of  
38 Representatives, two shall serve initial terms of two years and one shall serve  
39 an initial term of three years. Thereafter, nonlegislative members appointed  
40 by the Speaker of the House of Representatives shall serve terms of four years.  
41 Of the nonlegislative members appointed by the President Pro Tempore of the  
42 Senate, two shall serve initial terms of two years and one shall serve an initial  
43 term of three years. Thereafter, nonlegislative members appointed by the  
44 President Pro Tempore of the Senate shall serve terms of four years.  
45 Legislative members of the Council shall serve two-year terms.

46        (c) The Chairperson of the Council shall be elected by the Council from among its  
47 membership.

48        (d) The majority of the Council shall constitute a quorum for the transaction of business.

49        (e) Members of the Council shall receive per diem and necessary travel and subsistence  
50 expenses in accordance with the provisions of G.S. 138-5 or G.S. 138-6, or travel and subsistence  
51 expenses in accordance with the provisions of G.S. 120-3.1, as applicable.

1 (f) All clerical support and other services required by the Council shall be provided by  
2 the Department."

#### 4 PART V. STEP THERAPY PROTOCOLS

5 SECTION 5.(a) G.S. 58-3-221 reads as rewritten:

6 "**§ 58-3-221. Access to nonformulary and restricted access prescription drugs.**

7 (a) If an insurer (i) maintains one or more closed formularies for or restricts access to  
8 covered prescription drugs or devices, or (ii) requires an enrollee in a plan with an open or closed  
9 formulary to use a prescription drug or sequence of prescription drugs, other than the drug the  
10 enrollee's health care provider recommends, before the insurer provides coverage for the  
11 recommended prescription drug, then the insurer shall do all of the following:

12 (1) Develop the ~~formulary or formularies~~ or protocols and any restrictions on  
13 access to covered prescription drugs or devices in consultation with and with  
14 the approval of a pharmacy and therapeutics ~~committee, which shall include~~  
15 participating physicians who are licensed to practice medicine in this  
16 State ~~committee.~~

17 (2) Make available to participating providers, pharmacists, and enrollees the  
18 complete drugs or devices formulary or formularies maintained by the insurer  
19 including a list of the devices and prescription drugs on the formulary by  
20 major therapeutic category that specifies whether a particular drug or device  
21 is preferred over other drugs or ~~devices.~~ devices, as well as any utilization  
22 management program indicators.

23 (3) Establish and maintain an expeditious process or procedure that allows an  
24 enrollee or the enrollee's physician acting on behalf of the enrollee to obtain,  
25 without penalty or additional cost sharing beyond that provided for in the  
26 health benefit plan, coverage for a specific nonformulary drug or device  
27 determined to be medically necessary and appropriate by the enrollee's  
28 participating physician without prior approval from the insurer, after the  
29 enrollee's participating physician notifies the insurer that:

30 a. Either (i) the formulary alternatives have been ineffective in the  
31 treatment of the enrollee's disease or condition, or (ii) the formulary  
32 alternatives cause or are reasonably expected by the physician to cause  
33 a harmful or adverse clinical reaction in the enrollee; and

34 b. Either (i) the drug is prescribed in accordance with any applicable  
35 clinical protocol of the insurer for the prescribing of the drug, or (ii)  
36 the drug has been approved as an exception to the clinical protocol  
37 pursuant to the insurer's exception procedure. Update protocols based  
38 on a review of new evidence, research, and newly developed  
39 treatments.

40 (4) Provide coverage for a restricted access drug or device to an enrollee without  
41 requiring prior approval or use of a nonrestricted formulary drug if an  
42 enrollee's physician certifies in writing that the enrollee has previously used  
43 an alternative nonrestricted access drug or device and the alternative drug or  
44 device has been detrimental to the enrollee's health or has been ineffective in  
45 treating the same condition and, in the opinion of the prescribing physician, is  
46 likely to be detrimental to the enrollee's health or ineffective in treating the  
47 condition again. An insurer, or a pharmacy benefits manager under contract  
48 with an insurer, shall require that its pharmacy and therapeutics committee  
49 either meet the requirements for conflict of interest set by the Center for  
50 Medicare and Medicaid Services or meet the accreditation standards of the

1 National Committee for Quality Assurance or another independent accrediting  
2 organization.

3 (b) An insurer may not void a contract or refuse to renew a contract between the insurer  
4 and a prescribing provider because the prescribing provider has prescribed a medically necessary  
5 and appropriate nonformulary or restricted access drug or device as provided in this section.

