

§ 58-3-175. Direct payment to government agencies.

(a) As used in this section, "health benefit plan" has the same meaning as in G.S. 58-50-110(11) and includes the State Health Plan for Teachers and State Employees and any optional plans or programs operating under Part 2 of Article 3 of Chapter 135 of the General Statutes.

(b) Every entity providing or administering a health benefit plan covering persons in this State shall make payment for health care services covered by the health benefit plan that are provided by any State, county, or city agency, directly to the agency providing the services.

(c) This section does not apply to the extent the agency providing the services has been paid for the services by or on behalf of the person receiving the services.

(d) Nothing in this section shall require any entity providing or administering a health benefit plan covering persons in this State to pay any agency directly:

- (1) If the agency is outside of the health benefit plan's service area;
- (2) If the entity operates a program by which it only pays the health care provider directly upon the acceptance of certain rates and the agency does not accept said rates; or
- (3) If the entity operates a program by which it provides, authorizes, or arranges for a covered person to receive health care from a designated provider or refers the covered person to a designated provider, and the agency is not a designated provider. (1993, c. 41, s. 1; 2007-298, s. 8.4; 2007-323, s. 28.22A(o); 2007-345, s. 12.)