

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 813

Short Title: Reconstructive Surgery/Coverage.

(Public)

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Sponsors: Representatives Alexander, Bowie, Neely; Allred, Arnold, Baddour, Baker, Barbee, Beall, Berry, Black, Blue, Bonner, Boyd-McIntyre, Brawley, Brown, Buchanan, Cansler, Capps, Church, Clary, Cole, Creech, Culpepper, Daughtry, Dedmon, Dickson, Earle, Easterling, Esposito, Fitch, Fox, Gardner, Goodwin, Grady, Gray, Gulley, Hiatt, Hill, Howard, H. Hunter, R. Hunter, Hurley, Insko, Ives, Jarrell, Jeffus, Justus, Kinney, Kiser, Luebke, McAllister, McComas, McCrary, Mercer, Michaux, Miller, Miner, Mosley, Nesbitt, Nichols, Nye, Oldham, Owens, Preston, Ramsey, Rayfield, Redwine, Reynolds, Rogers, Russell, Saunders, Sexton, Sherrill, Shubert, Smith, Tallent, Tolson, Wainwright, Warwick, Watson, Weatherly, Wilkins, and G. Wilson.

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Referred to: Insurance.

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April 7, 1997

A BILL TO BE ENTITLED

1 AN ACT TO REQUIRE HEALTH AND ACCIDENT INSURANCE POLICIES,  
2 HOSPITAL OR MEDICAL SERVICE PLANS, HMO PLANS, AND THE  
3 TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL  
4 PLAN TO PROVIDE COVERAGE FOR RECONSTRUCTIVE BREAST  
5 SURGERY RESULTING FROM MASTECTOMY.  
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7 The General Assembly of North Carolina enacts:

8 Section 1. Article 51 of Chapter 58 of the General Statutes is amended by  
9 adding the following new section to read:

10 **"§ 58-51-61. Coverage for reconstructive breast surgery resulting from mastectomy.**

11 (a) Every policy or contract of accident and health insurance, and every preferred  
12 provider contract, policy, or plan as defined and regulated under G.S. 58-50-50 and G.S.

1 58-50-55, that is issued, renewed, or amended on or after January 1, 1998, and that  
2 provides coverage for mastectomy shall provide coverage for reconstructive breast  
3 surgery resulting from mastectomy. The coverage shall include coverage for all stages of  
4 reconstructive breast surgery performed on a nondiseased breast to establish symmetry  
5 with the diseased breast when reconstructive surgery on the diseased breast is performed.  
6 The same deductibles, coinsurance, and other limitations as apply to similar services  
7 covered under the policy, contract, or plan shall apply to coverage for reconstructive  
8 breast surgery.

9 (b) As used in this section, the following terms have the meanings indicated:

10 (1) 'Mastectomy' means the surgical removal of all or part of a breast as a  
11 result of breast cancer.

12 (2) 'Reconstructive breast surgery' means surgery performed as a result of a  
13 mastectomy to reestablish symmetry between the two breasts.  
14 'Reconstructive breast surgery' includes augmentation mammoplasty,  
15 reduction mammoplasty, and mastopexy.

16 (c) A policy, contract, or plan subject to this section shall not:

17 (1) Deny coverage described in subsection (a) of this section on the basis  
18 that the coverage is for cosmetic surgery;

19 (2) Deny to a woman eligibility or continued eligibility to enroll or to renew  
20 coverage under the terms of the contract, policy, or plan, solely for the  
21 purpose of avoiding the requirements of this section;

22 (3) Provide monetary payments or rebates to a woman to encourage her to  
23 accept less than the minimum protections available under this section;

24 (4) Penalize or otherwise reduce or limit the reimbursement of an attending  
25 provider because the provider provided care to an individual participant  
26 or beneficiary in accordance with this section; or

27 (5) Provide incentives, monetary or otherwise, to an attending provider to  
28 induce the provider to provide care to an individual participant or  
29 beneficiary in a manner inconsistent with this section."

30 Section 2. Article 65 of Chapter 58 of the General Statutes is amended by  
31 adding the following new section to read:

32 **"§ 58-65-96. Coverage for reconstructive breast surgery following mastectomy.**

33 (a) Every insurance certificate or subscriber contract under any hospital service  
34 plan or medical service plan governed by this Article and Article 66 of this Chapter, and  
35 every preferred provider contract, policy, or plan as defined and regulated under G.S. 58-  
36 50-50 and G.S. 58-50-55, that is issued, renewed, or amended on or after January 1, 1998,  
37 that provides coverage for mastectomy shall provide coverage for reconstructive breast  
38 surgery resulting from a mastectomy. The coverage shall include coverage for all stages  
39 of reconstructive breast surgery performed on a nondiseased breast to establish symmetry  
40 with the diseased breast when reconstructive surgery on the diseased breast is performed.  
41 The same deductibles, coinsurance, and other limitations as apply to similar services  
42 covered under the policy, contract, or plan shall apply to coverage for reconstructive  
43 breast surgery.