6 (b1) Exception Process. – Each insurer shall establish and maintain an expeditious process  
7 or procedure, published on either the insurer's Web site or in policies provided to health care  
8 providers, that allows an enrollee or the enrollee's prescribing provider acting on behalf of the  
9 enrollee to obtain, without penalty or additional cost-sharing beyond that provided for in the  
10 health benefit plan, coverage for a specific nonformulary drug or device or the drug requested by  
11 the prescribing provider, if it is determined to be medically necessary and appropriate by the  
12 enrollee's prescribing provider and the prescription drug is covered under the current health  
13 benefit plan.

14 (1) An insurer shall grant an exception request if the prescribing provider's  
15 submitted justification and supporting clinical documentation are sufficient to  
16 demonstrate any of the following:

17 a. The enrollee has tried the alternate drug while covered by the current  
18 or the previous health benefit plan.

19 b. The formulary or alternate drug has been ineffective in the treatment  
20 of the enrollee's disease or condition.

21 c. The formulary or alternate drug causes or is reasonably expected by  
22 the prescribing provider to cause a harmful or adverse clinical reaction  
23 in the enrollee.

24 d. Either (i) the drug is prescribed in accordance with any applicable  
25 clinical protocol of the insurer for the prescribing of the drug, or (ii)  
26 the drug has been approved as an exception to the clinical protocol  
27 pursuant to the insurer's exception procedure.

28 e. The enrollee's prescribing provider certifies in writing that the enrollee  
29 has previously used an alternative nonrestricted access drug or device  
30 and the alternative drug or device has been detrimental to the enrollee's  
31 health or has been ineffective in treating the same condition and, in the  
32 opinion of the prescribing health care provider, is likely to be  
33 detrimental to the enrollee's health or ineffective in treating the  
34 condition again.

35 (2) Nothing in this section shall preclude an insurer from requiring prior  
36 authorization for the coverage of a prescribed drug that was covered by the  
37 enrollee's previous health benefit plan.

38 (b2) Pharmaceutical drug samples or patient incentive programs, including coupons or  
39 debit cards, shall not be considered trial and failure of a preferred prescription drug in lieu of  
40 trying the formulary-preferred prescription drug.

41 (b3) Exception process requirements:

42 (1) The insurer, health benefit plan, or utilization review organization may request  
43 relevant documentation from the patient or health care provider to support the  
44 exception request. Relevant information includes the results of any patient  
45 examination, clinical evaluation, or second opinion that may be required.

46 (2) A licensed physician or licensed pharmacist shall evaluate the clinical  
47 appropriateness of the exception request.

48 (3) For nonurgent exception requests for a prospective or concurrent review:

49 a. The insurer shall communicate to the enrollee's health care provider if  
50 additional information is required within 72 hours after the insurer  
51 receives the exception request.

- 1                   b.     The insurer shall communicate an exception request determination to  
2                   the enrollee's providers within 72 hours after receiving all relevant  
3                   information.
- 4           (4)     In the case of an urgent review:
- 5                   a.     The insurer shall communicate to the enrollee's health care provider if  
6                   additional information is required within 24 hours after the insurer  
7                   receives the exception request.
- 8                   b.     The insurer shall communicate an exception request determination to  
9                   the enrollee's providers within 24 hours after receiving all relevant  
10                  information.
- 11       (c)     As used in this section:
- 12           (1)     "Closed formulary" means a list of prescription drugs and devices reimbursed  
13           by the insurer that excludes coverage for drugs and devices not listed.
- 14           (1a)    "Health benefit plan" has definition provided in G.S. 58-3-167.
- 15           (2)     "Insurer" has the meaning provided in G.S. 58-3-167.
- 16           (3)     "Restricted access drug or device" means those covered prescription drugs or  
17           devices for which reimbursement by the insurer is conditioned on the insurer's  
18           prior approval to prescribe the drug or device or on the provider prescribing  
19           one or more alternative drugs or devices before prescribing the drug or device  
20           in question.
- 21       (d)     Nothing in this section requires an insurer to pay for drugs or devices or classes of  
22       drugs or devices related to a benefit that is specifically excluded from coverage by the insurer.

