

2009 Legislative Session Brief

Professional Regulation

S958 – Due Process / NC Medical Board Disciplinary Procedures (Nesbitt, D-Buncombe)

- Requires the Board's process to be transparent
- Requires notice when an investigation is initiated
- Requires an investigation lasting more than six months to be justified by the Board in writing
- Requires the Board to communicate through licensee's counsel
- Bans Board members from initiating an investigation on their own
- Bans Board members from serving as expert witnesses for the prosecution

H703 – Disapprove NC Medical Board Profile Rule (Glazier, D-Cumberland)

- Increases threshold for publishing a medical malpractice settlement from \$25,000 to \$75,000
- Effective date changed to May 2008

Scope of Practice

Below are seven of the most significant scope bills filed during the 2009 Legislative Session:

- **H1195 – Definition of Surgery/Optomety (England, D-Rutherford)**
- **S1043 – Licensure of Naturopathic Doctors (Kinnaird, D-Orange)**
- **H1374 – Physical Therapy Modernization Act (Gibson, D-Anson)**
- **H333 – Licensure of Certified Prof. Midwives (England, D-Rutherford)**
- **H1122 – Licensure of Colon Hydro Therapists (Insko, D-Orange)**
- **H842 – Consumer Health Freedom Act (Parmon, D-Forsythe)**
- **H746 – Licensed Professional Counselors Practice Act Update (Insko, D-Orange)**

Insurance Regulation

S877 – Health Plan Provider Contracts / Transparency (Clodfelter, D-Mecklenburg)

- Bans unilateral changes to fee schedules during the term of a contract
- Requires the use of a provider identified contact person to receive fee schedule amendments

H1297 – Provider Credentials / Insurer Contracts (Stewart, D-Nash)

- Requires the issuance of a temporary credential if the insurer fails to complete the credentialing process within six months of application
- Provides additional details about notice delivery when dealing with fee schedule amendments
- Exempts hospital-owned physician offices from inspection by the Division of Health Service Regulation

Medical Malpractice Reform

NCMS continues to advocate for positive medical malpractice reform in NC. Here are a few examples of our collaborative work with legislators in 2009:

- 13 positive bills introduced this session by both Republicans & Democrats in both chambers
- Data collection has vocal, bipartisan support in the Senate
- Collateral source could be a part of a House bill pending in the Senate during the Short Session

Budget: HHS Cuts

- Medicaid provider rate cut held to just 3%
- New cost containment initiatives coming soon
- Safety Net funding restored
- Mental health funding reduced
- Rural & mental health physician recruitment funding reduced or eliminated

Certificate of Need

H436 – Fairness in CON Determination/ Inflation Adjustment (Folwell, R-Forsythe)

- Some CON exemptions are driven by spending thresholds that are not regularly adjusted
- Some thresholds apply to institutions while more onerous thresholds apply to physician services
- H436 would have originally expanded the threshold exemptions for institutions while not addressing any physician services thresholds
- NCMS opposed the original draft and helped to modify the bill so that it did not adversely affect physicians

S804 – CON Changes (Rand, D-Cumberland)

- Blocks the agency from issuing a new CON until the appeals process has been exhausted
- Allows the non-appealing party to request a bond up to \$300,000 (previously \$50,000)

Budget: New Taxes

- Corporate taxes rate will increase by 3%
- Income taxes will increase by 2 to 3%
- Sales taxes will increase by 1%
- Beer, wine & cigarette taxes will increase slightly

Public Health

H2 – Prohibit Smoking in Certain Public Places (Holliman, D-Davidson)

- Bans smoking in restaurants and bars
- Exempts private clubs

H1296 – Establish Drug & Medical Device Repository (Stewart, D-Nash)

- Allows for donations to be made of unused products to the uninsured
- Distribution through local Free Clinics

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