# 1997

# HOUSE INSURANCE – HEALTH

**MINUTES** 



Rep. Daniel McComas Chair Subcommittee on Health



Rep. William Wainwright RMM



Rep. Bobby Barbee, Sr.



Rep. Joanne Bowie



Rep.Nelson Cole



Rep. Walter Dickson



Rep. Theresa Esposito



Rep. Edwin Hardy



Rep. Robert Hensley, Jr.



Rep. George Holmes



Rep. William Ives



Rep. Paul Luebke



Rep. Henry Michaux



Rep. George Miller



Rep. David Miner



Rep. Jean Preston



Rep. Carolyn Russell



Rep. Thomas Wright



Rep. Leo Daughtry Majority Leader Ex Officio



Rep. Julia Howard Majority Whip Ex Officio



Rep. Steve Wood Speaker Pro Tem Ex Officio

Subcommittee on Health 1997

## HOUSE COMMITTEE ON HEALTH 1997 SESSION

MEMBER/Clerk	PHONE	OFFICE	SEAT
Rep. Daniel McComas, Chairman Rita Quinn, Committee Clerk	3-5758	2123	63
Rep. William Wainwright, RMM  Denise Smith	3-5898	614	20
Rep. Bobby Barbee Rosa Murray	3-5908	1025	74
Rep. Joanne Bowie Sharon Gaudette	3-5853	1206	26
Rep. Nelson Cole Suzanne Smith	3-5779	1218	45
Rep. Walter Dickson Joyce Langdon	3-5662	530	25
Rep. Theresa Esposito  Melissa Jackson	5-2530	634	5
Rep. Edwin Hardy Joel Raupe	5-3019	417A	100
Rep. Robert Hensley Margie Kirby	3-5936	509	67
Rep. George Holmes Glenda Jacobs	3-5900	631	6
Rep. William Ives JayneWalton	3-5784	633	90
Rep. Paul Luebke Cleta Covington	3-5772	1325	44
Rep. Henry Michaux Karlene Scott	3-5609	1409	57





## HOUSE COMMITTEE ON HEALTH 1997 SESSION

Continued...

MEMBER/Clerk	PHONE	OFFICE	SEAT
Rep. George Miller  Laura Curtis	3-5878	611	43
Rep. David Miner Stephanie Mansur	3-5749	2219	16
Rep. Jean Preston Alice Falcone	5-3026	403	38
Rep. Carolyn Russell Susan Brothers	5-0875	529	27
Rep. Thomas Wright Clarestene Stewart	3-5754	540	105
Rep. Leo Daughtry, Majority Leader (Ex Officio) Bernice Bullard	5-0850	2207	30
Rep. Julia Howard, Majority Whip (Ex Officio) Gail Stewart	3-5904	1021	8
Rep. Steve Wood, Speaker Pro Tem (Ex Officio) Sylvia Perkins	3-5807	2208	12
Rep. Jerry Dockham (Insurance Committee Chair) Nell Edwards	3-5822	1106	18
Linda Attarin, Staff Attorney	5-2578	545	
Linwood Jones, Staff Attorney	5-2578	545	

# **ATTENDANCE**

# SUBCOMMITTEE ON HEALTH

	<del>/-</del>	<del>. //</del>	1	-/-			r		 1	<b>,</b>	<del></del>		
DATES	3/27	Also	48.	124									
McCOMAS CHAIR	/	/	/										
WAINWRIGHT, RMM	/		/	V									
BARBEE	/	/	/										
BOWIE	V	1	,		1				,				
COLE	/		1	/									
DICKSON	<b>\</b>		V	1									
ESPOSITO	1				/								
HARDY	V,	V	/	V									
HENSLEY	V	1	,	1									
HOLMES	ļ												
IVES	/	1											
LUEBKED - 68	~	/	/										
MICHAUX			L.,				ļ						
MILLER	1		V	V					<u> </u>				
MINER	V	/											
PRESTON	V		/						 				
RUSSELL			V			<u> </u>							
WRIGHT	/	<b>/</b>		V					 				
WILSON, C.						<u> </u>							
WOMBLE													
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DAUGHRTY (Ex Officio)													
HOWARD (Ex-Officio)									 				
WOOD (Ex Officio)													
	ļ.,		Ĺ_,						 				
DOCKHAM (Insurance CTE Chair)	<b>/</b>	/	<b>V</b>	/									

#### NORTH CAROLINA GENERAL ASSEMBLY COMMITTEE SUMMARY REPORT

1997-98 Regular Session HOUSE: INSURANCE -- HEALTH Valid Through 19-AUG-1997 BILL . INTRODUCER LATEST ACTION ON BILL SHORT TITLE IN DATE OUT DATE ALDRIDGE HEALTH COVERAGE/DIABETES 04-03-97 04-30-97 \*R -CH. SL 97-0225 H 74= CANSLER CREDIT FOR LONG-TERM CARE INSURANCE \*H -RE-REF COM ON APPROP 02-10-97 04-23-97 H 165= REDWINE LODGING ESTABLISHMENTS/SANITATION \*S -RE-REF COM ON CH&HUMRS 03-25-97 04-01-97 H 276 SHERRILL REDUCE TAX ON NONPRESCRIPTION DRUGS H -REPTD TO INS 03-25-97 03-31-97 H 291 STARNES AUTOPSY/FAMILY NOTICE H -REPTD TO INS 03-25-97 03-31-97 H 435 DOCKHAM STATE HEALTH PLAN TECH. AMDS. \*H -CAL PURSUANT RULE 36(A) 03-25-97 06-25-97 H 436 DOCKHAM STATE HEALTH PLANS SUBSTANTIVE H -RE-REF COM ON INS 03-25-97 06-25-97 H1223 LUEBKE FAMILY HEALTH-CARE PROGRAM H -RE-REF COM ON INS-HLTH 06-26-97 S 247 RAND REMOVE SUNSET/HLTH CONTRACT CONFID. \*R -CH. SL 97-0123 04-10-97 05-12-97 S 247 RAND REMOVE SUNSET/HLTH CONTRACT CONFID. \*R -CH. SL 97-0123 05-13-97 05-14-97 S 254= ODOM GENETIC INFO/NO DISCRIMINATION \*R -CH. SL 97-0350 05-19-97 06-25-97 S 273 **FORRESTER** MASTECTOMY/HOSPITAL STAY \*S -PLACED ON CAL FOR 08-19 03-25-97 08-06-97 S 400= WINNER MENTAL HEALTH PARITY \*H -ASSIGNED TO INS-HLTH 05-19-97 S 455= HOYLE \*S -RE-REF COM ON FINANCE IMPROVE HMO SERVICES 05-19-97 06-25-97 S 785 MARTIN W DIRECT PAYMENT SUNSETS OFF R -CH. SL 97-0197 05-19-97 05-29-97 S 866= RAND PRESCRIPTION DRUGS/COMPETITION \*H -RE-REF COM ON INS-HLTH 05-27-97 DIR. PAY/SUBS. ABUSE PROF.

S1016= MARTIN W

NOTES - = AFTER BILL NUMBER SHOWS THAT BILL IS IDENTICAL, AS INTRODUCED, TO ANOTHER BILL.

H -ASSIGNED TO INS-HLTH

05-19-97

Page:

1

<sup>\*</sup> AFTER NUMBERS INDICATES THAT TEXT OF BILL WAS ALTERED BY ACTION ON THE BILL. BOLDED LINE INDICATES BILL INDEXED AS AFFECTING APPROPRIATIONS.

	FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented:  By Representative(s) <u>Daniel F. McComas</u> for the Permanent Subcommittee on <u>Health</u> of the Standing Committee on <u>INSURANCE</u> .						
	Committee Substitute for  H.B. 5  A BILL TO BE ENTITLED AN ACT TO REQUIRE CERTAIN COVERAGE FOR DIABETES IN HEALTH AND ACCIDENT INSURANCE POLICIES, IN HOSPITAL OR MEDICAL SERVICES PLANS, AND IN HMO PLANS						
RE	PORTED TO THE STANDING COMMITTEE ON INSURANCE						
RE	COMMENDED ACTION: With a favorable recommendation.						
□.	With a favorable recommendation and recommend that the bill be re-referred to the Committee on .						
	With a favorable recommendation, as amended.						
	With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on						
	With an unfavorable recommendation.						
	With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill.						
	With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill.						
	Without prejudice.						
	Other recommended action:						
	TH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY THE FLOOR OF THE HOUSE: Rep. Dockham for the Standing Committee on INSURANCE.						
	With a favorable report.  With a favorable report, as amended.  With a favorable report as to committee substitute bill, unfavorable as to original bill.  And having received a unanimous vote in committee, be placed on the Consent Calendar						



# North Carolina General Assembly

House of Representatives State Legislative Building Raleigh 27601-1096

April 22, 1997

TO:

Principle Clerk's Office

FROM:

Rita A. Quinn, Committee Clerk

RE:

Action of Subcommittee on Health

At today's meeting, the Subcommittee on Health appointed a subsubcommittee to further study HB 5 *Health Coverage/Diabetes*. The members assigned are Representatives: Hardy, Chairman; Barbee; Hensley; Luebke; Miner.

Chairman Hardy will schedule the meetings and report back to the permanent subcommittee at the conclusion of the study.



FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented: By Representative(s) <u>Daniel F. McComas</u> for the Permanent Subcommittee on <u>Health</u>of the Standing Committee on INSURANCE. Committee Substitute for H.B. 74 A BILL TO BE ENTITLED AN ACT TO PROVIDE AN INDIVIDUAL INCOME TAX CREDIT FOR PREMIUMS PAID ON LONG-TERM CARE INSURANCE. REPORTED TO THE STANDING COMMITTEE ON RECOMMENDED ACTION: With a favorable recommendation. With a favorable recommendation and recommend that the bill be re-referred to the Committee on With a favorable recommendation, as amended. With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on With an unfavorable recommendation. With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill. With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill. Other recommended action: WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE: Rep. Dockham for the Standing Committee on INSURANCE, With a favorable report, and re-referred to the Committee on Finance.  $\boxtimes$ With a favorable report, as amended. П With a favorable report as to committee substitute bill which changes the title, unfavorable as to original bill. And having received a unanimous vote in committee, be placed on the Consent Calendar.-

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented: By Representative(s) McComas for the Permanent Subcommittee on Health of the Standing Committee on **INSURANCE**. ☐ Committee Substitute for H.B. 165 A BILL TO BE ENTITLED AN ACT PERTAINING TO THE SANITIZATION OF COOKING UTENSILS PROVIDED BY LODGING ESTABLISHMENTS, AS RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE. REPORTED TO THE STANDING COMMITTEE ON INSURANCE **RECOMMENDED ACTION:** With a favorable recommendation. With a favorable recommendation and recommend that the bill be re-referred to the Committee on With a favorable recommendation, as amended. With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on ☐ With an unfavorable recommendation. With a unfavorable recommendation as to proposed committee substitute bill which changes the sitte, unfavorable as to original bill. With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill. Other recommended action: WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE: Rep. for the Standing Committee on \_ With a favorable report. With a favorable report, as amended. With a favorable report as to committee substitute bill which changes the title, unfavorable as to original bill.

And having received a unanimous vote in committee, be placed on the Consent Calendar.-

## GENERAL ASSEMBLY OF NORTH CAROLINA

### **SESSION 1997**

H

 $\mathbf{D}$ 

# HOUSE BILL 165\* Proposed Committee Substitute H165-PCS1214

	Sponsors: (Publ	—			
	Referred to:	_			
	February 13, 1997				
1	A BILL TO BE ENTITLED				
2	AN ACT PERTAINING TO THE SANITIZATION OF COOKING UTENSII	LS			
3	PROVIDED BY LODGING ESTABLISHMENTS, AS RECOMMENDED I	3Y			
4	,				
5	COMMITTEE.				
6	The General Assembly of North Carolina enacts:				
7	Section 1. G.S. 130A-248(a3) reads as rewritten:				
8	"(a3) The rules adopted by the Commission pursuant to subsections (a), (a1), a	nd			
9	(a2) of this section shall address, but not be limited to, the following:				
0	(1) Sanitation requirements for cleanliness of floors, walls, ceilin	gs,			
1	storage spaces, utensils, ventilation equipment, and other areas a	nd			
2	items;				
2 3 4	(2) Requirements for:				
	a. Lighting and water supply;				
5	b. Wastewater collection, treatment, and disposal facilities; an				
6	c. Lavatory and toilet facilities, food protection, and was	ste			
7	disposal;				
8	(3) The cleaning and bactericidal treatment of eating and drinki	_			
9	utensils and other food-contact surfaces; surfaces. A requireme				
20	imposed under this subdivision to sanitize multiuse eating a				
21	drinking utensils and other food-contact surfaces does not apply				
22	utensils and surfaces provided in the guest room of a lodging u	<u>nit</u>			
23	for guests to prepare food while staying in the guest room.				

The appropriate and reasonable use of gloves or utensils by 1 (3a)2 employees who handle unwrapped food; 3 (4) The methods of food preparation, transportation, catering, storage, 4 and serving; 5 The health of employees; (5) Animal and vermin control; and 6 (6) 7 The prohibition against the offering of unwrapped food samples to (7) the general public unless the offering and acceptance of the 8 samples are continuously supervised by an agent of the entity 9 preparing or offering the samples or by an agent of the entity on 10 whose premises the samples are made available. As used in this 11 subdivision, 'food samples' means unwrapped food prepared and 12 made available for sampling by and without charge to the general 13 public for the purpose of promoting the food made available for 14 sampling. This subdivision does not apply to unwrapped food 15 prepared and offered in buffet, cafeteria, or other style in exchange 16 for payment by the general public or by the person or entity 17 18 arranging for the preparation and offering of such unwrapped food. This subdivision shall not apply to open air produce markets nor 19 20 to farmer market facilities operated on land owned or leased by 21 the State of North Carolina or any local government. The rules shall contain a system for grading establishments, such as Grade A, Grade 22

B, and Grade C. The rules shall be written in a manner that promotes consistency in

both the interpretation and application of the grading system."
 Section 2. This act is effective when it becomes law.

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented: By Representative(s) McComas for the Permanent Subcommittee on Health of the Standing Committee on INSURANCE. Committee Substitute for ☐A BILL TO BE ENTITLED AN ACT TO REPEAL THE FOUR H.B. 276 PERCENT STATE SALES AND USE TAX ON NONPRESCRIPTION MEDICINES. REPORTED TO THE STANDING COMMITTEE ON INSURANCE RECOMMENDED ACTION: With a favorable recommendation. With a favorable recommendation and recommend that the bill be re-referred to the Committee on With a favorable recommendation, as amended. With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on With an unfavorable recommendation. With a unfavorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill. With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill. Without prejudice. Other recommended action: WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE: Rep. for the Standing Committee on \_. With a favorable report. With a favorable report, as amended. With a favorable report as to committee substitute bill which changes the title, unfavorable as to original bill. And having received a unanimous vote in committee, be placed on the Consent Calendar.-

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented: By Representative(s) McComas for the Permanent Subcommittee on Health of the Standing Committee on INSURANCE. ☐ Committee Substitute for H.B. 291 A BILL TO BE ENTITLED AN ACT REQUIRING NOTIFICATION OF NEXT OF KIN BEFORE AN AUTOPSY MAY BE PERFORMED. REPORTED TO THE STANDING COMMITTEE ON INSURANCE RECOMMENDED ACTION: ☐ With a favorable recommendation. With a favorable recommendation and recommend that the bill be re-referred to the Committee on With a favorable recommendation, as amended. With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on With an unfavorable recommendation. With a unfavorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill. ☐ With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill. Other recommended action: WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE: Rep. for the Standing Committee on \_ With a favorable report. With a favorable report, as amended. With a favorable report as to committee substitute bill which changes the title, unfavorable as to original bill. And having received a unanimous vote in committee, be placed on the Consent Calendar.-