23       (e)     This section shall not be construed to prevent the health benefit plan from requiring  
24       an enrollee to try an A-rated generic equivalent drug, or a biosimilar, as defined under 42 U.S.C.  
25       § 262(i)(2), prior to providing coverage for the equivalent branded prescription drug."

26       **SECTION 5.(b)** This section becomes effective October 1, 2019, and applies to  
27       insurance contracts issued, renewed, or amended on or after that date.

## 29 **PART VI. CANCER TREATMENT FAIRNESS**

30       **SECTION 6.(a)** Article 3 of Chapter 58 of the General Statutes is amended by adding  
31       a new section to read as follows:

### 32 **"§ 58-3-282. Coverage for orally administered anticancer drugs.**

33       (a)     This section applies to health benefit plans sold on the individual market as defined  
34       in G.S. 58-68-25(a)(9) that provide coverage for prescribed, orally-administered anticancer drugs  
35       that are used to kill or slow the growth of cancerous cells and that provide coverage for  
36       intravenously administered or injected anticancer drugs.

37       (b)     Health benefit plans shall not impose a co-payment, coinsurance percentage, or  
38       deductible or a combination thereof to the insured for oral originator oncology products that is  
39       greater than the co-payment, coinsurance percentage, or deductible or a combination thereof  
40       charged to the insured for intravenously administered or injected anticancer drugs. For purposes  
41       of the above, coinsurance percentage means the percentage of costs used to determine the dollar  
42       amount of a covered health care service paid by the patient and not the actual dollar amount paid.

43       (c)     An insurer that limits the total amount paid by a covered person through all  
44       in-network, cost-sharing requirements to no more than three hundred dollars (\$300.00) per filled  
45       prescription for any oral originator oncology product shall be deemed in compliance with this  
46       section. For purposes of this subsection, "cost-sharing requirements" shall include co-payments,  
47       coinsurance, and deductibles. For subsequent years, the amount referenced in this subsection  
48       shall be indexed using the change of the Average Wholesale Price for oral originator oncology  
49       products and shall be rounded to the nearest whole cent per unit. The index factor shall be the  
50       index as of February 17 of the year preceding the change divided by the index of February 16 of  
51       the previous year. The price indexed maximum cost-sharing amount shall be posted by the

1 Commissioner no later than April 1 of each year and shall apply to policies renewed and  
2 purchased the following calendar year.

3 (d) This section shall not apply with regard to a plan that does not meet the minimum  
4 essential coverage requirement of the Patient Protection and Affordable Care Act, a  
5 grandfathered or transitional plan under the Affordable Care Act, a high deductible health benefit  
6 plan or policy that is qualified to be used in conjunction with a health savings account, a medical  
7 savings account, or other similar programs authorized by 26 U.S.C. § 220, et seq."

8 **SECTION 6.(b)** This section becomes effective January 1, 2020, and applies to  
9 insurance contracts or policies issued, renewed, or amended on or after that date. This section  
10 shall not become effective if this section is determined by the federal government to create a  
11 state-required benefit that is in excess of the essential health benefits pursuant to 45 C.F.R. §  
12 155.170(a)(3). If it is determined that this section creates a state-required benefit that is in excess  
13 of the essential health benefits pursuant to 45 C.F.R. § 155.170(a)(3), the Department of  
14 Insurance shall notify the Revisor of Statutes.