- 1 (b) As used in this section, the following terms have the meanings indicated:
- 2 (1) 'Mastectomy' means the surgical removal of all or part of a breast as a
- 3 result of breast cancer.
- 4 (2) 'Reconstructive breast surgery' means surgery performed as a result of a
- 5 mastectomy to reestablish symmetry between the two breasts.
- 6 'Reconstructive breast surgery' includes augmentation mammoplasty,
- 7 reduction mammoplasty, and mastopexy.
- 8 (c) A policy, contract, or plan subject to this section shall not:
- 9 (1) Deny coverage described in subsection (a) of this section on the basis
- 10 that the coverage is for cosmetic surgery;
- 11 (2) Deny to a woman eligibility or continued eligibility to enroll or to renew
- 12 coverage under the terms of the contract, policy, or plan, solely for the
- 13 purpose of avoiding the requirements of this section;
- 14 (3) Provide monetary payments or rebates to a woman to encourage her to
- 15 accept less than the minimum protections available under this section;
- 16 (4) Penalize or otherwise reduce or limit the reimbursement of an attending
- 17 provider because the provider provided care to an individual participant
- 18 or beneficiary in accordance with this section; or
- 19 (5) Provide incentives, monetary or otherwise, to an attending provider to
- 20 induce the provider to provide care to an individual participant or
- 21 beneficiary in a manner inconsistent with this section."

22 Section 3. Article 67 of Chapter 58 of the General Statutes is amended by

23 adding the following new section to read:

24 **"§ 58-67-79. Coverage for reconstructive breast surgery following mastectomy.**

25 (a) Every health care plan written by a health maintenance organization and in

26 force, issued, renewed, or amended on or after January 1, 1998, that is subject to this

27 Article and that provides coverage for mastectomy shall provide coverage for

28 reconstructive breast surgery resulting from a mastectomy. The coverage shall include

29 coverage for all stages of reconstructive breast surgery performed on a nondiseased breast

30 to establish symmetry with the diseased breast when reconstructive surgery on the

31 diseased breast is performed. The same deductibles, coinsurance, and other limitations as

32 apply to similar services covered under the policy, contract, or plan shall apply to

33 coverage for reconstructive breast surgery.

- 34 (b) As used in this section, the following terms have the meanings indicated:
- 35 (1) 'Mastectomy' means the surgical removal of all or part of a breast as a
- 36 result of breast cancer.
- 37 (2) 'Reconstructive breast surgery' means surgery performed as a result of a
- 38 mastectomy to reestablish symmetry between the two breasts.
- 39 'Reconstructive breast surgery' includes augmentation mammoplasty,
- 40 reduction mammoplasty, and mastopexy.
- 41 (c) A policy, contract, or plan subject to this section shall not:
- 42 (1) Deny coverage described in subsection (a) of this section on the basis
- 43 that the coverage is for cosmetic surgery;

- 1           (2) Deny to a woman eligibility or continued eligibility to enroll or to renew  
2 coverage under the terms of the contract, policy, or plan, solely for the  
3 purpose of avoiding the requirements of this section;  
4           (3) Provide monetary payments or rebates to a woman to encourage her to  
5 accept less than the minimum protections available under this section;  
6           (4) Penalize or otherwise reduce or limit the reimbursement of an attending  
7 provider because the provider provided care to an individual participant  
8 or beneficiary in accordance with this section; or  
9           (5) Provide incentives, monetary or otherwise, to an attending provider to  
10 induce the provider to provide care to an individual participant or  
11 beneficiary in a manner inconsistent with this section."

12           Section 4. G.S. 58-50-155 reads as rewritten:

13 **"§ 58-50-155. Standard and basic health care plan coverages.**

14           (a) Notwithstanding G.S. 58-50-125(c), the standard health plan developed and  
15 approved under G.S. 58-50-125 shall provide coverage for mammograms and pap smears  
16 at least equal to the coverage required by G.S. 58-51-57.

17           (a1) Notwithstanding G.S. 58-50-125(c), the standard health plan developed and  
18 approved under G.S. 58-50-125 shall provide coverage for prostate-specific antigen  
19 (PSA) tests or equivalent tests for the presence of prostate cancer at least equal to the  
20 coverage required by G.S. 58-51-58.

21           (a2) Notwithstanding G.S. 58-50-125(c), the standard health plan developed and  
22 approved under G.S. 58-50-125 shall provide coverage for reconstructive breast surgery  
23 resulting from a mastectomy to the same extent as required under G.S. 58-51-61.

24           (b) Notwithstanding G.S. 58-50-125(c), in developing and approving the plans  
25 under G.S. 58-50-125, the Committee and Commissioner shall give due consideration to  
26 cost-effective and life-saving health care services and to cost-effective health care  
27 providers. This section shall be effective after July 10, 1991."

28           Section 5. Effective January 1, 1998, G.S. 135-40.6(5) is amended by adding  
29 the following new sub-subdivision to read:

30           "h. Reconstructive Breast Surgery: Reconstructive breast surgery resulting  
31 from a mastectomy. The coverage shall include all stages of  
32 reconstructive breast surgery performed on a nondiseased breast to  
33 establish symmetry when reconstructive surgery on a diseased breast is  
34 performed. As used in this sub-subdivision, (i) 'mastectomy' means the  
35 surgical removal of all or part of a breast as a result of breast cancer; (ii)  
36 'reconstructive breast surgery' means surgery performed as a result of a  
37 mastectomy to reestablish symmetry between the two breasts.  
38 'Reconstructive breast surgery' includes augmentation mammoplasty,  
39 reduction mammoplasty, and mastopexy. Coverage described in this  
40 sub-subdivision shall not be denied on the basis that the coverage is for  
41 cosmetic surgery."

42           Section 6. Nothing in this act shall apply to specified accident, specified  
43 disease, hospital indemnity, or long-term care health insurance policies.

1           Section 7. For purposes of this act, renewal of a health benefit plan, policy, or  
2 contract is presumed to occur on each anniversary of the date on which coverage was first  
3 effective on the person or persons covered by the health benefit plan, policy, or contract.

4           Section 8. This act is effective when it becomes law.