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FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented: By Representative(s) Daniel F. McComas for the Permanent Subcommittee on Health of the Standing Committee on **INSURANCE**. Committee Substitute for S.B. 785 A BILL TO BE ENTITLED AN ACT TO REMOVE THE SUNSET ON CERTAIN DIRECT PAYMENTS UNDER HEALTH INSURANCE POLICIES AND PLANS. REPORTED TO THE STANDING COMMITTEE ON RECOMMENDED ACTION: ☐ With a favorable recommendation. With a favorable recommendation and recommend that the bill be re-referred to the Committee on With a favorable recommendation, as amended. With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on ☐ With an unfavorable recommendation. With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill. With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill. Without prejudice. Other recommended action: WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE: Rep. Jerry Dockham for the Standing Committee on INSURANCE With a favorable report. With a favorable report, as amended.  $\Box$ With a favorable report as to committee substitute bill (# ), \( \square\) which changes the title, unfavorable as to original bill (Committee Substitute Bill # ). (and recommendation that the committee substitute bill (# ) be referred to the Committee on And having received a unanimous vote in committee, be placed on the Consent Calendar. (PUBLIC BILLS ONLY) 4/24/97



# North Carolina General Assembly

House of Representatives State Legislative Building Raleigh 27601-1096

#### **MINUTES**

# HOUSE INSURANCE SUBCOMMITTEE ON HEALTH

March 27, 1997

The Subcommittee on Health met at 12:00 noon on March 27, 1997 in Room 612 LOB at the Legislative Office Building. Representative Daniel F. McComas presided and the following members were present:

Representatives Wainwright; Barbee; Bowie; Cole; Dickson; Dockham; Esposito; Hardy; Hensley; Ives; Luebke; Miller; Preston; Wright

Staff Counsels Linda Attarin, Linwood Jones and Richard Bostic were present to assist the Committee. Visitor registration sheet is attached and made part of the minutes.

Chairman McComas called the meeting to order, introduced the Pages serving the Committee and welcomed guests. He then called for the first item on the agenda.

Rep. David Redwine, bill sponsor, was recognized to explain HB 165 entitled *Lodging Establishments/Sanitation*. Rep. Barbee moved that the bill be given a favorable report. The bill was voted on and given a favorable report.

Rep. Edgar Starnes, bill sponsor, was recognized to explain HB 291 entitled *Autopsy/Family Notice*. Rep. Dickson moved that the bill be given an unfavorable report. The bill was voted on and given an unfavorable report.

Rep. Wilma Sherrill, bill sponsor, was recognized to explain HB 276 entitled *Reduced Tax on Non-Prescription Drugs*. Rep. Barbee moved that the bill be given a favorable report. The bill was voted on. Rep. Luebke called for a division vote. The bill was voted on with a show of hands and given a favorable report.

The meeting adjourned at 1:00 p.m.

aniel F. McComas

Chairman

Rita A. Quinn

Committee Clerk





# North Carolina General Assembly

House of Representatives State Legislative Building Raleigh 27601-1096

### **AGENDA**

### SUBCOMMITTEE ON HEALTH

March 27, 1997 Room 612 LOB 12:00 Noon

### **OPENING REMARKS**

Representative Daniel McComas, Chairman Subcommittee on Health

### **BILLS TO BE CONSIDERED**

HB 165 Lodging Establishments/Sanitation
Representative David Redwine

HB 276 Reduced Tax on Non-Prescription Drugs
Representative Wilma Sherrill

HB 291 Autopsy/Family Notice

Representative Edgar Starnes

#### **ADJOURNMENT**

Telephone: 919-733-5758 • Fax: 919-715-7586

Email: dannym@ms.ncga.state.nc.us Room: 2123 Legislative Building



### GENERAL ASSEMBLY OF NORTH CAROLINA

## SESSION 1997

H

### HOUSE BILL 165\* Committee Substitute Favorable 4/29/97

Short Title: Lod	Short Title: Lodging Establishments/Sanitation. (Public)					
Sponsors:	Sponsors:					
Referred to:						
	February 13, 1997					
PROVIDED THE JOINT COMMITTEE The General Ass	embly of North Carolina enacts:	MMENDED BY				
"(a3) The rul	on 1. G.S. 130A-248(a3) reads as rewritten: es adopted by the Commission pursuant to subsection shall address, but not be limited to, the following:					
(1)	Sanitation requirements for cleanliness of floors storage spaces, utensils, ventilation equipment, and items;	s, walls, ceilings,				
(2)	Requirements for:  a. Lighting and water supply;  b. Wastewater collection, treatment, and dispose  c. Lavatory and toilet facilities, food protect  disposal;					
(3)	The cleaning and bactericidal treatment of eati utensils and other food-contact surfaces; surfaces. imposed under this subdivision to sanitize muldrinking utensils and other food-contact surfaces outensils and surfaces provided in the guest room for guests to prepare food while staying in the guest.	A requirement tiuse eating and does not apply to of a lodging unit				

1	(3a)	The appropriate and reasonable use of gloves or utensils by
2		employees who handle unwrapped food;
3	(4)	The methods of food preparation, transportation, catering, storage,
4		and serving;
5	(5)	The health of employees;
6	(6)	Animal and vermin control; and
7	(7)	The prohibition against the offering of unwrapped food samples to
8	` '	the general public unless the offering and acceptance of the
9		samples are continuously supervised by an agent of the entity
10		preparing or offering the samples or by an agent of the entity on
11		whose premises the samples are made available. As used in this
12		subdivision, 'food samples' means unwrapped food prepared and
13		made available for sampling by and without charge to the general
14		public for the purpose of promoting the food made available for
15		sampling. This subdivision does not apply to unwrapped food
16		prepared and offered in buffet, cafeteria, or other style in exchange
17		for payment by the general public or by the person or entity
18		arranging for the preparation and offering of such unwrapped food.
19		This subdivision shall not apply to open air produce markets nor
20		to farmer market facilities operated on land owned or leased by
21		the State of North Carolina or any local government.
22	The rules shall co	ontain a system for grading establishments, such as Grade A, Grade
23		The rules shall be written in a manner that promotes consistency in
24	,	ation and application of the grading system."
25	_	on 2. This act is effective when it becomes law.

Page 2 House Bill 165



# North Carolina General Assembly Legislative Services Office

George R. Hall, Legislative Services Officer (919) 733-7044

Administrative Division
Room 5, Legislative Building
16 W. Jones Street
Raleigh, NC 27603-5925
(919) 733-7500

Gerry F. Cohen, Director Bill Drafting Division Suite 401, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6660 Thomas L. Covington, Director Fiscal Research Division Suite 619, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-4910 Donald W. Fulford, Director Information Systems Division Suite 400, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6834 Terrence D. Sullivan, Director Research Division Suite 545, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-2578

March 27, 1997

### **MEMORANDUM**

TO:

House Insurance Subcommittee on Health

FROM:

Linda Attarian, Subcommittee Co-Counsel

RE:

House Bill 291 - An Act Requiring Notification of Next of Kin Before An Autopsy

May Be Performed - Reps. Starnes and Sutton

Under current law the Chief Medical Examiner, or his designate, is authorized to perform an autopsy or other studies on a body if either:

- a) in the opinion of the medical examiner investigating the case or the Chief Medical Examiner it is advisable and in the public's interest; or
- b) the autopsy or study is requested by the district attorney or by any superior court judge.

House Bill 291 will amend the law to require that if it would not be contrary to the public interest, reasonable efforts must be made to locate the next of kin and give them an opportunity to object to the autopsy or study before it may be performed as authorized by law.

Notification and permission of the next of kin before an autopsy or study is performed is **NOT** required in the following circumstances:

- a) if notification of the next of kin would be contrary to the public's interest;
- b) if within five days of the death of the deceased the next of kin can not be located.

If the next of kin are notified and <u>object</u> to the autopsy or study, then the autopsy or study shall be performed unless in the opinion of the Chief Medical Examiner, failure to perform the autopsy or study would be contrary to the public's interest.

The bill is effective when it becomes law.

# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 1997

H

## **HOUSE BILL 291**

Short Title: Aut	opsy/Family Notice. (Public)
Sponsors: Ro	presentatives Starnes; and Sutton.
Referred to: Ins	rance, if favorable, Judiciary I.
	February 20, 1997
AUTOPSY M The General Ass Secti	A BILL TO BE ENTITLED UIRING NOTIFICATION OF NEXT OF KIN BEFORE AN AY BE PERFORMED. embly of North Carolina enacts: on 1. G.S. 130A-389(a) reads as rewritten: e opinion of the medical examiner investigating the ease or of the
• , ,	caminer, it is advisable and in the public interest that an autopsy or
_	nade; or, if an autopsy or other study is requested by the district
	ounty or by any superior court judge, an autopsy or other study shall
the Chief Medica	Chief Medical Examiner or by a competent pathologist designated by
	other study shall be made by the Chief Medical Examiner if:
(1)	An autopsy or other study is requested by the district attorney of
<del>1-1</del>	the county or by any superior court judge; or
(2)	In the opinion of the medical examiner investigating the case or of
	the Chief Medical Examiner it is advisable and in the public
	interest that an autopsy or study be made. Except when the Chief
	Medical Examiner determines that notice and opportunity to object
	would be contrary to the public interest, an autopsy or other study
	shall not be conducted pursuant to this subdivision until the next
	of kin of the deceased have been given notice and opportunity to
	object to the autopsy or study. If within five days of the death of
	the deceased:

(\$400.00)."

17

1	<u>a.</u>	The next of kin object to the autopsy or study, then the
2	_	autopsy or study shall not be made unless the Chief Medical
3		Examiner determines that failure to perform the autopsy or
4		study would be contrary to the public interest; or
5	<u>b.</u>	The next of kin have not been located after reasonable
6		efforts to locate have been made by the investigating
7		medical examiner or the Chief Medical Examiner, then the
8		autopsy or study shall be made.
9	A complete autopsy re	eport of findings and interpretations, prepared on forms
10	designated for the pur	pose, shall be submitted promptly to the Chief Medical
11	Examiner. Copies of the	report shall be furnished the authorizing medical examiner,
12	district attorney or supe	rior court judge. A copy of the report shall be furnished to
13	other persons upon requ	est. A fee for the autopsy or other study shall be paid by the
14	State. However, if the de	eceased is a resident of the county in which the death or fatal
15	injury occurred, that cou	anty shall pay the fee. The fee shall be four hundred dollars

Section 2. This act is effective when it becomes law.

Page 2 House Bill 291

# GENERAL ASSEMBLY OF NORTH CAROLINA

### **SESSION 1997**

H

(Public)

## **HOUSE BILL 276**

Short Title: Reduce Tax on Nonprescription Drugs.

Sponsors:		presentatives Sherrill; Berry, Cansler, Culpepper, Hall, Morris, rfield, and Thompson.			
Referred to:	Insur	ance, if favorable, Finance.			
		February 19, 1997			
		A BILL TO BE ENTITLED			
AN ACT T	O RE	PEAL THE FOUR PERCENT STATE SALES AND USE TAX			
		CRIPTION MEDICINES.			
		mbly of North Carolina enacts:			
		n 1. Article 5 of Chapter 105 of the General Statutes is amended			
,		ection to read:			
		Conprescription drugs exempt from State tax only.			
		sed by this Article do not apply to nonprescription drugs that are			
		npt pursuant to G.S. 105-164.13."			
Section 2. G.S. 105-164.3 is amended by adding the following new definitions in the appropriate alphabetical order:					
	" <u>(3a)</u>				
	(Ja)	applied to the body for cleansing or affecting the appearance or			
		texture. The term includes, for example, cold cream, suntan			
		lotion, hair dye, makeup, and skin lotion.			
9	(9a)	Nonprescription drug A product that can be sold legally			
		without a prescription and is one of the following:			
		a. A compound intended to be introduced into or applied to			
		the body for the prevention, diagnosis, mitigation, or			
		treatment of human disease or human disorder.			
		b. A test kit intended for the diagnosis of human disease or			
		<u>human disorder.</u>			

A compound intended for human consumption for the 1 <u>c.</u> 2 preservation of health. The term 'nonprescription drug' does not include, however, food, 3 cosmetics, or toiletries, even if they contain medicinal ingredients. 4 Toiletries. -- Products intended or customarily used for grooming 5 (21a) purposes. The term includes, for example, soap, toothpaste, hair 6 spray, shaving products, fragrances, shampoo, deodorant, and 7 8 mouthwash." 9

Section 3. G.S. 105-465 reads as rewritten:

#### "§ 105-465. County election as to adoption of local sales and use tax. 10

The board of elections of any county, upon the written request of the board of 12 county commissioners, or upon receipt of a petition signed by qualified voters of the 13 county equal in number to at least fifteen percent (15%) of the total number of votes 14 cast in the county, at the last preceding election for the office of Governor, shall call 15 a special election for the purpose of submitting to the voters of the county the 16 question of whether a one percent (1%) sales and use tax will be levied.

The special election shall be held under the same rules applicable to the election 18 of members of the General Assembly. No new registration of voters shall be required. 19 All qualified voters in the county who are properly registered not later than 21 days 20 (excluding Saturdays and Sundays) prior to the election shall be entitled to vote at 21 the election. The county board of elections shall give at least 20 days' public notice 22 prior to the closing of the registration books for the special election.

The county board of elections shall prepare ballots for the special election. The 24 question presented on the ballot shall be "FOR be:

#### <u>'[ ] FOR</u> [] AGAINST

26 one percent (1%) local sales and use tax on items subject to State sales and use tax at 27 the general State rate and on food" or "AGAINST one percent (1%) local sales and 28 use tax on items subject to State sales and use tax at the general State rate and on 29 food": food and nonprescription drugs.'

The county board of elections shall fix the date of the special election, except that 31 the special election shall not be held on the date or within 60 days of any biennial 32 election for county officers, nor within one year from the date of the last preceding 33 special election under this section."

Section 4. G.S. 105-467 reads as rewritten:

#### "§ 105-467. Scope of sales tax.

The sales tax that may be imposed under this Article is limited to a tax at the rate of one percent (1%) of the following:

- The sales price of tangible personal property subject to the (1) general rate of sales tax imposed by the State under G.S. 105-164.4(a)(1) and (a)(4b).
- (2) The gross receipts derived from the lease or rental of tangible personal property when the lease or rental of the property is subject to the general rate of sales tax imposed by the State under G.S. 105-164.4(a)(2).

Page 2

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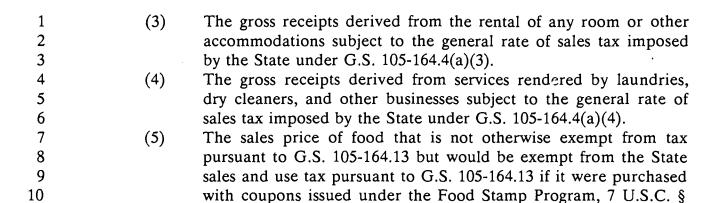
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51. <u>(6)</u> The sales price of nonprescription drugs that are exempt from tax imposed by the State pursuant to G.S. 105-164.13B but are not otherwise exempt from tax pursuant to G.S. 105-164.13.

The sales tax authorized by this Article does not apply to sales that are taxable by 16 the State under G.S. 105-164.4 but are not specifically included in this section.

The State exemptions and exclusions contained in G.S. 105-164.13 and the State 18 refund provisions contained in G.S. 105-164.14 apply to the local sales and use tax 19 authorized to be levied and imposed under this Article. A taxing county may not 20 allow an exemption, exclusion, or refund that is not allowed under the State sales and 21 use tax.

The local sales tax authorized to be imposed and levied under this Article applies 23 to taxable transactions by retailers whose place of business is located within the taxing county. For the purpose of this Article, the situs of a transaction is the location 25 of the retailer's place of business."

Section 5. The first paragraph of Section 4 of Chapter 1096 of the 1967 Session Laws, as amended, is amended by adding a new subdivision to read:

The sales price of nonprescription drugs that are exempt from tax "(6) imposed by the State pursuant to G.S. 105-164.13B but are not otherwise exempt from tax pursuant to G.S. 105-164.13."