## 15 16 **PART VII. MODERNIZE MEDICAID TELEMEDICINE POLICIES**

17 **SECTION 7.(a)** The Department of Health and Human Services (DHHS) shall make  
18 the following changes to the Medicaid and NC Health Choice Clinical Coverage Policy No. 1H,  
19 Telemedicine and Telepsychiatry:

- 20 (1) DHHS shall reimburse for telemedicine and telepsychiatry services performed  
21 in a recipient's home or delivered from a licensed practitioner's home.
- 22 (2) A referral shall not be required for the use of telemedicine or telepsychiatry  
23 services above and beyond what is required for face-to-face services.
- 24 (3) The delivery of telemedicine or telepsychiatry over the phone or by video cell  
25 phone shall be covered. Any session interrupted by a breakdown in technology  
26 shall be covered to the extent it would have been covered had breakdown not  
27 occurred.
- 28 (4) A referring provider who is eligible to bill for facility fees and a receiving  
29 provider who is eligible to bill for facility fees shall be allowed to bill for  
30 facility fees related to the provision of telemedicine or telepsychiatry on the  
31 same date of service.
- 32 (5) Telemedicine and telepsychiatry services shall not be subject to the exact same  
33 restrictions as face-to-face contacts in office-based settings. The clinical  
34 coverage policy shall be updated to align the policy with best practices for  
35 telemental health and to maintain the expectation for the same standard of  
36 care.
- 37 (6) All behavioral health providers who are directly enrolled as providers in the  
38 Medicaid and NC Health Choice programs, including licensed professional  
39 counselors, licensed marriage and family therapists, certified clinical  
40 supervisors, and licensed clinical addictions specialists, shall be included in  
41 the coverage policy as providers who may bill Medicaid or NC Health Choice  
42 for telemedicine and telepsychiatry services and as providers who may bill for  
43 a facility fee.

44 In addition to the changes to Clinical Coverage Policy No. 1H, Telemedicine and  
45 Telepsychiatry, DHHS is directed to expand the billing code set available for telemedicine and  
46 telepsychiatry to include most outpatient billing codes, including family therapy and  
47 psychotherapy for crisis. With the exception of family therapy, the expanded billing codes shall  
48 not include group-type therapies.

49 **SECTION 7.(b)** The Department of Health and Human Services shall submit to the  
50 Centers for Medicare and Medicaid Services any waivers or amendments to the NC Medicaid  
51 State Plan necessary to implement this act. The changes required by Section 7(a) of this act shall

1 be effective after the completion of the process for amending policy that is required under  
2 G.S. 108A-54.2.

3 **SECTION 7.(c)** This section is effective when it becomes law.  
4

5 **PART VIII. INCREASE ACCESS TO TELEHEALTH SERVICES**

6 **SECTION 8.(a)** The Department of Health and Human Services shall ensure that  
7 Medicaid and NC Health Choice coverage of telemedicine and telepsychiatry services are  
8 consistent with this section and shall amend Clinical Coverage Policy No. 1H as necessary. The  
9 term "telehealth" shall replace the term "telemedicine" for all clinical coverage policies.

10 **SECTION 8.(b)** For the purposes of Medicaid and NC Health Choice coverage,  
11 "telehealth" shall be defined as the delivery of health care–related services by a Medicaid or NC  
12 Health Choice provider licensed in North Carolina to a Medicaid or NC Health Choice recipient  
13 through (i) an encounter conducted through real-time interactive audio and video technology, (ii)  
14 store and forward services that are provided by asynchronous technologies as the standard  
15 practice of care where medical information is sent to a provider for evaluation, or (iii) an  
16 asynchronous communication in which the provider has access to the recipient's medical history  
17 prior to the telehealth encounter. The requirement for a face-to-face encounter shall be satisfied  
18 with the use of asynchronous telecommunications technologies in which the health care provider  
19 has access to the recipient's medical history prior to the telehealth encounter. Telehealth shall not  
20 include the delivery of services solely through electronic mail, text chat, or audio-communication  
21 unless either (i) additional medical history and clinical information is communicated  
22 electronically between the provider and patient or (ii) the services delivered are behavioral health  
23 services.

24 **SECTION 8.(c)** With regard to Medicaid and NC Health Choice coverage of  
25 telehealth services, the Department of Health and Human Services shall do all of the following:

- 26 (1) Promote access to health care for Medicaid and NC Health Choice recipients  
27 through telehealth services.  
28 (2) Require that any prior authorization requests for a referral or consultation for  
29 specialty care be processed by the patient's primary care provider and require  
30 that the specialist coordinate care with the primary care provider.  
31 (3) Require all Medicaid providers providing telehealth services be licensed in  
32 this State to provide the service rendered through telehealth.  
33 (4) Require health care facilities that receive reimbursement for telehealth  
34 consultations and have a Medicaid provider who practices in that facility  
35 establish quality-of-care protocols and patient confidentiality guidelines to  
36 ensure all requirements and patient care standards are met as required by law.

37 **SECTION 8.(d)** The Department of Health and Human Services shall not require,  
38 as a condition of Medicaid or NC Health Choice coverage of telehealth services, any of the  
39 following:

- 40 (1) A provider be physically present with a patient or client, unless the provider  
41 determines it is medically necessary to perform the health care services in  
42 person.  
43 (2) A provider to conduct a telehealth consultation if an in-person consultation  
44 with a Medicaid provider is reasonably available where the patient resides,  
45 works, or attends school or if the patient prefers an in-person consultation.  
46 (3) A prior authorization, medical review, or administrative clearance for  
47 telehealth that would not be required if the health care service were provided  
48 in person.  
49 (4) A provider be employed by another provider or agency in order to provide  
50 telehealth services if it would not be required of the provider if the same  
51 service were provided in person.



- 1 (5) A provider be part of a telehealth network in order to bill for Medicaid or NC  
2 Health Choice services.
- 3 (6) A provider to demonstrate it is necessary to provide services to a Medicaid or  
4 NC Health Choice recipient through telehealth.
- 5 (7) A restriction or denial of coverage based solely on the technology used to  
6 deliver telehealth services.

7 **SECTION 8.(e)** The Department of Health and Human Services shall ensure (i)  
8 Medicaid and NC Health Choice coverage and reimbursement for telehealth services are  
9 equivalent to the reimbursement and coverage for the same services if provided in person and (ii)  
10 that any deductible, copayment, or coinsurance requirement is equivalent to the same service if  
11 it was provided to the patient in person.

12 **SECTION 8.(f)** Nothing in this section shall be construed to require coverage of  
13 telehealth services that are not medically necessary or to require reimbursement of fees charged  
14 by a telehealth facility for the transmission of a telehealth encounter.

15 **SECTION 8.(g)** In implementing the requirements of this section, the Department  
16 of Health and Human Services shall engage in activities designed to prevent fraud, waste, and  
17 abuse of the Medicaid and NC Health Choice programs.

18 **SECTION 8.(h)** The Department of Health and Human Services shall submit to the  
19 Centers for Medicare and Medicaid Services any waivers or amendments to the NC Medicaid  
20 State Plan necessary to implement Section 8 of this act.

21 **SECTION 8.(i)** By September 1, 2020, the Department of Health and Human  
22 Services shall submit a report on changes, expected costs, savings, and outcomes of telehealth  
23 services required by Section 8 of this act to the Joint Legislative Medicaid and NC Health Choice  
24 Oversight Committee and the Fiscal Research Division.

25 **SECTION 9.(a)** Part 7 of Article 50 of Chapter 58 of the General Statutes is amended  
26 by adding a new section to read as follows:

27 **"§ 58-50-305. Coverage for telehealth services.**

28 (a) For the purposes of this section, the term "telehealth" means the delivery of health  
29 care-related services by a health care provider who is licensed in this State to a patient or client  
30 through (i) an encounter conducted through real-time interactive audio and video technology, (ii)  
31 store and forward services that are provided by asynchronous technologies as the standard  
32 practice of care where medical information is sent to a provider for evaluation, or (iii) an  
33 asynchronous communication in which the provider has access to the recipient's medical history  
34 prior to the telehealth encounter. The requirement for a face-to-face encounter shall be satisfied  
35 with the use of asynchronous telecommunications technologies in which the health care provider  
36 has access to the recipient's medical history prior to the telehealth encounter. Telehealth shall not  
37 include the delivery of services solely through electronic mail, text chat, or audio-communication  
38 unless either (i) additional medical history and clinical information is communicated  
39 electronically between the provider and patient or (ii) the services delivered are behavioral health  
40 services.

41 (b) A health benefit plan may not exclude from coverage a covered health care service or  
42 procedure delivered by a preferred or contracted health professional to a covered patient as a  
43 telehealth service solely because the covered health care service or procedure is not provided  
44 through an in-person consultation.