Section 6. Approval under Article 39, 40, or 42 of Chapter 105 of the 32 General Statutes, or under the Mecklenburg County Sales and Use Tax Act, Chapter 33 1096 of the 1967 Session Laws, as amended, of local sales and use taxes on items 34 subject to State sales and use tax at the general State rate constitutes approval of local 35 sales and use taxes on nonprescription drugs.

Section 7. This act becomes effective July 1, 1997, and applies to sales 37 made on or after that date.

House Bill 276 Page 3

### **VISITOR REGISTRATION SHEET**

HEALT	h , 1997
Name of Committee	Date
VISITORS: PLEASE SIGN BELOW AN	ND RETURN TO COMMITTEE CLERK
NAME	FIRM OR AGENCY AND ADDRESS
Mindun	NASW-NC
LYNN WILSON	SCANC
Barrett Simpson	OFC CHIEF MEDICAL EXAMINER-DETINR
MICHAEL OLSON	OFC CHIEF MEDICAL EXAMINER-DETINA
Eddie Caldwell	NCHOMA
David Ferrell	Hafer McNamara, Coldwell, MElvoy & Wither, PA
Marland 1	Hope, McNamare, Coldwell, McElvy + Wtler, PA
Trans Lasten	
Hoods Suga	Glenaire Retirement Comminty, Cary 10
J. n. Sasan	Denaire Retirement Community Cary 10
Willau Vulle	WOOST
John Bowdish	Zeb Alley PA.

V Chipe Drs. Cos.



# North Carolina General Assembly Legislative Services Office

George R. Hall, Legislative Services Officer (919) 733-7044

W. Robinson, Director Administrative Division Room 5, Legislative Building 16 W. Jones Street Raleigh, NC 27603-5925 (919) 733-7500

Gerry F. Cohen, Director Bill Drafting Division Suite 401, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6660 Thomas L. Covington, Director Fiscal Research Division Suite 619, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-4910 Donald W. Fulford, Director Information Systems Division Suite 400, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6834 Terrence D. Sullivan, Director Research Division Suite 545, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-2578

March 27, 1997

### **MEMORANDUM**

TO:

House Insurance Subcommittee on Health

FROM:

Linda Attarian, Subcommittee Co-Counsel

RE:

Proposed Committee Substitute for House Bill 165 - Sanitization of Cooking

Utensils Provided by Lodging Establishments - Rep. Redwine

The Proposed Committee Substitute for House Bill 165 exempts a lodging unit that supplies multi-use utensils in the guest's room to be used for the preparation of food in the room from the normal sanitization requirements. This bill is a recommendation of the Joint Administrative Procedure Oversight Committee.

The purpose of this bill is to make consistent the application of law governing the sanitation of cooking utensils in certain lodging establishments. Under current law, certain lodging establishments are required to sanitize multi-use cooking and eating utensils when those utensils are provided in the lodging unit for guests to use in preparing their food (G.S. 130A-248). Condominiums and private homes that are rented to guests and that also provide multi-use cooking and eating utensils for guest use are exempt from regulation (G.S. 130A-250). Thus, although the service provided by both regulated and nonregulated establishments is the same, as is the risk of public exposure to disease, the application of law is more burdensome on the regulated establishment than on the nonregulated establishment. This bill exempts the regulated establishments from the sanitation requirement. Regulations pertaining to the cleaning of utensils and surfaces still apply. If enacted, this statutory change will be the basis for a temporary rule pertaining to the sanitation requirements.

Section 1 of the bill amends G.S. 130A-248(a3) to provide that sanitation requirements for eating and drinking utensils and other food contact surfaces do not apply to lodging units that provides utensils for use in the guest's room for preparing food while staying in the unit.

Section 2 makes the bill effective when it becomes law.



# North Carolina General Assembly

House of Representatives State Legislative Building Raleigh 27601-1096

#### **MINUTES**

### HOUSE INSURANCE SUBCOMMITTEE ON HEALTH

April 22, 1997

The Subcommittee on Health met 15 minutes after session on April 22, 1997 in the Legislative Office Building, Room 425.

Representative Daniel F. McComas, Chairman, presided, and the following members were present:

Representatives: Barbee; Bowie; Dockham; Hardy; Hensley: Ives; Luebke; Miner; Wright

Staff Counsel Linda Attarian was present to assist the Committee. The visitor registration sheet is attached as part of the minutes.

Chairman McComas called the meeting to order, introduced the Pages serving the Committee and welcomed guests. The following bills were discussed:

Rep. Aldridge, bill sponsor, was recognized to explain HB 5 *Health Coverage/Diabetes*. Rep. Aldridge put forth a Proposed Committee Substitute for adoption. Rep. Cole moved that the Proposed Committee Substitute be adopted. The adopted Proposed Committee Substitute is attached as part of the minutes.

Also recognized for their input on this legislation were Ed Owens, Executive Director, American Diabetes Association/NC; Harry Kaplan, Kaiser-Permanente; Ken Wright, BlueCross/BlueShield NC; John Bowdish, Zeb Alley, P.A., American Diabetes Association/NC; Jennifer Furdon.

Chairman McComas announced the formation of a sub-subcommittee to further study HB 5. Members of the sub-subcommittee to be appointed and announced at a later date.

Rep. Cansler was recognized to explain HB 74 *Credit for Long-Term Care Insurance*. Also recognized for input on this legislation was Doris Dick, Speaker, NC Senior Tar Heel Legislature.



MINUTES HOUSE INSURANCE SUBCOMMITTEE ON HEALTH April 22, 1997

HB 74 Continued...

Rep. Dockham moved that HB 74 be given a favorable report. and rereferred to the Committee on Finance. The bill passed with a favorable report and was re-referred to the Committee on Finance.

The meeting adjourned at 4:40 p.m.

Daniel F. McComas Chairman

nas Rita A. Quinn Committee Clerk



# North Carolina General Assembly

House of Representatives State Legislative Building Raleigh 27601-1096

### **AGENDA**

## **SUBCOMMITTEE ON HEALTH**

April 22, 1997 Room 425 LOB 15 Minutes After Session

### **OPENING REMARKS**

Representative Daniel McComas, Chairman Subcommittee on Health

### **BILLS TO BE CONSIDERED**

HB	5	Health Coverage/Diabetes Representative Aldridge
НВ	74	Credit for Long Term Care Insurance Representative Cansler
SB	247	Remove Sunset/Health Contract Confidentiality Senator Rand
SB	273	Mastectomy/Hospital Stay Senator Forrester

### **ADJOURNMENT**





# North Carolina General Assembly

House of Representatives State Tegislative Building Raleigh 27601-1096

April 22, 1997

TO:

Principle Clerk's Office

**FROM:** 

Rita A. Quinn, Committee Clerk

RE:

Action of Subcommittee on Health

At today's meeting, the Subcommittee on Health appointed a subsubcommittee to further study HB 5 *Health Coverage/Diabetes*. The members assigned are Representatives: Hardy, Chairman; Barbee; Hensley; Luebke; Miner.

Chairman Hardy will schedule the meetings and report back to the permanent subcommittee at the conclusion of the study.



#### GENERAL ASSEMBLY OF NORTH CAROLINA

#### SESSION 1997

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HOUSE BILL 5 Proposed Committee Substitute H5-CSRM-010 THIS IS A DRAFT: LINE NUMBERS MAY CHANGE AFTER ADOPTION 14:27:36 22-APR-97

Short Title:	Health Coverage/Diabetes.	(Public)
Sponsors:		
Referred to:	Insurance.	

### January 30, 1997

A BILL TO BE ENTITLED 1

2 AN ACT TO REQUIRE CERTAIN COVERAGE FOR DIABETES IN HEALTH AND ACCIDENT INSURANCE POLICIES, IN HOSPITAL OR MEDICAL SERVICES PLANS, AND IN HMO PLANS.