45 (c) A health benefit plan may require a deductible, a copayment, or coinsurance for a  
46 covered health care service or procedure delivered by a preferred or contracted health  
47 professional to a covered patient as a telehealth service. The amount of the deductible,  
48 copayment, or coinsurance may not exceed the amount of the deductible, copayment, or  
49 coinsurance required for the covered health care service or procedure provided through an  
50 in-person consultation."

51 **SECTION 9.(b)** G.S. 135-48.51 reads as rewritten:

1 "§ 135-48.51. Coverage and operational mandates related to Chapter 58 of the General  
2 Statutes.

3 The following provisions of Chapter 58 of the General Statutes apply to the State Health Plan:

4 ...

5 (13) G.S. 58-50-305, Coverage for telehealth services.

6 ~~(13)~~(14) G.S. 58-67-88, Continuity of care."

7 **SECTION 10.** Sections 8 and 9 of this act become effective October 1, 2019. Section  
8 9 of this act applies to health benefit plan contracts issued, renewed, or amended on or after that  
9 date.

10  
11 **PART IX. NORTH CAROLINA HEALTHCARE SOLUTIONS TASK FORCE.**

12 **SECTION 11.(a)** The North Carolina Healthcare Solutions Task Force. – The North  
13 Carolina Area Health Education Centers Program shall convene a North Carolina Healthcare  
14 Solutions Task Force (Task Force) to make recommendations for innovative solutions to health  
15 care access issues in the state of North Carolina.

16 **SECTION 11.(b)** Composition. – The Task Force shall consist of 17 members,  
17 appointed as follows:

- 18 (1) Three members of the Senate appointed by the President Pro Tempore of the  
19 Senate, one of whom shall be designated as a cochair.
- 20 (2) Three members of the House of Representatives appointed by the Speaker of  
21 the House of Representatives, one of whom shall be appointed as a cochair.
- 22 (3) Three members from the North Carolina Area Health Education Centers  
23 appointed by the Director of the North Carolina Area Health Education  
24 Centers Program.
- 25 (4) Two members from the Cecil G. Sheps Center for Health Services Research  
26 appointed by the Director of the Cecil G. Sheps Center for Health Services  
27 Research.
- 28 (5) Two members from the North Carolina Institute of Medicine appointed by the  
29 President and CEO of the North Carolina Institute of Medicine.
- 30 (6) Two members from the Office of Rural Health, Department of Health and  
31 Human Services, appointed by the Director of the Office of Rural Health.
- 32 (7) One member from the medical school of a private institution of higher  
33 education appointed by the President Pro Tempore of the Senate.
- 34 (8) One member from the medical school of a private institution of higher  
35 education appointed by the Speaker of the House of Representatives.

36 **SECTION 11.(c)** Quorum. – A majority of the Task Force members shall constitute  
37 a quorum for the transaction of business. No action may be taken except by a majority vote at a  
38 meeting at which a quorum is present.

39 **SECTION 11.(d)** Vacancies. – Vacancies on the Task Force shall be filled by the  
40 individual who appointed the member to the seat that became vacant.

41 **SECTION 11.(e)** Role of the North Carolina Area Health Education Centers. – The  
42 North Carolina Area Health Education Centers shall assist the Task Force as follows:

- 43 (1) Convene and facilitate meetings.
- 44 (2) Provide necessary clerical and administrative support.
- 45 (3) Prepare the Task Force reports.
- 46 (4) Provide technical assistance as appropriate.

47 **SECTION 11.(f)** Ad Hoc Subcommittees. – The cochairs may, at their discretion,  
48 establish ad hoc subcommittees involving experts and representatives of stakeholder groups to  
49 provide information and offer recommendations related to their areas of expertise and interest.

50 **SECTION 11.(g)** Duties. – The Task Force shall conduct a 10-year, ongoing study  
51 of issues related to access to health care in North Carolina. The Task Force shall divide its work

1 into two stages, the first to identify metrics to provide an accurate assessment and measurement  
2 of the state of access to health care in North Carolina, and the second to identify any issues  
3 relating to access to health care in North Carolina and to develop innovative solutions that will  
4 increase access to health care and improve the state of access to health care in North Carolina as  
5 measured by the identified metrics.

6 (1) Stage One. – The Task Force shall convene its first meeting at the call of the  
7 chairs, but no later than October 1, 2019. During Stage One, the Task Force  
8 shall:

- 9 a. Identify and develop metrics to provide an accurate assessment of the  
10 current state of access to health care in North Carolina.
- 11 b. Identify data and data sources necessary to provide an accurate  
12 assessment of the current state of access to health care in North  
13 Carolina. If the necessary data sources are unavailable or do not exist,  
14 the Task Force shall recommend how to obtain the needed data.
- 15 c. Examine reimbursement rates offered by, and other factors pertaining  
16 to, Medicaid, NC Health Choice, and the State Health Plan for  
17 Teachers and State Employees and how those rates and other factors  
18 affect (i) the numbers of providers choosing to participate in the  
19 programs and (ii) access to health care for the beneficiaries of those  
20 programs.
- 21 d. Examine the provider reimbursement rates for Medicaid services  
22 provided through the Community Alternatives Program for Disabled  
23 Adults (CAP/DA) waiver to determine (i) the adequacy of the rates to  
24 ensure access to these services and (ii) whether adjustments to the  
25 CAP/DA waiver would be needed to ensure that CAP/DA  
26 beneficiaries do not lose access to services as a result of any provider  
27 rate increase.
- 28 e. Examine the state of graduate medical education, access to clinical  
29 rotations for physician assistants, nurse practitioners, and certified  
30 nurse midwives and the distribution of community preceptors.
- 31 f. Examine any other issues the Task Force deems necessary to properly  
32 measure and assess the state of access to health care in North Carolina.

33 (2) Stage Two. – During Stage Two, the Task Force shall:

- 34 a. Report on the current state of access to health care in North Carolina,  
35 based on the metrics and data identified in Stage One.
- 36 b. Identify and report on innovative solutions to address issues  
37 preventing greater access to health care in North Carolina. Solutions  
38 identified by the Task Force should be designed to expand overall  
39 access to health care while maintaining cost-effectiveness.
- 40 c. Examine at least the following:
  - 41 1. The impact of short-term health care provider exchange or  
42 visitation programs on access to health care, particularly in  
43 rural areas of the State.
  - 44 2. The feasibility of offering tax credits or other financial  
45 incentives to health care providers in order to increase the  
46 number of health care providers in the State.
  - 47 3. Innovative measures implemented by other states that are  
48 designed to increase access to health care.
  - 49 4. Whether the direct primary care model of payment would  
50 increase preventative health services, improve health  
51 outcomes, and lower the overall cost of care.

- 1                                    5.        The extent to which new models of health care and payment
- 2    are being adopted in North Carolina and the effects of those
- 3    models on access to health care in the State.
- 4                                    6.        Any other health care access issues the Task Force deems
- 5    appropriate.
- 6                                    d.        Report on the impact previous years' recommendations have had on
- 7    the current state of access to health care in North Carolina and any
- 8    other areas of examination the Task Force deems appropriate.

9        **SECTION 11.(h) Reports. –**

- 10        (1)        Stage One. – The Task Force shall submit a report to the Joint Legislative
- 11    Oversight Committee on Health and Human Services at the conclusion of
- 12    Stage One, which shall be no later than April 1, 2021.
- 13        (2)        Stage Two. – The Task Force shall submit annual reports on its Stage Two
- 14    activities to the Joint Legislative Oversight Committee on Health and Human
- 15    Services. The first of these reports shall be submitted no later than April 1,
- 16    2022, and subsequent reports shall be submitted annually thereafter until April
- 17    1, 2030.

18        **SECTION 11.(i)** The Task Force shall terminate on the date it submits its final report  
19 in 2030.

20        **SECTION 11.(j)** This section is effective when it becomes law.

21  
22        **PART X. SEVERABILITY CLAUSE AND EFFECTIVE DATE**

23        **SECTION 12.(a)** If any section or provision of this act is declared unconstitutional  
24 or invalid by the courts, it does not affect the validity of this act as a whole or any part other than  
25 the part declared to be unconstitutional or invalid.

26        **SECTION 12.(b)** Except as otherwise provided, this act is effective when it becomes  
27 law.