5 The General Assembly of North Carolina enacts:

Section 1. Article 51 of Chapter 58 of the General

7 Statutes is amended by adding the following new section to read: 8 "§ 58-51-59A. Coverage for certain treatment for diabetes. (a) Every policy or contract of accident or health insurance, 10 and every preferred provider contract, policy, or plan as defined 11 and regulated under G.S. 58-50-50 and G.S. 58-50-55, that is 12 issued, renewed, or amended on or after October 1, 1997, shall 13 provide coverage for medically appropriate and necessary 14 services, including diabetes outpatient self-management training 15 and educational services, and equipment, supplies, medications,

16 and laboratory procedures used to treat diabetes. Diabetes

17 outpatient self-management training and educational services

18 shall be provided by a physician or a health care professional



- designated by the physician. The insurer shall determine who shall provide and be reimbursed for the diabetes outpatient self-management training and educational services. The same deductibles, coinsurance, and other limitations as apply to similar services covered under the policy, contract, or plan shall apply to the diabetes coverage required under this section.

  (b) For the purposes of this section, "physician" is a person licensed to practice in this State under Article 1 or Article 7 of Chapter 90 of the General Statutes."
- Section 2. Article 65 of Chapter 58 of the General 11 Statutes is amended by adding the following new section to read: 12 "§ 58-65-94A. Coverage for certain treatment of diabetes.
- (a) Every insurance certificate or subscriber contract under 14 any hospital service plan or medical service plan governed by 15 this Article and Article 66 of this Chapter, and every preferred 16 provider contract, policy, or plan as defined and regulated under 17 G.S. 58-50-50 and G.S. 58-50-55, that is issued, renewed, or 18 amended on or after October 1, 1997, shall provide coverage for 19 medically appropriate and necessary services, including diabetes 20 outpatient self-management training and educational services, and 21 equipment, supplies, medications, and laboratory procedures used 22 to treat diabetes. Diabetes outpatient self-management training 23 and educational services shall be provided by a physician or a 24 health care professional designated by the physician. The 25 hospital or medical service plan shall determine who shall 26 provide and be reimbursed for the diabetes outpatient self-27 management training and educational services. The same 28 deductibles, coinsurance, and other limitations as apply to 29 similar services covered under the policy, contract, or plan 30 shall apply to the diabetes coverage required under this section. 31 (b) For the purposes of this section, "physician" is a person 32 licensed to practice in this State under Article 1 or Article 7
- 33 of Chapter 90 of the General Statutes."
  34 Section 3. Article 67 of Chapter 58 of the General Statutes is
  35 amended by adding the following new section to read:
- 36 "§ 58-67-76A. Coverage for certain treatment of diabetes.
- 37 (a) Every health care plan written by a health maintenance 38 organization and in force, issued, renewed, or amended on or 39 after October 1, 1997, that is subject to this Article, shall 40 provide coverage for medically appropriate and necessary

Page 2 House Bill 5



#### GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

services, including diabetes outpatient self-management training and educational services, and equipment, supplies, medications, and laboratory procedures used to treat diabetes. Diabetes outpatient self-management training and educational services shall be provided by a physician or a health care professional designated by the physician. The health maintenance organization shall determine who shall provide and be reimbursed for the diabetes outpatient self-management training and educational services. The same deductibles, coinsurance, and other limitations as apply to similar services covered under the policy, contract, or plan shall apply to the diabetes coverage required under this section.

13 (b) For the purposes of this section, "physician" is a person
14 licensed to practice in this State under Article 1 or Article 7
15 of Chapter 90 of the General Statutes."

Section 4. Nothing in this act shall apply to specified 17 accident, specified disease, hospital indemnity, or long-term 18 care health insurance policies.

Section 5. The North Carolina Commission for Health 20 Services shall develop voluntary standards or guidelines for 21 diabetes outpatient self-management training and educational 22 services based on clinical practice recommendations and 23 guidelines established by the Center for Disease Control and the 24 American Diabetes Association. These standards or guidelines are 25 not subject to Article 2A of Chapter 150B of the General Statues. Section 6. This act is effective when it becomes law.

House Bill 5 Page 3



# North Carolina General Assembly Legislative Services Office

George R. Hall, Legislative Services Officer (919) 733-7044

V. Robinson, Director Administrative Division Room 5, Legislative Building 16 W. Jones Street Raleigh, NC 27603-5925 (919) 733-7500

Gerry F. Cohen, Director Bill Drafting Division Suite 401, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6660 Thomas L. Covington, Director Fiscal Research Division Suite 619, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-4910 Donald W. Fulford, Director Information Systems Division Suite 400, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6834

Terrence D. Sullivan, Director Research Division Suite 545, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-2578

April 16, 1997

### **MEMORANDUM**

TO:

House Insurance subcommittee on Health

FROM:

Linda Attarian, Committee Co-Counsel

RE:

HB 5: AN ACT TO REQUIRE CERTAIN COVERAGE FOR DIABETES IN HEALTH AND ACCIDENT INSURANCE POLICIES, IN HOSPITAL OR

MEDICAL SERVICE PLANS, AND IN HMOS.

Proposed Committee Substitute, Primary Sponsor: Representative Aldridge

The Proposed Committee Substitute (PCS) for House Bill 5 requires accident and health insurance policies, any hospital or medical service plan, and every preferred provider contract, policy or plan and every health care plan written by a health maintenance organization to provide coverage for certain services and equipment to treat diabetes. The act will not apply to policies, plans, or contracts otherwise subject to exemptions under State or federal law, including self-insured plans regulated under ERISA. Also, the act will not apply to specified accident, specified disease, hospital indemnity, or long-term care health insurance policies.

The PCS will mandate coverage of the following training and educational services, supplies, and equipment, if they are medically appropriate and necessary to treat diabetes:

- equipment, medications, supplies, and lab tests
  - -- includes: insulin, syringes, blood glucose and urine dip-sticks, glucose meters, insulin pumps, and pump tubes to measure blood glucose levels;
- outpatient self-management training and educational services
  - -- must be provided by a medical physician or osteopathic physician or a designate of the physician and who is either a health professional or a certified diabetes educator who has been predetermined as someone who the payor will reimburse for providing such training and services. The North Carolina Commission for Health Services is to develop voluntary training standards based on clinical guidelines established by the Center for Disease Control and the American Diabetes Association.

The act is effective when it becomes law.

### **Background Information:**

Most insurance carriers only partially cover treatment for diabetes. Most only cover Type I or "insulin-dependent" diabetes. Persons with Type I diabetes must take daily insulin injections to stay alive. Type I diabetes accounts for 5-10 percent of diabetes.

Type II or "non-insulin-dependent" diabetes is the more prevalent form of the disease, accounting for up to 95 percent of all diabetics. It is estimated that at least 15.3 million people in the United States suffer from this form of diabetes. Lifestyle factors and ethnicity play significant roles in the development and treatment of Type II diabetes.

Type II diabetes becomes symptomatic when the body is unable to make enough insulin or properly use insulin. The resulting symptoms of complications from Type II diabetes are the same as Type I diabetes. Blindness, kidney disease, heart disease, stroke, nerve damage, amputations, and impotence are common complications.

The onset and severity of complications are reduced when a diabetic successfully controls his or her blood sugar levels. To control one's blood sugar level, a diabetic must frequently monitor his or her blood sugar level, either by testing a drop of blood or by checking for sugar in their urine throughout the day. Appropriate adjustments must be made in the amount of insulin need or the amount of sugar in their diet.

Hello. My name is Jennifer Furdon. I am 9 years old and I have had diabetes for Tyears; and I don't like it. I take 3 shots each day. I do my blood sugar check 4 times on a good day-much more on a bad day. With syringes, test strips and lancets, each day it costs \$3.42 for my familie's insurance to keep me healthy, but this is much better than a stay in the hospital. But for some families, whose insurance isn't real good, the job of Staying healthy every day can be too much. Please vote to help them by Passing House BILL 5.



# North Carolina General Assembly Legislative Services Office

George R. Hall, Legislative Services Officer (919) 733-7044

Administrative Division Room 5, Legislative Building 16 W. Jones Street Raleigh, NC 27603-5925 (919) 733-7500

Gerry F. Cohen, Director Bill Drafting Division Suite 401, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6660 Thomas L. Covington, Director Fiscal Research Division Suite 619, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-4910 Donald W. Fulford, Director Information Systems Division Suite 400, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6834 Terrence D. Sullivan, Director Research Division Suite 545, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-2578

April 16, 1997

#### **MEMORANDUM**

TO:

Members, House Insurance Subcommittee on Health

FROM:

Linda Attarian, Staff Attorney

RE:

House Bill 74 -- First Edition - AN ACT TO PROVIDE AN INDIVIDUAL

INCOME TAX CREDIT FOR PREMIUMS PAID ON LONG-TERM CARE

**INSURANCE** 

House Bill 74 will establish a tax credit for premiums paid on long-term care insurance policies. The bill will add a new section to Chapter 105 of the North Carolina General Statutes that will allow an individual to claim a credit of 15 percent of the total cost of premiums paid for long-term care coverage for the individual, the individual's spouse or dependent. The credit is limited to up to \$350 per taxable year, per policy, beginning January 1, 1997.

The amount of the credit may not be more than the taxpayer's tax liability less all other allowable credits, except credits for previous payments of tax made by or on behalf of the taxpayer. The credit is not limited to full-time North Carolina residents. A nonresident or part-year resident who claims the credit must reduce the amount of the credit by multiplying it by the fraction calculated under G.S. 105-134.5(b) or (c), as appropriate.

This act applies only to a qualified long-term care insurance contract defined under the federal tax code as any insurance contract that provides only coverage of long-term care services and meets the following requirements:

- 1. The contract is guaranteed renewable.
- 2. The contract does not provide for a cash surrender or other money that can be paid, assigned, pledged, or borrowed.
- 3. Refunds, other than refunds paid upon the death of the insured or complete surrender or cancellation of the contract, and dividends may only be used to reduce further premiums or to increase future benefits.
- 4. The contract does not pay or reimburse expenses which are reimbursable under Medicare, except when Medicare is a secondary payor or when the

- contract makes payments *per diem* or on another periodic basis without regard to actual expense.
- 5. The consumer protection provisions of the long-term care insurance Model Act relating to preexisting conditions and prior hospital hospitalizations are satisfied.

The act is effective for taxable years beginning on or after January 1, 1997.

#### GENERAL ASSEMBLY OF NORTH CAROLINA

#### **SESSION 1997**

H

### **HOUSE BILL 74\***

1

Short Title: Credit for Long-Term Care Insurance. (Public)

Sponsors: Representatives Cansler; Baker, Clary, H. Hunter, Sexton, and Shubert.

Referred to: Insurance Subcommittee on Health, if favorable, Finance.

### February 10, 1997

A BILL TO BE ENTITLED

2 AN ACT TO PROVIDE AN INDIVIDUAL INCOME TAX CREDIT FOR 3 PREMIUMS PAID ON LONG-TERM CARE INSURANCE.

4 The General Assembly of North Carolina enacts:

Section 1. Chapter 105 of the General Statutes is amended by adding a 6 new section to read:

7 "§ 105-151.27. Credit for premiums paid on long-term care insurance.

- (a) Credit. -- An individual is allowed, as a credit against the tax imposed by this Division, an amount equal to fifteen percent (15%) of the premium costs paid during the taxable year on a qualified long-term care insurance contract that offers coverage to either the individual, the individual's spouse, or a dependent for whom the individual was allowed to deduct a personal exemption under section 151(c)(1)(A) of the Code for the taxable year. The credit allowed by this section may not exceed three hundred fifty dollars (\$350.00) for each qualified long-term care insurance contract for which a credit is claimed. The credit allowed under this section may not exceed the amount of tax imposed by this Division for the taxable year reduced by the sum of all credits allowed, except payments of tax made by or on behalf of the taxpayer. A nonresident or part-year resident who claims the credit allowed by this subsection shall reduce the amount of the credit by multiplying it by the fraction calculated under G.S. 105-134.5(b) or (c), as appropriate.
- 21 (b) Definition. -- For purposes of this section, the term 'qualified long-term care insurance contract' has the same meaning as defined in section 7702B of the Code."
- Section 2. This act is effective for taxable years beginning on or after 24 January 1, 1997.

### **VISITOR REGISTRATION SHEET**

SUBCOMMITTEE OH HEALTH	APRIL 22 , 1997
Name of Committee	Date

### VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

### NAME FIRM OR AGENCY AND ADDRESS

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George / Evening	JOHNSON: JOHNSON.
Berry Cams	DEHNR-DHP. 1330 St. Mary's St. RAleigh
Marihn Norman	DEHNR - DHP-1330 SV. Maris St. Raley L
Henry C. Murdauch	DEHNR-DHP-1330 St. Many's St. Rally
Jeremy Steinman	(citizen)
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House of Representatives State Legislative Building Raleigh 27601-1096

#### **MINUTES**

# HOUSE INSURANCE SUBCOMMITTEE ON HEALTH

May 8, 1997

The Subcommittee on Health met at 12:00 noon on May 8, 1997 in Room 612 LOB at the Legislative Office Building. Representative Daniel F. McComas presided and the following members were present:

Representatives: Wainwright; Barbee; Cole; Dickson; Dockham; Hardy; Luebke; Miller; Preston; Russell

Staff Counsels Linda Attarian and Linwood Jones were present to assist the Committee. The visitor registration sheet is attached as part of the minutes.

Chairman McComas called the meeting to order, introduced the Pages serving the Committee and welcomed guests. He then called for the first item on the agenda.

Chairman McComas accepted a motion to adopt a Proposed House Committee Substitute for SB 247 Remove Sunset/Health Contract Confidentiality. The motion passed and a copy is attached to the minutes. Rep. George Miller was recognized to explain SB 247 on behalf of bill sponsor Senator Tony Rand. Rep. Miller offered an amendment to the Proposed House Committee Substitute. Rep. Barbee moved that the amendment be adopted. Also recognized for input on this legislation were Bill Pulley, NC Hospital Association and Hugh Stevens, NC Press Association. Rep. Barbee moved that the bill be given a favorable report, as amended. The bill was voted on and passed, as amended.

The meeting adjourned at 12:30 p.m..

Daniel F. McComas

Chairman

Rita A. Quinn Committee Clerk



House of Representatives State Legislative Building Raleigh 27601-1096

#### **AGENDA**

### SUBCOMMITTEE ON HEALTH

May 8, 1997 Room 612 LOB 12:00 Noon

#### **OPENING REMARKS**

Representative Daniel McComas, Chairman Subcommittee on Health

#### **BILLS TO BE CONSIDERED**

SB 247 Remove Sunset/Health Contract Confidentiality Senator Tony Rand

### **ADJOURNMENT**





# North Carolina General Assembly Legislative Services Office

George R. Hall, Legislative Services Officer (919) 733-7044

Elaine W. Robinson, Director Administrative Division Room 5, Legislative Building 16 W. Jones Street Raleigh, NC 27603-5925 (919) 733-7500 Gerry F. Cohen, Director Bill Drafting Division Suite 401, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6660 Thomas L. Covington, Director Fiscal Research Division Suite 619, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-4910 Donald W. Fulford, Director Information Systems Division Suite 400, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-6834 Terrence D. Sullivan, Director Research Division Suite 545, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-2578

April 16, 1997

### **MEMORANDUM**

TO:

Members of the House Insurance Committee on Health

FROM:

Linda Attarian, Subcommitte Co-Counsel

RE:

SENATE BILL 247 - REMOVE SUNSET ON PUBLIC HOSPITAL CONTRACT

**CONFIDENTIALITY** Sponsor: Senator Rand

Senate Bill 247 would remove the June 1, 1997 sunset on G.S. 131E-99 which was enacted on June 29, 1996 to continue the exemption of certain provisions of contracts by public hospitals with certain other private parties.

G.S. 131E-99 reads as follows:

§131E-99. Confidentially of health care contracts.

The financial terms or other competitive health care information in a contract related to the provisions of health care between a hospital and a managed care organization, insurance company, employer, or other payer is confidential and not a public record under Chapter 132 of the General Statutes, (1995 (Reg. Sess., c. 713, s.2.).

G.S. 131E-99 makes a narrow exception to the Public Records Law which generally otherwise provides that contracts of public hospitals are public records. This statute says that those parts of contracts public hospitals enter into with managed care organizations, insurance companies, employers, or other payers related to financial terms or other competitive health care information related to the provision of health care are both confidential and not a public record. The other provisions of the contract would be a public record.

On January 21, 1997, the N. C. Court of Appeals ruled in the case of <u>Wilmington Star-News</u>, Inc. v. New Hanover Regional Medical under the law prior to the enactment of G.S. 131E-99 that even though certain pricing information could be considered a trade secret under the Public Records Law, the exception to the Public Records Law protecting trade secrets only applies to private persons, not public bodies and therefore under the law prior to G.S. 131E-99 all

parts of these contracts of public hospitals are public record. The Court noted in dictum that public exposure was one of the costs of doing business with the government. A motion for discretionary review in this case is currently pending in the N.C. Supreme Court.

This bill would become effective when it becomes law.

### GENERAL ASSEMBLY OF NORTH CAROLINA

### **SESSION 1997**

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22 of this act expires June 1, 1997."

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### SENATE BILL 247

Judiciary Committee Substitute Adopted 3/12/97 Proposed House Committee Substitute S247-PCS1809

Short Title: Hosp. Contrct. Confid./Sunset Off.	(Public)
Sponsors:	
Referred to:	
February 26, 1997	
A BILL TO BE ENTITLED	
AN ACT PERTAINING TO CONFIDENTIALITY OF HEALTH CONTRACTS.	CARE
The General Assembly of North Carolina enacts:	
Section 1. G.S. 131E-99 reads as rewritten:	
"§ 131E-99. Confidentiality of health care contracts.	
The financial terms or and other competitive health care information	directly
related to the financial terms in a health care services contract relate	
provision of health care between a hospital or a medical school and a mana	
organization, insurance company, employer, or other payer is confidential a	
public record under Chapter 132 of the General Statutes. Nothing in this	
shall prevent an elected public body which has responsibility for the ho	
medical school from having access to this confidential information in a close	
The disclosure to a public body does not affect the confidentiality of the info	
Members of the public body shall have a duty not to further disclose the con-	nfidential
information."	
Section 2. Section 4 of Chapter 713 of the 1995 Session Laws	reads as
rewritten:	
"Sec. 4. This act is effective upon ratification. Section 2 of this act shall:	
any litigation pending as of the effective date of Section 2. Section 2, but of	<u>otherwise</u>
shall apply to contracts entered into before, on, or after the effective date	Section 2

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Section 3. This act is effective when it becomes law.

### **VISITOR REGISTRATION SHEET**

INSURANCE/Subcommittee on Health	MM/8 ,1997
Name of Committee	Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
1667 PASCHM	Yenry, MARCE & HENDERSO
Jonny Wat	Carolina Kelt Care Syrd
Italy Laslan	
John Bowdise	Zeballey PA.
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House of Representatives State Legislative Building Raleigh 27601-1096

#### **MINUTES**

#### HOUSE INSURANCE SUBCOMMITTEE ON HEALTH

May 29, 1997

The Subcommittee on Health met at 12:00 noon on May 29, 1997 in Room 612 LOB at the Legislative Office Building. Representative Daniel F. McComas presided and the following members were present:

Representatives: Wainwright; Cole; Dickson; Dockham; Hardy; Hensley; Miller; Wright

Staff Counsels Linda Attarian and Linwood Jones were present to assist the Committee. Visitor registration sheet is attached and made part of the minutes.

Chairman McComas called the meeting to order, introduced the Pages serving the Committee and welcomed guests. He announced that because the Senate session also convenes at 12:00 noon today, SB 455 and SB 1016 would not be considered at the request of the bill sponsors. Chairman McComas then called for the next item on the agenda.

Rep. Dub Dickson was recognized to explain SB 785 *Direct Payment Sunsets Off.* Also recognized was Sindy Barker, NC Nurses Association. Rep. Jerry Dockham moved that the bill be given a favorable report. The bill passed with a favorable report.

The meeting adjourned at 12:25 p.m.

Daniel F. McCornas

Chairman

Rita A. Quinn Committee Clerk





House of Representatives State Legislative Building Raleigh 27601-1096

#### **AGENDA**

### SUBCOMMITTEE ON HEALTH

May 29, 1997 Room 612 LOB 12:00 Noon

### **OPENING REMARKS**

Representative Daniel McComas, Chairman Subcommittee on Health

### **BILLS TO BE CONSIDERED**

SB 785 Direct Payment Sunsets Off - Senator W. Martin

SB 1016 Direct Payment Substance Abuse Professionals- Senator W. Martin

#### **ADJOURNMENT**





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Terrence D. Sullivan, Director Research Division Suite 545, LOB 300 N. Salisbury St. Raleigh, NC 27603-5925 (919) 733-2578

May 29, 1997

### **MEMORANDUM**

To:

House Insurance Committee

From:

Linwood Jones, Committee Counsel

Re:

Senate Bill 785: Direct Payment Sunsets Off

In 1993, the General Assembly enacted legislation (Chapters 347 and 464 of the 1993 Session Laws) allowing advanced practice registered nurses and certified clinical social workers to receive direct reimbursement from insurance companies for services rendered within their respective scopes of practice. Additional restrictions were placed on the advanced practice registered nurses' right to direct reimbursement to ensure that only those practicing independently would be entitled to direct reimbursement. An "advanced practice" nurse is one who is licensed or certified as a nurse practitioner, clinical specialist in psychiatric and mental health nursing, or nurse midwife.

The 1993 legislation also provided that the right to direct reimbursement would expire for advanced practice registered nurses on October 1, 1998, and for the clinical social workers on June 30, 1999.

Senate Bill 785 removes both sunsets, thus allowing the advanced practice registered nurses and the certified clinical social workers to continue receiving direct reimbursement from insurers.

S785-SMRN-001

### GENERAL ASSEMBLY OF NORTH CAROLINA

#### **SESSION 1997**

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### **SENATE BILL 785**

Short Title: Direct Payment Sunsets Off.

(Public)

Sponsors:

Senators Martin of Guilford; Ballance, Clark, Forrester, Foxx, Hartsell, Jordan, Kinnaird, Ledbetter, Lee, Lucas, Martin of Pitt, Miller, Odom, Perdue, Rand, Reeves, Shaw of Cumberland, Wellons, and Winner.

Referred to: Pensions & Retirement and Insurance.

#### April 10, 1997

A BILL T	O	BE	<b>ENTITL</b>	LED

2 AN ACT TO REMOVE THE SUNSET ON CERTAIN DIRECT PAYMENTS UNDER HEALTH INSURANCE POLICIES AND PLANS.

4 The General Assembly of North Carolina enacts:

5 Section 1. Section 5 of Chapter 347 of the 1993 Session Laws reads as 6 rewritten:

7 "Sec. 5. This act becomes effective October 1, 1993, and applies to all plans and 8 policies with an inception, renewal, or anniversary date on or after October 1, 1993. 9 This act expires October 1, 1998."

Section 2. Section 8 of Chapter 464 of the 1993 Session Laws reads as 11 rewritten:

"Sec. 8. Sections 1, 2, 3.1, 4, 5, 6, 7, and 8 of this act become effective October 1, 13 1993. Section 3 of this act becomes effective and expires as provided in subsection

14 (b) of that section. Sections 2 and 3.1 of this act expire on June 30, 1999."

15 Section 3. This act is effective when it becomes law.

## **VISITOR REGISTRATION SHEET**

# INSURANCE/Subcommittee on Health

Name of Committee



VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Tima Mechan	UNITED HEACTHCARE OF N.C.
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Norene Hangison RN	Duke University Bof 33-
Robert Paschal	Vary nort
Cam Cover	B7MHL
Javice Peterson	Commission ON substance Above
Figspith Iloller	NASW - NC
Charlotte A. Michie	Legislatine Clair NCSCSW
Mypra 7 n. 16	NASW-NC
Sucy Barler	NC Nurs Associata
Sole Pileoch	NC Nurses association
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Denig Sell	Addition Prof. 1 NC - Onlan Ne
Soln Melcher	NC AWI
GARLAND H SEWS 11	NC ANAC
Ed Ward	APNC Addator References DNC
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